

SICAL LOGISTICS LIMITED

Proceedings of the 57th Annual General Meeting of the Shareholders of the Company held on Friday, the 28th September, 2012 at 10.25 a.m. at "Rajah Annamalai Hall", Esplanade, Chennai 600 108.

PRESENT

Shri R. Ram Mohan	Managing Director
Shri Kush Desai	Director
Shri A.S. Sundaresha	Director
Shri S.R. Ramakrishnan	Director
Shri H. Rathnakar Hegde	Director
Shri V. Radhakrishnan	Company Secretary

Shri R. Ram Mohan was elected Chairman of the meeting and accordingly he presided over the meeting and conducted the proceedings.

4942 Shareholders in person and 142 Shareholders by Proxy were present.

The Chairman welcomed the members to the 57th Annual General Meeting of the Company and declared that the Register of Members and Directors shareholdings were open for inspection.

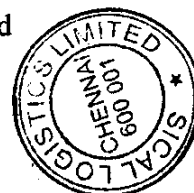
The Chairman with the permission of the members took the Notice convening the 57th Annual General Meeting as read and directed Shri V. Radhakrishnan, Company Secretary to read the report of the Statutory Auditors of the Company to the members, which he complied with.

The Accounts and the Directors Report for the year ended 31st March 2012 were taken as read with the permission of the members and thereafter the Chairman addressed the members. During his speech, he briefly deliberated on the performance of the Company as well on the strategic direction for key businesses.

After this, the Chairman proceeded with the business as per the agenda contained in the Notice circulated to the members.

1. ADOPTION OF AUDITED ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2012

The Chairman moved the first item i.e. adoption of audited Balance Sheet as at 31st March 2012 and the profit and loss account for the year ended as on that date and the Reports of the Directors and Auditors thereon.



The Chairman invited discussions on the Accounts from the Members and seven members participated.

The Chairman provided clarifications to the queries and concerns raised by the Members to their satisfaction.

Thereafter, the following resolution proposed by Shri Srinivasan and seconded by Shri R. Kannan, was put to vote and was passed unanimously.

RESOLVED THAT the Audited Balance Sheet as at 31st March, 2012 and the Audited Statement of Profit and Loss for the year ended as on that date together with the Directors' Report and Auditors' Report thereon be and are hereby received and adopted.

2. TO RE-ELECT SHRI KUSH S DESAI AS DIRECTOR

Proposed by Shri Nagaraj, a shareholder and seconded by Shri J. Prabhakar, another shareholder, the following resolution on being put to vote, was passed unanimously.

RESOLVED THAT Shri Kush S Desai, who retires by rotation at this Annual General Meeting as per Section 256 of the Companies Act, 1956 and being eligible, be and is hereby re-elected as Director of the Company.

3. TO RE-ELECT SHRI S.R. RAMAKRISHNAN AS DIRECTOR

Proposed by Shri T.R. Srinivasan, a shareholder and seconded by Shri Nagaraj, another shareholder, the following resolution on being put to vote, was passed unanimously.

RESOLVED THAT Shri S.R. Ramakrishnan, who retires by rotation at this Annual General Meeting as per Section 256 of the Companies Act, 1956 and being eligible, be and is hereby re-elected as Director of the Company.



4. **APPOINTMENT OF STATUTORY AUDITORS OF THE COMPANY FOR THE CURRENT YEAR**

Proposed by Shri R. Kannan and seconded by Shri J. Prabhakar, another shareholder, the following resolution on being put to vote, was passed unanimously.

ORDINARY RESOLUTION :

RESOLVED THAT M/s. CNGSN & Associates [Firm No. 004915S], Chartered Accountants, Chennai, be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting [AGM] until the conclusion of the next AGM at a remuneration as determined by the Management and reimbursement of out-of-pocket expenses at actuals towards travelling and other expenses incurred in connection with the Company's Audit.

5. **APPOINTMENT OF SHRI H. RATHNAKAR HEGDE AS DIRECTOR OF THE COMPANY**

Proposed by Shri S. Padmanaban, a shareholder and seconded by Shri Nachiappan, another shareholder, the following resolution on being put to vote, was passed unanimously.

