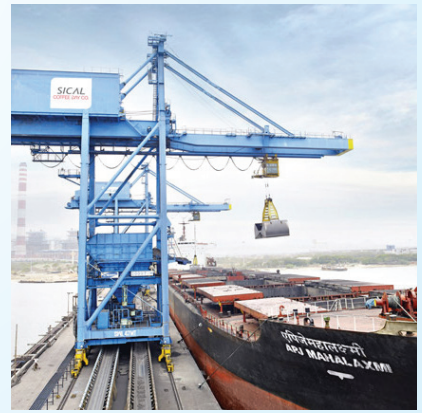


# SICAL LOGISTICS LTD



## ANNUAL REPORT 2020-21



# QUICK INFORMATION

## Board [suspended w.e.f. 10th March, 2021]

T. Subramanian	Managing Director
S. Rajappan	Executive Director
Krish Narayanan	Independent Director
G. Swaminathan	Independent Director
V. Neelaveni	Independent Director

## Interim Resolution Professional [w.e.f 10th March 2021 to 2nd June 2021]

Mr. S.Lakshmisubramanian

IP Registration no. IBBI/IPA-003/IP-N00232/2019-2020/12697

## Resolution Professional [w.e.f. 02nd June, 2021]

Sripatham Venkatasubramanian Ramkumar

IP Registration no. IBBI/IPA-001/IP-P00015/2016-17/10039

## Chief Financial Officer

T. Subramanian

## Company Secretary

V Radhakrishnan

### REGISTERED OFFICE

South India House  
 73 Armenian Street  
 Chennai 600001  
 Voice: +91 44 66157071  
 Fax: +91 44 66157017  
 Email: secl@sical.com  
 Web: www.sical.in

### BANKERS

Axis Bank  
 Bank of Baroda  
 Canara Bank  
 Corporation Bank  
 DCB Bank  
 IDFC First Bank  
 IndusInd Bank  
 Kotak Mahindra Bank  
 RBL Bank  
 South Indian Bank  
 Standard Chartered Bank  
 YES Bank

### AUDITORS

SRSV & Associates  
 Chartered Accountants  
 "Anmol Palani", Level-2, C-4, III Floor,  
 No.88, G.N.Chetty Road, T.Nagar,  
 Chennai 600 017

### INTERNAL AUDITOR

SUNDAR, SRINI & SRIDHAR  
 CHARTERED ACCOUNTANTS  
 9, RAJAMANNAR STREET  
 PARTHASARATHI PURAM  
 T.NAGAR  
 CHENNAI 600017

### SECRETARIAL AUDITOR

KRA & Associates  
 Firm of Company Secretaries  
 NO.6A, NEW COLONY  
 10TH STREET,  
 ADAMBAKKAM  
 CHENNAI 600088

### DEBENTURE TRUSTEES

IDBI TRUSTEESHIP SERVICES LIMITED  
 ASIAN BUILDING, GROUND FLOOR  
 17, R. KAMANI MARG  
 BALLARD ESTATE  
 MUMBAI 400001

# BUSINESS SNAPSHOT

## Port Operations

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

## Container Terminals

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

## CFS/ICD

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

## Road Logistics

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

## Retail Supply Chain Solutions

Cold chain, warehousing and dry logistics across hospitality, pharma and FMCG industries

## Bulk Terminals

Coal berth at Kamarajar Port  
Coal Cum Iron ore terminal at Kamarajar Port.

## Container Trains

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

## Mining Operations

Surface mining  
Bulk handling solutions at mines  
Mine developing and operating

## Integrated Logistics

End to end integrated logistics solutions for bulk and containerized cargo

# BUSINESS STRUCTURE

33% | Promoters  
67% | 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
- › **Sickal Connect | 100%**  
Offshore logistics
- › **Sical Supply Chain Solutions | 100%**  
Offshore logistics
- › **Sical Mining | 100%**  
Mining Development and Operation
- › **Sical Washeries | 100%**  
Coal Washeries
- › **Sical Iron Ore Terminal | 63%**  
Iron ore terminal also to handle coal at Ennore
- › **Sical Infra Assets | 53.60%**  
SPV for asset-intensive businesses
  - › **Sical Multimodal and Rail Transport | 100%**  
Pan-India container train operations and CFS/ICD
  - › **Sical Sattva Rail Terminals | 50%**  
Container terminal operations in JV with Sattva
  - › **Sical Bangalore Logistics Park | 100%**  
ICD operations at Bengaluru
- › **Sical Saumya Mining | 65%**  
Overburden removal at mines
- › **Sical Logixpress | 60%**  
Express Logistics
- › **Patchems | 97.5%**  
Integrated Supply Chain
- › **Develecto Mining | 51%**  
Mining Development and Operation
- › **PSA Sical | 37.50%**  
Container terminal in JV with PSA International Pte. Ltd. at Tuticorin

# **Annual Report 2020-21**

## **Directors' Report**

## BOARD'S REPORT

Dear Members,

In accordance with the applicable provisions of the Insolvency and Bankruptcy Code 2016 ("IBC/Code"), the Corporate Insolvency Resolution Process ("CIRP") of SICAL LOGISTICS LIMITED ("the Company") was initiated by an application filed before the Honourable National Company Law Tribunal ["NCLT"], Chennai Bench by an operational creditor and the same was admitted by the Hon'ble NCLT and ordered initiating Corporate Insolvency Resolution Process ("CIRP") and appointed Mr. S. Lakshmisubramanian (IBBI Registration no. IBBI/IPA-003/IP-N00232/2019-2020/12697) as Interim Resolution Professional ("IRP"), to manage the affairs of the Company vide Order No. CP No. IBA/73/2020 dated 10<sup>th</sup> March 2021. Pursuant to this, based on the application made by Committee of Creditors of the Company, the Hon'ble NCLT has ordered appointment of Mr. Sripatham Venkatasubramanian Ramkumar (IBBI Registration No. IBBI/IPA-001/IP-P00015/2016-17/10039) as Resolution Professional ("RP") of the Company in disposing of IA no. IA/54/CHE/2021 in IBA/73/2020 on 2<sup>nd</sup> June 2021. Upon appointment of the IRP / RP the powers of the Board remain suspended and the same vests with the RP.

The RP has invited Expression of Interest on 03<sup>rd</sup> July, 2021 from the prospective Resolution Applicants and received resolution plans by 29<sup>th</sup> October, 2021. In the meeting of Committee of Creditors ["CoC"] held on 18<sup>th</sup> November, 2021, the members opined to invite fresh Expression of Interest as the resolution plans received are found not compliant to the provisions of the code, regulations and request for resolution plan. Accordingly the RP has published fresh EOI on 22<sup>nd</sup> November 2021 with the probable date for submission of Resolution Plans by 08<sup>th</sup> January, 2022. Upon receipt of the Resolution Plans and concurrence of the CoC of the Company, RP will submit the Resolution Plan to the Honourable NCLT, Chennai Bench as per the provisions of the IBC for approval. In the meantime, the RP also invited bids for sale of stake held by Sical Logistics Limited in two of the subsidiaries viz. Sical Infra Assets Limited and Patchems Private Limited for which on-line bidding process has been completed. However, pursuing the same has been deferred as per the decision of the CoC.

Pending this and the measures to be adopted as part of the Resolution Process, the audited financial results have been prepared on a going concern basis.

With this background, RP and the Board take pleasure in presenting the report on business and operations of your Company along with the audited statement of Standalone and Consolidated accounts for the year ended 31<sup>st</sup> March, 2021.

## FINANCIAL REVIEW

The stand-alone financial results for the year ended 31<sup>st</sup> March, 2021 are summarised below.

[₹ In lakhs]

Year ended 31 March	2021	2020
Sales and other income	37891	85663
Profit/Loss before interest, depreciation and tax	-2844	-1116
Interest	11773	2787
Cash Profit / Loss	-14616	-3903
Depreciation	6562	7118
Profit / Loss before tax	-21178	-11021
Exceptional Items	-93789	-
Provision for tax	-	-2575
Net profit / Loss	-114967	-11021
Earnings per share [EPS] in Rs. [after exceptional items]	-196.46	-14.43

## IMPACT ON PERFORMANCE

The performance of the company was impacted on account of the financial crunch due to the sudden demise of the Promoter Mr. V.G. Siddhartha on 31<sup>st</sup> July, 2019. After his demise the company ran into liquidity crisis wherein continuation of availing further working capital facilities was not available from the banks / financial institutions since the Company was unable to service the interest and principal on the due dates. Apart from this, the performance of the various divisions were impacted on account of the global COVID-19 pandemic that erupted during the last week of March, 2020 and which lasted



even until December, 2020 and also due to the second wave of the pandemic. The Company was scouting for investors to tide over the crisis and revival of the operations but could not fructify on account of the pandemic. In the meanwhile, one of the operational creditors had preferred an application before the Honourable National Company Law Tribunal, Chennai Bench for non-payment of their dues and the same was admitted and the NCLT ordered for initiating Corporate Insolvency Resolution Process as per the Insolvency and Bankruptcy Code 2016 and appointed Mr. S. Lakshmisubramanian as Interim Resolution Professional w.e.f. 10<sup>th</sup> March, 2021 and as per the application of the CoC, Mr. Sripatham Venkatasubramanian Ramkumar was appointed as the Resolution Professional w.e.f. 02<sup>nd</sup> June, 2021. The Company could operate only in the segment of stevedoring for handling of coal for TANGEDCO and mining activities at Amlohri, Hingula and Jinghurdah..

## **DIVIDEND**

Since the Company has made negative profits and as the company is undergoing the CIRP, no dividend is recommended for the financial year 2020-21.

## **RESERVES**

Debenture redemption reserve of ₹25 crores equivalent to 25% of the debenture issue has already been created until the financial year 2017-18 in accordance with the provisions of Rule 18[7] of the Companies [Share Capital and Debenture] Rules, 2014 and hence no fresh amount has been transferred to the Debenture Redemption Reserve for the financial year 2020-21.

## **IMPAIRMENT OF INVESTMENT MADE AND LOANS AND ADVANCES GIVEN TO SICAL IRON ORE TERMINALS LIMITED**

YES Bank Limited [YBL] had issued a Notice of Financial Default on the Subsidiary Company SIOTL on 07.12.2020 citing the Commercial Operation Date [COD] has not been achieved, default in payment of dues and to clear the outstanding amount of ₹ 236.93 crore. Further to this, vide letter dated 16<sup>th</sup> December, 2020, YBL has sent a letter to Kamarajar Port Limited [KPL] intimating the Financial default of SIOTL on account of non-achievement of COD, default in payment of dues in line with the covenant of the Substitution Agreement entered into between YBL, KPL and SIOTL on 13<sup>th</sup> June, 2018 and to issue the Notice of Intent to Terminate for non-payment of principal and interest. Based on the Lenders communication, KPL vide its letter dated 21<sup>st</sup> December 2020 issued the Notice of Intent to Terminate providing a curing time of 90 days to SIOTL. Due to the COVID-19 pandemic and delay in disbursement of Term Loan amount resulted in the stoppage of the project activities. The Company defended the position through various communications to YBL and KPL. However, KPL has vide their letter dated 22<sup>nd</sup> March 2021 issued the Termination Notice and Transfer Information Notice for handing over the project assets on as is where is basis providing a time limit of 90 days period.

Against this, applications have been preferred by one of the shareholders of SIOTL before the Honourable High Court of Madras and by the RP before the Honourable NCLT, Chennai Bench for protecting the interest of the stakeholders. Under the circumstances, the exposure of the company in SIOTL has been impaired fully which forms part of the exceptional items in the accounts and any recovery which would result as an outcome of the said litigations would be recorded as and when such amounts are received.

## **CHANGES IN AUTHORISED SHARE CAPITAL**

There has been no change in the authorised share capital of the Company during the year under review.

## **FRESH ISSUE OF SHARES / DEBENTURES**

The Company has not issued any equity shares, any shares / securities which are convertible into equity shares or Non-convertible debentures during the financial year 2020-21.

## **FIXED DEPOSITS**

The Company has not invited any deposits from the public. There are no unclaimed deposits which were matured as on 31<sup>st</sup> March, 2021.

## **UNCLAIMED DIVIDENDS**

Pursuant to the provisions of the Companies Act any dividend amount which remains unpaid or unclaimed for a period of 7 years will have to be transferred to the Investor Education and Protection Fund of the Central Government. The Company does not have any amount lying under unclaimed dividend as on 31<sup>st</sup> March, 2021 and hence the said provisions are not applicable. Under the circumstances, the Company could not identify the shareholders whose name remains on

the unclaimed dividend account over a period of 7 years for transferring such shares to the IEPF account of the Central Government.

## **PERFORMANCE**

The company's revenues for the financial year 2020-21 stood at ₹ 37891 lakh as against ₹ 85663 lakh in the previous year which is lower by 56%. The performance of all the divisions were impacted due to non-availability of adequate working capital and the COVID-19 pandemic restrictions.

