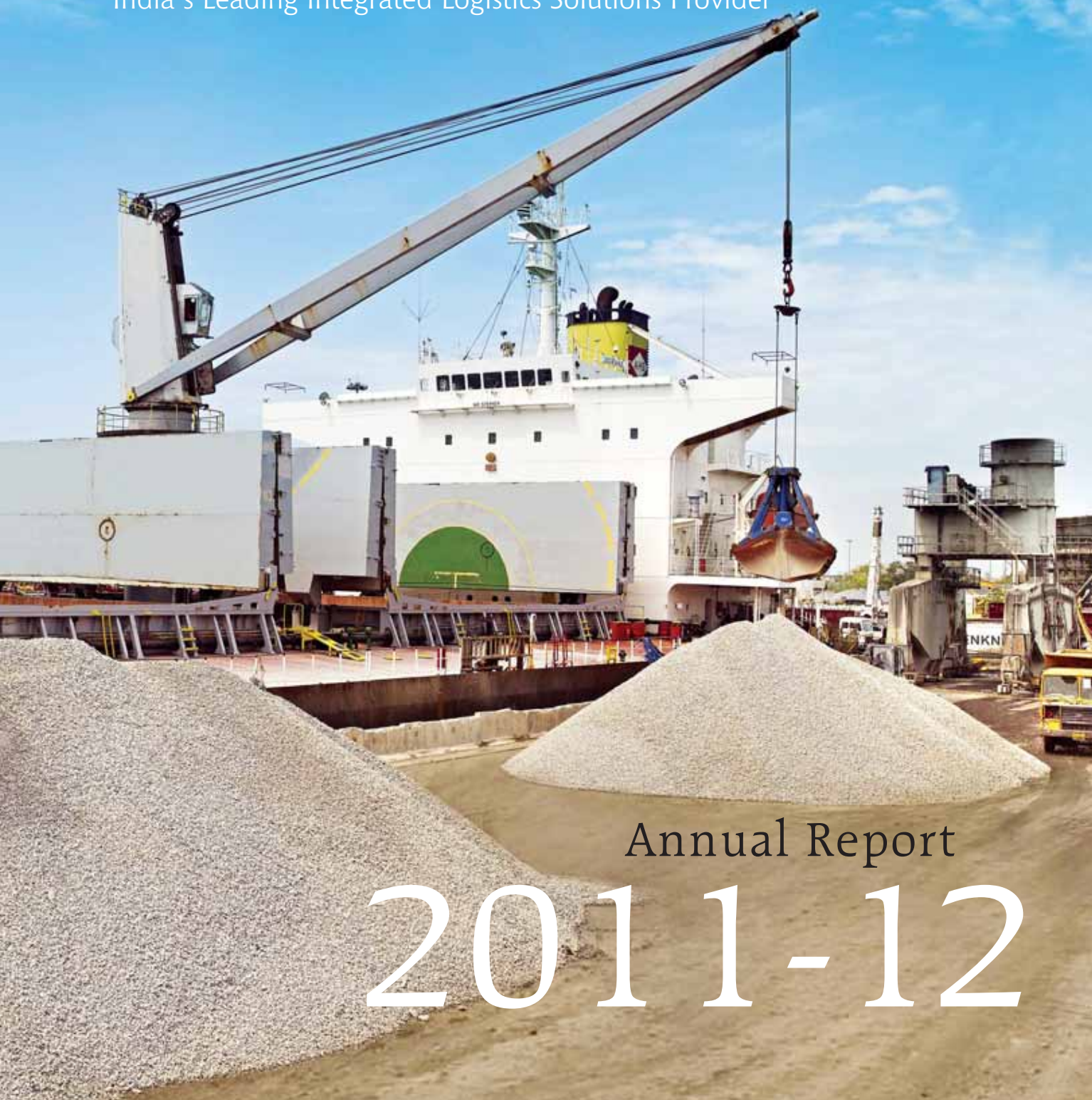


**SICAL**  
COFFEE DAY CO.

**LEAN. FAST. AGILE.**

India's Leading Integrated Logistics Solutions Provider



Annual Report

2011-12

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

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

# QUICK INFORMATION

## Board

R Ram Mohan	Managing Director
Kush Desai	Director
SR Ramakrishnan	Director
HR Srinivasan	Director
AS Sundaresha	Director
H Rathnakar Hegde	Director

---

### Registered office

South India House  
73 Armenian Street  
Chennai 600001

Voice +91 44 66157016  
Fax +91 44 66157017  
Email [secl@sical.com](mailto:secl@sical.com)  
Web [www.sical.com](http://www.sical.com)

### Bankers

Allahabad Bank  
Axis Bank  
Bank of Baroda  
IDBI Bank  
ING Vysya Bank  
The Ratnakar Bank  
YES Bank

### Auditors

CNGSN & Associates  
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 terminals in association with PSA International Terminals Pte Ltd.

## CFS/ICD

Container freight stations at Chennai, Vizag and Tuticorin.

## Trucking and warehousing

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

## Bulk terminals

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

Iron ore terminal at Ennore Port.

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

## Container trains

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

# BUSINESS STRUCTURE

22% | **Promoters**  
53% | **Co-promoters**  
25% | **Public**

## Sical Logistics

Port operations, Trucking and  
Warehousing

- > Sical Iron Ore Terminal (Mangalore) | 100%  
Iron ore terminal at Mangalore port
- > Bergen Offshore Logistics | 100%  
Offshore logistics
  - > Norsea Global Offshore | 100%  
Offshore logistics
- > Norsea Offshore India | 100%  
Offshore logistics
- > Sical Iron Ore Terminal | 63%  
Iron ore terminal at Ennore
- > Sical Infra Assets | 53.60%  
SPV for asset-intensive businesses
  - > Sical Distriparks | 100%  
CFS/ICD
  - > Sical Multimodal and Rail Transport | 100%  
Pan-India container train operations
    - > Sical Hambuja Logistics | 100%  
Container train operations
    - > Sical Sattva Rail Terminals | 50%  
Container terminal operations
  - > Nagpur Sical Gupta Road Terminal | 77%  
Road terminal
  - > Nagpur Sical Gupta Logistics | 71%  
Rail terminal
- > Ennore Automotive Logistics | 40.92%  
Automotive yard logistics
- > PSA Sical | 37.50%  
Container terminal JV with Port of Singapore Authority

# END-TO-END INTEGRATED MULTIMODAL DELIVERY

## Container cargo

Sea



Port/terminal



CONTAINER TERMINAL at Tuticorin in JV with PSA Corporation, Singapore.

ICD/CFS



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

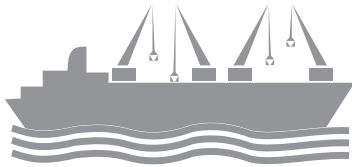
Multimodal  
transportation



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

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



# customers



# DELIVERY NETWORK

Large pan India presence

- Offices
- ▲ Port operations
- ▼ Freight forwarding
- ★ Ship agency
- ◆ Iron ore terminals
- ⬢ Coal terminal
- Container terminal
- ◈ Multi-purpose cargo
- ⋈ CFS/ICD
- ⤴ Rail logistics



## PRODUCTS WE MOVE

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

## KEY CUSTOMERS

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

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

### Customer profile

	FY12	FY11	FY10
Percentage of revenue from no 1 customers	44%	32%	33%
Percentage of revenue from top 5 customers	70%	69%	64%
Percentage of revenue from top 10 customers	79%	80%	78%
No of customers that account for more than 10% of total revenue	2	2	3
No of customers that account for over INR 100 lakhs annual revenue	47	26	44
No of customers that account for over INR 500 lakhs annual revenue	12	16	17
No of customers that account for over INR 1000 lakhs annual revenue	7	9	8

# KEY FINANCIALS

(consolidated, in INR lacs)

Year To 31 March	2012	2011	2010
Revenue	78163	80348	72673
EBIDTA	8533	3206	3817

Year To 31 March	2012	2011	2010
Equity share capital	5562	3954	3954
Net worth	41779	40508	31694
Current assets	32138	46130	59074
Cash and bank balance	7813	19443	8610
Net working capital	6492	2631	17924
Non current assets	98162	85793	95288

## 5-year financials

(stand-alone, in INR lacs)

Year to 31 March	2012	2011	2010	2009	2008
Sales and other income	50204	57048	53740	47962	57096
EBITDA	4797	2757	4427	4177	4228
Interest	2565	1144	1719	1694	1321
Depreciation	1336	1133	1163	1193	1230
Tax	(296)	(822)	(6)	(66)	(402)
Exceptional items	137	225	(1086)	810	1548
Net profit	1329	1076	2636	546	3626
Equity capital	5562	3954	3954	3954	3954
Net worth	40268	38907	32719	19612	27081

## REVENUE MIX

	2011-12	2010-11	2009-10	
	77963.31	76945.74	72201.00	
Port Operation	35085.00	40993.30	37409.70	(consolidated, in INR lacs)
Trucking & Warehousing	13938.40	12688.40	14475.20	
Container Operations	14814.00	11950.80	10232.60	
Container trains-SMART	11325.50	10289.70	9077.80	
Offshore Logistics	2461.40	991.70	1005.70	
Others	339.01	31.84	-	
<b>Gross Total</b>	<b>77963.31</b>	<b>76945.74</b>	<b>72201.00</b>	

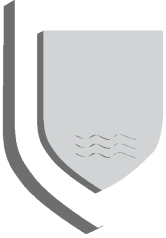
## VOLUMES MIX

Container (20-foot equivalents TEUs)	585638	587154	592000
Bulk (million tonnes)	29	27	26

## RATIOS

(Consolidated)	Fy12	Fy11	Change	Comment
Current ratio Current assets ÷ current liabilities	1.25	1.06	18%	Increase in inventories and significant decrease in short term borrowings and trade payables.
Quick ratio (Cash + receivables + loans & advances) ÷ current liabilities	1.25	1.00	25%	Decrease in short term borrowings and trade payables
Operating margin (Revenue from operations-cost of goods and services)/net sales	0.24	0.15	60%	Increase in revenue and decrease in cost of service
Debt-to-equity (Current + long term debt) ÷ net worth	1.38	2.13	35%	Increase in share capital
Debt ratio (Current + long term debt) ÷ total assets	0.38	0.38		No significant change in Debt and total Assets

# RECOGNITION



The Company was awarded the Best CHA [for](#) having handled highest volume of dry bulk during the year 2011-12 besides the best CHA for handling highest volume in each quarter of 2011-12 by the Chennai Port Trust.

Best CHA for handling Bulk cargo during the year 2010-11 by the Tuticorin Port Trust.

EXIM Service Award from Tamil Chamber of Commerce for achieving No 1 place in Stevedoring.

EXIM Service Award from Tamil Chamber of Commerce for best CFS.

Stevedorer of the Year 2011-12 by Ennore Port Limited.



Annual report 2011-12

Directors' report

# DIRECTORS' REPORT

Your directors are pleased to present this fifty seventh annual report of your company and the audited accounts for the year ended 31 March 2012.

## FINANCIAL REVIEW

The financial results for the year ended 31 March 2012 are summarized below:

	<i>(Rs In lakhs)</i>	
<b>Year ended 31 March</b>	<b>2012</b>	<b>2011</b>
Sales and other income	<b>50204.38</b>	57045.19
Profit before interest, depreciation and tax	<b>4797.33</b>	2754.16
Interest	<b>2565.33</b>	1144.23
Cash profit	<b>2232.00</b>	1609.93
Depreciation	<b>1336.51</b>	1133.34
Profit before tax	<b>895.49</b>	476.59
Provision for tax	<b>(296.09)</b>	(821.89)
Exceptional Items	<b>137.17</b>	(225.10)
Net profit	<b>1328.75</b>	1073.37
Earnings per share (EPS) in Rs (after exceptional items)	<b>2.39</b>	2.27

## DIVIDEND

As funds would be required for the expanded business activities as well for capital expenditure for the Company during the current financial year, the Directors are not recommending any dividend for the FY 2011-12.

## PERFORMANCE

The company's revenues for 2011-12 were Rs 50204.38 lakhs as against Rs 57045.19 lakhs in the previous year while profit after tax was Rs 1328.75 lakhs as against Rs 1073.37 lakhs in the previous fiscal. Profit before interest, depreciation and tax for 2011-12 was Rs. 4797.33 lakhs as against Rs 2754.16 lakhs a year ago.

The performance of various divisions of the company during the previous fiscal is summarized below.

### Port Handling

This division operates in ports like Chennai, Ennore, Tuticorin, Visakhapatnam and Mangalore. The major activities of this division are Stevedoring, Terminal operations and JD V which is an exclusive berth available for the Company at the Chennai Port. Cargoes handled at the various ports vary from Coal, Dolomite, Iron Ore, Steel products and fertilizers. The performance of the division at Chennai port was affected due to the order of Honourable High Court of Chennai prohibiting handling of coal and iron ore at Chennai Port effective 01 Oct 2011.

The total volume handled by Sical at the various ports during FY 2011-12 was 28.80 million MT as against 27.257 million MT in FY 2010-11.

### Customs House Agency

This division acts as an agency for clearing and forwarding goods through customs for imports and exports. This division handled 12.83 million MTs (11.19 million MTs in the previous year) of bulk cargo and 4820 TEUs (5850 TEUs in the previous year) of containerized cargo during the year under review. The cargoes handled vary from Coal, Iron Ore, Project Cargo, Capital Goods, Cement, Pulses, Non Ferrous Alloys and Steel in various forms.

### Ship Agency

This division facilitates and ensures quick turnaround of the ships at berth at all major ports. During the year under review, the division handled 163 vessels (245 vessels in the previous year) at various ports in the country handling both dry and liquid bulk.

### Road Logistics

This division is engaged in transporting cargoes such as dry bulk, liquid bulk, ODC and project equipments through trucks by road. The company currently owns 248 trucks and hires additional trucks based on consignments on a daily basis. The volume of cargo handled during the previous fiscal year was 13.14 lakh MT (11.60 lakh MTs in the previous year).

### Goodwill Travels Division

This division carries out rail and airline ticketing for domestic as well as international and booking of worldwide hotels and tour packages, car rentals, online visas, and travel insurances.

# DIRECTOR'S REPORT

## SUBSIDIARIES AND JOINT VENTURES

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

### 1 Sical Infra Assets Limited

Sical Infra Assets Limited is the infrastructure holding company currently having Sical Distriparks Limited, Sical Multimodal and Rail Transport Limited, Nagpur Sical Gupta Road Terminal Limited and Nagpur Sical Gupta Logistics Limited in its fold.

#### • Sical Distriparks Limited

Sical Distriparks Limited, a subsidiary of the Company, offers container logistics solutions with container yards, bonded and general warehousing, reefer storage and third party logistics for both import and export containers at container freight stations at Chennai, Vizag and Tuticorin. The Company's own CFS at Tuticorin started operating during the previous fiscal. The total volume handled during 2011-12 was 128287 TEUs as against 122870 TEUs in the previous year.

#### • Sical Multimodal and Rail Transport Limited

Sical Multimodal and Rail Transport Ltd, a subsidiary of the Company is engaged in rail operations and operates own rakes which are run between various sectors in India. The project activities relating to development of its own rail terminals at Chennai and Bangalore are in progress. The company expects to commence its operations in the EXIM sector during the current financial year.

In order to integrate the container business under one fold, Company Petitions have been filed for the merger of Sical Distriparks Limited and Sical Hambuja Logistics Private Limited with Sical Multimodal and Rail Transport Limited before the Hon'ble High Court of Madras and the orders are awaited.

#### • Nagpur Sical Gupta Logistics Ltd

The Company was issued a Letter of Authority for developing a rail terminal in MIHAN, Nagpur. Project is in initial stages of implementation.

#### • Nagpur Sical Gupta Road Terminal Ltd

The Company has signed a concession agreement with Maharashtra Airport Development Company Limited for developing a road terminal at MIHAN, Nagpur. The company carried out project activities but the activities were affected due to the global economic downturn and its feasibility. Project is in initial stages of implementation.

### 2 Sical Iron Ore Terminals Ltd

Sical Iron Ore Terminals Limited has developed a 6 million ton Iron ore terminal at Ennore Port on BOT basis. The project was completed and is ready for commercial operation. The terminal could not commence its commercial operation on account of non availability of cargo due to the prevailing ban on export of Iron Ore from out of Karnataka region. The Company is in the process of obtaining the permission to convert the terminal for alternate cargoes.

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

Sical Iron Ore Terminal (Mangalore) Limited has entered into a Concession Agreement with the New Mangalore Port Trust for the setting up of mechanized Iron Ore handling facilities at the deep draft multipurpose berth of New Mangalore Port on BOT basis. The company could not progress much on the project activities due to the prevailing ban on export of iron ore from out of the Karnataka region.

### 4 Norsea Offshore India Limited

Norsea Offshore India Limited, a wholly owned subsidiary of the Company now owns and operates a Cutter Suction Dredger "SICAL Portofino". The dredger performed its operations at Karaikal Port, Mangalore and Paradip during last year and presently at Gangavaram Port engaged in dredging activities.

### 5 PSA Sical Terminals Ltd

PSA Sical Terminals Limited, a joint venture with Port of Singapore Authority operates a container terminal at Tuticorin. In 2011-12, the company handled container volumes of 438538 TEUs as against 445,449 TEUs in the previous year.

### 6 Ennore Automotive Logistics Limited

Ennore Automotive Logistics Limited is a Joint Venture with Mitsui OSK Lines Limited, Japan and Toyofuji Shipping Company Limited, Japan for the operation and maintenance of car yard at Ennore Port for handling the export cars.



## DIRECTOR'S REPORT

### SUBSIDIARY COMPANIES ACCOUNTS

As per Section 212 of the Companies Act, 1956, we are required to attach Director's report, Balance sheet, Profit and loss account of subsidiaries. The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated 8 February 2011 has provided an exemption to companies from complying with Section 212, provided such companies publish the audited consolidated financial statements in the Annual Report. Accordingly, the Annual Report for 2011-12 does not contain the financial statements of the subsidiaries. The audited annual accounts and related information of subsidiaries, where applicable, will be made available upon request. These documents will also be available for inspection during business hours at the registered office at Chennai, India.

### AWARDS AND ACCOLADES

During the year under review,

- The Company was awarded the Best CHA by the Chennai Port Trust for having handled the highest volume of dry bulk during the year 2011-12 besides the best CHA for handling highest volume in each quarter of 2011-12.
- Best CHA for handling Bulk cargo during the year 2010-11 by the Tuticorin Port Trust.
- Award from Tamil Chamber of Commerce for achieving No.1 place in Stevedoring.
- Stevedorer of the Year 2011-12 by Ennore Port Limited.

### DIRECTORS

Shri Kush S Desai and Shri S R Ramakrishnan, Directors retire by rotation at this annual general meeting and being eligible, offer themselves for re-election.

Shri H Rathnakar Hegde was co-opted as an additional director on 19 Dec 11 and shall hold office until the ensuing AGM of the Company. Being eligible, he seeks appointment as Director of the Company at the ensuing Annual General Meeting of the Company.

### AUDITORS

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

### FIXED DEPOSITS

The provisions of Section 58-A of the Companies Act, 1956, relating to the acceptance/renewal of fixed deposits, have been complied with. The Board of Directors at the meeting held on 27th May, 2010 decided not to invite deposits from the public from the year 2010 onwards. Accordingly no fresh deposits were accepted / renewed by the Company. The value of matured and unclaimed deposits as on 31 March 2012 amounted to Rs 81.46 lakh, out of which Rs 73.79 lakh have since been refunded during the current financial year 2012-13.

