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INDEPENDENT AUDITOR'S REPORT

To the Members of M/s **SICAL IRON ORE TERMINALS LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **SICAL IRON ORE TERMINALS LIMITED** ("the Company"), which comprise the balance sheet as at 31st March **2019**, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, **2019,** and its cash flows for the year ended and statements of changes of equity on that date.

Basis for Opinion:

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

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Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the standalone financial statements and our auditors' report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements:

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements:

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

(c) The Balance Sheet and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No 14 to the financial statements (Contingent Liabilities).
ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanation given to us, during the current year, the remuneration paid by the company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For CNGSN & ASSOCIATES LLP
Chartered Accountants
F.R.No.004915S/S200036

S.NEELAKANTAN
Partner
Memb.No.028656

Dated: 14/05/2019
Place: Chennai

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Annexure 1 to the Auditor's report

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

i. In respect of Fixed assets :
   a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
   b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
   c) According to the information and explanation given to us, the title deeds of immovable properties of the Company are held in the name of the Company.

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

iii. The company has not granted any loans to secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, clause (iii) (a), (iii) (b) and (iii) (c) of paragraph 3 of Companies (Auditors Report) Order 2016 is not applicable.

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

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

vi. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act 2013 for the business activities carried out by the Company. Thus reporting under Clause 3(vi) of the order is not applicable to the Company.

vii. According to the information and explanations given to us, in respect of statutory dues

   a) According to the records of the Company and information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no undisputed statutory dues outstanding for more than six months.
   b) The Company does not have any dues of income tax, sales tax, service tax, custom duty, excise duty, value added tax or GST to be deposited on account of any dispute.

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viii. Based on our audit procedures and on the information and explanations given by the management, we are of opinion that the Company has not defaulted in repayment of dues to Financial Institutions or bank or Government or debenture holders.

ix. The company has not raised any money by way of initial public offer or further public offer. Term loan were been taken during the financial year and was applied for the purpose for which it was raised.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year

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

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

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

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

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

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

For CNGSN & ASSOCIATES LLP
Chartered Accountants
F.R.No.004915S/S200036

CNGSN & ASSOCIATES LLP CHENNAI CHARTERED ACCOUNTANTS

S.NEELAKANTAN
Partner
Memb.No.028656

Dated: 14/05/2019
Place: Chennai

Annexure 2 to the Auditor's report

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

We have audited the internal financial controls over financial reporting of **SICAL IRON ORE TERMINALS LIMITED** ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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CHENNAI
CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For CNGSN & ASSOCIATES LLP
Chartered Accountants
F.R.No.004915S/S200036

CNGSN & ASSOCIATES LLP CHENNAI CHARTERED ACCOUNTANTS

Dated: 14/05/2019
Place: Chennai

S.NEELAKANTAN
Partner
Memb.No.028656

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Sical Iron Ore Terminals Limited
Balance sheet

Rs. in lakhs

Particulars	Note	As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	1	19.15	18.51
Capital work-in-progress	2	97,541.85	84,333.13
Financial Assets	3		
- Other non-current financial assets	3.1	202.89	74.37
Other non-current assets	3.2	-	1,634.29
		97,763.85	86,059.60
Current assets			
Inventories	4	751.61	751.61
Financial Assets	5		
- Cash and cash equivalents	5.1	459.95	125.35
- Other current financial assets	5.2	0.66	0.63
Current Tax Assets (Net)	6	1.38	4.11
Other current assets	7	3,685.38	61.15
		4,898.92	944.15
Total Assets		**1,02,662.77**	**87,003.75**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	8	13,000.00	13,000.00
Other Equity	9	16.59	180.39
		13,003.59	13,180.39
LIABILITIES			
Non-current liabilities			
Financial Liabilities	10		
Borrowings	10.1	11,137.18	-
Provisions	10.2	35.11	25.56
		11,172.29	25.56
Current liabilities			
Financial Liabilities			
Trade payables	11	2,231.11	1,894.63
Other current liabilities	12	73,255.13	71,901.13
Provisions	13	0.54	1.96
		75,496.78	73,797.80
Total Equity and Liabilities		**1,02,662.77**	**87,003.75**
Significant accounting policies	1		
Notes to the accounts	2 to 22		