## **SUBSIDIARIES**

The Kamarajar Port Limited issued termination notice for the licence provided to Sical Iron Ore Terminals Limited due to non-completion of the project resulting in financial default in response to YES Bank Limited's notice to Kamarajar Port Limited as per the Financial Documents and hence the project activities which were hampered due to non disbursement of further amounts by the lenders resulting in delay in completing the project activities, could not be continued further.

The business activities of the subsidiary M/s. Sical Multimodal and Rail Transport Limited continued with the handling of containers and Container Freight Stations located at Chennai, Vizag and Tuticorin and letting on lease the railway rakes.

Further, lack of infusement of capital required for the MDO contracts for the West Bengal Power Development Corporation Limited for the Tara mines has resulted in termination of the coal agreement and that for Damodar Valley Corporation for the TUBED mines, the commencement of operations is getting delayed. The said termination notice issued by West Bengal Power Development Corporation Limited is being challenged by way of an application filed in Hon'ble NCLT, Chennai Bench.

## **SUBSIDIARY COMPANIES FINANCIAL STATEMENTS**

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

## **DIRECTORS**

Since the powers of the Board remain suspended upon initiation of the CIRP, the powers of the Board and Committees vest with the Interim Resolution Professional / Resolution Professional w.e.f. 10<sup>th</sup> March, 2021.

## **APPOINTMENT / RESIGNATION OF DIRECTORS AND KMPs**

Mr. H. Rathnakar Hegde and Mr. S. Ravinarayanan resigned from the Board effective 27<sup>th</sup> January, 2021. Mr. R. Ram Mohan, Ms. Shweta Shetty, Capt KN Ramesh, Mr. Sudhir Kamath and Mr. H.R. Srinivasan resigned from the Board effective 01<sup>st</sup> February, 2021.

Mr. T. Subramanian, Mr. S. Rajappan, Ms. V. Neelaveni, Mr. G. Swaminathan and Mr. Krish Narayanan were appointed as additional directors w.e.f. 27<sup>th</sup> January, 2021.

Mr. T. Subramanian who has been the Group CFO has been elevated to the position of Managing Director and Mr. S. Rajappan who has been the President [Public Relations] was elevated to the position of Executive Director effective 01<sup>st</sup> February, 2021.

However, subsequent to the initiation of CIRP, the powers of the Board remain suspended effective 10<sup>th</sup> March, 2021. In view of the same, the appointment of directors are not being considered in the ensuing AGM.

## **NUMBER OF THE MEETINGS OF THE BOARD**

The Board met 10 [Ten] times during the financial year 2020-21 prior to the commencement of CIRP. Detailed information on the meetings of the Board are included in the report on Corporate Governance which forms part of the Directors Report.

Additionally several committee meetings were held prior to the initiation of CIRP including Audit Committee which met 03 [Three] times during the year. The committee meetings could not be conducted during the COVID-19 pandemic peak periods between April 2020 and August 2020.



## COMMITTEES OF THE BOARD

The Company has the following committees of the Board

- Ø Audit Committee
- Ø Stakeholders Relationship Committee
- Ø Corporate Social Responsibility Committee
- Ø Nomination and Remuneration Committee

The powers of the Board remain suspended on account of the Order of the Hon'ble NCLT, Chennai Bench effective 10<sup>th</sup> March, 2021 and such powers vest with the IRP/RP.

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

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with Section 135 of the Companies At, 2013 read with Companies [Corporate Social Responsibility Policy] Rules, 2014, the Company has established a Corporate Social Responsibility [CSR] Committee. Since the Company has incurred significant losses during the previous two years and in view of the commencement of CIRP, no contributions have been made towards CSR activity during the previous year under review.

## PERFORMANCE EVALUATION OF THE BOARD

In accordance with Section 178 of the Companies Act, 2013 and Regulation 17 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 [earlier Clause 49 [IV] of the Listing Agreement], the Company has laid down a Nomination and Remuneration Policy. Further to this, the manner in which formal annual evaluation of the directors is to be carried out for the Board and Board level committees were devised by the Committee. Due to the appointment of new directors in January / February, 2021, CIRP initiation and suspension of the powers of the Board, the performance evaluation for the financial year 2020-21 was not carried out.

## CORPORATE GOVERNANCE

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

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

## MANAGEMENT DISCUSSION AND ANALYSIS

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

## VIGIL MECHANISM

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

## RISK MANAGEMENT POLICY

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

## CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year were in the ordinary course of business of the Company and were on arm's length basis. There were no materially significant related party transactions entered into by the Company with the Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company. The details of such related party transactions forms part of the standalone and consolidated financials which can be referred to.

The policy on Material Related Party Transactions and also on dealing with the Related Party.

Transactions as approved by the Board of Directors is uploaded on the website of the Company and the link for the same is <http://www.sical.in/policy>.

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

Corporate guarantees were provided to banks / financial institutions / Port authorities for the financial facilities availed by the company's subsidiaries / due performance of contracts by the subsidiaries, after obtaining due approval from the shareholders through postal ballot wherever such transactions are considered to be material related party transactions. Considering the financial crunch faced by the Company, no loans / guarantees were given or any investments made to any other companies during the financial year 2020-21. The details of the related party transactions that took place during the year 2020-21 is furnished as Annexure-1.

## INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

Further more, the Company has appointed M/s. Sundar, Srini, Sridhar, Chartered Accountants as the internal auditors for carrying out internal audit functions based on the comprehensive plans formulated in advance.

### [a] Statutory Auditor

M/s. SRSV & Associates LLP, Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting. In this connection, the Audit Committee and Board of Directors / IRP /RP have recommended for the approval of the shareholders at the ensuing AGM the appointment of SRSV & Associates, Chartered Accountants with Firm Registration No.: 0150415 as the Statutory Auditors of the Company for the current financial year 2021-22 at the same remuneration as is paid for the previous financial year.

### [b] Secretarial Auditor and Secretarial Audit Report

Pursuant to Section 204 of the Companies Act, 2013, KRA & Associates, Chennai was appointed the Secretarial Auditor for the financial year 2020-21. The report of the Secretarial Auditor for the FY 2020-21 is annexed to this report as Annexure – 2. As required by Regulation 24A of the SEBI [LODR] Regulations, 2015, the Secretarial Audit Reports of KRA & Associates for the material subsidiaries viz. Sical Infra Assets Limited, Sical Multimodal and Rail Transport Limited and Sical Iron Ore Terminals Limited are also annexed to Annexure – 2.

Statutory Auditors have expressed qualified opinions. The details of the audit qualification and the response of the Board are furnished below.

S.No.	Qualified Opinion	Reply
1.	<p>Regarding application by an operational creditor, initiating the insolvency provisions under the Insolvency and Bankruptcy Code, 2016 ('the Code') and the consequential appointment of the RP under the Code, and adequacy of disclosures concerning the Holding Company's ability to meet its financial, contractual and statutory obligations including management's technical estimates in regard to realisation of Overdue receivables, Loans and Advances including related party and contractual dues, investments and Deferred Tax Assets amounting to Rs.475.97 crores.</p> <p>The possible impact, if any, arising out of the above matters is presently not quantifiable.</p>	<p>Corporate Insolvency Resolution Process has been initiated by the Honourable National Company Law Tribunal, Chennai Bench vide order dated 10<sup>th</sup> March, 2021. Accordingly, Interim Resolution Professional was appointed and subsequent to this, Resolution Professional was appointed on 02<sup>nd</sup> June, 2021. The RP is in the process of obtaining required Expression of Interest and obtaining Resolution Plans from Resolution Applicants which shall be put up before the Committee of Creditors ["COC"] and the Honourable NCLT for necessary approval.</p>
2	<p>Confirmation of balances are not available for majority of the trade receivables, loans and advances given, trade payables, claims received from the employees, bank balances and bank loans as at March 31, 2021. Pursuant to the CIRP, the Holding Company stopped providing interest on bank borrowings from the CIRP initiation date. In the absence of confirmation of balances the possible adjustment if any required in the Statement is presently not determinable. The finance cost appearing in the Statement are recorded based on transactions accounted in the accounting system, differences between the liability recorded by the Holding Company and confirmations received by the lenders are not recorded as finance cost or contingent liability</p>	<p>In accordance with the IBC Code, public announcement was made calling upon the financial creditors, operational creditors and past and present employees of the Company to submit their claims with the Interim Resolution Professional/Resolution Professional ["IRP/RP"]. In accordance with the Code, the IRP/RP has to receive, collate and admit the claims submitted against the Corporate Debtor. Such claims can be submitted to the IRP/RP during CIRP till the approval of a Resolution Plan by the Committee of Creditors ["CoC"].</p>
3	<p>The Holding Company's net worth as on the reporting date is negative. The Holding Company has significant accumulated losses as at the date of the Balance Sheet and it continues to incur cash losses. Considering the above and the matters more fully explained in the Material Uncertainties Relating to Going Concern section below, we are unable to comment on the appropriateness of preparation of the Statement on a going concern basis.</p>	<p>The Resolution Professional is in the process of obtaining the bids from the Resolution Applicants and a Resolution Plan will be submitted to the Committee of Creditors and subsequently filed with NCLT for approval. Such a situation might improve the performance of the company. In view of the above, financials have been prepared on a GOING CONCERN basis.</p>
4	<p>We have been informed by the RP that certain information including the minutes of the meetings of the CoC, cases filed by the RP against the key management personnel, employees, suppliers, customers and other parties and the outcome of certain specific/ routine procedures carried out as part of the IBC process are confidential in nature and could not be shared with anyone, other than the CoC and Hon'ble NCLT. In the opinion of the RP, the matter is highly sensitive, confidential and may have adverse impact on the resolution process.</p> <p>Accordingly, we are unable to comment on the possible adjustments required in the carrying amount of assets and liabilities, possible presentation and disclosure impacts, if any, that may arise if we have been provided access to review of those information.</p>	<p>The Resolution Professional is obliged not to share certain information which are integral part of the CIRP, in order to maintain confidentiality of the process and in line with the directions of the Committee of Creditors.</p> <p>As regards the observation of some of the subsidiaries, the same will get addressed once a Resolution Plan is achieved by the Corporate Debtor in reviving the Company.</p>

4	Additionally, the auditors of some of the subsidiaries have highlighted key audit matters, material uncertainty related to going concern and emphasis of matter paragraphs, non receipt of confirmation of balance from debtors and creditors, delay / defaults in payment of interest and principal to banks and financial institutions amounting to Rs.33,692 lakhs , receivables outstanding from Holding Company in the books of subsidiaries in their respective audit reports.	
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### MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the company which has occurred between the end of the financial year of the company i.e. 31<sup>st</sup> March, 2021 and the date of the Board's Report i.e. 08<sup>th</sup> December, 2021.

### EMPLOYEE REMUNERATION

- The details relating to employees as required under Section 197 of the Companies Act, 2013 read with Rule 5[2] of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 as amended is not applicable since none of the employees are in receipt of remuneration exceeding Rs.1.02 crores p.a. or Rs.8,50,000 per month during the financial year 2020-21
- The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5[1] of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 are forming part of this report as Annexure – 3.

### STATUTORY DISCLOSURES

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

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

A.	CONSERVATION OF ENERGY	:	NA
B.	TECHNOLOGY ABSORPTION	:	NA
C.	FOREIGN EXCHANGE EARNINGS AND OUTGO		
	Total Foreign Exchange :	Earned	: Rs. Nil
		Used	: Rs.26 lakhs

- [2] Significant and Material Orders passed by the Regulators or Courts or Tribunals impacting the Going Concern status of the Company.

In view of the pendency of the CIRP, and in view of the suspension of the powers of board of directors, the powers of approval of the standalone and consolidated financial results vests with the RP. The RP has relied upon the representations, clarifications and explanations provided by the Managing Director, Chief Financial Officer and Senior Management Personnel of the Company. During CIRP, there have been no significant nor material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations.

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

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

## EXTRACTS OF ANNUAL RETURN

Pursuant to sub-section 3[a] of Section 134 and sub-section [3] of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies [Management and Administration] Rules, 2014, as amended, the Annual Return will be posted in the website [www.sical.in](http://www.sical.in).

## BOARD'S / RP RESPONSIBILITY STATEMENT

Members may kindly note that during the CIRP Process (i.e. after 10<sup>th</sup> March, 2021 and continuing till the date of this Report), the RP was entrusted with the management of the affairs of the company.

Prior to the Insolvency Resolution commencement date, the Board of Directors had the oversight on the management of the affairs of the Company. The RP along with the Directors is submitting this report. The RP is not to be considered responsible to discharge fiduciary duties with respect to the oversight on financial and operational health of the company and performance of the management for the period prior to the commencement of CIRP.