### DEMATERIALISATION OF EQUITY SHARES

5,40,76,154 equity shares representing 97.26% of the paid-up share capital, have been dematerialized upto 31.03.2012. Shareholders who continue to hold shares in physical form are advised to dematerialize their shares. The Company is also in the process of sending reminders to the shareholders to whom new share certificates were sent during the year 1999 arising on account of mergers and the same being returned undelivered.

### CORPORATE GOVERNANCE

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

### STATUTORY INFORMATION

1 Under Section 217 [2AA] of the Companies Act, 1956, the board of directors report that:

- In the preparation of annual accounts, the applicable accounting standards have been followed with no material departures;
- They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;

## DIRECTOR'S REPORT

- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
  - They have prepared the annual accounts on a going concern basis.
- 2 The particulars required under Section 217 [1] [e] of the Companies Act, 1956, read with the rules framed under it are not applicable since the company is engaged in the business of providing logistics services. However, details of foreign exchange earnings and outgo are furnished in Annexure I to this report.
  - 3 The information required under Section 217(2A) of the Companies Act, 1956 and the rules made there under, in respect of the employees of the company, is provided in the Annexure forming part of this report. In terms of Section 219(1)(b) (iv) of the Act, the Report and Accounts are being sent to the Members, excluding the aforesaid Annexure. The Annexure is available for inspection by Members at the registered office of the company during business hours on working days upto the date of the ensuing AGM, and if any Member is interested in obtaining a copy thereof such Member may write to the Company Secretary whereupon a copy would be sent.

### RELATIONSHIP WITH EMPLOYEES

The directors wish to place on record their sincere appreciation to all the employees for their sincere and dedicated contribution for the progress of the Company.

### ACKNOWLEDGEMENT

The directors wish to thank the company's bankers, financial institutions, port and customs authorities, foreign collaborators, suppliers, statutory regulators, governmental agencies, investors and customers for their continued support at all times.

For and on behalf of the Board

Place Bengaluru  
Date 10 August 2012

**R RAM MOHAN**  
Managing Director

## ANNEXURE - 1 TO THE DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES [DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS] RULES, 1988.

A	CONSERVATION OF ENERGY	:	NA
B	TECHNOLOGY ABSORPTION	:	NA
C	FOREIGN EXCHANGE EARNINGS AND OUTGO		
	Total Foreign Exchange	Earned	: Rs 88.38 lacs
		Used	: Rs 77.46 lacs
	DISCLOSURE OF PARTICULARS WITH REFERENCE TO CONSERVATION OF ENERGY	:	NIL

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT [2011-12]

## INDUSTRY OVERVIEW

Logistics encompasses an array of essential activities—from transport, warehousing, cargo consolidation, and border clearance to in-country distribution—involving a variety of public and private agents. A competitive network of global logistics is the backbone of international trade.

The Indian logistics industry is poised for a significant growth in the coming years as companies, especially in the automotive, pharma, manufacturing, retail and FMCG sectors, are increasingly opting to outsource their logistic requirements to specialized service providers. Cold chain storage and related logistics now form an integral part of the supply chain for storage and distribution of perishable goods and temperature sensitive pharmaceuticals and biological preparations and the cold-chain industry has a tremendous growth in the years to come.

The service requirement varies from sector to sector and each and every one expects that an excellent service with timely delivery is ensured at a competitive price. It is observed that the reduction in the logistics cost can be brought about by improving the national logistics infrastructure to facilitate smooth transfer of materials and information. Simultaneously, at the micro level, the logistics service providers need to infuse better management practices, employ technology that facilitates its logistics process to reduce its service cost.

As the logistics services industry evolves, players are moving away from asset-based commoditized services to more strategic, information-based approaches. Customers are demanding a “single point of contact” for all logistics services.

Users of logistics services are no longer lured by buzzwords or big names; the focus is clearly on costs and delivered value.

In the current scenario moving to higher value added services and optimizing operations are perceived as the biggest growth opportunity for the Indian Logistics Service Providers [LSP]. In a way, this would also assist the individual players in accumulating sufficient profits to be ploughed back in business, as a means to tide over the problem of limited access to affordable credit. The trend of consolidations by way of mergers and forging alliances with other players is fast picking up in the logistics community and would address the fragmented nature of industry. Given these opportunity areas, a focused training approach and extensive implementation of advanced technologies could boost the international competitiveness of Indian LSPs.

The major ports in the country handled 560.15 million tonnes of cargo during 2011-12 a marginal decrease over the previous year of 570.03 million tonnes. There has been a drastic slowdown in augmentation of capacities at major ports during the last five years. In addition, lack of proper facilities, deeper drafts, good connectivity and necessary equipment/technology has contributed to high logistics costs. On the positive side, with the Government encouraging private participation in port development, non-major ports have begun contributing significantly to the economy. Various projects are under bidding/planning stages. So also the road sector which provides greater employment opportunities and connecting all the places across the country where reach is not possible either by railways or waterways. The government is paying greater attention to development of the road infrastructure. Good road infrastructure provides ample opportunity in timely delivery of goods thereby improving the performance.

Government incentives aimed at promoting economic growth can make areas such as infrastructure i.e., development of Greenfield ports, airports, road, and rail logistics attractive for private investment. This helps capacity augmentation and thereby encourages industrial production. Infrastructure developments like the railway dedicated freight corridors, road development projects and modernization of over 37 operational airports will increase India's handling capacities, thereby enhancing logistical performance.

Logistics cost is considerably high in India which is expected to be around 13-14 per cent of GDP as against the US (9.5 per cent) and Europe (7.15 per cent).

The evolving business landscape and increasing competition across industries, is creating the need for more efficient and reliable logistics services than what exists today.

In the recent past, the logistics industry has witnessed a paradigm shift in scope of service offerings with the constituent players moving from typically being single service specialization companies to what are now popularly referred to as “Total logistics solution” providers. This has added a new dimension of service synergies, which ultimately helps the service providers to offer a whole gamut of quality services to the client at competitive rates. Furthermore, in a situation like today's it also helps diversifying the basket of offerings into a wide range of avenues so as to minimize risk faced due to unpredictable/vulnerable business segments. While managing the complete supply chain presents its own unique challenges, it also helps in optimizing costs not only for the service provider, but also for their customers wherein they can have greater control over their inventory levels to prevent stock outs. Organizations that have been able to embrace this change and expand their capabilities beyond pure play transportation certainly enjoy a competitive advantage over their peers. In India, this trend is largely seen in firms which have a strong warehousing and distribution capability, a customer centric approach and a forward thinking leadership.

At times, point-to-point movement of cargo is even manually tracked and updated by agents en route the final destination. The level of familiarization and use of advanced technologies like Global Positioning System (GPS), Warehouse Management System (WMS), Radio frequency identification (RFID) amongst SMEs in India is quite low.

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT [2011-12]

## CHALLENGES AND OPPORTUNITIES

The bottleneck faced by the logistics industry with respect to the infrastructure and probable cause and effects are tabulated below.

Area	Cause	Effect
Ports	Inadequate capacity at major ports	Heavy congestion at most major ports leading to higher vessel turnaround time
	Untapped potential of non-major ports	
	Scope for improvement in handling equipments	Inefficient handling
	Lack of warehousing	Excessive cargo loss
Airports	Few busy airports	Congestion at main airports
	Numerous relatively less used airports	
	Lack of equipment for odd-sized packages, professional packers, etc.	Inefficient handling resulting in pilferage/damage
Roads		High cost of alternate arrangements
	Bad quality of roads	Do not support the axle weight of the trucks and cause the roads to break and cave in
	Inadequate lanes/lack of maintenance	Bad road quality leading to poor speeds, accidents and high vehicle maintenance
Railways	Inadequate hinterland connectivity	Inconvenience due to limited access to neighbouring ports
	Too many level crossings/minimal electronic controls/priority to passenger trains over cargo trains	Choked rail network and resultant lower speed of cargo trains
	Limited network and terminals of private container train operators	Transportation delays and cost overruns
	Inadequate capacity/connectivity	Transportation delays
Cold chain/CFS/ICD	Unreliable infrastructure/uneconomical size	Less integrated services, inefficiency and resultant inconvenience.

The global shipping industry is in recession state even though there are signs of improvement. Carriers should draw upon bottom line expenses and drive down costs. Over time and with discipline, the stability of an efficiency based model has the potential to ensure the long term health of the global shipping industry. Since very big ships are only practical on very high volume lanes, the carriers face a combination of excess capacity and limited flexibility regarding where the ships can be assigned. Even when volumes are insufficient to justify the big ships, the advantages for shippers remain few. Service and cost would be improved by better cooperation among the shipping lines, sharing cargo and moving towards hub-based networks.

Few of the challenges and opportunities in the Railways, Road and Port sector are enumerated in the succeeding paragraphs.

## RAILWAYS

The opportunities available in this sector are being allowed for private companies by allowing them to operate container trains based on licences which were earlier exclusively run by the railways viz. CONCOR. However, current restrictions in terms of commodities which can be handled by private container train operators, policies around usage of rail siding facilities, etc are hindrances for growth. Significant efforts are being made by the private container train operators to streamline the policies to ensure smooth operations through continuous dialogue with the authorities.

## ROAD

Challenges with respect to road logistics is the operating cost. The road transport cost comprises of vehicle operating cost and road related cost. The vehicle operating cost on Highways, which is major component of the total transport cost, is entirely dependent on the condition of the roads. In order to reduce this total transport cost it is essential to maintain the roads at a good level of service. The existing NH network is under severe strain due to rapid traffic growth, overloading of vehicles and maintenance related challenges of National Highways.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT [2011-12]

Apart from funds, other factors such as outmoded system of gang labour, weak planning, scheduling and monitoring of maintenance operations, inherent deficiencies in structural thickness, lack of attention of drainage and poor enforcement of legal axle load limits which have hastened the process of decay of the NH network. Hence there is a need to deploy proper management for maintenance of National Highways. Some other challenges include land acquisition, encroachment on highways, environmental and forest clearances, shifting of utilities, railway approvals for rail overbridges, local law and order problems, poor performance by some contractors, etc. This translates in the form of slower speeds of vehicular traffic.

### PORT

Ports play a vital role in the overall economic development of the country. About 95 per cent by volume and 70 per cent by value of the country's international trade is carried on through maritime transport. India has a total of 187 minor ports and 13 major ports spread across the nine maritime states.

Traffic at major ports is expected to grow at a Compounded Annual Growth Rate (CAGR) of about 8 per cent from 561 million tonnes (MT) in 2009-10 to 1,215 MT by 2019-20, whereas the traffic at non-major ports is expected to grow at a growth rate of 16 per cent from the present level of 289 MT to 1,270 MT. Thus, the anticipated traffic at Indian Ports would be 2,485 MT by 2019-20 from the present level of 850 MT at a growth rate of more than 11 per cent.

During 11th Five Year Plan period for development of Port Infrastructure at Major Ports, an investment of around INR 5,566 crore has been made and a capacity addition of 185.08 Million Metric Tonnes Per Annum (MTPA) has been achieved. The traffic handled has increased by 96.37 MT i.e. from 463.78 MT to 560.15 MT.

As per the Working Group Report for 12th Plan for the Port Sector, traffic to be handled by Major Ports is estimated at 943.06 MT and at 815.20 MT by Non-Major Ports as against present level of 560.15 MT handled by Major Ports and about 370.00 MT handled by Non-Major Ports.

In the 12th Five Year Plan the Government of India has proposed to invest INR 73,793.95 crore for development of various projects in port sector. As per 12th Five Year Plan the capacity of Major Ports will be increased to 1229.24 MTPA by the end of March 2017. In the year 2012-13, 25 Projects have been identified for award at various Major Ports in the country under Public Private Partnership (PPP) mode.

After a review of the infrastructure sector by the Prime Minister Dr Manmohan Singh, a target has been set for the Ministry of Shipping for award of projects for creating 244 MT of capacity during 2012-13 spread across 42 projects at an estimated cost of INR 14,500 crore. The target also include, obtaining approval of establishing two new Major Ports – one in Andhra Pradesh and another in West Bengal.

India has announced a combined US\$ 110 billion package to develop its ports and shipbuilding industry by 2020. The ten-year plan is known as Maritime Agenda 2010-2020, which intends to develop the Indian Ports Capacity to 3,200 MT by 2020. The port sector under the new plan would invest US\$ 66 billion, of which the majority will be from private investors. The Government believes that the private sector will handle 50 per cent of the nation's cargo by 2015.

Few of the challenges with respect to the Port sector are lack of proper facilities, deeper drafts, good connectivity and necessary equipment/technology has contributed to high logistics costs. At present, a lot of time is wasted because of pre-berthing delays, the average turnaround time of vessels at major Indian ports and dwell time for EXIM containers at Indian ports. Larger vessels, having the potential to cut substantial cost, are unable to call at Indian ports due to limited draft. The draft available at international ports ranges from 12 m to 23 m whereas, in India except for a handful of ports like Kandla, Mundra, Ennore, Gangavaram & Krishnapatnam, other ports have an average draft ranging from 8m to 12m.

The opportunities available in this sector being the Government encouraging private participation in port development, non-major ports have begun contributing significantly to the economy. Players with ports as their core business can now invest in strengthening their back-end and soft infrastructure such as connectivity linkages and alliances as well as initiatives for productivity improvements, service augmentation and customer development. Foreign and private equity investments in Indian ports in recent times reflect a strong faith in India's port sector and suggest the inflow of more such funds in the forthcoming period. It establishes that credible port infrastructure is no more value-adding, but imperative for development of globally competitive hubs of economic activity and thereby promoting international trade.

The logistics industry will continue to be the focal point of strategy formulation, operational excellence and information technology to make maximum contribution in value creation for customers. Globalization, consolidation, technology advancements and outsourcing have only led to growth in the logistics services market and this industry will continue to evolve in the coming years.

### SICAL – FINANCIAL PERFORMANCE AND OPERATIONAL PERFORMANCE – A BIRD'S EYE VIEW

On the operational performance, Sical has its presence in almost all the major and minor ports. Sical provides integrated solutions for multimodal logistics of bulk and containerized cargo and is the one stop shop for executing multimodal logistics

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT [2011-12]

connecting sea, road and rail. The services are provided under the categories of bulk logistics, container logistics and offshore logistics. The bulk logistics contributed Rs 50204.38 lakhs to the consolidated revenue of the Company with an EBITDA of Rs 4797.33 lakhs. The bulk logistics division consists of port handling, CHA, Shipping Agency and road logistics.

The Port Handling division handled 28.80 million tones of cargo at various ports during the year under review. The major commodities handled were coal, dolomite, iron ore and fertilisers.

CHA division provides services relating to clearing and forwarding of goods through customs for imports and exports. The cargoes handled varies from coal, iron ore, project cargo, containerized cargo, capital goods, raw material, cement, pulses, non ferrous alloys and steel in various forms.

Ship Agency facilitates and ensures quick turnaround of the ships at berth at all major ports.

Road logistics transports various cargoes ranging from dry bulk to project equipments through own trucks as well as hired trucks. The competition faced from unorganized sectors and spiraling fuel prices impact the performance.

The Rail Container operation is carried out through Sical Multimodal and Rail Transport Limited the subsidiary of the Company. Currently, this Company owns 7 rakes and has own as well as leased containers for the effective operation. The container trains are run on Pan-India basis across the country in various sectors. Depending upon the traffic, new routes are being introduced as a strategic decision. This division contributed a turnover of Rs 11430 lakhs to Sical's consolidated performance. This Segment is in the process of developing own rail terminals near Chennai and Bengaluru and the project activities are in progress. The Company expects to commence its EXIM operations from Chennai Port in the coming months.

Sical Distriparks Limited is engaged in the CFS operations at Chennai, Tuticorin and Vizag. The Company's performance improved on the back of efficient and customer focused solutions. The Company commissioned its own CFS at Tuticorin in February, 2011 apart from leasing the CWC facilities. The quantity handled was at 129217 TEUs during the financial year under review. This Company contributed Rs 10040 lakhs of turnover to Sical's consolidated performance.

Apart from the above, the cutter section dredger is presently engaged in operation at the Gangavaram Port on a long term contract. Prior to this, the same was in operation at Karaikal Port, Mangalore and Paradip Port during the previous fiscal.

The iron ore terminal project at Ennore though complete in all respects could not be commissioned due to the ban imposed by the Government of Karnataka on the mining and transportation of iron ore from out of the state of Karnataka. The Company has approached the appropriate authorities seeking permission to convert the terminal for alternate cargoes. Similarly, the project activities could not progress well with regard to the mechanization of the deep draft berth at the New Mangalore Port due to the ban on iron ore mining by the Government of Karnataka

The profitability of the Joint Venture operation by PSA Sical at Tuticorin turned to red due to royalty and tariff related policy matters. The Company is in the process of resolving these policy issues. The joint venture for the car yard management at Ennore Port with MOL and Toyofuji has improved its performance during the year. This JV is currently handling Nissan cars and shall be shortly handling Toyota cars.

### SICAL – THE WAY FORWARD

With the opportunities and challenges enumerated above for the logistics industry as a whole, Sical is in the process of identifying the best opportunities through which it can operate for a great growth in the years to come by exploring opportunities in multimodal – integrated logistics solutions, participating in BOT tenders for the development of terminals at ports as well in the logistics support with reference to port handling, customs house agency, shipping agency and road movement of cargoes both bulk as well as containerized and in the logistics parks. The business of the Company was impacted due to the order of the High Court of Madras in prohibiting the dusty cargoes to be handled at Chennai Port. Further the impact of ban imposed by the Government of Karnataka on mining and exporting of iron ore from out of Karnataka and the tax structure prevailing for the iron ore export have significant impact on the two projects of the company viz. the Ennore iron ore terminal which has been completed in all respects and the mechanization of the iron ore handling facility at New Mangalore Port. The Management is taking all efforts in tiding over this situation by strategic approach with the appropriate authorities seeking permission for handling alternate cargoes and in finding opportunities in other ports where the Company can have a presence. With the dedication and co-operation of the employees at all levels, the Management expects better performance every year.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT [2011-12]

### HUMAN RESOURCES/INDUSTRIAL RELATIONS

The industrial relations at all levels remained cordial throughout the year. Employees are considered to be the ambassadors who really involve themselves in achieving the vision of the Company. They are considered to be the backbone of the organization and the development of the organization really depends on the improvement of each and every employee in the organization. With this in view, the Management has evolved best practices in evaluating the performance of the employees at all levels and provide growth opportunities in their career. Various developmental programs were carried out during the fiscal in addition to sponsoring employees for various seminars, symposiums and workshops organized by external agencies to enrich their knowledge and implement the best practices in their work place wherever feasible.

### CAUTIONARY STATEMENT

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

# REPORT ON CORPORATE GOVERNANCE

Your company is pleased to present the following report on Corporate Governance for the Financial Year 2011-12 [01 April 11 – 31 Mar 12].

## 1 GOVERNANCE PHILOSOPHY

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

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

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

## 2 BOARD OF DIRECTORS

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

As on 31 March 2012, the Board comprised of

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

### BOARD PROCEDURE

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

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

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

## 3 NUMBER OF BOARD OF DIRECTORS MEETINGS AND THE DATES ON WHICH HELD DURING THE FINANCIAL YEAR 2011-12.

Total Number of Board Meetings : 7

I Quarter [April – June 2011]	II Quarter [July – September 2011]	III Quarter [October – December 2011]	IV Quarter [January – March 2012]
01 April 2011	12 August 2011	14 November 2011	10 February 2012
27 May 2011	26 September 2011	19 December 2011	

# REPORT ON CORPORATE GOVERNANCE

Attendance of Directors at the Board of Directors Meetings held during 2011-12 and the last Annual General Meeting [AGM] held on 19.12.2011 is as follows.