The notes referred to above form an integral part of financial statements

As per our report of even date attached
For CNGSN & Associates LLP
Chartered Accountants
Firm registration number – 004915S
LLP No. – S200036

For and on behalf of the Board of Directors of
Sical Iron Ore Terminals Limited

S. Neelakantan
Partner
Membership No. 018656

Capt. K. N. Ramesh
Managing Director

Sumith R Kamath
Director

Chennai
Date: 14 May 2019

CNGSN & ASSOCIATES LLP CHENNAI CHARTERED ACCOUNTANTS

P. Subramanian
Chief Financial Officer

P. Ramachandran
Company Secretary

Chennai
Date: 14 May 2019

Sical Iron Ore Terminals Limited
Cash Flows Statement

Rs. in lakhs

Particulars	Note	For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Cash flows from operating activities			
Profit before tax		-	-
Operating cash flow before working capital changes		-	-
Changes in			
- Current Non current financial assets		(129.49)	0.11
- Current Non current assets		(1,986.94)	107.10
- Inventories			-
- Current Non current liabilities		584.95	(0.02)
- Trade payables		346.44	(814.59)
- Provisions		7.83	4.70
Cash generated from operations		(1,177.21)	(702.70)
Income taxes paid		3.03	(1.59)
Cash generated from operations [A]		**(1,174.18)**	**(704.29)**
Cash flows from investing activities			
Purchase of fixed assets (including Capital Work in Progress)		(13,208.40)	(11,371.45)
Bank deposit		(282.44)	(119.75)
Net cash generated used in investing activities [B]		**(13,490.84)**	**(11,491.20)**
Cash flows from financing activities			
Proceeds from long term borrowings		14,137.48	-
Proceeds from Holding Company		581.70	12,195.49
Net cash generated from financing activities [C]		**14,719.18**	**12,195.49**
Increase in cash and cash equivalents [A+B+C]		**54.16**	**0.00**
Cash and cash equivalents at the beginning of the year		**3.60**	**3.60**
Cash and cash equivalents at the end of the year		**57.76**	**3.60**
Components of cash and cash equivalents	5		
Cash on hand		0.18	0.05
Balances with banks			
- in current accounts		57.58	3.55
Total cash and cash equivalents		**57.76**	**3.60**
Significant accounting policies			
Notes to the accounts	1 to 13		

As per our report of even date attached
For **CNGSN & ASSOCIATES LLP**
Chartered Accountants
Firm registration number 004915S
LLP No. S200036

S.Neelakantan
Partner
Membership No. 028656

Chennai
Date 14 May 2019

CNGSN & ASSOCIATES LLP CHENNAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Sical Iron Ore Terminals Limited

Capt. K. N. Ramesh
Managing Director

Sumith R Kamath
Director

E. Subramanian
Chief Financial Officer
Chennai
Date 14 May 2019

P. Ramachandran
Company Secretary

Sical Iron Ore Terminals Limited
Notes to the accounts
For the year ended 31 March 2019

1 Company overview and Significant Accounting Policies

1.1 Company overview

Sical Iron ore Terminals Limited ("the Company") was incorporated on 5 September 2006. The Company has entered into a Build Operate Transfer (BOT) License Agreement with the Kamarajar Port Limited ("KPL") (erstwhile Ennore Port Limited) for 30 years with effect from 6 February 2008 for construction, development and operation and maintenance of an iron ore terminal. The Company has set up its Iron Ore Terminal Facility ("the Terminal") at Kamarajar Port Limited and could not commence its commercial operations due to the prevailing ban on the export of iron ore. The Company had made constant requests to the KPL and Ministry of Shipping to allow handling of alternate cargoes such as coal in the terminal. Subsequently, after due tendering process, the Company has signed a License Agreement with KPL on 11 July 2016 for a period of 27 years to modify the existing Iron Ore Terminal Facility to also handle Coal. Since the commercial operations of the Company is yet to start, the Company does not have Statement of Profit and Loss for the year ended 31 March 2019 and 31 March 2018.

The financial statements are approved for issue by the company's Board of Directors on 14 May 2019.

1.2 Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis, the provisions of the Companies Act, 2013 ("Act") (to the extent notified). The Ind AS as prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

1.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies All other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.4 Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes.

(a) Income taxes: Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Also refer to Note 1.16.