Accordingly, pursuant to the requirement of Section 134[5] of the Companies Act, 2013, the Board and RP [based on the knowledge / information gained by him about the affairs of the Company in a limited period of time and based on understanding of the then existing processes and to the best of their/ his knowledge state that:

- [a] in the preparation of the annual accounts for the financial year ended 31st March, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- [b] the RP has continued with such accounting policies as were adopted on CIRP date, made judgments and estimates that are reasonable and prudent so as to give a reasonably true and fair view of the state of affairs of the company at the end of the financial year ended 31st March, 2021 and of the loss of the company for that period.
- [c] that the annual accounts for the financial year ended 31st march, 2021 have been prepared on a going concern basis as explained herein above in the preamble. The directors/ RP had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- [d] that proper systems which have been devised to ensure compliance with the provisions of applicable laws are adequate and operating
- [e] that internal financial controls which were laid down and followed by the company on the date of CIRP, along with the necessary steps and changes in the Management Structure that have been taken to improve the internal financial controls during CIRP are operating effectively.
- [f] that proper and sufficient care has been taken care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

## ACKNOWLEDGEMENT

The Directors / RP wish to thank the Port Authorities, Governmental Agencies, company's bankers, financial institutions, customs authorities, foreign collaborators, suppliers, statutory regulators, investors, customers, employees and all stakeholders for their support during this period of difficulty.

**T. Subramanian**

Director

DIN 00584440

**S. Rajappan**

Director

DIN 00862481

**Sripatham Venkatasubramanian Ramkumar**  
 Resolution Professional for Sical Logistics Ltd.  
 IP Registration No.:IBBI/IPA-001/IP-  
 P00015/2016-17/10039

Place : Chennai

Date : 08<sup>th</sup> December, 2021

## ANNEXURE – 1

### FORM NO. AOC-2

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

#### 1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

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

#### 2. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARM'S LENGTH BASIS

S. No.	Name of the related party	Nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions if any	Value of transactions for FY 20-21 [₹ In Lakhs]	Date[s] of approval by the Board	Amount paid as advances if any
[a]	[b]	[c]	[d]	[e]	[f]	[g]	[h]	[i]
	<b>Services Rendered</b>							
1	Coffee Day Global Limited	Fellow Subsidiary	Revenue from operations	-	-	219	-	-
2	Patchems Private Limited	subsidiary	Service charges	-	-	254	-	-
3	Sical Multimodal and Rail Transport Limited	Step-down subsidiary	Revenue from operations	-	-	23	-	-
4	Sical Multimodal and Rail Transport Limited	Step-down subsidiary	Other income	-	-	167	-	-

Transactions which were of repetitive nature, due prior approval from the Audit Committee and Board were obtained.

**T. Subramanian**

Director

DIN 00584440

**S. Rajappan**

Director

DIN 00862481

**Sripatham Venkatasubramanian Ramkumar**

Resolution Professional for Sical Logistics Ltd.

IP Registration No.:IBBI/IPA-001/IP-

P00015/2016-17/10039

Place : Chennai

Date : 08<sup>th</sup> December, 2021

## ANNEXURE – 2

### Secretarial Audit Report

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

#### Form No.MR-3

#### Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

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

To

The Members

**Sical Logistics Limited**

73, Armenian Street

Chennai- 600 001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by Sical Logistics Limited (hereinafter called 'the Company') for the audit period covering the financial year ended on March 31, 2021. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the audit period generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

1. The Companies Act, 2013 ('the Act') and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 [SEBI Act] were applicable to the Company:
  - a. The Securities and Exchange Board of India [Substantial Acquisition of Shares and Takeover] Regulations, 2011, if any, to the extent to which it is applicable to the company. ('Takeover Regulations')
  - b. The Securities and Exchange Board of India [Prohibition of Insider Trading] Regulations, 2015. ('Insider Trading Regulations')
  - c. The Securities and Exchange Board of India [Registrars to an Issue and Share Transfer Agents] Regulations, 1993 regarding the Companies Act and dealing with the client.
  - d. The Securities and Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulations, 2015. ('Listing Regulations')

During the period under review, provisions of the following regulations were not applicable to the Company.

- [i] The Securities and Exchange Board of India [Delisting of Equity Shares] Regulations, 2009.
- [ii] The Securities and Exchange Board of India [Buyback of Securities] Regulations, 2018.
- [iii] The Securities and Exchange Board of India [Issue of Capital and Disclosure Requirements] Regulations, 2018
- [iv] The Securities and Exchange Board of India [Issue and Listing of Debt Securities] Regulations, 2008



- [v] The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

We have examined in a very limited manner, the systems and processes in place to ensure compliance with the below mentioned specific laws (to the extent applicable), considering and relying upon representations, corporate governance report made by the Company and its Officers for systems and mechanism formed by the Company for compliances under these laws.

- [a] Contract Labour [Regulation and Abolition] Act
- [b] The Dock Workers [Safety, Health & Welfare] Act, 1986
- [c] The Dock Workers [Regulation of Employment] Act, 1948
- [d] The Major Port Trusts Act, 1993
- [e] The Shops and Commercial Establishments Act, 1953
- [f] The Mines Act, 1952
- [g] The Multimodal Transportation of Goods Act, 1993
- [h] The Customs Act, 1962
- [i] International Air Transport Association Regulations

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2).
- ii) The Listing Agreements entered into by the Company with the stock exchanges.

The Company is under Corporate Insolvency Resolution Process (CIRP) pursuant to order pronounced by NCLT, Chennai Bench on 10.03.2021. The Powers of the Board of Directors have been suspended with effect from the order date and a moratorium was placed under the provisions of IBC restraining initiation of any fresh proceedings on the Corporate Debtor viz. Sical Logistics Limited. The affairs of the Company were initially handled by Interim Resolution Professional Mr. S. Lakshmi Subramanian with IBA Regn. No. IBBI/IPA-003/IP N00232/2019-2020/12697.

Mr. Sripatham Venkatasubramanian Ramkumar with Regn No IBBI/IPA-001/IP-P00015/2016-17/10039 was appointed as Resolution Professional from 02nd June, 2021 by the order of the NCLT, Chennai Bench based on the recommendations of the Committee of Creditors (COC).

During the period under review, the Company has generally complied with the applicable provisions of the Act, SEBI Act and their Rules, Regulations, Guidelines, Standards, mentioned above except to the extent mentioned below:

1. As per Reg. 47 of Listing Regulations, newspaper advertisements were not published on the website of the stock exchanges.
2. As per Reg. 23(9) of Listing Regulations, the disclosure of related party transactions on consolidated basis was not uploaded on the website of the Company.
3. As per Reg. 3(5) of Insider Trading Regulations, the Company has not implemented a structured digital database that is to be maintained containing the names of such persons or entities as the case may be with which information is shared under this regulation.
4. There was a delay in filing the financial results for the quarter ended 31st March, 2020 within the stipulated date of 31st July, 2020. The Company has duly paid the fine levied by NSE in this regard.
5. The unaudited financial results for the quarter ended 31st March, 2020 and subsequent two quarters have not been uploaded on the website of the Company.
6. The Company has not filed certain e-forms on MCA21 website for the financial year due to initiation of CIRP.
7. As per Rule 15 of Companies (Appointment and Qualification of Directors) Rules, 2014, the Company has not uploaded notice of resignation of directors on its website.
8. The Company has not made regular remittances with regard to EPF and ESI during the financial year.

It is represented to us that the company is in the process of filing such of those e-forms as are required to be filed through the Resolution professional, updation of the website and also has initiated measures, wherever required, to address issues

raised by the statutory authorities and letters/notices received by the Company during the financial year under various enactments as applicable to the company.

During the Financial Year 2020-21, meetings were convened by the Board of Directors, for which notices are given.

We further report that, based on our limited review there appear adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company was under CIRP Process under provisions of Insolvency and Bankruptcy code, 2016 as stated above, having a major bearing on the Company's affairs. The Resolution Plan, as on date of this report, has not been approved by the members of the COC.

We further report that our Audit is subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliance by the Company and we are not responsible for any lapses in those compliances on the part of the Company.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**FOR KRA & ASSOCIATES**

R.Kannan

Practicing Company Secretary

C P No 3363

UDIN: F006718C001676641

Date: 06.12.2021

Place: Chennai

#### **ANNEXURE A to the Secretarial Audit Report**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of the corporate laws and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Date: 06.12.2021

Place: Chennai

**FOR KRA & ASSOCIATES**

**(R.KANNAN)**

**PRACTICING COMPANY SECRETARY**

CP No 3363

UDIN: F006718C001676641

**Form No.MR-3**  
**SECRETARIALAUDITREPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

To,  
 The Members,  
**SICAL INFRA ASSETS LIMITED**  
 73 ARMENIAN STREET  
 CHENNAI-600001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SICAL INFRA ASSETS LIMITED** (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31, 2021 (Audit Period)** complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance- mechanism, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2021** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The other laws as may be applicable specifically to the company in our opinion
  - a. The Contract Labour (Regulation & Abolition) Act
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

I report that the following Acts were not Applicable:

- (i) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards in respect of Board Meeting and General Meeting issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except as given below:

- (i) The Company was unable to file e-form MGT-7 (Annual Return) for the financial year.
- (ii) The Company is yet to fill up the vacancy of Chief Financial Officer [KMP].

No specific violations in respect of Tax laws came to the notice of the undersigned from the review of the said check list.

However, I report that I have not carried out the audit with reference to the applicable financial laws, such as the Direct and Indirect Tax Laws, as same falls under the review of statutory audit and other designed professionals.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors.

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

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

Based on a review of the compliance reports by functional heads of the company including the plants erected in various location in India to Board of Directors of the Company, I report that the company has substantially complied with the provision of those Acts that are applicable to it such as, Public Liability insurance act 1991, Environment Protection act 1986 and Others (pollution control, Health and Safety measures) including other law mentioned in the said checklist.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**FOR KRA & ASSOCIATES**

Place : Chennai  
Date : 07-12-2021

**AISHWARYA N**  
Practicing Company Secretary  
CP. No. 20319  
ACS. No. 51960  
UDIN: A051960B000582765

**SECRETARIAL AUDIT REPORT**

**Annexure-A**

To,

The Members

**SICAL INFRA ASSETS LIMITED**

73 ARMENIAN STREET

CHENNAI-600001.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis..
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai

Date: 07-12-2021

**AISHWARYA N**

Practicing Company Secretary

CP. No. 20319

ACS. No. 51960

UDIN: A051960C001685933

## Form No.MR-3

## SECRETARIALAUDITREPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

To,

The Members,

**SICAL MULTIMODAL AND RAIL TRANSPORT LIMITED**

73 ARMENIAN STREET

CHENNAI-600001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SICAL MULTIMODAL AND RAIL TRANSPORT LIMITED** (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31, 2021 (Audit Period)** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2021** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The other laws as may be applicable specifically to the company in our opinion
  - a. The Contract Labour (Regulation & Abolition) Act
  - b. The Factories Act, 1948
  - c. Securities and Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulations, 2015 to the extent applicable to the listed Non convertible Debentures
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards in respect of Board Meeting and General Meeting issued by The Institute of Company Secretaries of India

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except as given below:

- (i) The Company has made a delayed payment of the 2nd installment of the STRPP3 of the NCD due on 31st March, 2021 in view of the restructuring of the NCD but however the same did not happen, the Company paid the dues on 28th June, 2021.
- (ii) The audited financial results for the year ended 31st March, 2020 was held on 07th August, 2020 beyond the extended date of 31st July, 2020 because of the second wave of COVID-19 pandemic and complete lockdown.

No specific violations in respect of Tax laws came to the notice of the undersigned from the review of the said check list. However, I report that I have not carried out the audit with reference to the applicable financial laws, such as the Direct and

Indirect Tax Laws, as same falls under the review of statutory audit and other designed professionals.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors.

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

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

Based on a review of the compliance reports by functional heads of the company including the plants erected in various location in India to Top Management/Board of Directors of the Company, I report that the company has substantially complied with the provision of those Acts that are applicable to it such as, Public Liability insurance act 1991, Environment Protection act 1986 and Others (pollution control, Health and Safety measures) including other law mentioned in the said checklist.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Place: Chennai  
Date: 07.12.2021

**AISHWARYA N**  
Practicing Company Secretary  
CP. No. 20319  
ACS. No. 51960  
UDIN:A051960C001685845

#### **Annexure-A**

To,

The Members

#### **SICAL MULTIMODAL AND RAIL TRANSPORT LIMITED**

73 ARMENIAN STREET

CHENNAI-600001.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company..