Director's Name	Category of Membership	Attendance Particulars		Number of other directorships and committee member/chairmanships as at 31.03.2012	
		Board Meetings	Last AGM	Other Directorship	Committee Memberships
# Ashwin C Muthiah	Chairman [Promoter non-executive Director]	1	-	-	-
# Dhananjay N Mungale	Non-executive & Independent Director	1	-	-	-
H R Srinivasan	Non-executive & Independent Director	6	✓	Director 6	1
# Mano Vikrant Singh	Non-executive & Independent director	-	-	-	-
# Sanjiv Ralph Noronha	Non-executive & Independent director	2	-	-	-
# L R Sridhar Managing Director	Executive Director	4	-	-	1
@ R Ram Mohan Managing Director	Executive Director	4	✓	-	-
@ Kush S Desai Director	Non-executive & Non-independent Director	4	✓	Director 3	1
@ S R Ramakrishnan	Non-executive & Non-independent Director	4	✓	Director 10	1
@ A S Sundaresha	Non-executive & Independent Director	2	-	-	-
\$ H Rathnakar Hegde	Non-executive & Independent Director	1	-	Director 3	-

# Shri Ashwin C Muthiah, Shri Dhananjay N Mungale, Shri Mano Vikrant Singh, Shri Sanjiv Ralph Noronha – Directors and Shri L R Sridhar, Managing Director resigned w.e.f. 26 September 2011.  
 @ Shri R Ram Mohan, Shri Kush S Desai, Shri S R Ramakrishnan and Shri A S Sundaresha joined the Board w.e.f. 26 September 2011.  
 \$ Shri H Rathnakar Hegde joined the Board w.e.f. 19 December 2011

## Note

For reckoning the other Directorships – Private Limited Companies, Foreign Companies and Sec 25 companies have been excluded. For reckoning the Committee Memberships and Committee Chairmanships – Audit Committee and Shareholders/Investors Grievance Committee alone have been considered. Regarding disclosure of all pecuniary relationships/transactions of the non-executive Directors vis-à-vis the Company, as per Clause 49(I)(B) of the Listing Agreement, there were no materially significant related party transactions during the year having conflict with the interests of the Company.

## REPORT ON CORPORATE GOVERNANCE

### 4 AUDIT COMMITTEE

The composition of the Audit Committee as on 31.03.2012 is as follows:

1	H R Srinivasan	Chairman of the Committee
2	A S Sundaresha	Member
3	H Rathnakar Hegde	Member
4	R Ram Mohan	Member

The Committee met four times during the year i.e. on 27 May 2011, 12 August 2011, 14 November 2011 and 10 February 2012.

Attendance of Directors at the Audit Committee Meetings held during 2011-12.

Directors Name	Category of Membership	Attendance Particulars			
		27.05.2011	12.08.2011	14.11.2011	10.02.2012
H R Srinivasan	Chairman of the Committee	✓	✓	✓	✓
# Ashwin C Muthiah	Member	-	✓	-	-
# Dhananjay N Mungale	Member	-	-	-	-
# Mano Vikrant Singh	Member	-	-	-	-
# Sanjiv Ralph Noronha	Member	✓	✓	-	-
@ A S Sundaresha	Member	-	-	✓	✓
@ R Ram Mohan	Member	-	-	✓	✓
\$ H Rathnakar Hegde	Member	-	-	-	-

# Audit Committee was reconstituted subsequent to the change in the Board of Directors of the Company on 26 September 2011.

@ Upon reconstitution of the Board on 26 September 2011, A S Sundaresha and R Ram Mohan were inducted as members of the Audit Committee.

\$ H Rathnakar Hegde was inducted as member of the Audit Committee on 10 February 2012.

The broad terms of reference of the Audit Committee are:

- 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.
- 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.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause [2AA] of Sec 217 of the Companies Act, 1956.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgement by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with the listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- Reviewing, with the Management, the quarterly financial statements before submission to the board for approval.
- Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

## REPORT ON CORPORATE GOVERNANCE

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

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

### 5 Details of remuneration paid to the Managing Director [s]/Directors for the financial year ended 31.03.2012.

(In Rs lakh)

Name	Fixed Component		Variable Component Special Allowance
	Salary & Allowances	Other benefits	
L R Sridhar, Managing Director [upto 26 Sep 2011]	42.59	2.42	-
Details of payments made to Directors during the financial year 2011-12			
Name of the Director	Sitting Fee	Commission	
ASHWIN C MUTHIAH	20000		
DHANANJAY N MUNGALÉ	10000	129250	
SANJIV RALPH NORONHA	40000	129250	
H R SRINIVASAN	320000	129250	
S R RAMAKRISHNAN	80000		
A S SUNDARESHA	80000		
H RATHNAKAR HEGDE	20000		
TOTAL	570000	387750	

Sitting fee was enhanced from Rs 10,000/- to Rs 20,000/- w.e.f. 26 September 2011.

### 6 Shareholders/Investors Grievance and Share & Debenture Committee

The Committee comprises as of 31.03.2012

H R Srinivasan	:	Chairman of the Committee
R Ram Mohan	:	Member
Kush S Desai	:	Member

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

The broad terms of reference of this Committee shall be:

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

## REPORT ON CORPORATE GOVERNANCE

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

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

During the year 3 complaints were received and all the complaints were replied/disposed off.

### 7 INSIDER TRADING

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

### 8 CODE OF CONDUCT

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

### 9 SECRETARIAL AUDIT

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

### 10 GENERAL BODY MEETINGS

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

Year	Date & Time	Venue
2009	16 September 2009 at 3.00 pm	Rajah Annamalai Hall, Esplanade, Near High Court, Chennai 600108
2010	23 September 2010 at 3.05 pm	Rajah Annamalai Hall, Esplanade, Near High Court, Chennai 600108
2011	19 December 2011 at 2.00 pm	Rajah Annamalai Hall, Esplanade, Near High Court, Chennai 600108

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

Annual General Meeting held on 19 December 2011	Appointment of Shri R Ram Mohan as Managing Director for a period of 5 years w.e.f. 26 September 2011.
Annual General Meeting held on 23 September 2010	Increase in remuneration payable to Shri L R Sridhar as Managing Director w.e.f. 28 January 2010.
Annual General Meeting held on 16 September 2009	Appointment of Shri L R Sridhar as Managing Director for a period of 3 years w.e.f. 05 May 2009.

### 11 POSTAL BALLOT

No resolution was passed through Postal Ballot during the previous financial year and hence none are placed before the shareholders for confirmation during the ensuing AGM.

### 12 DISCLOSURES

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

- There are no materially significant transactions with the related party viz. Promoters, Directors, or the Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large.
- There are no pecuniary relationships or transactions with the Non-executive Directors of the Company except the remuneration paid to them for services rendered as Directors of the Company.

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

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

## REPORT ON CORPORATE GOVERNANCE

### 13 MINUTES OF SUBSIDIARY COMPANIES

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

### 14 GENERAL SHAREHOLDERS INFORMATION

#### i Disclosures regarding appointment or re-appointment of directors

Subsequent to the completion of the open offer formalities, the Board was reconstituted on 26 September 2011. Shri Kush S Desai and Shri S R Ramakrishnan shall retire at the ensuing AGM and will be seeking reappointment to the Board. Shri H Rathnakar Hegde who was co-opted as additional director on 19 December 2011 will seek for appointment at the ensuing AGM. The details of the directors seeking appointment/re-appointment are disclosed in the notice to the shareholders convening the Annual General Meeting.

#### ii Committees of Board of Directors

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

#### iii Communication with shareholders

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

#### iv Date, time and venue for 57th AGM:

28 September 2012 at 10.25 am at Rajah Annamalai Hall, Esplanade, Chennai 600108

#### v Financial Calendar [2012-13]:

Financial reporting for the quarter ending [tentative]

1	30 June 2012	Second week of August 2012
2	30 September 2012	Second week of November 2012
3	31 December 2012	Second week of February 2013
4	31 March 2013	Audited results before last week of May 2013
	Annual General Meeting [tentative]	By second/third week of September, 2013

#### vi Dates of Book Closure:

From: 24.09.2012 To: 28.09.2012 [both days inclusive]

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

Particulars	Bombay Stock Exchange Limited	National Stock Exchange of India Limited	Bloomberg	ISIN No
Trade Name	SICAL	SICAL	SICAL	INE075B01012
Stock Code/Series	520086	SICAL	SICL:IN	
Listing Fees for 2012-13	:	Paid to all the above stock exchanges		
Depositories	:	National Securities Depository Limited 4th Floor, 'A' wing, Trade World, Kamala Mills Compound Senapati Bapat Marg, Lower Parel, Mumbai 400013 Central Depository Services [India] Limited PJ Towers, Dalal Street, Fort, Mumbai 400023		
Custodial Fees for 2012-13	:	Paid to all the above depositories		

#### viii Registered Office

: South India House, 73 Armenian Street, Chennai 600001  
Website: www.sical.com



## REPORT ON CORPORATE GOVERNANCE

### ix Investor Services Investor Complaints

	2011-12		2010-11	
	Received	Attended to	Received	Attended to
Grievances/complaints	3	3	6	6

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

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

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

Month & Year	NSE			BSE		
	High	Low	Average	High	Low	Average
	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.
APRIL 2011	77.80	75.00	76.40	77.50	73.70	75.60
MAY 2011	75.30	73.60	74.45	75.40	73.15	74.28
JUNE 2011	74.30	72.75	73.53	74.30	72.65	73.48
JULY 2011	79.55	72.20	75.88	79.60	72.35	75.98
AUGUST 2011	80.45	67.95	74.20	80.50	68.15	74.33
SEPTEMBER 2011	74.10	67.05	70.58	74.00	67.10	70.55
OCTOBER 2011	73.90	70.60	72.25	74.25	70.60	72.43
NOVEMBER 2011	75.50	70.00	72.75	73.15	70.05	71.60
DECEMBER 2011	72.20	68.55	70.38	72.80	68.60	70.70
JANUARY 2012	69.90	68.55	69.23	70.00	68.60	69.30
FEBRUARY 2012	74.00	68.50	71.25	74.30	68.50	71.40
MARCH 2012	69.30	67.25	68.28	69.65	67.45	68.55

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

Address for communication : Cameo Corporate Services Limited  
Unit: Sical Logistics Limited  
Subramanian Building 5th Floor 1 Club House Road Chennai 600002  
Telephone 044.28461073 Fax 044.28460129  
e-mail cameo@cameoindia.com

### xii Share Transfer System

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

### xiii Distribution of shareholding as on 31.03.2012

Number of shares Category	No. of Shares	% to total	No. of Shareholders	% to total
Upto 500	2393588	4.3048	41349	95.5449
501-1000	851014	1.5305	1084	2.5047
1001-2000	584333	1.0509	388	0.8965
2001-3000	397181	0.7143	150	0.3466
3001-4000	235579	0.4236	65	0.1501
4001-5000	249428	0.4485	53	0.1224
5001-10000	624296	1.1228	83	0.1917
10001 & above	50266275	90.4042	105	0.2426
<b>Total</b>	<b>55601694</b>	<b>100</b>	<b>43277</b>	<b>100</b>

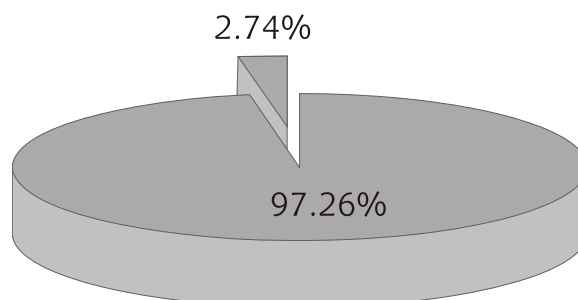
## REPORT ON CORPORATE GOVERNANCE

### xiv Shareholding Pattern as on 31.03.2012

Category	Shareholders [No.]	Number of shares held	Voting Strength [%]
<b>PROMOTER HOLDING</b>			
Promoters & Associates	16	41868788	75.30
<b>NON-PROMOTER HOLDING</b>			
<i>Institutional Investors</i>			
Financial Institutions	4	164837	0.2964
FII	1	752681	1.3537
Banks	16	598893	1.0771
Mutual Funds	5	1211	0.0021
<b>OTHERS</b>			
Other Bodies Corporate	602	4001893	7.1974
Trusts	2	1851	0.0033
NRIs	208	141775	0.2549
Clearing Members	29	29023	0.0521
Public	42394	8040742	14.4613
<b>Total</b>	<b>43277</b>	<b>55601694</b>	<b>100</b>

### xv Dematerialisation of Shares

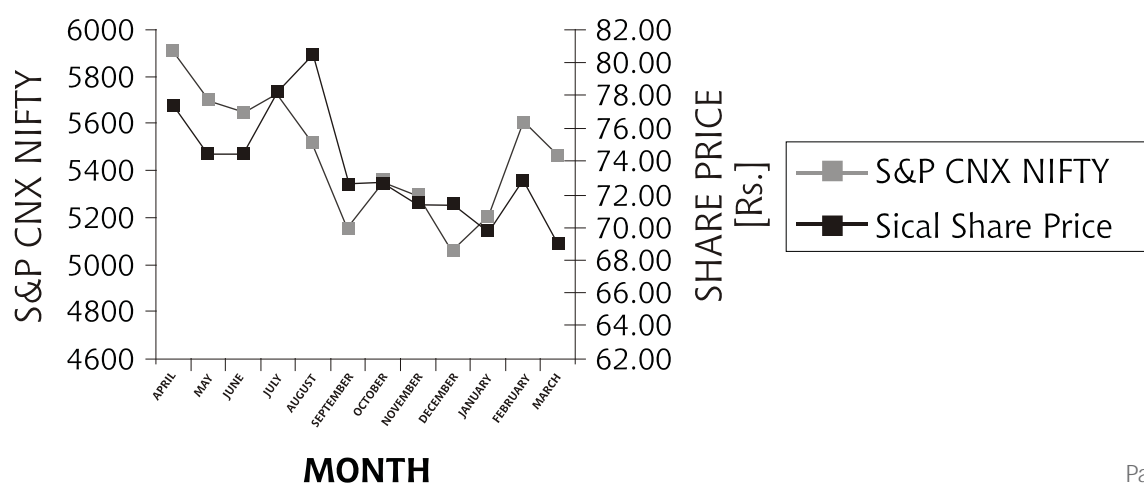
5,40,76,154 equity shares representing 97.26% of the paid-up share capital, have been dematerialized upto 31.03.2012. Trading in equity shares of the Company is permitted only in dematerialized form with effect from 28.08.2000 as per SEBI's orders dated 29.05.2000.



### xvi Nomination of Physical Shares

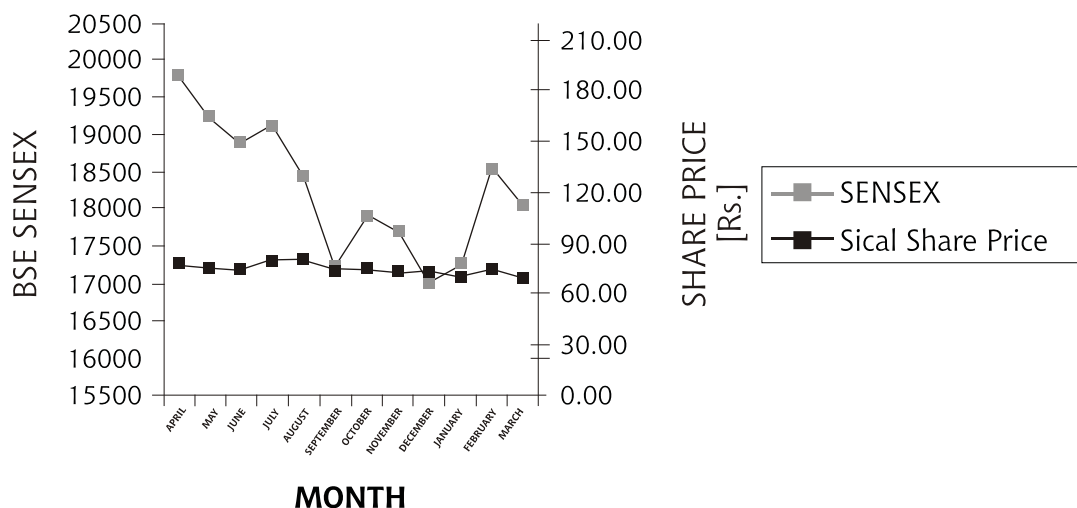
Members holding shares in physical form are encouraged to nominate a person to whom the shares in the Company shall vest in the event of death. Nomination forms will be sent to the Members on request.

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



## REPORT ON CORPORATE GOVERNANCE

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



**xix Auditors' certificate on corporate governance**

As required by Clause 49 of the Listing Agreement, the auditors certificate is given as an annexure to this report.

**xx CEO/CFO certification**

As required by Clause 49 of the Listing Agreement, the CEO/CFO certification was submitted to the Board.

**xxi Compliance with non-mandatory requirements of Clause 49 of the Listing Agreement**

Clause 49 of the Listing Agreement mandates the Company to obtain a certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance as stipulated in the Clause and annex the certificate with the directors report, which is sent annually to all the shareholders. We have obtained a certificate to this effect from our Statutory Auditors and the same is given as an annexure to this report.

**Compliance with regard to non-mandatory requirement**

We comply with the following non-mandatory requirements:

**Shareholders' rights**

The Clause states that a half-yearly declaration of financial performance including summary of the significant events in the last six months, may be sent to each household of shareholders.

Presently, the quarterly, half-yearly and annual results, notice regarding convening of general meetings and such other notices as are required under the listing agreement with the Stock Exchanges are published in English and Tamil dailies [Business Standard and Makkal Kural]. The results are also posted on the company's website.

**Whistle-blower policy**

A mechanism for employees has been established to report concerns about unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. We further affirm that during the financial year 2011-12, no employee has been denied access to the audit committee.

### 15 Investor Correspondence

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

### Sical Logistics Ltd.

Secretarial Department  
South India House  
73, Armenian Street  
Chennai 600001  
Tel 044 66157016  
Fax 044 66157017  
e-mail secl@sical.com  
Website www.sical.com

### Cameo Corporate Services Ltd.

Unit: Sical Logistics Ltd.  
Subramanian Building  
V Floor  
No.1, Club House Road  
Chennai 600002  
Tel 044 28461073  
Fax 044 28460129  
e-mail cameo@cameoindia.com

## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

### AUDITORS CERTIFICATE

[Under Clause 49 of the Listing Agreement]

To

THE MEMBERS OF SICAL LOGISTICS LTD.

We have examined the compliance of the conditions of Corporate Governance by Sical Logistics Limited for the year ended 31 March 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that based on the conditions given by the Registrar and Transfer Agent of the Company, as on 31 March 2012, there was no investor grievance, remaining unattended.

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

For **M/s CNGSN & Associates**  
Chartered Accountants  
FR No. 004915S

Place Chennai  
Date 28 May 2012

**CN GANGADARAN**  
Partner  
Membership No. 11205

## CEO's DECLARATION ON CODE OF CONDUCT

To

THE MEMBERS OF SICAL LOGISTICS LTD.

This is to certify that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct applicable to them for the financial year 2011-12.