(b) Property, plant and equipment: Property, plant and equipment represent a significant proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

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CHENNAI
CHARTERED ACCOUNTANTS

Sical Iron Ore Terminals Limited
Notes to the accounts
For the year ended 31 March 2019

(iii) Other estimates. The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

1.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

1.6 Property, plant and equipment

Recognition and measurement. Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

Depreciation. The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and lease term. The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Asset Class	Dep Rate	Method	Useful Life (Years)
Furniture & Fixtures	10%	SLM	10
Office Equipments	20%	SLM	5
EDP Equipments	33.33%	SLM	3
Plant & Machinery	20%	SLM	5

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Amounts paid towards the acquisition/construction of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress. The Company has taken all the direct costs incurred on acquisition of assets including the interest cost, the depreciation on assets acquired during the construction phase and all other administration expenses incurred towards the acquisition/construction of property, plant and equipment to Capital Work-in-Progress.

1.7 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (i.e. the 'functional currency'). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

1.8 Foreign currency transactions and balances

Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent on the date of transaction.

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1.9 Financial instruments

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Loans and borrowings and payable are recognised net of directly attributable transactions costs.

(i) *Financial assets at amortised cost* – A financial asset shall be measured at amortised cost if both of the following conditions are met:
(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI)

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and in fixed deposits with a original maturity period of less than 12 months from balance sheet date are considered as a part of the Company's cash management system.

(ii) *Financial liabilities at amortised cost* – Financial liabilities at amortised cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method

1.10 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period

The Company enters into certain derivative contracts such as interest rate swaps and currency swaps to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative

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1.11 Impairment

(a) Financial assets: In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. This amount is reflected under the head other expenses in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below

Financial assets measured at amortised cost: contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the group does not reduce impairment allowance from the gross carrying amount

(b) Non-financial assets: The Company assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and the recoverable. Losses are recognised in the statement of profit and loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through statement of profit and loss

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit")

1.12 Employee Benefit

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method

The Company has the following employee benefit plans

(a) Gratuity: In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is managed by the Life Insurance Corporation of India (LIC). The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income

Remeasurements comprising of actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods

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(b) Compensated absences. The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss.

1.13 Provisions

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

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

1.14 Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of raw materials includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

1.15 Finance income and expense

Finance income consists of interest income on funds invested. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the statement of profit and loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis.

1.16 Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

(a) Current income tax. Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

(b) Deferred income tax. Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences.

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

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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L17 Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented

L18 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated

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2 Property, plant and equipments

Current year 2018-19

Rs. in lakhs

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 April 2018	Additions during the year	Deletions during the year	As at 31 March 2019	As at 1 April 2018	Additions during the year	Deletions during the year	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Tangible assets										
Office Equipments	0.52	2.15	-	2.67	0.40	0.06	-	0.46	2.21	0.12
EDP Equipments	4.62	2.82	-	7.44	3.44	0.73	-	4.17	3.27	1.18
Building - Workshop	-	0.18	-	0.18	-	0.01	-	0.01	0.17	-
Plant and Machinery	11.24	-	-	11.24	10.68	-	-	10.68	0.56	0.56
Furniture & Fixtures	39.34	-	-	39.34	22.69	3.73	-	26.42	12.92	16.65
Total	**55.72**	**5.15**	**-**	**60.87**	**37.21**	**4.53**	**-**	**41.74**	**19.13**	**18.51**
Capital Work in Progress	84,333.43	13,208.40	-	97,541.83	-	-	-	-	97,541.83	84,333.43
Total	**84,333.43**	**13,208.40**	**-**	**97,541.83**	**-**	**-**	**-**	**-**	**97,541.83**	**84,333.43**

Previous year 2017-18

Rs. in lakhs

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 1 April 2017	Additions during the year	Deletions during the year	As at 31 March 2018	As at 1 April 2017	Additions during the year	Deletions during the year	As at 31 March 2018	As at 31 March 2018	As at 31 March 2017
Tangible assets										
Office Equipments	0.49	0.03	-	0.52	0.36	0.04	-	0.40	0.12	0.13
EDP Equipments	4.62	-	-	4.62	2.79	0.65	-	3.44	1.18	1.83
Plant and Machinery	11.24	-	-	11.24	10.68	-	-	10.68	0.56	0.56
Furniture & Fixtures	39.34	-	-	39.34	18.96	3.73	-	22.69	16.65	20.38
Total	**55.69**	**0.03**	**-**	**55.72**	**32.79**	**4.42**	**-**	**37.21**	**18.51**	**22.90**
Capital Work in Progress	72,957.59	11,375.84	-	84,333.43	-	-	-	-	84,333.43	72,957.59
Total	**72,957.59**	**11,375.84**	**-**	**84,333.43**	**-**	**-**	**-**	**-**	**84,333.43**	**72,957.59**