Place: Chennai  
Date: 07.12.2021

**AISHWARYA N**  
Practicing Company Secretary  
CP. No. 20319  
ACS. No. 51960  
UDIN:A051960C001685845



**Form No.MR-3****SECRETARIALAUDITREPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

To,  
The Members,  
**SICAL IRON ORE TERMINALS LIMITED**  
SOUTH INDIA HOUSE  
73 ARMENIAN STREET  
CHENNAI-600001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SICAL IRON ORE TERMINALS LIMITED** (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31, 2021** (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2021** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The other laws as may be applicable specifically to the company in our opinion
  - a. The Contract Labour (Regulation & Abolition) Act
  - b. The Inter State Migrant Labour Act, 1979
  - c. The Building and other Construction Work Act, 1996
  - d. The Building and Other Construction Workers welfare Cess Act, 1996
  - e. The Employees Provident Fund and Miscellaneous Provisions Act, 1952
  - f. The Employees State Insurance Corporation 1948
  - g. The Employees Compensation Act, 1923
  - h. The Minimum Wages Act, 1948
  - i. The Payment of Bonus Act, 1965
  - j. Equal Remuneration Act, 1976
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

I report that the following Acts were not Applicable:

- (i) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards in respect of Board Meeting and General Meeting issued by The Institute of Company Secretaries of India

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

The Kamarajar Port Ltd issued termination notice of license held by the Company as they had failed to complete the project within due date. The Company explained that the reason for the same was non disbursement of loan amount by the lenders and the effect of the COVID-19 pandemic.

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

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors.

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

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

Based on a review of the compliance reports by functional heads of the company including the plants erected in various location in India to Top Management/Board of Directors of the Company, I report that the company has substantially complied with the provision of those Acts that are applicable to it such as, Public Liability insurance act 1991, Environment Protection act 1986 and Others (pollution control, Health and Safety measures) including other law mentioned in the said checklist.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**FOR KRA & ASSOCIATES**

Place : Chennai  
Date : 07-12-2021

**AISHWARYA N**  
Practicing Company Secretary  
CP. No. 20319  
ACS. No. 51960  
UDIN: A051960B000582765

**Annexure-A**

To,  
The Members  
**SICAL IRON ORE TERMINALS LIMITED**  
SOUTH INDIA HOUSE  
73 ARMENIAN STREET  
CHENNAI-600001.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai  
Date: 07-12-2021

**AISHWARYA N**  
Practicing Company Secretary  
CP. No. 20319  
ACS. No. 51960  
UDIN: A051960C001686230

## ANNEXURE – 3

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

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

S.No.	Requirements	Disclosure	
		Designation	Ratio
I	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year 2020-21 [Director's remuneration include sitting fees and commission]		
		Mr.R. Ram Mohan [upto 01 <sup>st</sup> February, 2021]	Chairman
		Ms. Shweta Shetty [upto 01 <sup>st</sup> February, 2021]	Director
		Mr. H.R. Srinivasan [upto 01 <sup>st</sup> February, 2021]	Independent Director
		Mr. H. Rathnakar Hegde [upto 27 <sup>th</sup> January, 2021]	Independent Director
		Mr. S. Ravinarayanan [upto 27 <sup>th</sup> January, 2021]	Independent Director
		Mr. Sudhir Kamath [upto 01 <sup>st</sup> February, 2021]	Independent Director
		Capt KN Ramesh [upto 01 <sup>st</sup> February, 2021]	Managing Director
		Mr. T. Subramanian [from 27 <sup>th</sup> January, 2021]	Director & Group CFO
		Mr. S. Rajappan [from 27 <sup>th</sup> January, 2021]	Director
		Mr. Krish Narayanan [from 27 <sup>th</sup> January, 2021]	Independent Director
		Mr. G. Swaminathan [from 27 <sup>th</sup> January, 2021]	Independent Director
		Mrs. V. Neelaveni [from 27 <sup>th</sup> January, 2021]	Independent Director
II	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	MD	NIL
		CFO	NIL
		CS	NIL
		Chairman did not draw any remuneration including sitting fees from the company. Independent and other non-executive directors were in receipt of sitting fee for attending the Board and Committee meetings and are not paid any remuneration. Current sitting fee for attending Board Meeting is ₹ 75000 and for attending Audit Committee and Stakeholders Relationship Committee Meetings is ₹ 25000	
III	The percentage increase in the median remuneration of employees in the financial year	Nil	
IV	The number of permanent employees on the rolls of the Company	378	
V	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	No increment was made during the financial year 2020-21.	
VI	Affirmation that the remuneration is as per the remuneration policy of the company	Yes, it is affirmed.	

**T. Subramanian**

Director

DIN 00584440

**S. Rajappan**

Director

DIN 00862481

**Sripatham Venkatasubramanian Ramkumar**  
Resolution Professional for Sical Logistics Ltd.  
IP Registration No.:IBBI/IPA-001/IP-  
P00015/2016-17/10039

Place : Chennai

Date : 08<sup>th</sup> December, 2021

## REPORT ON CORPORATE GOVERNANCE [2020-21]

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

### 1. GOVERNANCE PHILOSOPHY

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

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

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

### 2. BOARD OF DIRECTORS

In accordance with the applicable provisions of the Insolvency and Bankruptcy Code 2016 ("IBC/Code"), the Corporate Insolvency Resolution Process ("CIRP") of SICAL LOGISTICS LIMITED ("the Company") was initiated by an application filed before the Honourable National Company Law Tribunal ["NCLT"], Chennai Bench by an operational creditor and the same was admitted by the Hon'ble NCLT and ordered initiating Corporate Insolvency Resolution Process ("CIRP") and appointed Mr. S. Lakshmisubramanian (IBBI Registration no. IBBI/IPA-003/IP-N00232/2019-2020/12697) as Interim Resolution Professional ("IRP"), to manage the affairs of the Company vide Order No. CP No. IBA/73/2020 dated 10<sup>th</sup> March 2021. Pursuant to this, based on the application made by Committee of Creditors of the Company, the Hon'ble NCLT has ordered appointment of Mr. Sripatham Venkatasubramanian Ramkumar (IBBI Registration No. IBBI/IPA-001/IP-P00015/2016-17/10039) as Resolution Professional ("RP") of the Company in disposing of IA no. IA/54/CHE/2021 in IBA/73/2020 on 2<sup>nd</sup> June 2021. Upon appointment of the IRP / RP the powers of the Board remain suspended and the same vests with the RP.

The details prior to the commencement of CIRP viz. 10<sup>th</sup> March, 2021 are furnished with regard to the details of the directors.

#### Number of Board of Directors meetings and the dates on which held during the financial year 2020-21

Total Number of Board Meetings : 10

I Quarter [April – June 2020]	II Quarter [July – September 2020]	III Quarter [October – December 2020]	IV Quarter [January – March 2021]
11 <sup>th</sup> April, 2020	25 <sup>th</sup> July, 2020 17 <sup>th</sup> August, 2020	13 <sup>th</sup> November, 2020 08 <sup>th</sup> December, 2020 18 <sup>th</sup> December, 2020	27 <sup>th</sup> January, 2021 01 <sup>st</sup> February, 2021 08 <sup>th</sup> February, 2021 17 <sup>th</sup> February, 2021

Attendance of Directors at the Board of Directors Meetings held during 2020-21 and the last Annual General Meeting [AGM] held on 29.12.2020 is as follows.

Director's Name	Category of Membership	Attendance Particulars		Number of other directorships and committee member / chairmanships as at 31.03.2021		
		Board Meetings	Last AGM	Other Directorship	Committee Memberships	Committee Chairmanships
Mr. R. Ram Mohan *	Chairman - Non-executive	8	✓	[Details not furnished in view of the initiation of CIRP and the powers of the Board remain suspended]		
Capt KN Ramesh *	Executive Director	7	-			
Ms. Shweta Shetty*	Non-executive	7	✓			
Mr. H.R.Srinivasan Director *	Independent Director	2	-			
Mr. H. Rathnakar Hegde #	Independent Director	7	✓			
Mr. S. Ravinarayanan #	Independent Director	6	✓			
Mr. Sudhir Kamath*	Independent Director	7	✓			
Mr. T. Subramanian \$	Managing Director	4	-			
Mr. S. Rajappan \$	Executive Director	3	-			
Mr. Krish Narayanan \$	Independent Director	3	-			
Mr. G. Swaminathan \$	Independent Director	3	-			
Ms. V. Neelaveni \$	Independent Director	3	-			

#Mr. H. Rathnakar Hegde and Mr. S. Ravinarayanan resigned from the Board w.e.f. 27<sup>th</sup> January, 2021

\* Mr. R. Ram Mohan, Capt KN Ramesh, Mr. H.R. Srinivasan, Mr. Sudhir Kamath and Ms. Shweta Shetty resigned from the Board w.e.f. 01<sup>st</sup> February ,2021

\$ Mr. T. Subramanian, Mr. S.Rajappan, Mr. Krish Narayanan, Mr. G. Swaminathan and Ms. V. Neelaveni were appointed as Directors on 27<sup>th</sup> January, 2021.

#### Note

- [a] None of the directors are related to each other.
- [b] Number of shares and convertible instruments held by non-executive Directors as on 31<sup>st</sup> March, 2021

Name of the Director	No. of shares held as on 31 <sup>st</sup> March, 2021	% to total share capital
Nil		

- [c] Web link for the details of familiarization programmes imparted to independent directors – [www.sical.com/investors/policy/familiarisation/](http://www.sical.com/investors/policy/familiarisation/) programmes for independent directors.
- [d] In order to mitigate the risks the Company is likely to be exposed, the Board of Directors have constituted a Risk Mitigation Committee and this Committee meets then and there to chart out ways and means to minimize the risks.
- [e] The CEO and CFO have submitted the compliance certificate as required under Regulation 17 [8] and as specified under Part B of Schedule II of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 before the Board on the financials of the Company.

### 3. Audit Committee

#### [a] The broad terms of reference of the Audit Committee are:-

- 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.

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to:-
  - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause [c] of Section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgement by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with the listing / SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the Management, the quarterly financial statements before submission to the board for approval.
6. Reviewing, with the Management, the statement of uses / application of funds raised through an issue [public issue, rights issue, preferential issue, etc.], the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval of any subsequent modification of transactions of the company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the company, whenever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing with the management performance of statutory and internal auditors and adequacy of the internal control system.
13. Reviewing the adequacy of internal audit function.
14. Discussion with internal auditors on any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders [in case of non payment of declared dividends] and creditors.
18. To review the functioning of the Whistle Blower / Vigil Mechanism.
19. Approval of appointment of CFO [i.e. the whole-time Finance Director or any other person heading the finance function or discharging the function] after assessing the qualifications, experience and background of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Review of the following information:
  - [a] Management discussion and analysis of financial condition and result of operations.

- [b] Statement of significant related party transactions [as defined by the Audit Committee] submitted by Management.
- [c] Management letters / letters of internal control weaknesses issued by the statutory auditors.
- [d] Internal audit reports relating to internal control weaknesses and
- [e] the appointment, removal and terms of remuneration of the Internal Auditor.

As per the terms of reference prescribed by the Board, the Committee performs such duties and tasks as are assigned by the Board and the Committee has access to all records and documents of the Company. The Committee reviews the report of the internal auditors and the statutory auditors and exercises internal control systems and also addresses the requirements of the Companies Act, 2013 and the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015..

**[b] The composition of the Audit Committee prior to commencement of CIRP viz. 10<sup>th</sup> March, 2021 is as follows:**

1	Mr. Krish Narayanan	Chairman of the Committee
2.	Mr. G. Swaminathan	Member
3.	Ms. V. Neelaveni	Member
4.	Mr. T. Subramanian	Member

The Committee met three times only during the year and the date of the meeting and attendance particulars are furnished below. The Committee could not meet during the period April to August 2020 due to the prevalence of COVID-19 pandemic and nation-wide lock-down.

Directors Name	Category of Membership	Attendance Particulars		
		17-08-2020	13-11-2020	08-02-2021
Mr. H. Rathnakar Hegde *	Chairman of the Committee	√	√	√
Mr. H.R. Srinivasan *	Member	-	-	-
Mr. S. Ravinarayanan *	Member	√	√	√
Mr. Sudhir Kamath *	Member	-	√	√
Mr. R. Ram Mohan *	Member	√	√	√
Mr. Krish Narayanan @	Chairman of the Committee	-	-	√
Mr. G. Swaminathan @	Member	-	-	√
Ms. V. Neelaveni@	Member	-	-	√
Mr. T. Subramanian@	Member	-	-	√

**[c] Approval for related party transactions**

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

**4. Nomination and Remuneration Committee**

**[a] The terms of reference of this committee are**

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



**[b] The composition of the Committee as at 10<sup>th</sup> March, 2021 prior to initiation of CIRP was**

1.	Ms. V. Neelaveni	Chairperson of the Committee
2.	Mr. Krish Narayanan	Member
3.	Mr. G. Swaminathan	Member

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

Directors Name	Category of Membership	Attendance Particulars	
		27-01-2021	01-02-2021
Mr. H. Rathnakar Hegde *	Chairman	✓	
Mr. S. Ravinarayanann*	Member	✓	
Mr. Sudhir Kamath <sup>§</sup>	Member	✓	
Mr. R. Ram Mohan <sup>§</sup>	Member	✓	
Ms. V. Neelaveni <sup>@</sup>	Chairperson		✓
Mr. Krish Narayanan	Member		✓
Mr. G. Swaminathan	Member		✓

\* Upto 27<sup>th</sup> January, 2021§ Upto 01<sup>st</sup> February, 2021@ from 01<sup>st</sup> February, 2021**[d] Performance evaluation criteria for independent directors**

The performance evaluation of Independent Directors was not carried out since the power of the Board remain suspended on account of the initiation of CIRP effective 10<sup>th</sup> march, 2021 as well the Board members were newly inducted on 27<sup>th</sup> January, 2021.