Place Chennai  
Date 28 May 2012

For Sical Logistics Limited  
**R RAM MOHAN**  
Managing Director

# AUDITORS' REPORT

## Auditor's Report to the Members of M/s Sical Logistics Limited.

We have audited the attached Balance Sheet of M/s Sical Logistics Limited, as at 31 March 2012 and also the Profit and Loss Account for the year ended on that date annexed thereto and the cash flow statement for the period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- i We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii 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.
- iii The Balance Sheet, the Profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
- iv In our opinion, the Balance Sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, to the extent applicable;
- v On the basis of written representations received from the directors, as on 31 March 2012, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31 March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- vi In our opinion and to the best of our information and according to the explanations given to us the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
  - a In the case of Balance Sheet, of the state of affairs of the company as at 31 March 2012;
  - b In the case of Profit and Loss account, of the PROFIT for the year ended on that date; and
  - c In the case of cash flow statement, of the cash flows for the year ended on that date.

For **CNGSN & ASSOCIATES**  
Chartered Accountants

Place Chennai  
Dated 28 May 2012

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

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

- 1 a The company has maintained proper records showing full particulars including quantitative details and the situation of fixed assets except in certain divisions which are being updated.
- b All the assets have not been physically verified by the management during the year but, according to the information and explanations given to us, there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c During the year the company has not disposed off substantial part of the fixed assets and the going concern status of the company is not affected.
- 2 a Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b In our opinion, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- c The company has maintained proper records of inventories. The discrepancies noticed on verification between the physical stock and the book records were not material.
- 3 In our opinion, the company has neither granted nor taken any loans, secured or unsecured from/to the companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956. As such the clauses iii(b), iii(c) and iii(d) of paragraph 4 of the Order, are not applicable.
- 4 In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of the inventory. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control.
- 5 a In our opinion and according to the information and explanation given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Sec. 301 of the Companies Act, 1956 and exceeding the value of Rs. 5,00,000/- in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6 In our opinion and according to the information and explanation given to us the company has complied with directives issued by the Reserve Bank of India and the provisions of Sec.58A and 58AA of the Companies Act, 1956 and the rules framed there under with regard to deposits accepted from the public. As per the information and explanations given to us no order under the aforesaid sections has been passed by the Company Law Board on the company.
- 7 In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- 8 The company does not come under section 209(1)(d) of the Companies Act.
- 9 a According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect Provident fund, Income Tax, sales tax, customs duty, excise duty, have generally been regularly deposited with the appropriate authorities. In respect of employees' state insurance scheme, contributions have generally been regularly deposited with the appropriate authorities. There are no undisputed statutory dues outstanding for more than 6 months.
- b As at 31 March 2012 according to the records of the Company, the following are the particulars of the disputed dues on account of sales-tax, income-tax, custom duty and wealth-tax matters that have not been deposited:

Nature of Dues	Amount (Rs Lacs)	Period Asst. Year	Pending before
Income Tax	207.30	2003-04	CIT (A)
Income Tax	983.91	2004-05	CIT (A)
Income Tax	1,698.74	2005-06	CIT (A)
Income Tax	9.97	2006-07	CIT (A)
Income Tax	420.50	2008-09	CIT (A)
International Tax	14.82	2002-03	CIT (A)
International Tax	70.77	2003-04	CIT (A)
International Tax	49.00	2004-05	CIT (A)
International Tax	180.20	2005-06	CIT (A)
International Tax	9.69	2006-07	ITAT
International Tax	97.33	2007-08	CIT (A)
Service Tax	1,345.53	2001-06	CESTAT

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

Service Tax	1,160.58	2001-06	CESTAT
Service Tax	147.24	2001-06	CESTAT
Service Tax	4.06	2002-06	CCE(A)
Service Tax	7.53	2002-06	CCE(A)
Service Tax	0.67	2002-06	CCE(A)
Service Tax	5.23	2002-04	CCE(A)
Service Tax	2.30	2006-07	CCE(A)
Service Tax	0.17	2006-07	CCE(A)
Service Tax	2.06	2007-08	CCE(A)
Service Tax	1.26	2007-08	CCE(A)
Service Tax	16.12	2005	CCE(A)
Customs	70.01	1996	High Court of Gujarat
Customs	7.40	1996	High Court of Madras
Customs	2.00	2001	CESTAT
Customs	7.40	2001	AC(CE), Bhubaneswar
Customs	18.01	1996	CESTAT
Sales Tax	37.57	1993-94	Supreme Court
Sales Tax	40.96	1998-99	STAT
Sales Tax	33.16	2005-06	AAC, Chennai

- 10 The company has neither accumulated losses as at 31 March 2012 nor it has incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
- 11 Based on our audit procedures and on the information and explanations given by management, we are of opinion that the company has not defaulted in repayment of dues to Financial Institutions or bank or debenture holders.
- 12 According to the information and explanation given to us, the company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 The provisions of any special statute as specified under clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
- 14 According to the information and explanation given to us, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of Companies (Auditors Report) Order 2003 is not applicable.
- 15 In our opinion, the terms and conditions on which the company has given guarantees for loans taken by others from banks or financial institution are not prejudicial to the interest of the company.
- 16 In our opinion, the term loans have been applied for the purpose for which they were raised.
- 17 According to the information and explanation given to us and on overall examination of the balance sheet of the company, short-term funds have not been applied for long term purposes.
- 18 During the year the company has not made any preferential allotment of shares to the parties and the companies covered in the register maintained under Sec. 301 of the Companies Act, 1956. Accordingly, clause 4(xviii) of Companies (Auditors Report) Order 2003 is not applicable.
- 19 The company has not issued debentures during the year and therefore the question of creation of charge or security does not arise.
- 20 The company has not raised any money through public issue of equity shares during the year.
- 21 According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

Place Chennai  
Date 28 May 2012

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

**CN GANGADARAN**  
Partner

Membership No. 11205  
FR No. 004915S



Annual report 2011-12  
Accounts



## BALANCE SHEET AS AT 31 MARCH 2012

(in Rs lakh)

	Note	On 31 March 2012	On 31 March 2011
<b>I EQUITY and LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
a) Share Capital	2	5561.97	3953.97
b) Reserves and surplus	3	34706.33	22732.65
		<u>40268.30</u>	<u>26686.62</u>
Share application money pending allotment		-	12220.81
<b>Non-current liabilities</b>			
(a) Long term borrowings	5	11588.72	5622.52
(b) Deferred tax liabilities, net		1445.03	1670.09
(c) Other long term liabilities	6	10691.49	10398.85
(d) Long term provisions	7	8317.00	8297.53
		<u>32042.24</u>	<u>25988.99</u>
<b>Current Liabilities</b>			
(a) Short term borrowings	8	8960.34	20945.20
(b) Trade payables		2537.74	3441.77
(c) Other current liabilities	9	3411.70	7996.47
(d) Short term provisions	10	321.77	160.04
		<u>15231.55</u>	<u>32543.48</u>
<b>Total</b>		<u>87542.09</u>	<u>97439.90</u>
<b>II ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	4	9610.86	9301.85
(ii) Intangible assets		-	-
(iii) Capital work in progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	11	31268.27	26519.56
(c) Deferred tax assets, net		823.68	607.85
(d) Long term loans and advances	12	1297.74	1501.32
(e) Other non current assets	13	16626.35	16551.58
		<u>59626.90</u>	<u>54482.16</u>
<b>Current assets</b>			
(a) Current investments	14	-	2574.15
(b) Inventories	15	473.60	470.45
(c) Trade receivables	16	7994.41	7714.97
(d) Cash and cash equivalents	17	2978.97	15693.37
(e) Short term loans and advances	18	16468.21	16504.80
(f) Other current assets		-	-
		<u>27915.19</u>	<u>42957.74</u>
<b>Total</b>		<u>87542.09</u>	<u>97439.90</u>

Notes 2 to 18 and Note 1 form part of this Balance sheet and should be read in conjunction therewith.  
This is the Balance sheet referred to in our report of even date.

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

**CN GANGADARAN**  
Partner

Membership No. 11205  
FRNo. 004915S  
Place Chennai  
Date 28 May 2012

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

# PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2012

(in Rs lakh)

	Note	on 31 March 2012	on 31 March 2011
Revenue from operations	19	50109.45	53761.98
Other income	20	94.93	3283.21
<b>Total revenue</b>		<b>50204.38</b>	<b>57045.19</b>
<b>Expenses:</b>			
Cost of services/materials	21	42226.01	47489.08
Employee benefit expense	22	2039.66	1805.90
Finance costs	23	2565.33	1144.23
Depreciation and amortisation expense	4	1336.51	1133.34
Other expenses	24	1141.38	4996.05
<b>Total expenses</b>		<b>49308.89</b>	<b>56568.60</b>
Profit before exceptional and extra-ordinary items and tax		895.49	476.59
Exceptional items		137.17	(225.10)
Profit before extra-ordinary items and tax		1,032.66	251.49
Extraordinary items		-	-
Profit before tax		1,032.66	251.49
Tax expense			
Current tax		144.80	32.12
Deferred tax		(440.89)	(854.01)
Profit from continuing operations		1,328.75	1,073.38
Profit from discontinuing operations		-	2.40
Tax expenses on discontinuing operations		-	-
Profit from discontinuing operations after tax		-	2.40
Profit for the period		1,328.75	1,075.78
Basic EPS (Rs.) before Exceptional Items including profit of discontinued operation after tax		2.14	3.29
Diluted EPS (Rs.) before Exceptional Items including profit of discontinued operation after tax		2.14	3.07
Basic EPS (Rs.) After Exceptional Items		2.39	2.72
Diluted EPS (Rs.) After Exceptional Items		2.39	2.54

Notes 19 to 24 and Note 1 form part of this Profit and Loss Account and should be read in conjunction therewith.

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

**CN GANGADARAN**  
Partner

Membership No. 11205

FRNo. 004915S

Place Chennai

Date 28 May 2012

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

## NOTES

### NOTE 1A: SIGNIFICANT ACCOUNTING POLICIES

#### 1 Method of Accounting:

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

#### 2 Fixed Assets

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

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

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

#### 3 Borrowing Cost

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

#### 4 Depreciation

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

- a Assets of logistics division at written down value method except assets of transportation & warehousing divisions at straight-line method. Port handling equipments are written off over the period of BOT Scheme.
- b Depreciation on certain premises 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.

#### 5 Investments (Long Term)

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

#### 6 Inventories

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

#### 7 Excise Duty

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

#### 8 Revenue Recognition

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

## NOTES

### 9 Foreign Currency transactions

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

Foreign currency monetary items as on balance sheet date are translated at exchange rates in effect at the Balance sheet date. The gains or losses from such transactions are included in the Profit and Loss account. Out of the total exchange difference of Rs 741.61 lakh arose on reporting of long term foreign currency monetary items as on Balance sheet date, Rs 82.40 lakh included in profit and loss account and balance of Rs 659.21 lakh transferred to Foreign Currency Translation Reserve Account as per AS-11(R) issued by the Central Government vide their notification no G.S.R 225(E) Dt. 31 March 2009.

### 10 Retirement Benefits

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

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

### 11 Contingent Liabilities & Provisions

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

### 12 Segment reporting

The accounting policies adopted for Segment reporting are in line with the Accounting Standard-17.

### 13 Discontinuing Operations

Discontinuing Operations have been recognized and disclosed as per Accounting Standard-24.

### 14 Impairment of Assets

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

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

### 15 Deferred Taxes

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

## NOTES

### NOTE 1B: NOTES ON ACCOUNTS

- 1 Claims against the Company not acknowledged as debts Rs 906.44 Lakh (Previous Year: Rs 374.86 lakh).
- 2 In accordance with Accounting Standard-29, the following are considered as Contingent liabilities and Provisions:
  - a Sales Tax, Service Tax, Customs, Wealth Tax and Income tax demands together with penalties under appeal amounts to Rs 8714.42 Lakh (Previous Year: Rs 8889.86 Lakh).
  - b Guarantees given by the Company for loans taken by other bodies corporate (subsidiary companies) to complete their projects is Rs 46862.00.Lakh (Previous Year: Rs 47509.00 Lakh).
  - c Guarantees given by bankers for Performance of Contracts & others is Rs 3,609.48 Lakh (Previous Year: Rs 2631.70 lakh).
- 3 Sundry Debtors, Loans and Advances and Deposits include certain overdue and unconfirmed balances. Some of the accounts are under reconciliation. These include:  
Retention money retained as per terms in contracts Rs 5781.27 Lakhs (Previous Year: Rs 5690.85lakh).
- 4 Deposit with Bank in pursuance of Rule 3 A of the Companies (Acceptance of Deposit) Rules, 1975 included under fixed deposits with banks Rs 9.19 Lakh (Previous Year: Rs 67.56 Lakh).
- 5 Balance with Central Excise Authorities includes unutilised Cenvat Credits of Rs 39.43 Lakhs (Previous Year: Rs 23.83 Lakhs).
- 6 The provision for Taxation includes Rs 1.00 Lakh (Previous Year: Rs 1.00 Lakh) towards Wealth tax.
- 7 Letters of confirmation of balances in personal account of suppliers, debtors and principals, loans and advances and in-operative bank accounts have been called for and where not received is being followed up.
- 8 Sundry Creditors include Rs Nil (Previous Year: Rs Nil Lakh) due to small scale industrial undertakings to the extent such parties have been identified by the Management and relied upon by auditors. The Company has normally made payments to Small Scale Industrial units in due time and also there being no claim from the parties, interest, if any, on overdue payments is unascertainable and thus not provided for.
- 9 **Micro, Small and Medium Enterprises Development Act, 2006**  
The management is currently in the process of identifying enterprises which have provided goods and services to the company and which qualify under the definition of medium and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such medium and small enterprises as at 31 March 2012 has not been made in the financial statements. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.
- 10 **Employee Benefits**  
Disclosures required under Accounting Standard 15 on Employee Benefits are given below:  
(in Rs lakh)

**Defined Contribution Plan:**

Employer's Contribution to Provident Fund	42.46
Employer's Contribution to Superannuation Fund	5.18
Employer's Contribution to Pension Scheme	28.81

The Company has obtained exemption for its Provident Fund under Section 17 of Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

**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 recognises 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 recognised in the same manner as gratuity.

## NOTES

As per the transitional provisions specified in the Standard, the difference in the liability as per the existing policy followed by the Company and that arising on adoption of this standard is required to be charged to opening reserves and surplus account. However, there is no significant impact on adoption of the Standard which is required to be adjusted to the opening balance of reserves and surplus.

<b>Actuarial Assumptions</b>	<b>Gratuity</b>	<b>Leave</b>
Encashment (Unfunded)		
a Assumptions		
Discount Rate	8.60%	8.60%
Salary Escalation	6.00%	6.00%
Attrition rate	2.00%	2.00%
Expected Rate of Return on Plan Assets	9.25%	-
	(Rs in '000)	(Rs in '000)
b Table showing changes in present value of obligation		
Present value of obligation as at beginning of the year	17,728	4,784
Current service cost	2,390	759
Interest cost	1,339	332
Past Service Cost (Vested Benefits)	-	-
Benefit paid	(1,993)	(1,261)
Actuarial loss/(gain) on obligation (Balancing figure)	211	3,077
Present value of obligation as at end of the year	19,675	7,691
c Table showing changes in the fair value of Plan assets		
Fair value of plan assets as at beginning of the year	10,924	-
Expected return on plan assets	1,043	-
Contributions	2,695	1,261
Benefits Paid	(1,993)	(1,261)
Actuarial loss/(gain) on obligation (Balancing figure)	149	-
Fair value of plan assets as at end of the year	12,818	-
d Reconciliation of fair value of assets and obligations		
Fair value of plan assets as at end of the year	12,818	-
Present value of obligation as at end of the year	19,675	-
Net Assets/(Liability) recognised in balance sheet	(6,857)	-
e Expenses recognised during the year		
Current service cost	2,390	759
Interest cost	1,339	332
Expected return on plan assets	(1,043)	-
Net actuarial (Gain)/Loss recognised in the year	62	3,077
Past Service Cost (Vested Benefits)	-	-
Expenses recognized	<b>2,748</b>	<b>4,168</b>

## NOTES

### 11 a Managerial Remuneration

Particulars	2011-12	(in Rs lakh) 2010-11
Salaries & Allowances	39.27	69.27
Contribution to Provident and Other Funds	1.20	2.40
Perquisites	4.54	9.70
Total	<u>45.01</u>	<u>81.37</u>

### b Commission Payable to Directors

Particulars	2011-12	(in Rs lakh) 2010-11
PBT as per P & L before Exceptional Item	895.49	476.59
Add:		
Salary & Allowances to Directors	42.59	69.40
PF Contribution	1.20	2.40
Perks to Directors	1.22	9.41
Directors Sitting Fees	5.40	5.10
Commission to Directors	9.79	5.17
Depreciation as per book	1,336.51	1,133.34
Assets W/O	-	8.97
	<u>1,396.71</u>	<u>1233.79</u>
	2,292.20	1710.38
Less:		
Depreciation as per Sec. 350	1,309.82	1,105.45
Provision for wealth tax	1.00	1.00
Profit on sale of Asset	2.31	87.03
	<u>1,313.13</u>	<u>1193.48</u>
Profit Computed U/s 349 of Companies Act	<u>979.07</u>	<u>516.90</u>
1% of the above	9.79	5.17

### 12 a Expenditure in Foreign Currency during the financial Year.

Particulars	2011-12	(in Rs lakh) 2010-11
Travel	2.47	17.89
Ocean freight	0.84	3.15
Bank Charges	-	0.04
Repairs and Maintenance	55.93	53.91
Others	18.22	37.19
Total	<u>77.46</u>	<u>112.18</u>

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

Particulars	2011-12	(in Rs lakh) 2010-11
Agency fees	57.29	77.38
Commission	0.20	0.22
Interest	0.05	0.33
Others	30.84	24.90
Total	<u>88.38</u>	<u>102.83</u>

# NOTES

## 13 Related Party disclosure

### I Related parties where control exists

#### Subsidiary Companies

- a Sical Infra Assets Ltd. and its subsidiaries Sical Distriparks Ltd., Sical Multimodal and Rail Transport Ltd., Nagpur Sical Gupta Road Terminal Ltd. & Nagpur Sical Gupta Logistics Ltd.
- b Bergen Offshore Logistics Pte. Ltd. & its subsidiary Norsesea Global Offshore Private Ltd.
- c Sical Iron Ore Terminals Ltd.
- d Sical Iron Ore Terminal (Mangalore) Ltd.
- e Norsesea Offshore India Ltd.