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PART I - BALANCE SHEET

3 **Financial Assets**

Rs. in lakhs

3.1 Other non current financial assets	As at 31 March 2019	As at 31 March 2018
Margin money deposit with banks*	125.40	-
Unsecured, considered good		
Security deposits	77.49	73.37
	202.89	**73.37**

*Includes Rs. 125.40 lakhs (Previous year: Nil) given as security for loan availed by the Company

Rs. in lakhs

3.2 Other non-current assets	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
Balances with Government Authorities	-	1,634.29
	-	**1,634.29**

4 **Current assets**

Rs. in lakhs

4.1 Inventories	As at 31 March 2019	As at 31 March 2018
Stores and spares	751.61	751.61
	751.61	**751.61**

5 **Financial Assets**

Rs. in lakhs

5.1 Cash and cash equivalents	As at 31 March 2019	As at 31 March 2018
Balances with Banks (of the nature of cash and cash equivalents)		
- in current accounts	57.58	3.55
Cash on hand	0.38	0.05
Other bank balances		
- in fixed/margin money deposit with banks*	402.19	119.75
	459.95	**123.35**

*Includes Rs. 402.19 lakhs (Previous year: Rs. 119.75 lakhs) given as security for loan availed by the Company.

Note: Fixed deposits with a original maturity period of less than 3 months are classified as "Cash and cash equivalents" and fixed deposits with a original maturity period of greater than 3 months but with a maturity date of less than 12 months from balance sheet date are classified as "Other bank balances."

Rs. in lakhs

5.2 Other current financial assets	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
- staff advances	0.60	0.63
	0.60	**0.63**

Rs. in lakhs

6 Current Tax Assets (Net)	As at 31 March 2019	As at 31 March 2018
Advance income tax, net of provision for tax	1.38	4.41
	1.38	**4.41**

Rs. in lakhs

7 Other current assets	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
Other advances		
- prepaid expenses	239.78	29.91
- balances with Government Authorities	1,955.03	-
- advances for supply of goods and rendering of services	1,490.57	34.24
	3,685.38	**64.15**

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PART I BALANCE SHEET

8 **Share capital**

Particulars	Authorised			Issued, Subscribed and Paid-up	
	Number of share	Face value	Total value (Rs. In Lakhs)	Number of share	Total value (Rs. In Lakhs)
Previous Year 2017-18					
Equity Shares		10/-			
Opening balance as on 1 Apr 2017	13,000,000		1,300	13,000,000	13,000
Increase during the year				-	-
Closing balance as on 31 Mar 2018	13,000,000		1,300	13,000,000	13,000
Current Year 2018-19					
Equity Shares		10/-			
Opening balance as on 1 Apr 2018	13,000,000		1,300	13,000,000	13,000
Increase during the year				-	-
Closing balance as on 31 Mar 2019	13,000,000		1,300	13,000,000	13,000

8.1 **The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital:**

The Company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend if any, proposed by the Board of Directors shall be subject to the approval of the Shareholders at the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts if any, in proportion to their shareholding.

8.2 **Shares of the company held by holding company:**

Particulars	Equity shares with voting rights, Number of shares
As at 31 March 2019	
Sical Logistics Limited	8,19,00,000
As at 31 March 2018	
Sical Logistics Limited	8,19,00,000

8.3 **Details of shareholders holding more than 5% shares in the Company.**

Class of shares / Name of shareholder	As at 31 March 2019		As at 31 March 2018	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
Sical Logistics Limited	8,19,00,000	63.00%	8,19,00,000	63.00%
MMTC Limited	3,38,00,000	26.00%	3,38,00,000	26.00%
L&T Infrastructure Development Projects Limited	1,43,00,000	11.00%	1,43,00,000	11.00%

8.4 The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

8.5 There are no shares for which calls remain unpaid.

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Sical Iron Ore Terminals Limited
Statement of changes in equity