**5. Remuneration of Directors**

- [a] Directors were paid sitting fee of ₹ 75000/= per board meeting and ₹ 25000/= for Audit Committee and Stakeholders Relationship Committee meetings. Mr. R. Ram Mohan, Chairman and Capt KN Ramesh, Managing Director were not paid any sitting fee for attending the Board and Committee meetings during their tenure as Directors. Mr. Sudhir Kamath, Mr. H.R. Srinivasan, Mrs. Shweta Shetty and Mr. G. Swaminathan did not take the sitting fee for attending the Board and Committee meetings during the financial year 2020-21.
- [b] Commission to non-executive Directors was not applicable since the company did not earn any profit during the previous financial year 2020-21 and the company is under CIRP.

**Details of Remuneration**

S. No.	Particulars of remuneration	Non-Executive Directors				Executive Directors			Total
		Independent Directors							
		H. Rathnakar Hegde	S. Ravinarayanan	Krish Narayanan	V. Neelaveni	Capt KN Ramesh*	T. Subramanian@	S. Rajappan@	
1	Fee for attending Board / Committee meetings	425000	350000	250000	250000	-	275000	250000	1800000
2	Commission	-	-	-	-	-	-	-	-
3	Others [Salary]	-	-	-	-	2800000	-	-	3825000
	<b>Total</b>	<b>425000</b>	<b>350000</b>	<b>250000</b>	<b>250000</b>	<b>2800000</b>	<b>275000</b>	<b>250000</b>	<b>5625000</b>

\* Upto 01<sup>st</sup> February, 2021@ from 27<sup>th</sup> January, 2021

[c] Other than the above, there are no other pecuniary relationship / transactions with the non-executive directors during the financial year 2020-21.

## 6. Stakeholders Relationship Committee

### [a] Name of the non-executive director heading the Committee

Mr. H. Rathnakar Hegde upto 27<sup>th</sup> January, 2021 and Mr. G. Swaminathan effective 01<sup>st</sup> February 2021. Pursuant to the initiation of the CIRP, the powers of the Board/ Committee remain suspended and the same vests with RP.

### [b] Name and designation of the Compliance Officer

Mr. V. Radhakrishnan

Company Secretary

### [c] Number of shareholders complaints received so far - NIL

### [d] Number not solved to the satisfaction of shareholders - NIL

### [e] Number of pending complaints - NIL

## 7. GENERAL BODY MEETINGS

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

Year	Date and Time	Venue
2020	29 <sup>th</sup> December, 2020 – 11.00 a.m.	South India House, 73, Armenian Street, Chennai :: 600001 [conducted through audio visual means]
2019	12 <sup>th</sup> September, 2019 – 11.00 a.m.	Madras Music Academy, Alwarpet, Chennai :: 600018
2018	20 <sup>th</sup> September, 2018 – 11.00 a.m.	Rajah Annamalai Hall, Esplanade, Chennai :: 600108

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

AGM	Details of special resolution
29 <sup>th</sup> December, 2020	None
12 <sup>th</sup> September, 2019	None
20 <sup>th</sup> September, 2018	None

### [c] Special Resolutions passed through Postal Ballot during the financial year 2020-21

NIL

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

The Company would send postal ballot notices in the event of any business that arise for obtaining the approval of the shareholders during the financial year.

### [e] Procedure for postal ballot

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

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

**[g] Extra-ordinary General Meetings / NCLT convened General Meetings**

NIL

**8. Means of Communication****[a] Quarterly Results**

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

**[b] Newspapers wherein results normally published**

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

**[c] Any website, where displayed**

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

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

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

**9. General Shareholder Information****[a] 66<sup>th</sup> Annual General Meeting**Date : 31<sup>st</sup> December, 2021

Time : 10.25 A.M.

Venue: South India House, 73, Armenian Street, Chennai :: 600 001

[through Video Conferencing/Other Audio Visual Means]

**[b] Financial Calendar [2021-22]**

Financial reporting for the quarter ending [tentative]

1	30 <sup>th</sup> June, 2021	-	Second week of August, 2021
2	30 <sup>th</sup> September, 2021	-	First week of November, 2021
3	31 <sup>st</sup> December, 2021	-	First week of February, 2022
4	31 <sup>st</sup> March, 2022	-	Second/Third week of May, 2022
AGM		-	By third / fourth week of September, 2022

**[c] Dividend Payment Date** - No dividend has been declared and as such the same is not applicable**[d] Name and address of stock exchanges**

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

It is hereby confirmed that the annual listing fee for the financial year 2020-21 were paid.

The Company's Secured Redeemable Non-convertible Debentures to the extent of Rs.100 crores issued on private placement basis to one of the bank is listed with the National Stock Exchange of India Limited and the periodical compliances are duly carried out in this connection. IDBI Trusteeship Services Limited have been appointed as the Debenture Trustee.

**[e] Stock Code**

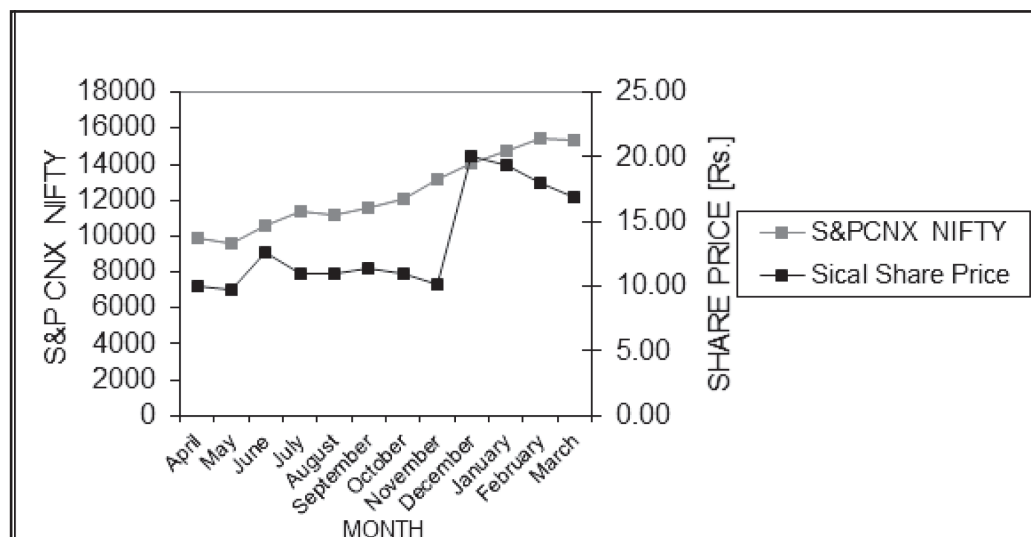
ISIN	INE075B01012
BSE	520086
NSE	SICAL

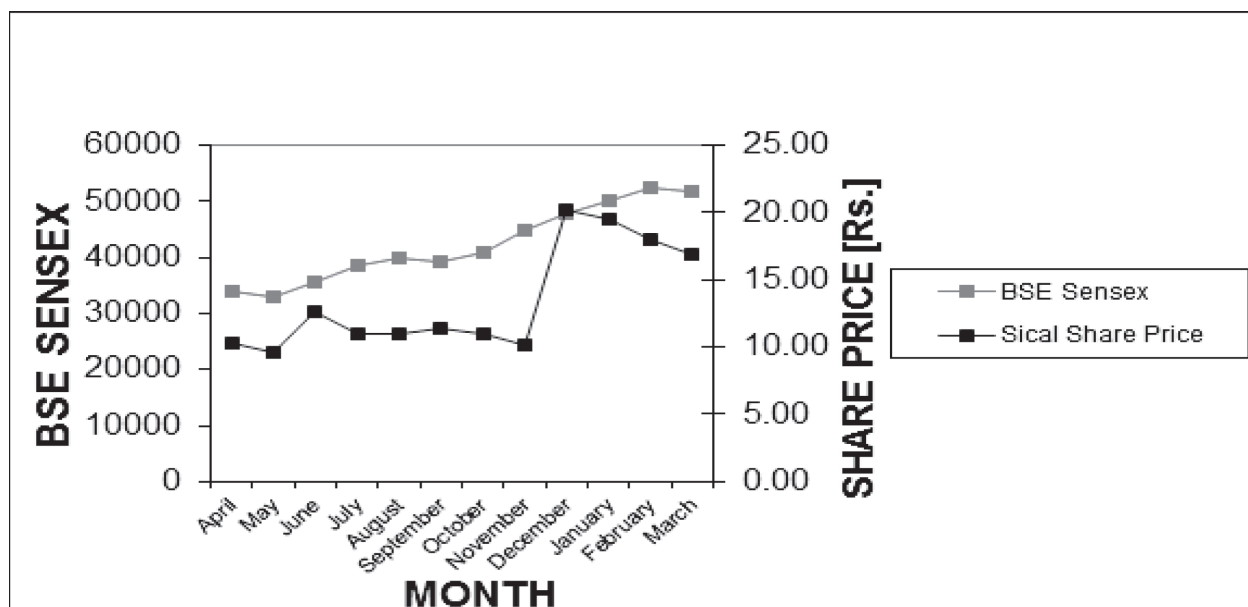
**[f] Market Price Data**

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

Month & Year	NSE			BSE		
	Low	High	Average	Low	High	Average
Apr-20	6.65	10.00	8.33	6.62	10.23	8.43
May-20	8.70	9.70	9.20	8.87	9.65	9.26
Jun-20	8.45	12.65	10.55	8.49	12.68	10.59
Jul-20	9.05	10.95	10.00	9.04	10.95	10.00
Aug-20	9.10	11.05	10.08	9.11	11.02	10.07
Sep-20	9.85	11.40	10.63	9.84	11.36	10.60
Oct-20	9.70	11.00	10.35	9.71	11.01	10.36
Nov-20	9.55	10.15	9.85	9.48	10.13	9.81
Dec-20	9.50	20.10	14.80	9.49	20.22	14.86
Jan-21	15.80	19.40	17.60	15.95	19.50	17.73
Feb-21	14.95	18.00	16.48	15.05	18.05	16.55
Mar-21	9.05	16.90	12.98	9.05	16.90	12.98

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



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

**[h] Registrar to an Issue and Share Transfer Agents**

Cameo Corporate Services Limited

Unit : Sical Logistics Limited

Subramanian Building, 5<sup>th</sup> Floor

1, Club House Road

Chennai :: 600 002

Telephone : 044-28461073

Fax : 044-28460129

e-mail : cameo@cameoindia.com

**[i] Share Transfer System**

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

**[j] Distribution of Shareholding**

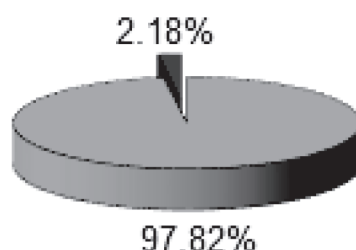
Number of shares - Category	No. Of shares	% to total	No. Of shareholders	% to total
Upto 500	2891475	4.94	41448	87.72
501-1000	1966422	3.36	2351	4.98
1001 – 2000	2129374	3.64	1350	2.86
2001 – 3000	1520880	2.60	580	1.23
3001 – 4000	937126	1.60	259	0.55
4001 – 5000	1433959	2.45	300	0.63
5001 - 10000	3358412	5.74	439	0.93
10001 & above	44282616	75.67	524	1.11
<b>Total</b>	<b>58520264</b>	<b>100</b>	<b>47251</b>	<b>100</b>

**[K] Shareholding pattern as on 31.03.2021**

Category	No. of Holders	No. of shares	% to Total Capital
Bank	16	754406	1.29
Clearing Member	82	1022095	1.75
Corporate Body	312	6919562	11.82
FI	4	164837	0.28
FPI	1	11414	0.02
Mutual Funds	5	1177	0.00
NRI	230	1567586	2.68
Promoters	2	16405031	28.03
Resident	46598	31673956	54.12
Trusts	1	200	0.00
<b>Overall Total:</b>	<b>47251</b>	<b>58520264</b>	<b>100</b>

**[L] Dematerialisation of Shares**

5,72,41,717 equity shares representing 97.82% of the paid-up share capital have been dematerialised upto 31.03.2021. Trading in equity shares of the company is permitted only in dematerialised form w.e.f. 28.08.2000 as per SEBI's orders dated 29.05.2000.