ORDINARY RESOLUTION

RESOLVED THAT Shri H. Rathnakar Hegde, who was appointed as an additional Director of the Company by the Board of Directors on 19th 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. **PAYMENT OF COMMISSION TO DIRECTORS OTHER THAN THE MANAGING DIRECTOR / WHOLE-TIME DIRECTORS**

Proposed by Shri T.R. Srinivasan and seconded by Shri R. Kannan, the following special resolution on being put to vote, was passed unanimously.

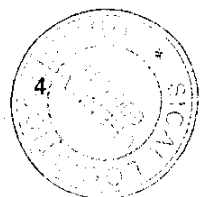


SPECIAL RESOLUTION

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 1st 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.

There being no other business to transact, the meeting concluded with a vote of thanks.



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COFFEEDAY CO.
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CHAIRMAN'S SPEECH
57th AGM
28.09.2012

Ladies and Gentlemen,

It gives me a great pleasure in welcoming you all to the 57th Annual General Meeting of your Company.

The Annual Report including the Audited Accounts of the Company for the year ended 31st March, 2012 has been with you for quite some time and with your consent, I shall take them as read.

GLOBAL ECONOMIC SCENARIO

The Global Economic environment continues to be weak and challenging. In the year 2011-12 significant slowdown was witnessed in the developed as well as emerging market economies. Overall global growth slipped to 3.9% in 2011 from 5.3% in 2010. In developed economies, the growth slipped from 3.2% to 1.6% and in emerging economies from 7.5% to 6.2% in the year 2011 compared to 2010.

INDIAN ECONOMIC SCENARIO

The Indian economy is going through a rough patch. In 2011-12, GDP growth declined significantly to 6.5% from 8.4% in 2010-11. In the current fiscal, the projected GDP growth of 5.5% is again lower than that of 2010-11. Lower external demand and the slump in capital flows emanating from the weak global financial conditions weakened India's external account with current account deficit widening to record levels of 4.2% of GDP in 2011-12. The weakening rupee added to the problems of economic slowdown. The Indian rupee against US Dollar deteriorated from the level of Rs.45/- to the current levels of Rs.54/- of date. The persistence of high inflation and the tight monetary measures curb inflation had a dampening impact on

demand especially on investment. The deteriorating fiscal situation due to overshooting of various subsidies led to a higher deficit of 5.9% of GDP for the Central Government against the target of 4.6%. This has affected the investments and gross fixed capital formation growth declined to 5.5% in 2011-12 over 7.5% of the previous year.

Now let us turn our attention to the performance of your Company Sical.

Sical - The way forward

Your Company recorded revenues of Rs.782 crores during the financial year April 2011 to March 2012. Though the revenues declined to Rs.782 crores from that of Rs.803 crores over the previous year, the Company's focus on cost reduction, productivity improvement and delivery excellence has resulted in achieving an EBIDTA of Rs.85 crores during 2011-12 compared to Rs.32 crores in the previous year.

Performance and Strategic direction for key business

1. Container Freight Station [CFS]

Despite slowdown in the economy, your Company could achieve 5% growth in volumes in the CFS segment. You will be happy to note that the turnover has exceeded Rs.100 crores recording an increase of 22% over the previous year. We have added 10000 square metres of space in Chennai CFS and operate through two locations at Tuticorin which all contributed for revenue growth in addition to adding new customers.

Going forward, we shall add 50000 square feet of covered space in Chennai to take the volumes further. Your company is also considering the options to set up CFS facilities at other locations of the country.

2. Dredger

Dredging operations were carried out at Karaikal Port, Mangalore and Paradip during the financial year under review. The turnover of the Company increased from Rs.9 crores in 2010-11 to Rs.24 crores in 2011-12 and the

operations became positive in 2011-12 for the first time in the history of dredging operations. Currently it is on a long term contract at Gangavaram Port where the operations have commenced from July 2012 to dredge 3.6 million cubic metres over a period of 18 months. Going forward there are plenty of opportunities in the market for effective use of this asset.