9 Other Equity

Rs. in lakhs

Particulars	Other reserves	Retained earnings	Other items of Other Comprehensive Income	Equity attributable to owners of the company
	Corporate Guarantee Reserve			
Balance as at 1 April 2017	186.69	(6.30)	-	180.39
Total Comprehensive Income for the year	-	-		-
Balance as on 31 March 2018	186.69	(6.30)	-	180.39
Balance as at 1 April 2018	186.69	(6.30)	-	180.39
Corporate guarantee commission	(186.69)	-		(186.69)
Total Comprehensive Income for the year	-	-	-	-
Balance as on 31 March 2019	-	(6.30)	-	(6.30)

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PART I - BALANCE SHEET

Non-current liabilities

Rs. in lakhs

		As at 31 March 2019	As at 31 March 2018
10	**Financial Liabilities**		
10.1	**Borrowings**		
	Secured		
	Term loans		
	from banks		
	- Yes Bank Limited (refer note i)	14,137.48	-
		14,137.48	-

Notes:

(i) Yes Bank Limited

The Company has got a sanctioned limit of Rs. 50,000 lakhs (Term loan 1 - Rs. 21,000 lakhs and Term loan 2 - Rs. 29,000 lakhs). The term loan is repayable over 20 years including 2 years moratorium and structured quarterly instalments over 18 years. The interest rate as on 31 March 2019 is 12.30% and 12.00% respectively for Term loan 1 and Term loan 2 (Previous year - Nil) which is linked to MCLR. The facility is secured by below

(i) all the movable and immovable properties (excluding land and water front) and fixed assets of the Project;
(ii) all intangible assets of the Project
(iii) all bank accounts including without limitation, the Trust and Retention Account and the Debt Service Reserve Account
(iv) all the receivables claims revenues of the Company from the Project
(v) assignment charge Security Interest of the Company under the Project Documents (including Licence Agreement, contracts (including guarantees) and all licenses, permits, approvals, consents and insurance policies) obtained in respect of the Project,
(vi) Unconditional & irrevocable Corporate Guarantee from Sical Logistics Ltd (Holding Company,
(vii) Pledge of 63% (sixty-three per cent) of the paid up equity share capital of the Company held by Sical Logistics Ltd

(iii) There are no defaults in the repayment of the principal loan and interest amounts with respect to the above loans

(iv) The aggregate amount of long-term borrowings secured by corporate guarantee of Sical Logistics Limited, Holding Company amounts to Rs. 14,137.48 lakhs (Previous year - Nil)

Non current liabilities

Rs. in lakhs

		As at 31 March 2019	As at 31 March 2018
10.2	**Provisions**		
	Provision for employee benefits		
	- Gratuity (refer note 16)	34.81	25.56
	- Leave encashment	-	-
		34.81	**25.56**

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PART I - BALANCE SHEET

Current liabilities

Rs. in lakhs

		As at 31 March 2019	As at 31 March 2018
11	**Financial Liabilities**		
	Trade payables		
	- Dues to micro and small enterprises (refer note below)	-	-
	- Dues to other creditors*	2,241.11	1,894.67
		2,241.11	1,894.67

Note: According to the information available with the Company, there are no dues payable to Micro and Small Enterprises as defined under the "The Micro, Small and Medium Enterprises Development Act, 2006". The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneur's Memorandum Number as allocated after filling of the Memorandum. Further there are no dues payable to micro and small scale industries (previous year Rs Nil).

*Refer note 17 for the amount payable to the related parties.

Rs. in lakhs

		As at 31 March 2019	As at 31 March 2018
12	**Other current liabilities**		
	Dues to related parties		
	- Sical Logistics Limited (refer note 17)	72,615.55	71,837.16
	Others		
	Statutory dues payable	639.58	63.01
		73,255.13	71,901.17

Rs. in lakhs

		As at 31 March 2019	As at 31 March 2018
13	**Provisions**		
	Provision for employee benefits		
	- Gratuity (refer note 36)	0.44	0.10
	- Leave encashment	0.10	1.86
		0.54	1.96

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14 **Commitments and contingent liabilities**

Rs. in lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Contingent liabilities		
Claims against the Company not acknowledged as debt (other than those where the possibility of any economic outflow in settlement is remote)	-	-
Claims against the Company in respect of duty under statutes	-	
Guarantees given by bankers for performance of contracts & others	1,246	1,246
Estimated amount of capital commitments not provided for	-	-