**[m] There are no outstanding global depository receipts or American depository receipts or warrants or any convertible instruments as on 31<sup>st</sup> March, 2021..**

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

**[o] Address for Correspondence**

Company	RTA
Sical Logistics Limited	Cameo Corporate Services Limited
Secretarial Department	Unit : Sical
South India House	Subramanian Building 5 <sup>th</sup> Floor
73, Armenian Street	No.1, Club House Road
Chennai :: 600 001	Chennai :: 600 002
Telephone : 044-66157071	Telephone : 044-28461073
Fax : 044-66157017	Fax : 04-428460129
e-mail : <a href="mailto:secl@sical.com">secl@sical.com</a>	e-mail :
Website : <a href="http://www.sical.in">www.sical.in</a>	investor queries : <a href="mailto:investor@cameoindia.com">investor@cameoindia.com</a>
	Non-receipt of annual reports : <a href="mailto:agm@cameoindia.com">agm@cameoindia.com</a>

## 10 Other Disclosures

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

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

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

The Company has complied with the various rules and regulations prescribed by the Stock Exchanges or any statutory authority on all matters related to capital markets during the last three years. On account of delayed submission of financial results for the year ended 31<sup>st</sup> March, 2020 was made on 17<sup>th</sup> August, 2020 beyond the extended time allowed by SEBI and against this the Company had paid a fine to National Stock Exchange of India Limited but however, the same was waived by BSE Limited. This was on account of the COVID-19 pandemic and lockdown in the country / State.

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

A Vigil Mechanism / whistle Blower Policy for employees has been established to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of Audit Committee in exceptional cases. We further affirm that during the financial year 2020-21, no employee has been denied access to the audit committee / RP.

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

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

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

- [i] the Chairman being non-executive has not established a separate office.
- [ii] Shareholders are communicated on the quarterly / half yearly results / performance by way of publishing the financial results on the website of the Company as well as the Stock Exchanges where the shares of the company are listed in addition to publishing in Business Standard and Makkal Kural dailies in the format as stipulated by SEBI.
- [iii] The company's audit report for the year ended 31<sup>st</sup> March, 2021 was with modified opinion. .
- [iv] The position of Chairperson is of non-executive. The Company has appointed a Managing Director. There has been changes in the directorate during the year 2020-21. Upon initiation of CIRP under the IBC 2016, the powers of the Board remain suspended and the powers of the Board vests with the Resolution Professional.
- [v] Internal auditors have access to audit committee and make presentations before the Audit Committee highlighting the High Risk areas covering their audit and for taking appropriate steps in mitigating such risks.
- [e] Web link where policy for determining 'material' subsidiaries is disclosed  
[www.sical.com/investors/policies/material subsidiaries](http://www.sical.com/investors/policies/material%20subsidiaries)
- [f] Web link where policy on dealing with related party transactions  
[www.sical.com/investors/policies/maetrial related party transactions](http://www.sical.com/investors/policies/maetrial%20related%20party%20transactions)

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



12. The details on the extent of compliance with regard to discretionary requirements as specified in Part E of Schedule II of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 have been indicated under Para 10[d] above.
13. **Insider Trading**  
Pursuant to the Securities and Exchange Board of India [Prohibition of Insider Trading] Regulations, 2015, the Company has prescribed a Code of Conduct for Prevention of Insider Trading as applicable to promoters / designated employees / connected persons.
14. **Code of Conduct**  
The Company has formulated a Code of Conduct for the Board members and Senior Management Personnel. The same has also been posted on the website of the Company. Since the Company is under CIRP, the powers of the Board remain suspended and hence the declaration affirming on compliance on the Code of Conduct as applicable to Board members and the Senior Management Personnel is not attached.
15. **Reconciliation of Share Capital Audit**  
Periodical audits were carried out by a qualified Practising Company Secretary for reconciling the total admitted capital with National Securities Depository Limited [NSDL] and Central Depository Services [India] Limited [CDSL] and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the total number of shares held in physical form and the total number of dematerialized shares held with NSDL and CDSL.
16. **Material Subsidiaries**  
The minutes of the meeting of material subsidiaries viz. Sical Infra Assets Limited, Sical Multimodal and Rail Transport Limited and Sical Iron Ore Terminals Limited were placed before the Board of the holding company i.e. Sical Logistics Limited. The Audit Committee reviewed the financials of the material subsidiaries particularly in reference to any investments made on a quarterly basis.
17. The disclosures on the compliance with corporate governance requirements specified in Regulation 17 to 27 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 have been made in the above paragraphs to the extent they are applicable to the Company. Further it is affirmed that the website disclosures as per Regulation 46[2][b] to [i] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 have been duly complied with.
18. **Compliance Certificate from Statutory Auditors**  
Pursuant to Schedule V 2 [E] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015, a Compliance Certificate from the Statutory Auditors is furnished as part of the report.
19. **Certificate of Non-disqualification of Directors**  
The powers of the Board remain suspended w.e.f 10<sup>th</sup> March, 2021 on account of the initiation of the CIRP by the Hon'ble NCLT, Chennai Bench. However, the certificate as required under Regulation 34[3] and Schedule V Para C Clause [10] [i] of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015, as provided by KRA & Associates, Practising Company Secretaries is attached.
20. Detail of Fees Paid to the Statutory Auditors viz. M/s. SRSV & Associates, Chartered Accountants, by the Company and all entities in the network firm / network entity of which the statutory auditor is a part is Rs.21,48,700 [after TDS] for the financial year 2020-21..

# COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

## AUDITORS CERTIFICATE

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

Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of **SICAL LOGISTICS LIMITED**

**(A Company under Corporate Insolvency Resolution Process vide NCLT order)**

1. This certificate is issued in accordance with our engagement letter dated 30th September, 2021.
2. We, SRSV & Associates, the Statutory Auditors of SICAL LOGISTICS LIMITED have examined the compliance of conditions of corporate governance by SICAL LOGISTICS LIMITED ('the Company') for the year ended 31 March 2021 as stipulated in Regulations 17- 27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with the stock exchange.

### Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

### Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2021.
6. We conducted our examination in accordance with the "Guidance Note on Reports or Certificates for Special Purposes" and Guidance Note on Certification of Corporate Governance" both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) I, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.  
Consequent to the Commencement of Corporate Insolvency Resolution Process, the powers of the Board of Directors stands suspended and as per Regulation 15(2A) and (2B) of the Listing Regulations, the provisions specified in Regulations 17, 18, 19, 20 and 21 of the Listing Regulations relating to Board of Directors and its Committees are not applicable to the Company. The roles and responsibilities of the Board of Directors and its Committees are being fulfilled by the Resolution Professional in accordance with the provisions of Section 17 and 23 of the Insolvency and Bankruptcy Code, 2016 w.e.f. March 10, 2021
9. We 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.

### Restriction on Use

10. The certificate is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Place : Chennai

Date : 08<sup>th</sup> December, 2021

.For M/s. SRSV & ASSOCIATES

Chartered Accountants

F.R.No.0150415

V. Rajeswaran

Partner

Membership No.020881

UDIN No. 20020881AAAAEQ5841

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
**Sical Logistics Limited**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sical Logistics Limited having CIN: L51909TN1955PLC002431 and having registered office at "South India House" 73, Armenian Street, Chennai - 600001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority :

Sr. no	Name of the Director	DIN	Date of Appointment in the Company
1	Mrs. NEELAVENI	09042292	27/01/2021
2	Mr. SESHADRI RAJAPPAN	00862481	27/01/2021
3	Mr. SUBRAMANIAN THIGARAJAN	00584440	27/01/2021
4	Mr. SWAMINATHAN	02481041	27/01/2021
5	Mr. KRISH NARAYANAN	03137194	27/01/2021

The following Directors resigned during the year:

Sr. no	Name of the Director	DIN	Date of Resignation from the Company
1.	Mr. SRINIVASAN RAMANI HARIKESANALLUR	00130277	01.02.2021
2.	Mr. SUDHIR VIDYA KAMATH	00203009	01.02.2021
3.	Mr. HARADY RATHNAKAR HEGDE	05158270	27.01.2021
4.	Mr. SAMPATH RAVINARAYANAN	00208793	27.01.2021
5.	Mr. RADHAKRISHNAN RAMMOHAN	02506342	01.02.2021
6.	Capt. KAVOORI NARASIAH RAMESH	06496909	01.02.2021
7.	Ms. SHWETA SHETTY	06719712	01.02.2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. The powers of the Board remain suspended and vests with the Resolution Professional. Hence the appointment / re-appointment during the CIRP period has not been considered. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR KRA & ASSOCIATES**

Practising Company Secretaries

Date: 06.12.2021

Place: Chennai

**R. Kannan**

PARTNER

FCS NO. 6718 / CP NO. 3363

UDIN: F006718C001676705

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT [2020-21]

## INDUSTRY OVERVIEW

The transport sector is an important component of the economy and a common tool used for development. This is even more so in a global economy where economic opportunities have been increasingly related to the mobility of people and freight, including information and communication technologies. A relation between the quantity and quality of transport infrastructure and the level of economic development is apparent. High-density transport infrastructure and highly connected networks are commonly associated with high levels of development. When transport systems are efficient, they provide economic and social opportunities and benefits that result in positive multiplier effects such as better accessibility to markets, employment, and additional investments.

The logistics industry has been on the frontline since the beginning of the unprecedented crisis, ensuring that the supply chains remain intact. Since the manufacturing industries were severely hit due to the shortage of labour and the restrictions being imposed on the movement of goods and businesses, the supply has been disrupted. The logistics industry provides significant macro contributions to the national economy by creating employment and generating foreign investment influx. Thus, it holds critical importance as it connects various markets, suppliers and business areas like material handling, warehousing, packaging, supply chain management, procurement, and customs service dotted across the country.

The Covid-19 pandemic has brought the business world to a standstill. There has been disruptions in the overall business community. India still is witnessing its share of the viral onslaught and has contained through complete lock-downs from time to time over a period of one year.

## IMPACT OF COVID-19 PANDEMIC AND LOCKDOWN ON LOGISTICS SECTOR

The immediate impact of the pandemic on the logistic sector has been a sharp fall in freight availability due to restrictions on the production of non-essential goods, and shortage of fleet for movement of goods owing to the dearth of drivers and a consequent spike in truck rentals and air freight prices. Due to the lockdown, logistics sector has made significant losses resulting in disruption in business cycles and supply chain breakage forcing the logistics sector to face the brunt of the crisis.

During the early stage, customers began to ship more goods in anticipation of stronger business conditions. Logistics has a strong role being the key economic indicators including GDP and Unemployment. When the lockdown was lifted gradually and muted the recovery in industrial activity, the logistic sector, including warehousing, is witnessing sharp demand contraction in the near-term.

According to the reports of the Economic Survey, the logistics industry is expected to grow at a CAGR of 10.5 percent. This has become the hub for a greater employment opportunity. . Rapid and technological advancements in digital technologies, changing consumer preferences due to e-commerce, government reforms, and shift in service sourcing strategies are resulting in the transformation of the Indian logistics ecosystem. In the new normal, technology has proven its utility and adaptability even for people living in remote parts of the country. Strong market trends towards the e-commerce segment continue to transform how brands and consumers interact. The pandemic has brought an increase in the demand for essential items such as groceries, food, and pharmaceuticals. Many logistics companies cater to this demand whilst adhering to safety protocols with OTP-based contactless delivery of items. Leveraging state-of-the-art technology, logistics aggregators should focus on increasing the efficiency of services and optimizing cost.

Another method adopted by logistics aggregator brands is to help the MSMEs and align with the Government's self-reliant movement. For small-sellers who want to take their business online and increase their customer base, logistics aggregators have become the one-stop fulfilment solution. With automated warehousing and packaging services, they should ensure that there are minimal weight discrepancy and seamless post-order experience.

## PROSPECTS FOR THE LOGISTICS INDUSTRY

Strong growth supported by government reforms, transportation sector development plans, growing retail sales, and the e-commerce sector is likely to be the key drivers of the logistics industry in India.

India's success and economic growth in the future is heavily dependent on the evolution of its logistics sector. This is essential not only for generating employment or providing broad social benefits to farmers and low-income workers but also for competing with the rest of the world in terms of last-mile connectivity, efficient transportation and time of delivery.

## SICAL – FINANCIAL AND OPERATIONAL PERFORMANCE

Sical as a multi-modal logistics service provider, has its presence in the sectors of Port Operations, Road Logistics, Cold Chain Operations, Warehousing, Overburden Removal for coal mines and as Mine Developer and Operator. The performance of all the divisions were impacted due to the sudden demise of the Promoter who has been infusing funds and providing guarantees for the credit facilities resulted in difficulties in availing financial assistance from the lenders and also due to the COVID-19 pandemic that erupted globally during the financial year under review. Further, on an application by an Operational Creditor before the Honourable NCLT, Chennai Bench, order was issued initiating Corporate Insolvency Resolution Process on 10<sup>th</sup> March, 2021. Since the performance of the company depends on the Resolution Plan that is being approved by the Authority, no SWOT analysis is furnished in this Report for the sectors in which the Company currently operates.