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

#### Joint Ventures

PSA Sical Terminals Limited

Ennore Automotive Logistics Limited

#### Key Management Personnel

R Ram Mohan

Managing Director (From 26 September 2011)

LR Sridhar

Managing Director (Up to 26 September 2011)

#### Related Party transactions

Transactions	Subsidiaries	Associates/Joint Venture Companies	(in Rs lakh) Key Management Personnel
Rendering of services	606.76 (538.94)	245.90 (192.46)	
Receiving services	101.06 (43.40)	- -	
Reimbursement of expense	321.63 (933.29)	7.97 (32.81)	
Loans and advance	12,648.69 (4374.18)	0.03 (1.00)	
Investment in equity	8015.96 (6594.80)	- (175.00)	
Transfer of Land	- (4183.46)	- -	
Managerial Remuneration			45.01 (81.37)
<b>Closing Balances</b>			
Loans and Advances	9926.51 (9562.02)	1.13 (2.19)	
Debtors	188.09 (213.13)	27.20 (16.51)	
Creditors	164.09 (24.12)	- -	

Note: Figures in brackets relate to previous year



## NOTES

### 14 Segment Information for the Year ended 31 March 2012 Information about Primary Business Segment

				(in Rs lakh)
Business Segments	Logistics	Discontinuing Operations	Eliminations	Consolidated Total
<b>REVENUE</b>	50109.45	-	-	50109.45
Inter Segment Sales	-	-	-	
Total Revenue	50109.45	-	-	50109.45
<b>RESULT</b>				
Segment Result	4610.35	-	-	4610.35
Unallocated Corporate Expenses				(1194.23)
Operating Profit				3416.12
Interest Expenses				3148.08
Interest and Other Income				627.44
Income Tax				(296.09)
Profit From Ordinary Activities				1191.58
Exceptional Items – (Net of Tax)				137.17
Net Profit				1328.75

### OTHER INFORMATION

Segment Assets	25923.90	-	25923.90
Unallocated Corporate Assets	-	-	61843.25
Total Assets	25923.90	-	87767.15
Segment Liabilities	18800.21	-	18800.21
Unallocated Corporate Liabilities	-	-	39023.29
Total Liabilities	18800.21	-	57823.50
Capital Expenditure	-	-	1769.02
Depreciation	-	-	1273.92
Unallocated Corporate Depreciation	-	-	62.59

### Information about Secondary Business Segment

	India	Outside India	(in Rs lakh) Total
Revenue by Geographical Market	50109.45	-	50109.45
Segment Assets	25923.90	-	25923.90
Capital Expenditure	1769.02	-	1769.02

## NOTES

### 15 a Deferred tax Asset arising out of timing difference relating to

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	607.85	215.83	823.68
	<b>Total</b>	<b>607.85</b>	<b>215.83</b>	<b>823.68</b>

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

S.No.	Particulars	Opening	Current Year Adjustments/Additions	Closing
1	Depreciation	1661.69	(215.65)	1446.04
2	Pre-closure interest	9.78	(9.78)	-
3	Technical know how	(1.38)	0.37	(1.01)
	<b>Total</b>	<b>1670.09</b>	<b>(225.06)</b>	<b>1445.03</b>

### 16 Discontinuing Operations

The following statement shows the revenue and expenses of discontinuing operations as per AS-24. Discontinuing Operations consists of divisions Auto Components, VRW, INDRAD & Property development

Particulars	2011-12	(in Rs lakh)
		2010-11
Other Income	-	0.32
Operating Expenses	-	0.39
Pretax Profit(Loss) before Interest and Depreciation	-	(25.79)
Profit (Loss) before Exceptional items and Tax	-	(25.79)

### 17 Exceptional Items

Exceptional Items		(In Rs lakh)
Particulars	2011-12	2010-11
Foreign currency translation reserve written off	82.40	1058.94
Gain on transfer of Joint venture	-	600.00
Foreign Exchange Fluctuation Difference	19.34	302.69
Write off of Goodwill	-	(2,186.73)
Gain on payment of FCCB	69.72	-
	<hr/> 171.46	<hr/> (225.10)
Less:Tax on the above-credit/charge	34.29	-
	<hr/> 137.17	<hr/> (225.10)
<b>Total</b>	<b>137.17</b>	<b>(225.10)</b>

## NOTES

### 18 Earning Per Share

Particulars	31 March 2012	31 March 2011
Profit including profit of discontinued operation after tax before Exceptional Items as per Profit & Loss Account (Rs In Lakhs)	<b>1191.58</b>	1300.88
Profit After Prior Period adjustments as per Profit & Loss Account (Rs In Lakhs)	<b>1328.75</b>	1075.78
Number of Shares Used in computing Earning per Share-For Basic	<b>55601694</b>	39521684
Number of Shares Used in computing Earning per Share-For Diluted	<b>55601694</b>	42418143
Earning Per Share-Basic (In Rs)-Before Exceptional Item and Prior Period Adjustments	<b>2.14</b>	3.29
Earning Per Share-Diluted (In Rs)-Before Exceptional Item and Prior Period Adjustments	<b>2.14</b>	3.07
Earning Per Share-Basic (In Rs)-After Exceptional Item and Prior Period Adjustments	<b>2.39</b>	2.72
Earning Per Share-Diluted (In Rs)-After Exceptional Item and Prior Period Adjustments	<b>2.39</b>	2.54
Face Value per Share	<b>10.00</b>	10.00

### 19 Foreign Currency Convertible Bonds:

The company had raised US\$ 75 million during the year 2006-07 by way of issue of Foreign Currency Convertible Bonds, and the amount so raised have been used towards capital expenditure and investments in foreign subsidiaries. The outstanding Foreign currency convertible bonds (FCCB) of face value US\$ 36.75 million were redeemed on the due date Viz. 19 April 2011.

### 20 Previous year's figures have been regrouped and rearranged wherever necessary.

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

**CN GANGADARAN**

Partner

Membership No. 11205

FRNo. 004915S

Place Chennai

Date 28 May 2012

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

# NOTES

## NOTE 2: SHARE CAPITAL

(in Rs lakh)

	Authorised			Issued			Subscribed			Paid-up		
	Number of share	Face value	Total value	Number of share	Face value	Total value	Number of share	Face value	Total value	Number of share	Face value	Total value
Equity Shares												
Opening balance as on 01-Apr-2010	50,000,000	10	5000.00	39,562,022	10	3956.20	39,557,782	10	3955.78	39,521,684	10	3952.17
Increase during the year	10,000,000	10	1000.00	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2011	60,000,000	10	6000.00	39,562,022	10	3956.20	39,557,782	10	3955.78	39,521,684	10	3952.17
Preference shares												
Opening balance as on 01-Apr-2010	150,000,000	10	15000.00	-	-	-	-	-	-	-	-	-
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2011	150,000,000	10	15000.00	-	-	-	-	-	-	-	-	-
Equity shares forfeited												
Opening balance as on 01-Apr-2010	-	-	-	-	-	-	-	-	-	-	-	1.80
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2011	-	-	-	-	-	-	-	-	-	-	-	1.80
Share Capital, Total		-	-	-	-	-	-	-	-	-	-	3,953.97

### Of the Above

- 9320003 Equity Shares Of Rs 10 Each were allotted as fully paid up as per the earlier schemes of Amalgamation
- 9860910 Equity Shares of Rs.10 Each were Alloted as fully paid up to the share holders of 34513195, 1% Preference Shares on 1/4/1997 in terms of Special resolution passed by the shareholders on 9/12/1996
- 4761908 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

(in Rs lakh)

	Authorised			Issued			Subscribed			Paid-up		
	Number of share	Face value	Total value	Number of share	Face value	Total value	Number of share	Face value	Total value	Number of share	Face value	Total value
Equity Shares												
Opening balance as on 01-Apr-2011	60,000,000	10	6,000.00	39,562,022	10	3,956.20	39,557,782	10	3,955.78	39,521,684	10	3,952.17
Increase during the year	-	-	-	16,080,010	10	1608.00	16,080,010	10	1608.00	16,080,010	10	1,608.00
Closing balance as on 31-Mar-2012	60,000,000	10	6000.00	55,642,032	10	5564.20	55,637,792	10	5563.78	55,601,694	10	5560.17
Preference shares												
Opening balance as on 01-Apr-2011	150,000,000	10	15,000.00	-	-	-	-	-	-	-	-	-
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2012	150,000,000	10	15000.00	-	-	-	-	-	-	-	-	-
Equity shares forfeited												
Opening balance as on 01-Apr-2011	-	-	-	-	-	-	-	-	-	-	-	1.80
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2012	-	-	-	-	-	-	-	-	-	-	-	1.80
Share Capital, Total	-	-	-	-	-	-	-	-	-	-	-	5561.97

#### Of the Above

- 9320003 Equity Shares Of Rs 10 Each were allotted as fully paid up as per the earlier schemes of Amalgamation
- 9860910 Equity Shares of Rs.10 Each were Alloted as fully paid up to the share holders of 34513195, 1% Preference Shares on 1/4/1997 in terms of Special resolution passed by the shareholders on 9/12/1996
- 4761908 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, 2012					
Tanglin Retail Reality Developments Private Limited, the holding company	29539786	Nil	Nil	Nil	Nil

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

	As at 31 March 2012		As at 31 March 2011	
Class of shares/ Name of shareholder	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	29539786	53.13	3952168	10.00
Ranford Investments Limited	7225649	13.00	7225649	18.28
Darnolly Investments Limited	3323934	5.98	3323934	8.41

(iii) Details of forfeited shares

	As at 31 March 2012		As at 31 March 2011	
Class of shares	Number of shares	Amount originally paid up	Number of shares	Amount originally paid up
Equity shares with voting rights	36098	180490	36098	180490

## NOTES

### NOTE 3: RESERVES AND SURPLUS

	Capital Reserve	Securities Premium Account	General Reserve	Foreign Currency Translation Reserve	Balance in P&L Account	Total
						(in Rs lakh)
Opening balance as on 01-Apr-2010	1093.31	6272.25	3294.35	836.43	17269.22	28765.56
Current year surplus	-	-	-	222.51	1,075.78	1298.29
Transferred to General Reserve	-	-	-	-	-	-
Transferred from Profit and Loss Account	-	-	-	(1058.94)	-	(1058.94)
Goodwill on demerger written off	-	(6272.25)	-	-	-	(6272.25)
Dividend payable	-	-	-	-	-	-
Closing balance as on 31-Mar-2011	1093.31	-	3294.35	-	18345.00	22732.66
Opening balance as on 01-Apr-2011	1093.31	-	3294.35	-	18345.00	22732.66
Current year surplus	-	-	-	741.61	1328.75	2070.36
Transferred to General Reserve	-	-	-	-	-	-
Transferred from Profit and Loss Account	-	-	-	(82.40)	-	(82.40)
Security premium on shares allotted during the year	-	10612.81	-	-	-	10612.81
Transferred for TDS on FCCB	-	(627.10)	-	-	-	(627.10)
Dividend payable	-	-	-	-	-	-
Closing balance as on 31-Mar-2012	1093.31	9985.71	3294.35	659.21	19673.75	34706.33

# NOTES

## NOTE 4: FIXED ASSETS

NOTE 4: FIXED ASSETS

(in Rs lakh)

FIXED ASSETS		COST				DEPRECIATION				NET BLOCK	
Particulars	Opening 01.04.11	Addition	Deduction	Closing 31.03.12	Upto last year 01.04.11	For the Year	Sales/ adjustments	To date 31.03.12	As at Year end 31.03.10	Previous year 31.03.11	
Land	1494.82	224.07	-	1718.89	-	-	-	-	1718.89	1494.82	
Building	803.55	3.93	-	807.48	301.57	15.79	-	317.36	490.12	501.98	
Plant & Machinery	273.56	50.16	-74.95	398.67	210.98	13.10	-51.27	275.35	123.32	62.58	
Leased Machinery	-	-	-	-	-	-	-	-	-	-	
Office Equipment	674.19	43.14	74.91	642.42	531.85	49.98	51.76	530.07	112.35	142.34	
Furnitures & Fixtures	374.37	10.95	0.04	385.28	329.55	8.77	-0.49	338.81	46.47	44.82	
Trucks	2998.78	25.64	12.15	3012.27	2297.23	357.20	8.65	2645.78	366.49	701.55	
Vehicles	140.23	661.06	-	801.29	101.38	143.38	-	244.76	556.53	38.85	
Port Handling Equipment	11279.10	630.07	-	11909.17	4964.19	748.29	-	5712.48	6196.69	6314.91	
Total	18038.60	1649.02	12.15	19675.47	8736.75	1336.51	8.65	10064.61	9610.86	9301.85	

### NOTES

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

	31-03-12	31-03-11
	in Rs Lakh	
Vehicles	9.12	12.30
Trucks	15.49	298.99



## NOTES

(in Rs lakh)

On 31 March 2012 On 31 March 2011

### NOTE 5: LONG TERM BORROWINGS

Term Loans		
From banks	7036.07	925.00
From other parties	4552.65	4697.52
<b>Total</b>	<b>11588.72</b>	<b>5622.52</b>
a) Term Loans from Banks are secured by mortgage of movable and immovable property acquired under the respective Loan, hypothecation of current assets as applicable.		
b) Term Loans from financial institutions are secured by equipments acquired under the Loan, first charge/mortgage on movable and immovable assets executed/pending execution as applicable		

### NOTE 6: OTHER LONG TERM LIABILITIES

Other Payables	10691.49	10398.85
<b>Total</b>	<b>10691.49</b>	<b>10398.85</b>

### NOTE 7: LONG TERM PROVISIONS

Provision for employee benefits	196.75	177.28
Provision for Tax	8120.25	8120.25
<b>Total</b>	<b>8317.00</b>	<b>8297.53</b>

### NOTE 8: SHORT TERM BORROWINGS

Loans repayable on demand		
From banks	8864.47	4149.36
From other parties	95.87	16795.84
<b>Total</b>	<b>8960.34</b>	<b>20945.20</b>
a) Working Capital Facilities from Bankers are secured by hypothecation of stocks, book debts and other current assets, equitable mortgage/deposit of title deeds of certain Immovable Properties on Pari Pasu basis.		
b) Hire Purchase Loans are secured by hypothecation of respective assets acquired under the hire purchase contracts.		

### NOTE 9: OTHER CURRENT LIABILITIES

Current maturities of long term debt	2029.12	990.19
Interest accrued but not due on borrowings	4.70	38.69
Income received in advance	-	6.18
Unpaid dividends	11.25	11.27
Unpaid matured debentures and interest accrued thereon	0.44	0.44
Deposits accepted	63.90	63.82
Other liabilities related parties	116.94	-
Statutory dues payable	62.97	287.24
Provision for FCCB Premium	-	6025.15
Expenses payable	1122.38	573.49
<b>Total</b>	<b>3411.70</b>	<b>7996.47</b>

### NOTE 10: SHORT TERM PROVISIONS

Provision for employee benefits	142.68	160.04
Provision for taxation	179.09	-
<b>Total</b>	<b>321.77</b>	<b>160.04</b>

## NOTES

(in Rs lakh)

On 31 March 2012    On 31 March 2011

### NOTE 11: NON-CURRENT INVESTMENTS

Investment in equity instruments	31268.27	26519.56
<b>Total</b>	<b>31268.27</b>	<b>26519.56</b>

### NOTE 12: LONG TERM LOANS AND ADVANCES

Security deposits	1297.74	1501.32
<b>Total</b>	<b>1297.74</b>	<b>1501.32</b>

### NOTE 13: OTHER NON-CURRENT ASSETS

Long term receivables		
Secured, considered good	-	-
Unsecured, considered good	5182.26	5167.12
Doubtful	-	-
Advance Tax	11444.09	11384.46
<b>Total</b>	<b>16626.35</b>	<b>16551.58</b>

### NOTE 14: CURRENT INVESTMENTS

Investment in Properties	-	931.88
Investments in mutual funds	-	1642.27
<b>Total</b>	<b>-</b>	<b>2574.15</b>

### NOTE 15: INVENTORIES

Stores and Spares	459.07	455.92
Loose tools	14.53	14.53
<b>Total</b>	<b>473.60</b>	<b>470.45</b>

### NOTE 16: TRADE RECEIVABLES

<b>Debts outstanding for a period exceeding six months</b>		
Secured, considered good	-	-
Unsecured, considered good	522.10	1042.97
Doubtful	123.58	-
Provision for doubtful debts	(123.58)	-
	<b>522.10</b>	<b>1042.97</b>
<b>Others</b>		
Secured, considered good	-	-
Unsecured, considered good	7472.31	6672.00
Doubtful	-	-
	<b>7472.31</b>	<b>6672.00</b>
<b>Total</b>	<b>7994.41</b>	<b>7714.97</b>

## NOTES

(in Rs lakh)

On 31 March 2012 On 31 March 2011

### NOTE 17: CASH AND CASH EQUIVALENTS

Balance with banks		
In current accounts	761.41	1721.48
in deposit accounts	801.00	12727.69
in margin money accounts	1364.47	1195.95
In dividend accounts	11.25	11.27
Cash on hand	40.84	36.98
<b>Total</b>	<b>2978.97</b>	<b>15693.37</b>

### NOTE 18: SHORT TERM LOANS AND ADVANCES

Loans and advances to related parties		
Secured, Considered good	-	-
Unsecured, considered good	9927.64	9564.20
Doubtful	-	-
Others		
Secured, Considered good	-	-
Unsecured, considered good	6540.57	6940.60
Doubtful	-	-
<b>Total</b>	<b>16468.21</b>	<b>16504.80</b>

### NOTE 19: REVENUE FROM OPERATIONS

Transportation	15871.57	20743.11
Clearing & Handling	4415.07	3686.65
Warehousing, Rent, Freight, Stevedoring & coal handling	29493.92	29010.64
Agency Fees	158.08	205.74
Other Services	148.79	100.24
Other operating revenues	22.02	15.60
<b>Total</b>	<b>50109.45</b>	<b>53761.98</b>

(Tax Deducted at Source on the above Rs 613.89 Lakhs (Rs 456.50 Lakhs))

### NOTE 20: OTHER INCOME

Dividend Income	0.50	-
Net gain/loss on sale of investments	-	-
Balances Written Back	37.00	3141.08
Rent receipts	14.45	12.43
Profit on sale of assets	2.31	88.08
Other non-operating income	40.67	41.62
<b>Total</b>	<b>94.93</b>	<b>3283.21</b>

(Tax Deducted at Source on the above Rs 1.40 Lakhs (Rs 1.24 Lakhs))

### NOTE 21: COST OF SERVICES

Freight	10242.68	14708.54
Port Charges	536.00	528.90
Handling and Transportation	30753.75	31487.88
Warehousing expenses	71.05	39.13
Expenditure on contracts	52.28	174.25
Operation and Maintenance	570.25	550.38
<b>Total</b>	<b>42226.01</b>	<b>47489.08</b>

## NOTES

(in Rs lakh)

On 31 March 2012 On 31 March 2011

### NOTE 22: EMPLOYEE COSTS

Salaries and wages	1784.64	1579.53
Contribution to Provident Funds	93.02	71.66
Contribution to Gratuity and Other Funds	29.57	21.71
Employee welfare	132.43	133.00
<b>Total</b>	<b>2039.66</b>	<b>1805.90</b>

### NOTE 23: FINANCE COSTS

Interest expense (other than a finance company)	2908.96	1553.86
Other borrowing costs	239.12	131.86
	<b>3148.08</b>	<b>1685.72</b>
Less:		
Interest on deposits	147.21	329.52
Other interest	435.54	211.97
<b>Total</b>	<b>2565.33</b>	<b>1144.23</b>

(Tax Deducted at Source on the above Rs 14.00 Lakhs (Rs 10.46 Lakhs))

### NOTE 24: OTHER EXPENSES

Rent including Lease Rent	55.97	71.70
Rates, Taxes, Licenses and Filing Fees	35.71	295.45
Insurance	27.61	41.93
Power and Fuel	52.86	57.58
Repairs and Maintenance		
Plant & Machinery	3.02	67.82
Building	8.09	16.47
Vehicles	8.95	6.89
Others	20.43	11.16
Travelling and Conveyance	232.19	250.95
Directors' Sitting Fees	5.40	5.10
Payment to Auditors		
Audit	15.00	15.00
Tax Audit	4.00	4.00
Certification	6.33	6.02
Expenses	3.51	5.14
Consumable Stores and Tools	-	60.71
Other expenses	583.09	1047.29
Bad Debts Written Off	68.53	3015.65
Less: Written off against provision	-	-
Assets discarded, written-off	-	8.97
Rebates, Discount and Commission	0.90	3.05
Royalty, Knowhow and Service Charges	-	-
Commission to Directors	9.79	5.17
<b>Total</b>	<b>1141.38</b>	<b>4996.05</b>