15 **Earnings per share (EPS)**

The following table sets forth the computation of basic and diluted earnings per share

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit / (Loss) after taxation as per statement of profit and loss	-	-
Less: Dividends		-
Net profit adjusted for the effects of dilutive potential equity shares for calculation of diluted EPS	-	-

Particulars	As at 31 March 2019	As at 31 March 2018
Number of equity shares at the beginning of the year	13,00,00,000	13,00,00,000
Add: Weighted average number of equity shares issued during the year	-	-
Number of weighted average equity shares considered for calculation of basic earnings per share	13,00,00,000	13,00,00,000
Add: Dilutive effect	-	
Number of weighted average shares considered for calculation of diluted earnings per share	**13,00,00,000**	**13,00,00,000**
Earnings / (loss) per share:		
Basic	-	
Diluted	-	-

16 **Gratuity Plan**

The following table sets out the status of the unfunded gratuity plan as required under Ind AS 19 Employee benefits

Reconciliation of the projected benefit obligations

Rs. in lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Change in projected benefit obligation		
Present Value of obligation as at beginning of the year	25.67	18.29
Acquisition Adjustment	-	-
Current Service Cost	4.56	2.85
Past service cost	-	3.58
Interest Cost	2.00	1.35
Benefits Paid	-	
Actuarial loss / (gain) on obligation	2.71	(0.40)
Obligations at year end	**34.94**	**25.67**

Change in plan assets

Rs. in lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Fair Value of plan assets as at beginning of the year	8.19	6.86
Expected return on plan assets	0.64	0.50
Contributions	-	0.83
Benefits paid	-	-
Plans assets at year end, at fair value	**8.83**	**8.19**

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Reconciliation of present value of the obligation and the fair value of the plan assets: *Rs. in lakhs*

Particulars	As at 31 March 2019	As at 31 March 2018
Closing obligations	(34.94)	(25.67)
Closing fair value of plan	8.83	8.19
Asset / (liability) recognised in the balance sheet	**(26.11)**	**(17.48)**

Gratuity cost for the year *Rs. in lakhs*

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Service cost	4.56	2.85
Past service cost	3.59	3.59
Interest cost	0.85	0.85
Expected return on plan assets	-	
Actuarial loss/(gain)	(0.43)	(0.43)
Net gratuity cost	**8.57**	**6.86**

Assumptions *Rs. in lakhs*

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Discount rate	7.75%	7.80%
Estimated rate of return on plan assets	7.50%	7.50%
Salary increase	10.00%	10.00%

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

Information of plan assets, defined benefit obligation and experience adjustments: *Rs. in lakhs*

Particulars	As at and for the year ended 31 March				
	2015	2016	2017	2018	2019
Present value of the defined benefit obligations	(11.81)	(14.73)	(18.29)	(25.67)	(34.94)
Fair value of plan assets	4.51	5.51	6.86	8.19	8.83
Surplus / (deficit)	(7.31)	(9.22)	(11.43)	(17.48)	(26.11)
Experience adjustment on plan assets [(gain) / (loss)]					
Experience adjustment on plan liabilities [(gain)]		-	-		-

Sensitivity analysis

Particulars	31-03-18	31-03-19
Defined Benefit Obligation (Base)	25.66	34.94

Particulars	31-03-18		31-03-19	
	Decrease	Increase	Decrease	Increase
Discount Rate (+/- 1%)	28.78	22.96	39.82	30.92
(% change compared to base due to sensitivity)	12.2%	-10.4%	14.0%	-11.5%
Salary Growth Rate (+/- 1%)	23.97	28.68	31.32	38.99
(% change compared to base due to sensitivity)	-10.5%	11.8%	-10.4%	11.6%
Attrition Rate (+/- 50% of attrition rates)	28.66	25.66	34.94	34.94
(% change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%
Mortality Rate (+/- 10% of mortality rates)	25.65	25.64	34.96	34.92
(% change compared to base due to sensitivity)	0.1%	0.1%	0.1%	-0.1%

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

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17 Related parties disclosures

(i) List of related parties:

Name of Company	Relationship
Holding Company	
Sical Logistics Limited	Holding Company
MMTC Limited	Substantial Interest

(ii) Details of directors of the Company:

Name of Personnel	Designation
Captain Ramesh K N	Managing director
Mr. Ratnakar Hegde	Independent director
Mr. Sudhir Kamath	Independent director
Mr. J V N Rao	Director (resigned w.e.f. 31 May 2018)
Mr P. Ramachandran	Director (appointed w.e.f. 09 May 2018)
Mrs. Anju Gupta	Director (resigned w.e.f. 05 Sep 2018)
Mr. Sanjay Kaul	Director (appointed w.e.f. 06 Sep 2018)
Mrs. Shweta Shetty	Director
Mr. Sunil Deshkukh	Director (resigned w.e.f. 27 Mar 2018)
Mr. Sumith Kamath	Director

(ii) Details of Key Managerial Personnel:

Name of Personnel	Designation
Captain Ramesh K N	Managing Director
Mr. T. Subramanian	Chief Financial Officer
Mr P. Ramachandran	Company Secretary

(iii) Related parties with whom transactions have taken place during the year:

Rs. in lakhs

Particulars	Holding Company	Key Management Personnel
	For the year ended 31 March 2019	
Receipt of services	242.62	-
Interest accrued on subordinate debt	10,069.75	-
Subordinate debt received	2,348.05	-
Subordinate debt repaid	11,153.00	
Managerial KMPs remuneration	-	89.98
	For the year ended 31 March 2018	
Receipt of services	254.56	-
Interest accrued on subordinate debt	9,103.54	-
Subordinate debt received	3,152.31	-
Subordinate debt repaid		-
Managerial KMPs remuneration	-	84.25

(iv) Amount outstanding as at the balance sheet date

Rs. in lakhs

Particulars	Holding Company	Key Management Personnel
	As at 31 March 2019	
Other liabilities related parties		
Sical Logistics Limited	22,609.55	-
Trade payables	37.09	-
	As at 31 March 2018	
Other liabilities related parties		
Sical Logistics Limited	71,837.16	
Trade payables	23.84	-

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18 Segment Reporting

The Company is yet to commence its commercial operations and hence the same is not applicable

19 Financial risk management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include advances, trade and other receivables, and cash and short-term deposits that derive directly from its operations

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses on financial assets. Since the Company is yet to commence the commercial operations, the Company is not exposed to credit risk from its customers

Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, processes and policies related to such risks are overseen by senior management

The table below provides details regarding the contractual maturities of significant financial liabilities

Rs. in lakhs

Particulars	Note	As at 31 March 2019		
		Less than 1 year	1 - 2 years	More than 2 years
Borrowings	10.1		100.34	14,037.14
Trade payable	11.1	2,241.41	-	-

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk primarily include borrowings.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates

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Sical Iron Ore Terminals Limited
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20 Financial instruments

The carrying value and fair value of financial instruments by categories as at 31 March 2019 and 31 March 2018 are as follows:

Rs. in lakhs

Particulars	Note	Carrying value		Fair value	
		As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Financial Assets					
Amortised cost					
Other non-current financial assets	3.1	202.89	73.37	202.89	73.37
Cash and cash equivalents	5.1	459.95	123.35	459.95	123.35
Other current financial assets	5.2	0.60	0.63	0.60	0.63
Total financial assets		**663.44**	**197.35**	**663.44**	**197.35**
Financial liabilities					
Amortised cost					
Other current liabilities	12	73,255.13	71,901.17	73,255.13	71,901.17
Trade payables	11	2,241.11	1,894.67	2,241.11	1,894.67
Total financial liabilities		**75,496.24**	**73,795.84**	**75,496.24**	**73,795.84**

21 Auditors' remuneration

Rs. in lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Payments to Statutory Auditors for		
Statutory Audit	1.50	1.50
Certification	0.65	0.65

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

for CNGSN & Associates LLP
Chartered Accountants
Firm registration number 004915S
LLP No. S200036

S.Neelakantan
Partner
Membership No. 028656
Chennai
Date 14 May 2019

CNGSN & ASSOCIATES LLP CHENNAI CHARTERED ACCOUNTANTS

for and on behalf of the Board of Directors of
Sical Iron Ore Terminals Limited

Capt. K. N. Ramesh
Managing Director

Sumith R Kamath
Director

T. Subramanian
Chief Financial Officer
Chennai
Date 14 May 2019

P. Ramachandran
Company Secretary