## SICAL – THE WAY FORWARD

The Company is currently under CIRP and once the Resolution Plan is approved, the revival shall be based on the approved plans.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place proper and adequate internal control systems which would automatically have the internal checks and balances then and there when transactions are executed. The company is in compliance with the various statutes of the Government and statutory authorities. Internal Audit has been entrusted to an external agency and periodical review is being carried out by the Management. The Internal Audit findings involving high risks are reviewed by the Audit Committee at their meetings to check on the adequacy of internal controls and suggest measures for further improvement as well for mitigating risks. Adequate attention is provided in the system for having an effective control on the performance and processes of the various divisions of the Company under one umbrella.

## HUMAN RESOURCES / INDUSTRIAL RELATIONS

Cordial industrial relations prevailed in all divisions throughout the year. Employees instrumental in making the company achieving its targets and goals as envisioned. With the focus on development of skills in the employees, the Management has evolved best practices in evaluating the performance of the employees at all levels and provide growth opportunities in their career. Employees were sponsored for various seminars, symposiums and workshops organised by external agencies to enrich their knowledge and implement the best practices in their work place wherever feasible.

## CAUTIONARY STATEMENT

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

# **Annual Report 2020-21 STANDALONE ACCOUNTS**

# INDEPENDENT AUDITORS' REPORT

To the members of SICAL LOGISTICS LIMITED

(A Company under Corporate Insolvency Resolution Process vide NCLT order)

## Report on the audit of the standalone financial statements

### Qualified Opinion

The Hon'ble National Company Law Tribunal ("NCLT"), Chennai Bench, admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by an operational creditor of **SICAL LOGISTICS LIMITED** ("the Company") and appointed Mr. Lakshmisubramanian (IBBI Registration no. IBBI/IPA-003/IP-N00232/2019-2020/12697) as Interim Resolution Professional ("IRP"), in terms of the Insolvency and Bankruptcy Code, 2016 ("the Code") to manage the affairs of the Company vide CP No. IBA/73/2020 dated 10th March 2021. Pursuant to this, based on the application made by Committee of Creditors of the Company, the Hon'ble NCLT has ordered appointment of Mr. Sripatham Ramkumar Venkatasubramanian (IBBI Registration No. IBBI/IPA-001/IP-P00015/2016-17/10039) as Resolution Professional ("RP") of the Company in disposing of IA no. IA/54/CHE/2021 in IBA/73/2020 on 2nd June 2021.

In view of pendency of the CIRP, and in view of suspension of the powers of Board of Directors and as explained to us, the powers of adoption of the standalone financial statements for the year ended March 31, 2021 vest with the RP.

We have audited the standalone financial statements of **SICAL LOGISTICS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including other comprehensive loss), the Statement of Changes in Equity and the 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 and **except for the effects of the matter described in the Basis of Qualified Opinion paragraph and the Material Uncertainty Relating To Going Concern Section below**, the aforesaid standalone financial statements give the information required by the Companies Act 2013 ("Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss, total comprehensive loss, the changes in equity and cash flows for the year ended as on that date.

### Basis for Qualified Opinion

We conducted our audit in accordance with the standards on auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of ethics.

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

We draw attention to the following matters:

- a) Note No. 1.2 and 12.1(b) to the standalone financial statements, regarding application by an operational creditor, initiating the insolvency provisions under the Insolvency and Bankruptcy Code, 2016 ('the Code') and the consequential appointment of the RP under the Code, and adequacy of disclosures concerning the Company's ability to meet its financial, contractual and statutory obligations including management's technical estimates in regard to realisation of Overdue receivables, Loans and Advances including related party and contractual dues, investments and Deferred Tax Assets amounting to Rs. 475.97 crores.

The possible impact, if any, arising out of the above matters is presently not quantifiable.

- b) Note No. 25 to the standalone financial statements, Confirmation of balances are not available for majority of the trade receivables, loans and advances given, trade payables, claims received from the employees, bank balances and bank loans as at March 31, 2021. Pursuant to the CIRP, the Company stopped providing interest on bank borrowings for



the current year. In the absence of confirmation of balances the possible adjustment if any required in the standalone financial statements is presently not determinable. The finance cost appearing in the standalone financial statements are recorded based on transactions accounted in the accounting system, differences between the liability recorded by the Company and confirmations received from the lenders are not recorded as finance cost or contingent liability

- c) The Company has significant accumulated losses as at the date of the Balance Sheet and it continues to incur cash losses. Considering the above and the matters more fully explained in the Material Uncertainties Relating to Going Concern section below, we are unable to comment on the appropriateness of preparation of the standalone financial statements on a going concern basis.
- d) We have been informed by the RP that certain information including the minutes of the meetings of the CoC, cases filed by the RP against parties and the outcome of certain specific/ routine procedures carried out as part of the IBC process are confidential in nature and could not be shared with anyone, other than the CoC and Hon'ble NCLT. In the opinion of the RP, the matter is highly sensitive, confidential and may have adverse impact the resolution plan.

Accordingly, we are unable to comment on the possible adjustments required in the carrying amount of assets and liabilities, possible presentation and disclosure impacts, if any, that may arise if we have been provided access to review of those information.

### **Material Uncertainty Related to Going Concern**

The Company has significant accumulated losses as at the date of the Balance Sheet and it continues to incur cash losses. The matters referred to in para (a) and (b) of the basis of qualified opinion paragraph above also essentially require the Company to resolve the situations specified therein within the framework specified through the CIRP. Attention is also invited to para (c) of basis of qualified opinion paragraph above.

As mentioned in para 1 in Responsibilities of Management and Resolution Professional and Those Charged with Governance for the Standalone Financial Statements below, since the CIRP is currently in progress, as per the Code, it is required that the Company be managed as going concern during the CIRP, the Standalone Financial Statements is continued to be prepared on going concern basis. However there exists material uncertainty about the Company's ability to continue as a going concern since the same is dependent upon the resolution plan to be formulated and approved by NCLT. The appropriateness of preparation of Standalone Financial Statements on going concern basis is critically dependent upon CIRP as specified in the Code.

Our opinion is not modified in respect of this matter.

### **Emphasis of Matter**

The Company has not paid statutory dues of Rs. 1,471.89 lakhs. It is informed by the RP that the statutory dues which are payable prior to CIRP initiation date (10th March 2021) are to be claimed by the respective authorities in relevant form as prescribed under Regulation 7 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. Due to non-payment of various statutory liabilities, there may be potential non compliances under relevant statutes and regulations.

### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In our opinion and based on the information and explanations given to us, there are no other key audit matters to be communicated in our report, other than those more fully described in the Basis for Qualified Opinion paragraph and in the Material Uncertainty Related to Going Concern section above.

### **Information other than the financial statements and auditors' report thereon**

The Company's management/ RP are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's 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 during the course of our 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.

### **Responsibilities of Management and Resolution Professional and Those Charged with Governance**

During the year, the Hon'ble National Company Law Tribunal ("the NCLT"), Chennai Bench, admitted petition for initiation of Corporate Insolvency Resolution Process ("CIRP") under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("the Code") filed by an operational creditor vide order no. IBA/73/2020 dated 10th March 2021 and appointed Mr. Lakshmisubramanian (IBBI Registration no. IBBI/IPA-003/IP-N00232/2019-2020/12697) as Interim Resolution Professional ("IRP"), to manage affairs of the Company in accordance with the provisions of the Code. Subsequently, the NCLT, Chennai Bench, vide order no IA/54/CHE/2021 in IBA/73/2020 on 2nd June 2021 appointed Mr. Sripatham Venkatasubramanian Ramkumar as Resolution Professional ("RP") replacing the IRP according to the resolution passed by the Committee of Creditors unanimously. In view of pendency of the CIRP and suspension of powers of Board of Directors and as explained to us, the powers of adoption of the Statement vests with RP. The Standalone Financial Statements are prepared by the Management of the Company and Certified by the Directors and approved by RP.

The Company's management/ RP are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.

We were informed that the standalone financial statements have been approved by the RP based on representations, clarifications and explanations provided by the Management and Key Management Personnel of the Company for the preparation and presentation of the standalone financial statements.

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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management/ RP 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.

The management/ RP are also responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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 standalone 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 controls 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 the management/ RP'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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **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 Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- (a) We have sought and obtained except for matters described in the Basis for Qualified Opinion paragraph above, 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, except for matters described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
- (d) In our opinion, except for matters described in the Basis for Qualified Opinion paragraph above, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act,
- (e) The matter described under Basis for Qualified Opinion paragraph above and matters described under Material Uncertainty Related to Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (f) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
- (g) Since the powers of the board of directors is suspended pursuant to the CIRP, receiving written representations from the directors that none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act and taking it on record by the board of directors is not applicable for the year under consideration;
- (h) 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 B
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- (j) 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:
  - a. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 25 to the standalone financial statement
  - b. The Company has made provision, except for matters described in the Basis for Qualified Opinion paragraph above, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and
  - c. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For SRSV & Associates  
Chartered Accountants  
F.R. No. 0150415

Place: Chennai  
Dated: August 12, 2021

V. Rajeswaran  
Partner  
Membership. No. 020881

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT:

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date and to be read with except for matters described in the Basis for Qualified Opinion paragraph above.

- i.
  - a) The Company has maintained proper records showing full particulars with respect to the fixed assets, including quantitative details and situation of fixed assets.
  - b) Fixed Assets have been verified by the Company during the year in a phased manner. We have relied on the Representations provided to us on the physical verification.
  - c) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of immovable properties of the Company are held in the name of the Company.
- ii. As explained to us, physical verification of inventory was conducted for certain items of stock but complete coverage was not possible owing to lack of manpower.
- iii. In our opinion and according to the information and explanations given to us the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. (Based on the above para, matters referred in clause iii(a), iii(b) and iii(c) of paragraph 3 of Companies (Auditors Report) Order 2016 are 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 security.
- v. In our opinion and according to the information and explanations given to us the Company has not accepted any deposits during the year. Accordingly, reporting under this clause does not arise.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act 2013. Accordingly, clause vi of paragraph 3 of Companies (Auditor's Report) Order, 2016 is not applicable.
- vii.
  - a) According to the records of the Company and information and explanations given to us, the Company has not regularly deposited undisputed statutory dues including provident fund, Employees' State Insurance, Income Tax, Duty of Customs, Goods and Service Tax, Cess and any other statutory dues with the appropriate authorities. There are no undisputed statutory dues outstanding for more than six months.
  - b) As at March 31, 2021 according to the records of the Company, the following are the particulars of the disputed dues on account of sales tax, income tax, customs duty, wealth tax, service tax and cess, which have not been deposited on account of dispute:

S. No	Period	Nature of Dues	Not Paid (` In Lakhs)	Forum where Pending
1	2001-09	Service Tax	1,818.92	Madras High Court
2	2015-16	Income Tax	242.66	CIT(A), Bangalore
3	1995-96	Income Tax	133.56	Madras High Court

This information is solely based on Previous Year data and representations made by the Company.

- viii. Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the Company has defaulted in repayment of loans or borrowings to financial institutions, banks and debenture holders as per the following particulars. The Company stopped providing for Interest after initiation of CIRP and the defaults are stated below:

Name of the Lender	Principal		Interest	
	Amount (Rs in Crores)	Period (Maximum Days)	Amount (Rs in Crores)	Period (Maximum Days)
Loans from Banks				
Bank of Baroda	278.89	90	6.55	90
Bank of Baroda (FITL)	13.07	121	0.88	121
Canara Bank	33.61	520	12.35	520
Corporation Bank	10.50	517	3.28	517
DCB Bank	4.11	456	1.15	456
DCB Bank (FITL)	0.22	182	0.01	182
DCB Bank	7.07	182	0.42	182
Kotak Mahindra Bank	1.04	502	-	502
RBL Bank	22.02	451	12.22	451
RBL Bank	17.65	512	2.91	512
YES Bank (Equipment Loan)	1.13	587	1.90	587
YES Bank (Term Loan)	97.54	578	17.55	578
YES Bank (Term Loan)	0.36	609	0.03	609
Axis Bank	2.53	558	1.58	558
IndusInd Bank (Equipment Loan)	0.56	452	1.10	452
IndusInd Bank (Term Loan)	9.30	399	2.50	399
Standard Chartered Bank	0.85	-	0.05	-
<b>Loan from NBFCs</b>				
Daimler Financial Services India Private Limited	3.17	556	0.69	556
HDB Financial Service	0.24	483	-	483
Reliance Capital	0.63	515	0.04	515
Tata Motor Finance Limited	0.72	576	1.26	576
Volvo Financial Services India Private Limited	7.90	575	1.53	575
Sundaram Finance Ltd	3.21	568	0.50	568
<b>Non-Convertible Debentures</b>				
IDFC First Bank	-	-	19.30*	460
<b>Others</b>				
Penal Interest and Overdue Interest on Various loans			15.72	
<b>TOTAL</b>	<b>516.32</b>		<b>103.52</b>	

\*Does not include the recalled Principal amount of ₹ 100 Crores on account of default in interest payment.