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

Particulars	Sical Infra Assets Ltd.	Sical Iron Ore Terminals Ltd.*	Bergen Offshore Logistics Pte. Ltd.	Sical Iron Ore Terminal (Mangalore) Ltd.*	Norsea Offshore India Ltd.
1 Financial year of the subsidiary ended on	31.03.2012	31.03.2012	31.03.2012	31.03.2012	31.03.2012
2 Share of the susidiary held by the company on the above date:					
a Number of Equity shares and Face value	28,567,345 Rs 10/-each	81,900,000 Rs 10/-each	19,000,000 USD 1 each	21,740,000 Rs 10/-each	50,000 Rs 10/-each
b Extent of holding	53.60%	63%	100%	100%	100%
3 Net aggregate amount of Profits/(Losses) for the above financial year of the subsidiary so far as they concern members of the company					
a Dealt with in the Accounts of the company for the year ended 31 March 2012 (in Rs Lakhs)	Nil	Nil	Nil	Nil	Nil
b Not dealt with in the Accounts of the company for the year ended 31 March 2012 (in Rs Lakhs)	(8.48)	Nil	(266.30)	Nil	97.03
4 Net aggregate amount of profits/(Losses) for previous financial years of the subsidiary, since it became a subsidiary, so far as they concern members of the company.					
a Dealt with in the Accounts of the company as at 31 March 2012 (in Rs Lakhs)	Nil	Nil	Nil	Nil	Nil
b Not dealt with in the Accounts of the Company as at 31 March 2012 (in Rs Lakhs)	(20.45)	Nil	(874.64)	Nil	Nil

\* Company yet to commence business

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

**CN GANGADARAN**  
Partner

Membership No. 11205

FRNo. 004915S

Place Chennai

Date 28 May 2012

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

## NOTES

### 21 Balance Sheet Abstract and Company's general business profile

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

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

**CN GANGADARAN**

Partner

Membership No. 11205

FRNo. 004915S

Place Chennai

Date 28 May 2012

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

	Year ended 31 March 2012	(in Rs lakh) Year ended 31 March 2011
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax before Exceptional Items	895.49	476.59
Adjustments for:		
Depreciation	1,336.51	1,133.34
Bad debts written off/Provision	68.53	3,015.65
(Profit)/Loss on sale of fixed assets (net)	(2.31)	(87.03)
Interest and Finance charges (net)	2,565.33	1,144.23
Profit from Discontinued Operation	-	2.40
Provisions Written Back	(37.00)	
	<b>3,931.06</b>	<b>5,208.59</b>
Operating Profit before Working Capital Changes	<b>4,826.55</b>	<b>5,685.18</b>
Adjustments for:		
Inventories	(3.15)	(80.68)
Trade and other receivables	(403.01)	723.15
Loans and Advances	400.03	8,339.21
Trade payables	609.49	(15,846.17)
	<b>603.36</b>	<b>(6,864.49)</b>
Cash Generated from Operations	<b>5,429.91</b>	<b>(1,179.31)</b>
Tax Paid	-	(32.12)
Cash flow before extra-ordinary item	-	-
Proceeds from extra-ordinary item	-	-
Net Cash from Operating activities A	<b>5,429.91</b>	<b>(1,211.43)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets (Including Capital Work in Progress)	(1,649.02)	(371.72)
Investments made (net)	(2,174.56)	(348.01)
Proceeds from Sale of Fixed Assets	5.81	4,347.52
Loans and Advances	507.01	-
Net Cash used in Investing Activities before Extraordinary Items	<b>(3,310.76)</b>	<b>3,627.79</b>
Net Proceeds from Sale of undertakings/assets under discontinuing operations	-	-
Net Cash used in Investing Activities after Extraordinary Items B	<b>(3,310.76)</b>	<b>3,627.79</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Advance towards Share Capital/Increase in Share Capital	-	12,220.81
(Repayment) of Long Term Borrowings	5,966.20	(769.09)
(Repayment) of Short Term Borrowings	4,526.92	626.91
(Repayment) of unsecured loan net Interest Received	312.10	(159.25)
Interest (Paid)/Bank Charges paid	(2,565.33)	(1,144.23)
Cash received against the share capital	-	-
FCCB -Payment for redemption	(23,073.44)	-
Net Cash used in Financing Activities C	<b>(14,833.55)</b>	<b>10,775.15</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(12,714.40)</b>	<b>13,191.51</b>
Cash and cash equivalents as at (opening) 1 April 2011	<b>15,693.37</b>	<b>2,501.86</b>
<b>Cash and cash equivalents as at(closing) 31 March 2012</b>	<b>2,978.97</b>	<b>15,693.37</b>

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

**CN GANGADARAN**  
Partner

Membership No. 11205  
FRNo. 0049155

Place Chennai  
Date 28 May 2012

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

## AUDITORS' CERTIFICATE

We have examined the above Cash Flow Statement of Sical Logistics Limited for the year ended 31 March 2012.

The Statement has been prepared by the Company in accordance with the requirements of the listing agreement—Clause 32 with Stock Exchanges and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our Report of even date to the Members of the Company.

Place Chennai  
Date 28 May 2012

For and on behalf of  
**M/s CNGSN & ASSOCIATES**  
Chartered Accountants

**CN GANGADARAN**  
Partner  
Membership No. 11205  
FR No. 004915S





Annual report 2011-12

Consolidated accounts

# AUDITORS' REPORT

Auditors' report to the Board of Directors on the Consolidated Financial Statements of M/s Sical Logistics Limited.

We have examined the attached consolidated Balance Sheet of M/s. Sical Logistics Limited and its subsidiaries Sical Infra Assets Ltd., Sical Iron Ore Terminals Limited, Bergen Offshore Logistics Pte Ltd., Norsesea Offshore India Ltd., Sical Iron Ore Terminal (Mangalore) Limited and Joint Ventures PSA Sical Terminals Ltd. and Ennore Automotive Logistics Ltd., as at 31 March 2012 and the Consolidated Profit & Loss Account for the year ended on that date and the Consolidated Cash Flow statement for the year ended on that date.

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

These consolidated financial statements contain financial statements of subsidiaries Sical Infra Assets Ltd., Sical Iron Ore Terminals Limited, Norsesea Offshore India Ltd., Sical Iron Ore Terminal (Mangalore) Limited and Joint Ventures PSA Sical Terminals Ltd. and Ennore Automotive Logistics Ltd., whose financial statements reflect the Group's share of total assets of Rs 55,121 lacs as at 31 March 2012 and Group's share of total revenues of Rs 27,945 lacs for the year ended 31 March 2012. These financial statements are unaudited. The consolidated statements include the financial statement of Bergen Offshore Logistics Pte Ltd which reflect assets of Rs 10,762 lacs as at 31 March 2012 and share of revenue of Rs 66 lacs as at 31 March 2012. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion so far, as it relates to the amounts included in respect of this subsidiary, is based solely on the report of other auditors.

We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standards (AS) 21, Consolidated financial statements, Accounting Standards (AS) 27, Financial reporting of interest in joint ventures issued by The Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Sical Logistics Ltd., and its subsidiaries included in the consolidated financial statements.

On the basis of the information and explanation given to us, and on the consideration of separate audit reports on individual audited financial statements of M/s. Sical Logistics Ltd., and its aforesaid subsidiaries, we are of the opinion that,

- i The Consolidated Balance Sheet gives a true and fair view of the Consolidated state of affairs of M/s. Sical Logistics Limited, its subsidiaries and its joint ventures as at 31 March 2012;
- ii The Consolidated Profit and Loss Account gives a true and fair view of the Consolidated result of operations of M/s. Sical Logistics Limited, its subsidiaries and its joint ventures as at 31 March 2012;
- iii The Consolidated Cash Flow Statement gives a true and fair view of the Consolidated Cash Flows for the year ended on that date.

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

Place Chennai  
Date 28 May 2012

**CN GANGADARAN**  
Partner  
Membership No. 11205  
FR No. 004915S

# **CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2012**

	Note	on 31 March 2012	on 31 March 2011
<b>I EQUITY and LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
a) Share Capital	2	5,561.97	3,953.97
b) Reserves and surplus	3	36,217.25	23,332.76
		<u>41,779.22</u>	<u>27,286.73</u>
Share application money pending allotment		-	13,220.81
Minority Interest		16,853.19	13,095.14
<b>Non-current liabilities</b>			
(a) Long term borrowings	5	45,652.25	35,110.47
(b) Deferred tax liabilities, net		2,316.34	2,456.89
(c) Other long term liabilities	6	10,705.30	10,398.85
(d) Long term provisions	7	8,349.86	8,120.25
		<u>67,023.75</u>	<u>56,086.46</u>
<b>Current Liabilities</b>			
(a) Short term borrowings	8	11,999.59	23,127.29
(b) Trade payables		6,834.46	10,185.30
(c) Other current liabilities	9	5,790.48	9,022.11
(d) Short term provisions	10	1,020.91	1,164.37
Total		<u>25,645.44</u>	<u>43,499.07</u>
		<u>151,301.60</u>	<u>153,188.21</u>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
(a) Fixed assets			
(i) Tangible assets	4	45,293.63	31,891.85
(ii) Intangible assets		4,846.19	4,888.94
(iii) Capital work in progress		48,022.34	49,012.35
(iv) Intangible assets under development		-	-
		<u>98,162.16</u>	<u>85,793.14</u>
(b) Non-current investments	11	6.21	5.00
(c) Deferred tax assets, net		825.26	607.85
(d) Long term loans and advances	12	3,449.90	2,485.96
(e) Other non current assets	13	16,720.21	18,166.03
		<u>21,001.58</u>	<u>21,264.84</u>
<b>Current Assets</b>			
(a) Current investments	14	129.90	2,639.37
(b) Inventories	15	1,388.91	1,070.95
(c) Trade receivables	16	11,279.43	10,902.93
(d) Cash and cash equivalents	17	7,812.89	19,442.90
(e) Short term loans and advances	18	9,543.27	10,670.08
(f) Other current assets		1,983.46	1,404.00
		<u>32,137.86</u>	<u>46,130.23</u>
Total		<u>151,301.60</u>	<u>153,188.21</u>

Notes 2 to 18 and Note 1 form part of this Balance sheet and should be read in conjunction therewith.  
 This is the Balance sheet referred to in our report of even date.

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

**CN GANGADARAN**  
 Partner

Membership No. 11205  
 FRNo. 004915S  
 Place Chennai  
 Date 28 May 2012

**R Ram Mohan**  
 Managing Director

**AS Sundaresha**  
 Director

**V Radhakrishnan**  
 Company Secretary

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2012

(in Rs lakh)

	Note	on 31 March 2012	on 31 March 2011
<b>INCOME</b>			
Revenue from operations	19	<b>77,963.31</b>	76,945.74
Other income	20	<b>199.19</b>	3,402.05
<b>Total revenue</b>		<b><u>78,162.50</u></b>	<b><u>80,347.79</u></b>
<b>EXPENSES</b>			
Cost of Service/Materials	21	<b>59,562.51</b>	65,337.43
Employees benefits expenses	22	<b>3,097.91</b>	3,144.63
Finance Costs	23	<b>3,668.58</b>	1,736.67
Depreciation and amortisation expense	4	<b>3,329.02</b>	2,694.59
Other expenses	24	<b>6,969.47</b>	8,659.69
		<b><u>76,627.49</u></b>	<b><u>81,573.01</u></b>
Profit before exceptional and extra-ordinary items and tax		<b>1,535.01</b>	(1,225.22)
Exceptional items		<b>137.17</b>	(225.10)
Profit before extra-ordinary items and tax		<b>1,672.18</b>	(1,450.32)
Extraordinary items		-	-
Profit before Tax		<b>1,672.18</b>	(1,450.32)
Current Tax		<b>472.25</b>	364.50
Deferred Tax		<b>(360.87)</b>	(706.47)
Fringe benefit Tax		-	(0.60)
<b>PROFIT/(LOSS) for the period from continuing operations</b>		<b><u>1,560.80</u></b>	<b><u>(1,107.75)</u></b>
Profit/(Loss) from discontinuing operations		-	-
Tax expenses of discontinuing operations		-	-
<b>Profit after discontinuing operations</b>		<b><u>1,560.80</u></b>	<b><u>(1,107.75)</u></b>
Proposed Dividend on equity Shares		-	8.63
Tax on proposed Dividend/Dividend paid		-	1.43
General Reserve		-	9.00
<b>Profit for the Period (Before minority interest)</b>		<b>1560.80</b>	(1126.81)
Basic EPS Rs. Before Exceptional Items including profit of discontinued operation after tax		<b>2.56</b>	(2.17)
Diluted EPS Rs. Before Exceptional Items including profit of discontinued operation after tax		<b>2.56</b>	(2.02)
Basic EPS Rs. After Exceptional Items		<b>2.81</b>	(2.80)
Diuted EPS Rs. After Exceptional Items		<b>2.81</b>	(2.61)

Notes 19 to 24 and Note 1 form part of this Profit and Loss Account and should be read in conjunction therewith.

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

**CN GANGADARAN**

Partner

Membership No. 11205

FRNo. 004915S

Place Chennai

Date 28 May 2012

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

# NOTES

## NOTE 1A: SIGNIFICANT ACCOUNTING POLICIES

### 1 Basis of Preparation

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

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

#### Subsidiary Companies

- a Sical Infra Assets Ltd. and its subsidiaries Sical Distriparks Ltd., Sical Multimodal and Rail Transport Ltd. and its subsidiary Sical Hambuja Logistics Private Ltd., Nagpur Sical Gupta Road Terminal Ltd. & Nagpur Sical Gupta Logistics Ltd
- b Bergen Offshore Logistics Pte. Ltd. & its subsidiary Norsesea Global Offshore Private Ltd.
- c Sical Iron Ore Terminals Ltd.
- d Sical Iron Ore Terminal (Mangalore) Ltd.
- e Norsesea Offshore India Ltd.

#### Joint ventures

PSA Sical Terminals Ltd.

Ennore Automotive Logistics Ltd.

Sical Sattva Rail Terminal Private Ltd. joint venture of Sical Multimodal and Rail Transport Ltd.

### 2 Basis of Consolidation

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

Interests In Joint Ventures:

Name	Percentage of ownership interest as at 31 March 2012	Country of Incorporation	Financial Statements drawn up to
PSA Sical Terminals Ltd.	37.50%	India	31.03.2012
Ennore Automotive Logistics Ltd.	40.92%	India	31.03.2012

Joint Venture disclosures:

	(in Rs Lakh)
a Income	
i Sales & Service	4768.94
ii Other Income	28.71
Total Income	4797.65
b Total Expenditure	4735.98
c Profit before Tax	61.67
Less: Provision for taxation- Current & Deferred	8.82
d Profit/(Loss) after tax	52.85

### 3 Fixed Assets

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

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

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

## NOTES

### 4 Borrowing Cost

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

### 5 Depreciation

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

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

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

### 6 Investments

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

### 7 Inventories

- a Stores and Spares are valued at cost, computed on first in first out basis.
- b Loose Tools are valued after writing off certain percentage on cost.

### 8 Revenue Recognition

- a Revenue is recognised and expenses are accounted on their accrual with necessary provisions for all known liabilities and losses.
- b Service Income:
  - i Net earnings on voyage/contracts on completion.
  - ii Other services on completion of services and billed.
  - iii Expenditure incurred on incomplete voyages and contracts are included under "Advances Recoverable".
- c Coal handling charges up to January 2001 is net of shortage cover retained by Tamil Nadu Electricity Board. Additional claim, if any, that may be determined on the closure of the contract will be recognized as and when the claim is made.

### 9 Foreign Currency Transactions

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

Foreign currency monetary items as on balance sheet date are translated at exchange rates in effect at the Balance sheet date. The gains or losses from such transactions are included in the Profit and loss account. Out of the total exchange difference Rs 741.61 lakhs arose on reporting of long term foreign currency monetary items as on Balance sheet date, Rs 82.40 lakhs included in profit and loss account and balance of Rs 659.21(Net) lakhs transferred to Foreign Currency Translation Reserve Account as per AS-11(R) issued by the Ministry of Corporate Affairs vide their notification no G.S.R 225(E) Dt. 31 March 2009.

## NOTES

### 10 Retirement Benefits

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

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

### 11 Contingent Liabilities & Provisions

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

### 12 Segment Reporting

The accounting policies adopted for Segment reporting are in line with the Accounting Standard-17.

### 13 Discontinuing Operations

Discontinuing Operations have been recognized and disclosed in line with Accounting Standard-24.

### 14 Impairment of Assets

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

### 15 Deferred Taxes

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

## NOTES

### NOTE 1B: NOTES ON ACCOUNTS

- 1 Claims against the Company not acknowledged as debts Rs 923.29 Lakhs (Previous Year: Rs 415.40 Lakhs).
- 2 Estimated amount of contracts remaining to be executed on capital account and not provided for Rs 2,913.82 Lakhs (Previous Year: 44,443.88 Lakhs).
- 3 In accordance with Accounting Standard-29, the following are considered as Contingent liabilities and Provisions:
  - a Sales Tax, Service Tax, Customs, Wealth Tax and Income Tax demands together with penalties under appeal amounts to Rs 8,839.74 Lakhs (Rs 10,765.78 Lakhs).
  - b Guarantees given by the Company for loans taken by other bodies corporate for the purpose of executing the projects which are under construction are Rs 68,562.00 Lakhs (Previous Year Rs 69,209 Lakhs)
  - c Guarantees given by bankers for Performance of Contracts & others Rs 14,174.30 Lakhs (Previous Year: Rs 5,171.70 Lakhs).
- 4 Sundry Debtors, Loans and Advances and Deposits include certain overdue and unconfirmed balances. Some of the accounts are under reconciliation. These include: Retention money retained as per terms of contracts Rs 727.19 Lakhs (Previous Year: Rs 5,690.85 Lakhs).
- 5 **Related Party disclosure**
  - I Related parties where control exists Nil
  - II Other related parties with whom trade transactions have taken place during the year

**Joint Ventures**

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

**Key Management Personnel**

LR Sridhar	Managing Director (Up to 26 September 2011)
R Ram Mohan	Managing Director ( From 26 September 2011)

Transaction	Joint venture & Associates	(in Rs lakh)
		Key management personnel
Rendering services	245.90	-
	(192.46)	-
Reimbursement of expenses	7.97	-
	(32.81)	-
Loans and advances	0.03	-
	(1.00)	-
Investment in equity	-	-
	(175)	-
Managerial remuneration	-	45.01
		(81.37)
<b>Closing balances:</b>		
Loans and Advances	1.13	-
	(2.19)	-
Debtors	27.20	-
	(16.51)	-

Notes: Figures in brackets relate to previous year.



# NOTES

6 Since the company has neither more than one business segment nor more than one geographical Segment, segment information as per AS -17 is not applicable.