3. Significant New Business

Your Company participated in the tender floated by Neyveli Lignite Corporation for integrated logistics of coal movement from Talcher in Orissa to Tuticorin. The activity includes setting up and washing of coal and transportation through the modes of road, rail and sea. This is a firm contract for 3 years and extendable by 2 more years. The operations are expected to commence from September 2013 and this will increase the turnover of your Company by Rs.300 crores a year. All efforts are underway to achieve customer satisfaction through cargo integrity and timely deliveries. We expect to receive the contract in the next few weeks.

4. Port Operations

Your Company handled 28.5 million tones of bulk cargo recording a growth of 5% over the previous year in the ports of Ennore, Chennai, Tuticorin, Vizag and Mangalore in spite of ban on handling coal at Chennai Port effective October 1, which had major adverse effect on the company's operations. We were able to sustain the volumes through focus on other bulk commodities such as rock phosphate, dolomite, steel cargo and fertilizers. The dedicated terminal to handle coal for Tamil Nadu Electricity Board at Ennore continued to perform well with an uptime of 99.5%. The sustainability of uptime is critical for our future success. Your company also bagged temporary contract for one year to handle additional 3 million tones of coal in Coal Berth 2 at Ennore.

Going forward the Company plans to expand its veins to other ports. The challenge in this segment is the continuous price reduction sought by customers and our success depends upon the cost reduction through process improvements to maintain the margins. Your company is working in this direction.



5. Road Logistics

Our focus has shifted from south based operations to pan-India. This has resulted in 10% growth in the turnover. The company commenced cold chain operations at Bangalore, Chennai and Hyderabad during the year.

Going forward, the Company wants to penetrate the opportunities on high margin cargoes such as cold chain products, ODCs and LCL cargo.

6. Rail Business

The turnover of the Rail Business grew by 10% during the year over the previous year. The plain vanilla rail operations can become profitable only when it is supported by own terminals. In this regard, setting up of two terminals at Bangalore and Chennai are in progress. We expect to complete the Bangalore terminal during the current financial year and at Chennai in the following financial year. The Company is moving in the direction of commencing its EXIM operations from Chennai Port to Melpakkan and Chennai Port to Bangalore.

7. Projects

Emmore Iron Ore Facility

Due to iron ore ban imposed by the Government of Karnataka, the iron ore facility set up at Emmore, Chennai at a capital outlay of Rs.445 crores could not commence its commercial operations in the last two years. We have to incur Rs.3 crores per month to service the interest and other expenses related to this facility. In order to have an effective utilization for the state-of-the-art infrastructure created, your company has approached the Port for handling alternate cargoes. Till the approval is received, the facility will continue to be non-operational resulting in drainage of the resources.

Mangalore Iron Ore Terminal

Due to the same reason of iron ore ban, we have not commenced the setting up of the facility in full swing. Here again we have represented to the Port for the approval to handle multiple cargoes.

8. *PSA Steel Terminal at Tuticorin*

This business still remains at break even level on account of the pending resolution of policy issues related to the tariff and royalty. Your Company is working towards a resolution of the same.

Corporate Governance

Your company is focused with great diligence on maintaining the highest standards of Corporate Governance by ensuring transparency in all aspects of its operations. The Corporate Governance Report has been incorporated as a separate section in the Annual Report and your Company complies with the Clause 49 of the Listing Agreement relating to corporate governance and committed to maintenance of highest standard at all times. Your company has a well-defined policy framework which inter-alia consists of

Code of Conduct for Directors and Senior Management personnel;
Code of conduct for prevention of insider trading

Conclusion

The company will continue to focus to achieve customer satisfaction by providing end-to-end solutions through its integrated multimodal logistics. We constantly make efforts to move up in the value chain with focus on high value contracts. The in-house IT department is fully geared up to support the operations as they are large business contracts. Your company will continue to work towards enhancing brand image through transparency, cargo integrity, productivity and delivery excellence.

Acknowledgement

I take this opportunity to express my sincere thanks to

- all the shareholders who have been encouraging the Company in its growth.
- the outstanding support, professional advice and guidance provided by colleagues in the board.

- the employees across the company for their dedicated efforts.
- business partners for their support.

I wish to place on record my sincere gratitude to all our bankers, financial institutions, port authorities, customs and central excise authorities, State and Central governments, principals, collaborators, customers, suppliers, SEBI, stock exchanges and other regulatory authorities.

Thank you.

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