7 **a Deferred Tax Asset arising out of timing difference relating to:**

(Rs in lakh)

S. No	Particulars	Opening	Additions on account of change in shareholding	Current year Adjustments/ Additions	Closing
1	Carry forward business Loss	607.85	-	215.83	823.68
2	Share of Subsidiary	-	-	1.58	1.58
	<b>Total</b>	<b>607.85</b>	<b>-</b>	<b>217.41</b>	<b>825.26</b>

**b Deferred Tax liability arising out of timing difference relating to:**

(Rs in lakh)

S. No	Particulars	Opening	Additions on account of change in shareholding	Current year Adjustments/ Additions	Closing
1	Depreciation	1661.69	-	(215.65)	1446.04
2	Others	8.40	-	(9.41)	(1.01)
3	Share of Subsidiary	786.80	2.91	81.60	871.31
	<b>Total</b>	<b>2456.89</b>	<b>2.91</b>	<b>(143.46)</b>	<b>2316.34</b>

8 **Earnings per share**

Particulars	2011-12	2010-11
Profit including profit of discontinued operation after tax before Exceptional Items as per Profit & Loss Account (Rs. In Lakhs)	<b>1423.63</b>	(855.98)
Profit After Prior Period adjustments as per Profit & Loss Account (Rs. In Lakhs)	<b>1560.80</b>	(1107.75)
Number of Shares Used in computing Earnings Per Share - For Basic	<b>55601694</b>	39521684
Number of Shares Used in computing Earnings Per Share - For Diluted	<b>55601694</b>	42418143
Earnings per Share-Basic (in Rs) Before Exceptional Item and Prior Period Adjustments	<b>2.56</b>	(2.17)
Earnings per Share - Diluted (in Rs) Before Exceptional Item and Prior Period Adjustments	<b>2.56</b>	(2.02)
Earning per Share - Basic (in Rs) After Exceptional item and Prior Period Adjustments	<b>2.81</b>	(2.80)
Earning per Share - Diluted (in Rs) After Exceptional item and Prior Period Adjustments	<b>2.81</b>	(2.61)
Face value per Share	<b>10.00</b>	10.00

## NOTES

### 9 Discontinuing Operations

The following statement shows the revenue and expenses of discontinuing operations as per AS-24.

Particulars	2011-12	(in Rs lakh) 2010-11
Other Income	-	2.40
Operating Expenses	-	-
Pre Tax Profit (Loss) before interest and Depreciation	-	2.40
Profit/(Loss) before Exceptional Items and tax	-	2.40

### 10 Exceptional Items

Particulars	2010-12	(in Rs lakh) 2009-11
Foreign currency translation reserve written off	82.40	1058.94
Gain on transfer of Joint venture	-	600.00
Foreign Exchange Fluctuation Difference	19.34	302.69
Write off of Goodwill	-	(2,186.73)
Gain on payment of FCCB	69.72	-
	<u>171.46</u>	<u>(225.10)</u>
Less: Tax on the above - credit /charge	34.29	-
<b>Total</b>	<u>137.17</u>	<u>(225.10)</u>

### 11 Foreign Currency Convertible Bonds

The company had raised USD 75 million during the year 2006-07 by way of issue of Foreign Currency Convertible Bonds (FCCB), and the amount so raised have been used towards capital expenditure and investments in foreign subsidiaries. The balance FCCBs of face value USD 36.75 million, were redeemed on the due date viz. 19 April 2011.

12 Previous year's figures have been regrouped and rearranged wherever necessary.

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

**CN GANGADARAN**  
Partner

Membership No. 11205

FRNo. 004915S

Place Chennai

Date 28 May 2012

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

# NOTES

## NOTE 2: SHARE CAPITAL

(in Rs lakh)

	Authorised			Issued			Subscribed			Paid-up		
	Number of share	Face value	Total value	Number of share	Face value	Total value	Number of share	Face value	Total value	Number of share	Face value	Total value
Equity Shares												
Opening balance as on 01-Apr-2010	50,000,000	10	5000.00	39,562,022	10	3956.20	39,557,782	10	3955.78	39,521,684	10	3952.17
Increase during the year	10,000,000	10	1000.00	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2011	60,000,000	10	6000.00	39,562,022	10	3956.20	39,557,782	10	3955.78	39,521,684	-	3952.17
Preference shares												
Opening balance as on 01-Apr-2010	150,000,000	10	15000.00	-	-	-	-	-	-	-	-	-
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2011	150,000,000	10	15000.00	-	-	-	-	-	-	-	-	-
Equity shares forfeited												
Opening balance as on 01-Apr-2010	-	-	-	-	-	-	-	-	-	-	-	1.80
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2011	-	-	-	-	-	-	-	-	-	-	-	1.80
Share Capital, Total	-	-	-	-	-	-	-	-	-	-	-	3,953.97

### Of the Above

- 9320003 Equity Shares Of Rs 10 Each were allotted as fully paid up as per the earlier schemes of Amalgamation
- 9860910 Equity Shares of Rs.10 Each were Alloted as fully paid up to the share holders of 34513195, 1% Preference Shares on 1/4/1997 in terms of Special resolution passed by the shareholders on 9/12/1996
- 4761908 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

(in Rs lakh)

	Authorised			Issued			Subscribed			Paid-up		
	Number of share	Face value	Total value	Number of share	Face value	Total value	Number of share	Face value	Total value	Number of share	Face value	Total value
Equity Shares												
Opening balance as on 01-Apr-2011	60,000,000	10	6,000.00	39,562,022	10	3,956.20	39,557,782	10	3,955.78	39,521,684	10	3,952.17
Increase during the year	-	-	-	16,080,010	10	1608.00	16,080,010	10	1608.00	16,080,010	10	1,608.00
Closing balance as on 31-Mar-2012	60,000,000	10	6000.00	55,642,032	10	5564.20	55,637,792	10	5563.78	55,601,694	10	5560.17
Preference shares												
Opening balance as on 01-Apr-2011	150,000,000	10	15,000.00	-	-	-	-	-	-	-	-	-
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2012	150,000,000	10	15000.00	-	-	-	-	-	-	-	-	-
Equity shares forfeited												
Opening balance as on 01-Apr-2011	-	-	-	-	-	-	-	-	-	-	-	1.80
Increase during the year	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance as on 31-Mar-2012	-	-	-	-	-	-	-	-	-	-	-	1.80
Share Capital, Total	-	-	-	-	-	-	-	-	-	-	-	5561.97

#### Of the Above

- 9320003 Equity Shares Of Rs 10 Each were allotted as fully paid up as per the earlier schemes of Amalgamation
- 9860910 Equity Shares of Rs.10 Each were Alloted as fully paid up to the share holders of 34513195, 1% Preference Shares on 1/4/1997 in terms of Special resolution passed by the shareholders on 9/12/1996
- 4761908 Equity shares of Rs 10 each were allotted as fully paid up by way of bonus shares by capitalisation of (Securities) premium.

# NOTES

## Notes

(i) Details of shares held by the holding company ,the ultimate holding company,its 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
Tanglin Retail Reality Developments Private Limited, the holding company	29,539,786	Nil	Nil	Nil	Nil

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

	As at 31 March 2012		As at 31 March 2011	
	Number of shares held	% holding	Number of shares held	% holding
Tanglin Retail Reality Developments Private Limited	29,539,786	53.13	3,952,168	10.00
Ranford Investments Limited	7,225,649	13.00	7,225,649	18.28
Darnolly Investments Limited	3,323,934	5.98	3,323,934	8.41

(iii) Details of forfeited shares

Class of shares	As at 31 March 2012		As at 31 March 2011	
	Number of shares	Amount originally paid up	Number of shares	Amount originally paid up
Equity shares with voting rights	36,098	180,490.00	36,098	180,490.00

### NOTE 3: RESERVES AND SURPLUS

	Capital Reserve	Securities Premium	Revaluation Reserve	Foreign Exchange Reserve	Foreign Currency Translation Reserve	General Reserve	Balance in Profit & Loss Account	Total
	(in Rs lakh)							
Opening balance as on 01-Apr-2010	2412.03	6278.73	373.41	383.01	836.43	3612.18	15134.76	29030.55
Current year surplus	-	-	-	-	-	-	(802.99)	(802.99)
Addition during the year	-	(3,588.96)	-	(85.94)	222.51	9.00	-	(3,443.39)
Written off	-	-	(373.41)	-	-	-	-	(373.41)
Transferred to General Reserve	-	-	-	-	-	-	(9.00)	(9.00)
Transferred from Profit and Loss Account	-	-	-	-	(1,058.94)	-	-	(1,058.94)
Goodwill on Demerger written off	-	-	-	-	-	-	-	-
Dividend payable	-	-	-	-	-	-	(10.06)	(10.06)
<b>Closing Balance as on 31-Mar-2011</b>	<b>2412.03</b>	<b>2689.77</b>	<b>-</b>	<b>297.07</b>	<b>-</b>	<b>3621.18</b>	<b>14312.71</b>	<b>23332.76</b>
Opening balance as on 01-Apr-2011	2412.03	2689.77	-	297.07	-	3621.18	14312.71	23332.76
Current year surplus	-	-	-	-	-	-	-	-
Addition during the year	-	-	-	617.04	741.61	-	1294.04	2652.69
Transferred to General Reserve	-	-	-	-	-	-	-	-
Transferred from Profit and Loss Account	-	-	-	-	(82.40)	-	-	(82.40)
Security premium on shares allotted during the year	-	10941.30	-	-	-	-	-	10941.30
Utilisation during the year	-	-	-	-	-	-	-	-
Transfer for TDS on FCCB	-	(627.10)	-	-	-	-	-	(627.10)
<b>Closing Balance as on 31-Mar-2012</b>	<b>2412.03</b>	<b>13003.97</b>	<b>-</b>	<b>914.11</b>	<b>659.21</b>	<b>3621.18</b>	<b>15606.75</b>	<b>36217.25</b>

**NOTE 4: TANGIBLE ASSETS**

(in Rs lakh)

Particulars	COST/GROSS BLOCK			DEPRECIATION					NET BLOCK	
	Opening (01.04.11)	Additions	Deduction	Closing (31.03.12)	Upto Last year (01.04.11)	For the year	On sales/ Adjustments	To date (31.03.12)	As at year end (31.03.12)	Previous year (31.03.11)
Freehold Land	6504.86	235.63	(0.14)	6740.35	-	-	-	-	6,740.35	6,504.86
Buildings	8539.76	717.21	-	9256.97	851.45	155.09	-	1,006.54	8,250.43	7,688.31
Leasehold Improvements	2.35	-	-	2.35	1.58	0.76	-	2.34	0.01	0.77
Plant & Machinery	10225.05	3044.83	(0.99)	13268.89	1,299.23	895.70	(0.02)	2,194.91	11,073.98	8,925.82
Office Equipments	981.30	2.86	(3.00)	981.16	676.85	29.31	(0.08)	706.08	275.08	304.46
Furnitures & Fixtures	579.13	11.39	(4.19)	586.33	395.44	24.61	(0.10)	419.95	166.38	183.69
Ship	275.38	11284.14	(275.38)	11284.14	48.79	662.92	(48.79)	662.92	10,621.22	226.59
Trucks	2998.80	25.64	(12.14)	3012.30	2,297.25	357.46	(8.91)	2,645.80	366.50	701.55
Vehicles	586.67	923.03	-	1509.70	251.76	218.14	-	469.90	1,039.80	334.91
Port Handling Equipment	11279.10	631.88	-	11910.98	4,964.19	748.29	-	5,712.48	6,198.50	6,314.91
Share in Joint Venture Assets	4751.12	23.46	(0.06)	4774.52	4,045.14	168.00	-	4,213.14	561.38	705.98
Total	46,723.52	16,900.07	(295.90)	63,327.69	14,831.68	3260.28	(57.90)	18,034.06	45,293.63	31,891.85

	COST/GROSS BLOCK				DEPRECIATION				NET BLOCK	
Particulars	Opening (01.04.11)	Additions	Deduction	Closing (31.03.12)	Upto Last year (01.04.11)	For the year	On sales/ Adjustments	To date (31.03.12)	As at year end (31.03.12)	Previous year (31.03.11)
Capital Work in Progress	49012.35	-	(990.01)	48022.34	-	-	-	-	48022.34	49012.35
Total	49012.35	-	(990.01)	48022.34	-	-	-	-	48022.34	49012.35

## NOTE 4: INTANGIBLE ASSETS

(in Rs lakh)

Particulars	COST/GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Opening (01.04.11)	Additions	Deduction	Closing (31.03.12)	Upto Last year (01.04.11)	For the year	On sales/ Adjustments	To date (31.03.12)	As at year end (31.03.12)	Previous year (31.03.11)
Licence Fee	5,000.00	-	-	5,000.00	767.39	-	-	767.39	4,232.61	4,232.61
Computer software	17.30	87.89	-	105.19	10.94	15.87	-	26.81	78.38	6.37
Goodwill on Investment in Subsidiary	9.62	-	(558.95)	(549.33)	-	-	-	-	(549.33)	9.62
Goodwill on Investment in JV	-	257.76	-	257.76	-	-	250.51	250.51	7.25	-
Dredger -Dry -Docks	-	528.74	-	528.74	-	52.87	-	52.87	475.87	-
Leasehold rights	640.36	125.52	(164.47)	601.41	-	-	-	-	601.41	640.34
<b>Total</b>	<b>5,667.28</b>	<b>999.91</b>	<b>(723.42)</b>	<b>5,943.77</b>	<b>778.33</b>	<b>68.74</b>	<b>250.51</b>	<b>1,097.58</b>	<b>4,846.19</b>	<b>4,888.94</b>
<b>Total (I + II + III)</b>	<b>101,403.15</b>	<b>17,899.98</b>	<b>(2,009.33)</b>	<b>117,293.80</b>	<b>15,610.01</b>	<b>3,329.02</b>	<b>192.61</b>	<b>19,131.64</b>	<b>98,162.16</b>	<b>85,793.14</b>



# NOTES

(in Rs lakh)

On 31 March 2012    On 31 March 2011

## NOTE 5: LONG TERM BORROWINGS

### Term Loans

From banks	35,157.87	23919.03
From other parties	9,948.75	9,859.03
Other loans and advances	534.06	422.97
Share of Joint ventures	11.57	909.44
<b>Total</b>	<b>45,652.25</b>	<b>35,110.47</b>

### Note

- The company has redeemed the outstanding FCCBs of face value USD 36.75 Million with maturity value of USD 50.16 million on the maturity date viz. 19 April 2011.
- Term loans from Banks are secured by mortgage of movable and immovable properties acquired under the respective Loan and Hypothecation of current assets as applicable.
- Term loans from financial institutions are secured by hypothecating equipments under the loan as first charge/mortgage on movable and immovable assets executed.
- Hire purchase loans are secured by hypothecation of respective assets acquired under the hire purchase agreement.

## NOTE 6: OTHER LONG TERM LIABILITIES

Trade Payables	10,705.30	10,398.85
Share of Joint ventures	-	-
<b>Total</b>	<b>10,705.30</b>	<b>10,398.85</b>

## NOTE 7: LONG TERM PROVISIONS

Provision for employees benefits	228.95	-
Provision for Tax	8,120.25	8,120.25
Share of Joint ventures	0.66	-
<b>Total</b>	<b>8,349.86</b>	<b>8,120.25</b>

## NOTE 8: SHORT TERM BORROWINGS

Loans repayable on demand		
From banks	11,051.38	5,186.02
From other parties	948.21	17,941.27
Share of Joint Ventures	-	-
<b>Total</b>	<b>11,999.59</b>	<b>23,127.29</b>

### Note

- Working capital facilities from Bankers are secured by hypothecation of stocks, bookdebts and other current assets and equitable mortgage/deposit of title deeds of certain immovable properties on pari passu basis .

(in Rs lakh)

## NOTES

On 31 March 2012 On 31 March 2011

### NOTE 9: OTHER CURRENT LIABILITIES

Current maturities of long term debt	2,275.12	2,137.38
Interest accrued but not due on borrowings	180.53	38.60
Income received in advance	323.60	-
Unpaid dividends	11.25	11.27
Unpaid matured deposits and interest accrued thereon	0.44	-
Unpaid matured debentures and interest accrued thereon	-	0.38
Statutory dues	191.38	287.24
Expenses payable	2,248.34	5,925.00
Share of Joint ventures	559.82	622.24
<b>Total</b>	<b>5,790.48</b>	<b>9,022.11</b>

### NOTE 10: SHORT TERM PROVISIONS

Provision for employee benefits	165.99	177.28
Others	11.35	179.09
Provision for Taxation	745.22	808.00
Share of Joint ventures	98.35	-
<b>Total</b>	<b>1,020.91</b>	<b>1,164.37</b>

### NOTE 11: NON CURRENT INVESTMENTS

Investment in equity instruments	6.21	5.00
Share of Joint ventures	-	-
<b>Total</b>	<b>6.21</b>	<b>5.00</b>

### NOTE 12: LONG TERM LOANS AND ADVANCES

Capital advances	536.96	-
Security deposits	1,693.63	1,429.89
Other loans and advances	1,136.40	1,056.07
Advance Tax and TDS receivable	1.14	-
Share of Joint ventures	81.77	-
<b>Total</b>	<b>3,449.90</b>	<b>2,485.96</b>

### NOTE 13: OTHER NON CURRENT ASSETS

Long term trade receivables	-	-
Unsecured ,considered good	16,626.35	18,166.03
Share of Joint ventures	93.86	-
<b>Total</b>	<b>16,720.21</b>	<b>18,166.03</b>

### NOTE 14: CURRENT INVESTMENTS

Investment in properties	-	931.88
Investments in mutual funds	20.65	1,707.49
Share of Joint ventures	109.25	-
<b>Total</b>	<b>129.90</b>	<b>2,639.37</b>

# NOTES

(in Rs lakh)

On 31 March 2012    On 31 March 2011

## NOTE 15: INVENTORIES

Stores and spares	1,211.75	922.27
Loose tools	14.53	14.53
Others	1.00	-
Share of Joint ventures	161.63	134.15
<b>Total</b>	<b>1,388.91</b>	<b>1,070.95</b>

## NOTE 16: TRADE RECEIVABLES

Debts outstanding for a period exceeding six months		
Secured, Considered good		
Unsecured, Considered good	2,403.04	1,602.65
Doubtful	123.58	49.12
Provision for Doubtful Debts	(199.58)	(49.12)
<b>Others</b>	-	-
Unsecured, Considered good	8,757.14	9,067.98
Share of Joint ventures	195.25	232.30
<b>Total</b>	<b>11,279.43</b>	<b>10,902.93</b>

## NOTE 17: CASH AND CASH EQUIVALENTS

Balance with banks		
On Current Accounts	3,131.90	2,738.79
On Deposit Accounts	1,217.00	14,486.67
On Margin Money Accounts	2,075.27	1,005.03
On Dividend Accounts	11.25	11.27
On Debenture Account	-	0.38
Cash on hand	44.14	39.25
Share of Joint ventures	1,333.33	1,161.51
<b>Total</b>	<b>7,812.89</b>	<b>19,442.90</b>

## NOTE 18: SHORT TERM LOAN AND ADVANCES

Loans and advances to related parties		
Others	-	-
Secured, considered good	-	-
Unsecured, considered good	9,453.66	10,269.81
Doubtful	55.82	-
Share of Joint ventures	33.79	400.27
<b>Total</b>	<b>9,543.27</b>	<b>10,670.08</b>

## NOTES

(in Rs lakh)

On 31 March 2012 On 31 March 2011

### NOTE 19: REVENUE FROM OPERATIONS

Transportation	24,193.15	30,659.47
Clearing & Handling Charges	11,609.99	8,010.70
Warehousing Rent, Freight, Stevedoring	34,114.92	32,848.48
Workshop/Service Revenue	187.00	-
Offshore Earnings	2,461.43	991.66
Agency Fees	158.08	179.72
Commission	165.48	-
Windpower	282.30	-
Share of Joint ventures	4,790.96	4,255.71
(TDS deducted at source on the above Rs 613.89 Lakh) (Previous year Rs 595.35 Lakh))		
<b>Total</b>	<b>77,963.31</b>	<b>76,945.74</b>

### NOTE 20: OTHER INCOME

Dividend Income	0.50	8.63
Balances Written Back	44.95	30.37
Rent receipts	14.45	12.43
Profit on sale of assets	2.31	90.48
Other non-operating income	108.27	3,227.85
Net gain/loss on Exchange	-	9.15
Share of Joint ventures	28.71	23.14
(TDS deducted at source on the above Rs 1.40 Lakh) (previous year Rs 1.24 Lakh))		
<b>Total</b>	<b>199.19</b>	<b>3,402.05</b>

### NOTE 21: COST OF SERVICES

Freight	15,121.20	25,069.73
Port Charges	554.80	528.90
Handling and Transportation	36,894.13	32,634.75
Warehousing expenses	299.05	39.13
Expenditure on Contracts	52.28	174.25
Operation and Maintenance	1,647.54	3,333.48
Other cost of services	1,328.48	-
Share of Joint ventures	3,665.03	3,557.19
<b>Total</b>	<b>59,562.51</b>	<b>65,337.43</b>

### NOTE 22: EMPLOYEES COSTS

Salaries and Wages	2,434.04	2,577.08
Contribution to Provident and other funds	112.03	87.06
Contribution to Gratuity and Other Funds	35.65	29.10
Employee welfare	169.19	185.44
Share of Joint ventures	347.00	265.95
<b>Total</b>	<b>3,097.91</b>	<b>3,144.63</b>

# NOTES

(in Rs lakh)

On 31 March 2012 On 31 March 2011

## NOTE 23: FINANCE COST

Interest expenses	3,830.87	2,215.48
Other borrowings	499.23	-
Applicable net gain/loss on foreign currency transactions	0.02	-
Less: Interest on Deposits	(197.85)	(334.51)
Interest from Others	(447.49)	(227.42)
Share of Joint ventures	(16.20)	83.12
(TDS deducted at source Rs 14.00 Lakh (Previous year Rs 23.80 Lakh))		
<b>Total</b>	<b>3,668.58</b>	<b>1,736.67</b>

## NOTE 24: OTHER EXPENSES

Rent including Lease Rent	123.05	117.58
Rates,Taxes,Licence and Filing fees	114.44	314.61
Postage, Telegram and Telephone	29.00	
Insurance	84.24	152.78
Power and Fuel	62.51	68.39
<b>Repairs and Maintenance</b>		
Plant & Machinery	135.66	107.97
Building	38.19	38.26
Vehicles	14.10	8.80
Others	60.77	192.86
Travelling and Conveyance	362.35	333.50
Directors' Sitting Fees	5.44	5.10
<b>Payment to Auditors</b>		
Audit	44.87	43.19
Tax Audit	7.67	5.55
Other Services	-	24.37
Certification	6.66	7.75
Expenses	3.62	5.17
Consumable stores and Tools	-	60.71
Selling Expenses	3,467.64	1,271.76
Bad Debts written off	407.16	3,125.66
Assets discarded/written off	-	59.54
Rebates,Discount and Commission	0.90	196.46
Prior period items	55.82	27.67
Other expenses	1,149.28	1,724.99
Royalty,Knowhow and Service charges	21.71	-
Commission to Directors	9.79	15.13
Share of Joint Ventures	764.60	751.89
<b>Total</b>	<b>6969.47</b>	<b>8659.69</b>

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

(in Rs lakh)

Year ended  
31 March 2012

Year ended  
31 March 2011

### A CASH FLOW FROM OPERATING ACTIVITIES

Net Profit before tax and before Extraordinary Items	1,535.01	(1,225.22)
Adjustments for:		
Depreciation	3,329.02	2,694.59
(Profit)/Loss on sale of fixed assets (net)	(2.31)	(30.94)
Interest Paid	4,330.10	1,811.50
Bad Debts written off/Provision for Doubtful Debts	407.16	3,125.35
Dividend Received	(0.50)	(8.63)
Prior period items	-	26.67
Loss on sale of vessel	-	40.30
Other Income/Interest Received	(661.53)	(49.56)
	<u>7,401.94</u>	
Operating Profit before Working Capital Changes	8,936.95	6,384.06
Adjustments for:		
Trade & other Receivables	(376.50)	(9,969.46)
Increase in Loans & Advances	162.86	5,292.79
Inventories	(317.96)	(637.91)
Trade Payables	(3,350.85)	(8,153.40)
Other liabilities	(2,839.03)	-
Other Assets	866.37	-
	<u>(5,855.11)</u>	<u>(13,467.98)</u>
Cash Generated from Operations	3,081.84	(7,083.92)
Taxes paid	(89.00)	(244.34)
<b>Cash flow before extra-ordinary item</b>	<b>2,992.84</b>	<b>(7,328.26)</b>
Proceeds from extra-ordinary item	-	-
Net Cash from Operating activities	<u>2,992.84</u>	<u>(7,328.26)</u>

### B CASH FLOW FROM INVESTING ACTIVITIES

Purchase of Fixed Assets (Including Capital Work in Progress)	(16,496.34)	(18,846.15)
Redemption of Investment (Net)	2,508.27	7,188.21
Miscellaneous Expenditure	-	(165.33)
Proceeds from Sale of Fixed Assets	5.35	13,181.75
Deposits	-	(5.70)
Dividend received	0.50	8.63

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2012

	Year ended 31 March 2012	(in Rs lakh) Year ended 31 March 2011
Project Advance	-	(6,833.82)
Net Cash used in Investing Activities before	-	-
Extra-ordinary Items	<u>(13,982.22)</u>	<u>(5,472.41)</u>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Advance towards Share Capital/Increase in Share Capital		
(Repayment) of Long Term Borrowings	10,541.78	9,551.95
(Repayment) of Short Term Borrowings	(11,127.75)	(419.47)
Interest Received	602.53	308.46
Interest (Paid)/Bank Charges paid	(4,246.07)	(3,809.74)
Proceeds from issuance of Share capital	764.82	16,662.13
Proceeds from issuance of security premium	2,824.06	1,340.33
Net Cash used in Financing Activities	<u>(640.63)</u>	<u>23,633.66</u>
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(11,630.01)	10,832.99
Cash and cash equivalents as at (opening) 1 April 2011	19,442.90	8,609.91
Cash and cash equivalents as at(closing) 31 March 2012	<u>7,812.89</u>	<u>19,442.90</u>

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

**CN GANGADARAN**

Partner

Membership No. 11205

FRNo. 004915S

Place Chennai

Date 28 May 2012

**R Ram Mohan**  
Managing Director

**AS Sundaresha**  
Director

**V Radhakrishnan**  
Company Secretary

**INFORMATION DISCLOSED IN ACCORDANCE WITH THE GOVERNMENT OF INDIA, MINISTRY OF CORPORATE AFFAIRS  
GENERAL CIRCULAR NO.47/51/2010-CL-111 DATED 14 MAY 2010**

Particulars	Bergen Offshore Logistics Pte. Ltd., Singapore	Sical Iron Ore Terminals Limited	Sical Multimodal and Rail Transport Limited	Nagpur Sical Gupta Logistics Limited	Nagpur Sical Gupta Road Terminal Limited	Sical Infra Assets Limited	Sical Distriparks Limited	Sical Iron Terminal (Mangalore) Limited	Norsea Offshore India Limited
Financial year of the Subsidiary Companies Ended on	31 Mar 2012 Amount in USD	31 Mar 2012 Rupees in lacs	31 Mar 2012 Rupees in lacs	31 Mar 2012 Rupees in lacs	31 Mar 2012 Rupees in lacs	31 Mar 2012 Rupees in lacs	31 Mar 2012 Rupees in lacs	31 Mar 2012 Rupees in lacs	31 Mar 2012 Rupees in lacs
Capital	19,000,000	8,536.70	469.00	5.25	15.65	5329.73	1000.00	2174.00	5.00
Reserves & Surplus	(9,803,288.41)	(3,831.66)	(4,414.68)	(10.79)	(72.48)	20,365.00	7489.00	Nil	97.02
Total Assets	21,036,699.82	10,762.38	30,287.93	135.30	1439.43	26,269.74	14240.00	2307.30	11829.49
Total Liabilities	11,839,988.23	6,057.34	34233.61*	140.84	1,496.25	575.01	5751.00	133.30	11727.47
Investments	Nil	Nil	Nil	Nil	Nil	20.65	Nil	Nil	Nil
Turnover	137,350.54	65.86	11,335.14	Nil	Nil	47.63	10,045.00	Nil	2461.43
Profit/(Loss) before tax	(555,378.85)	(266.30)	(1,382.05)	(10.79)	(72.46)	(8.48)	2161.71	Nil	156.21
Provision for taxation	Nil	Nil	30.45	Nil	0.01	Nil	309.00	Nil	59.18
Profit/(Loss) after tax	(555,378.85)	(266.30)	(1,412.50)	(10.79)	(72.47)	(8.48)	1852.71	Nil	97.03
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

\*Includes advance towards share application money.

1 USD = Rs 47.95 ( Average. rate)

1 USD = Rs 51.16 (Closing rate)



**SICAL**  
COFFEE DAY CO.

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# Sical Logistics Limited

[Formerly known as South India Corporation [Agencies] Limited]

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

## Notice to Shareholders

NOTICE is hereby given that the Fifty Seventh Annual General Meeting of the shareholders of SICAL LOGISTICS LTD will be held on Friday, the 28 September 2012 at 10.25 am 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 Profit and Loss Account for the year ended 31 March 2012 and the Balance Sheet as at that date.
- 2 To appoint a Director in the place of Shri Kush Desai, who retires by rotation and being eligible offers himself for re-election.
- 3 To appoint a Director in the place of Shri S R Ramakrishnan, who retires by rotation and being eligible offers himself for re-election.
- 4 To appoint Auditors for the current year and fix their remuneration. M/s. CNGSN & Associates, Chartered Accountants, the retiring auditors, are eligible for re-appointment.

### SPECIAL BUSINESS

- 5 To consider and if thought fit to pass with or without modification[s], the following resolution as an Ordinary Resolution.

### ORDINARY RESOLUTION

RESOLVED THAT Shri H Rathnakar Hegde, who was appointed as an additional Director of the Company by the Board of Directors on 19 December 2011 and who ceases to hold office under Section 260 of the Companies Act, 1956 on the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

- 6 To consider and if thought fit to pass with or without modification[s], the following resolution as an Special Resolution.

### SPECIAL RESOLUTION

RESOLVED THAT pursuant to Section 309 and all other applicable provisions, if any, of the Companies Act, 1956 ["the Act"], and subject to all permissions, sanctions and approvals as may be necessary, approval of the Company be and is hereby accorded for the payment of the commission to the Director[s] of the Company who is/are neither in the whole time employment nor managing director[s], in accordance with and upto the limits laid down under the provisions of Section 309[4] of the Act, computed in the manner specified in the Act, for a period of 5 years from the financial year commencing 1 April 2012, in such manner and upto such extent as the Board may, from time to time, determine.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all actions and do all such deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard.

Place Chennai  
Date 10 August 2012

Registered Office  
South India House 73 Armenian Street Chennai 600001

By order of the Board  
V RADHAKRISHNAN  
Company Secretary

## NOTES

- 1 A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and 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 An Explanatory Statement pursuant to Section 173[2] of the Companies Act, 1956, in respect of Item No.5 & 6 of the notice is annexed hereto.
- 3 The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 24 September 2012 to Friday, the 28 September 2012 [both days inclusive].
- 4 The members/proxies should bring the attendance slip duly filled-in and signed, clearly indicating the Folio No. for shares held in physical form or DP ID and client ID numbers in case of members holding the shares in dematerialized form, along with the Annual Report and they are requested to hand over the attendance slip at the entrance of the hall for attending the meeting.
- 5 Shareholders seeking any information with regard to accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
- 6 Pursuant to the provisions of Section 205A of the Companies Act, 1956, any dividend amount which remains unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government. Hence the shareholders who have not encashed their dividend warrant[s] so far for the financial year ended 31 March 2002 distributed in March 2007 are requested to make their claim to the Company at "South India House", 73, Armenian Street, Chennai-600001. It may also be noted that once the unclaimed dividend is transferred to the Central Government, as stated above, no claim shall lie in respect thereof.
- 7 Members are hereby informed that the Company, as per the SEBI guidelines, w.e.f., 01.04.2003, has appointed M/s. Cameo Corporate Services Limited, Unit: Sical Logistics Limited, "Subramanian Building", V Floor, No.1, Club House Road, Chennai-600002, Telephone: 044-28461073; Fax: 044-28460129; e-mail: [cameo@cameoindia.com](mailto:cameo@cameoindia.com) as its Registrar and Share Transfer Agent both for electronic and physical transactions of the shares. The shareholders are therefore requested to take note of the same and send all documents, correspondences, queries on any matter including their change of address to the Company's Registrar and Share Transfer Agent.
- 8 Shareholders are requested to notify immediately any change in their address to the Company/Share Transfer Agents/Depository Participants as well as the e-mail address if not intimated/updated earlier.
- 9 The Company's equity shares are listed with the Bombay Stock Exchange Limited [BSE] and the National Stock Exchange of India Limited [NSE] and the listing fee for the year 2012-13 has been paid in time.
- 10 Information required to be given under Clause 49 of the Listing Agreement about the particulars of Directors to be appointed/re-appointed at the ensuing Annual General Meeting and their Directorship/Chairmanship/Committee Membership in other Companies.
  - a Shri Kush Desai is a Chartered Accountant, having two decades of experience in multiple industries such as Information Technology, FMCG and Financial Services. He joined Coffee Day Group in 2010 in the infrastructure segment. Prior to this, he was Managing Director of SAP's R & D in India apart from a brief stint with a Doc Com Start and in the business development group of Coca-cola.

Other Directorships

Sical Infra Assets Limited

Sical Distriparks Limited

Sical Multimodal and Rail Transport Limited

PSA Sical Terminals Limited

Committee Chairmanship/Membership

Sical Distriparks Limited – Chairman - Audit Committee

Sical Infra Assets Limited – Member - Audit Committee

- b Shri S R Ramakrishnan is currently the Managing Director of Bharath Coal Chemicals Limited which is involved in implementation of prestigious Rs 1600 crore Coal to Ammonia project. Prior to joining this Company, he has served in various positions in SPIC, Sical and its subsidiaries besides being Managing Director of PSA Sical Terminals Limited. He has served as an active Member of various committees formed by the Government as well as other organizations including Sub-Group VI formed by Ministry of Shipping to assist the Planning Commission, the Committee formed by Government to look into Normative Cost based Tariff for Container handling in Indian Ports and the National Committee on Surface Transport formed by CII, New Delhi.

Other Directorships

Bharath Coal Chemicals Limited

Sical Multimodal and Rail Transport Limited

Norsea Offshore India Limited

Sical Iron Ore Terminals Limited

Sical Infra Assets Limited

Ennore Automotive Logistics Limited

Sical Iron Ore Terminal [Mangalore] Limited

Sical Distriparks Limited

Nagpur Sical Gupta Logistics Limited

Nagpur Sical Gupta Road Terminal Limited

Sical Hambuja Logistics Private Limited

Sical Sattva Rail Terminal Private Limited

Committee Membership

Sical Distriparks Limited – Member – Audit Committee

- c Shri H Rathnakar Hegde, an expert in banking and finance sector, has served in various positions in Vijaya Bank and was Executive Director of Oriental Bank of Commerce prior to his joining Sical's Board.

Other Directorships

Sical Iron Ore Terminals Limited

Kajaria Ceramics Limited

Su-raj Diamonds and Jewellery Limited

EXPLANATORY STATEMENT PURSUANT TO SECTION 173[2] OF THE COMPANIES ACT, 1956

The following Explanatory Statement sets out the material facts referring to Item Nos. 5 & 6.

Item No.: 5

Shri H Rathnakar Hegde was inducted as an additional director into the Board of the Company on 19.12.2011. According to Section 260 of the Companies Act, 1956, Shri H Rathnakar Hegde holds office as Director only upto the date of this Annual General Meeting. The Board of Directors recommend the appointment of Shri H Rathnakar Hegde as Director for the approval of the members. Particulars about his qualification and experience are given under Note 10 [c] of this Notice.

MEMORANDUM OF INTEREST

Except Shri H Rathnakar Hegde, none of the other Directors is deemed to be interested or concerned in this resolution.

Item No.: 6

The members by way of special resolution at the AGM held on 12 September 2007 had approved payment of commission not exceeding 1% of the net profits of the Company to non executive directors other than Managing Director[s] for a period of 5 years from the financial year 2007-08. Since that resolution is valid only upto the financial year 2011-12, for renewal of the same, for a further period of 5 years, a fresh resolution is to be passed. The quantum of the said commission will be apportioned amongst the non-executive directors as per the recommendations of the Board. The Board of Directors recommend the resolution as set out in Item No.6 for the approval of the members.

#### MEMORANDUM OF INTEREST

All the non executive directors of the Company may be deemed to be concerned or interested in this resolution to the extent of commission that may be payable to them from time to time.

Place Chennai

Date 10 August 2012

By order of the Board

V RADHAKRISHNAN

Company Secretary

Registered Office

South India House 73 Armenian Street Chennai 600001

# Sical Logistics Limited

[Formerly known as South India Corporation [Agencies] Limited]

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

## ATTENDANCE SLIP

Name & address of the shareholder

_____	Folio No _____
_____	DPID _____
_____	Client ID _____
_____	No. of shares _____

I hereby record my presence at the 57th Annual General Meeting of the Company, at Rajah Annamalai Hall, Esplanade, Chennai on Friday, the 28 September 2012 at 10.25 am.

Name of the Shareholder / Proxy\*

Signature of the Shareholder / Proxy\*

_____	_____
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\*Strike out whichever is not applicable.



# Sical Logistics Limited

[Formerly known as South India Corporation [Agencies] Limited]

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

## PROXY FORM

I / We \_\_\_\_\_

in the District of \_\_\_\_\_ being a Member / Members of the above mentioned Company hereby appoint \_\_\_\_\_

of \_\_\_\_\_ in the district of \_\_\_\_\_

or failing him \_\_\_\_\_ of \_\_\_\_\_

in the district of \_\_\_\_\_ as my / our Proxy to vote for me / us on my / our behalf at the 57th Annual General Meeting of the Company to be held on Friday, the 28 September 2012 at 10.25 am at Rajah Annamalai Hall Esplanade Chennai 600108 and at any adjournment thereof.

I wish my above proxy to vote in the manner as indicated in the box below\*

Resolutions	For	Against
1 Adoption of Report and Accounts		
2 Re-election of Shri Kush Desai		
3 Re-election of Shri S R Ramakrishnan		
4 Appointment of Statutory Auditors		
5 Appointment of Shri H Rathnakar Hegde as Director		
6 Payment of 1% commission to directors other than Managing Director[s]		

Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2012

FOLIO NO. / DP ID / CLIENT ID

NUMBER OF SHARES \_\_\_\_\_

Affix  
Re 1.00  
revenue  
stamp

### Notes

- The Proxy must be deposited at the Registered Office of the Company not later than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.
- \*2 This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

















## integrated multimodal logistics

port operations

container terminals

container trains

trucking and warehousing

ICD/CFS

**Sical Logistics Ltd**

73 Armenian Street, Chennai 600001, India  
[www.sical.com](http://www.sical.com)



**SICAL**  
**COFFEE DAY CO.**