- ix. The Company has not raised money by way of initial public offer or further public offer during the Current year and the term loans were applied for the purposes for which those were raised.
- x. Except for matters described in the Basis for Qualified Opinion paragraph above, on which we are unable to comment, in our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.
- xi. The Company has paid /provided Managerial Remuneration and the same is in accordance with 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 (Auditor's Report) Order, 2016 is not applicable.
- xiii. In our opinion and according to the information and explanation given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, during the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- 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 (Auditor's 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 (Auditor's Report) Order, 2016 is not applicable.

For SRSV & Associates  
Chartered Accountants  
F.R. No. 0150415

Place: Chennai  
Dated: August 12, 2021

V. Rajeswaran  
Partner  
Membership. No. 020881



## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of M/s **SICAL LOGISTICS LIMITED ("the Company")** as of March 31, 2021 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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.

#### 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 March 31, 2021, 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 SRSV & Associates  
Chartered Accountants  
F.R. No. 0150415

Place: Chennai  
Dated: August 12, 2021

V. Rajeswaran  
Partner  
Membership. No. 020881

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2021

Particulars	Note	₹ in lakhs	
		As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	33,471	41,887
Other intangible assets	2	31	60
Right of use of assets	2	79	127
Capital work-in-progress	2	-	15
Financial Assets	3		
- Investments	3.1	22,042	30,204
- Other non-current financial assets	3.2	301	510
Other non-current assets	4	1,800	1,928
Deferred tax assets (net)	5	3,290	3,290
		<b>61,014</b>	<b>78,021</b>
<b>Current assets</b>			
Inventories	6	755	875
Financial Assets	7		
- Trade receivables	7.1	16,138	22,254
- Cash and cash equivalents	7.2	3,274	3,179
- Other current financial assets	7.3	1,088	76,015
Current Tax Assets (Net)	8	4,739	4,242
Other current assets	9	3,618	7,323
		<b>29,612</b>	<b>113,888</b>
<b>Total Assets</b>		<b>90,626</b>	<b>191,909</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	10	5,854	5,854
Other Equity	11	(69,030)	45,939
		<b>(63,176)</b>	<b>51,793</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
- Borrowings	12.1	-	9,551
- Other financial liabilities	12.2	92	145
Provisions	13	332	398
		<b>424</b>	<b>10,094</b>
<b>Current liabilities</b>			
Financial Liabilities	14		
- Borrowings	14.1	30,361	26,603
- Trade payables	14.2	-	-
(a) Total outstanding dues of Micro and Small Enterprises		-	-
(b) Total outstanding dues of creditors other than Micro and Small Enterprises		9,529	12,466
- Other financial liabilities	14.3	62,069	52,643
Other current liabilities	15	51,400	38,262
Provisions	16	19	48
		<b>153,378</b>	<b>130,022</b>
<b>Total Equity and Liabilities</b>		<b>90,626</b>	<b>191,909</b>
<b>Significant accounting policies</b>	1		
<b>Notes to the accounts</b>	2 to 37		

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

As per our report of even date attached

**For SRSV & Associates**

Chartered Accountants

Firm registration number : 0150415

For and on behalf of the Board of Directors of  
**Sical Logistics Limited**

**V. Rajeswaran**

Partner

Membership No. 020881

**T. Subramanian**

Director and Group CFO

DIN:00584440

**S. Rajappan**

Director

DIN: 00862481

**V. Radhakrishnan**

Company Secretary

**Sripatham Venkatasubramanian Ramkumar**

Resolution Professional for Sical Logistics

Limited IP Registration no. IBBI/IPA-001/

IP-P00015/2016-17/10039 (Taken on record)

Chennai

Date: 12 August 2021

Chennai

Date: 12 August 2021

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

₹ in lakhs

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from operations	17	37,651	83,665
Other income	18	240	1,998
<b>Total Income</b>		<b>37,891</b>	<b>85,663</b>
<b>Expenses</b>			
Cost of services	19	30,340	71,210
Employee benefits expense	20	3,733	10,614
Finance costs	21	11,773	2,787
Depreciation and amortisation expense	2	6,562	7,118
Other expenses	22	6,661	4,955
<b>Total expenses</b>		<b>59,069</b>	<b>96,684</b>
<b>Loss before Exceptional item</b>		<b>(21,179)</b>	<b>(11,021)</b>
Exceptional Item		(93,789)	-
Loss after Exceptional Item		(114,968)	(11,021)
<b>Tax expense</b>	23		
Current tax		-	280
Deferred tax		-	(2,855)
<b>Loss before tax</b>		<b>(114,968)</b>	<b>(8,446)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit plan actuarial gains/ (losses)		-	-
Others		-	-
<b>Income tax relating to items that will not be reclassified to profit or loss</b>		-	-
<b>Total Comprehensive Income (Loss) for the period</b>		<b>(114,968)</b>	<b>(8,446)</b>
<b>Attributable to:</b>			
Owners of Company		(114,968)	(8,446)
Non-Controlling Interests		-	-
<b>Earnings per equity share</b>	26		
(1) Basic		(196.46)	(14.43)
(2) Diluted		(196.46)	(14.43)
<b>Significant accounting policies</b>	1		
<b>Notes to the accounts</b>	2 to 37		

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

As per our report of even date attached

**For SRSV & Associates**

Chartered Accountants

Firm registration number : 0150415

For and on behalf of the Board of Directors of  
**Sical Logistics Limited**

**V. Rajeswaran**

Partner

Membership No. 020881

**T. Subramanian**

Director and Group CFO

DIN:00584440

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Director

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Limited IP Registration no. IBBI/IPA-001/

IP-P00015/2016-17/10039 (Taken on record)

Chennai

Date: 12 August 2021

Chennai

Date: 12 August 2021

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
	₹ in lakhs	
<b>Cash flows from operating activities</b>		
Loss before tax	(114,968)	(11,021)
Adjustments:		
Depreciation	6,562	7,118
Profit on sale of fixed assets	454	(41)
Impairment of Loans advance given and Investments made in SIOTL	93,789	-
Interest and finance charges	10,417	2,065
Interest income	(185)	(765)
Effect of exchange differences on translation of assets and liabilities	-	9
<b>Operating cash flow before working capital changes</b>	<b>(3,930)</b>	<b>(2,635)</b>
Changes in		
- Trade receivables	6,116	13,259
- Current/Non current financial assets	290	1,373
- Current/Non current assets	3,833	6,214
- Inventories	120	(172)
- Current/Non current financial liabilities	463	(489)
- Current/Non current liabilities	2,275	(368)
- Trade payables	(2,937)	4,811
- Provisions	(95)	(167)
Cash generated from operations	6,134	21,826
Income taxes paid	(497)	(332)
<b>Cash generated from operations [A]</b>	<b>5,637</b>	<b>21,494</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets (Including Capital Work in Progress)	(2)	(1,119)
Investment in subsidiaries	(128)	(152)
Proceeds from sale of fixed assets	1,494	50
Proceeds from sale of investments	-	-
Loans and advances received from subsidiaries	(1,429)	1,662
Bank deposit	1,043	1,777
Interest income	132	478
<b>Net cash generated used in investing activities [B]</b>	<b>1,110</b>	<b>2,696</b>
<b>Cash flows from financing activities</b>		
Proceeds from long term borrowings	(551)	1,404
Repayment of long term borrowings	-	(17,398)
Proceeds from/(Repayment of) Short Term Borrowings (net)	3,758	(297)
Payment of lease liability	(70)	(246)
Proceeds from issue of shares	-	-
Proceeds from Holding Companies	1,663	4,485
Finance cost	(10,417)	(12,100)
<b>Net cash generated from financing activities [C]</b>	<b>(5,617)</b>	<b>(24,152)</b>
<b>Effect of exchange differences on translation of foreign currency cash and cash equivalents [D]</b>	<b>-</b>	<b>-</b>
<b>Increase in cash and cash equivalents [A+B+C+D]</b>	<b>1,130</b>	<b>38</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>581</b>	<b>543</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,711</b>	<b>581</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	12	27
Balances with banks		
- in current accounts	1,699	554
Total cash and cash equivalents	1,711	581
<b>Significant accounting policies</b>	1	
<b>Notes to the accounts</b>	2 to 37	

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

As per our report of even date attached

**For SRSV & Associates**

Chartered Accountants

Firm registration number : 0150415

For and on behalf of the Board of Directors of

**Sical Logistics Limited**

**V. Rajeswaran**

Partner

Membership No. 020881

**T. Subramanian**

Director and Group CFO

DIN:00584440

**S. Rajappan**

Director

DIN: 00862481

**V. Radhakrishnan**

Company Secretary

**Sripatham Venkatasubramanian Ramkumar**

Resolution Professional for Sical Logistics

Limited IP Registration no. IBBI/IPA-001/

IP-P00015/2016-17/10039 (Taken on record)

Chennai

Date: 12 August 2021

Chennai

Date: 12 August 2021

# NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

## 1 Company overview and Significant Accounting Policies

### 1.1 Company overview

Sical Logistics Limited ('Sical') founded in 1955 is a leading integrated multimodal logistics solutions provider. The Company is into every aspect of logistics namely port handling, road and rail transport, warehousing, shipping, stevedoring, customs handling, trucking, retail logistics, mining and integrated logistics.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Chennai, Tamilnadu. The Company has its equity shares listed on the BSE Limited and National Stock Exchange of India Limited [NSE] and its NCDs on the NSE.

The financial statements are approved for issue by the company's Board of Directors on 12 August 2021.

- 1.2** The Hon'ble National Company Law Tribunal ("NCLT"), Chennai Bench, admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by an operational creditor of SICAL LOGISTICS LIMITED ("the Company") and appointed Mr. Lakshmisubramanian (IBBI Registration no. IBBI/IPA-003/IP-N00232/2019-2020/12697) as Interim Resolution Professional ("IRP"), in terms of the Insolvency and Bankruptcy Code, 2016 ("the Code") to manage the affairs of the Company vide CP No. IBA/73/2020 dated 10<sup>th</sup> March 2021. Pursuant to this, based on the application made by the Committee of Creditors of the Company, the Hon'ble NCLT has ordered appointment of Mr. Sripatham Venkatasubramanian Ramkumar (IBBI Registration No. IBBI/IPA-001/IP-P00015/2016-17/10039) as Resolution Professional ("RP") of the Company in disposing of IA no. IA/54/CHE/2021 in IBA/73/2020 on 2nd June 2021.

In view of pendency of the CIRP, and in view of the suspension of the powers of the Board of Directors and as explained to us, the powers of adoption of the standalone financial statements for the year ended March 31, 2021 vest with the RP.

### 1.3 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) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind 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.

### 1.4 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 Group 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.

## 1.5 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:

- (i) **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.
- (ii) **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.
- (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.

### Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID 19):

The company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and Investment in joint ventures. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

## 1.6 Revenue recognition

Revenue is recognized on accrual method on rendering of services when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers". The effect on adoption of Ind AS 115 was insignificant. Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

## 1.7 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 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)
Buildings	3.34%	SLM	30
Workshop	33.34%	SLM	3
Furniture & Fixtures	10.00%	SLM	10
Office Equipment's	20.00%	SLM	5
EDP Equipment's	33.34%	SLM	3
Plant & Machinery	20.00%	SLM	5
Plant & Machinery	6.79%	SLM	14
Vehicles	12.50%	SLM	8
BOT Equipment's	5.00%	SLM	20

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 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.

## 1.8 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.

## 1.9 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.

## 1.10 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.

### 1.11 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.

"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.

### 1.12 Impairment

- (i) **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.

As a practical expedient, the Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

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.

- (ii) **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").

### 1.13 Loss allowance for receivables and unbilled revenues

The company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The company considered current and anticipated future economic

conditions relating to industries the company deals with. In calculating expected credit loss, the company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.

#### 1.14 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.

- (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.

#### 1.15 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.

#### 1.16 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.

### 1.17 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.

### 1.18 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.

### 1.19 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.

### 1.20 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.

## 1.21 Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the company has concluded that no changes are required to lease period relating to the existing lease contracts.

The Company's lease asset classes primarily consist of leases for building and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**NOTES TO ACCOUNTS**
**2 Property, plant and equipments**  
**Current year 2020-21**

Particulars	Gross Block				Accumulated Depreciation				Net Block		
	As at 1 April 2020	Reclas- sification	Additions during the year	Deletions during the year	As at 31 March 2021	As at 1 April 2020	Reclas- sification	Additions during the year	Deletions during the year	As at 31 March 2021	As at 31 March 2020
<b>Tangible assets</b>											
Freehold land	11,274		3	-	11,277	-	-	-	-	11,277	11,274
Buildings	1,580			239	1,341	1,003		149	227	416	577
Plant and machinery	25,138			1,037	24,101	13,953		2,058	645	15,366	11,185
Office equipment's	601		2	26	577	421		56	17	460	180
Furniture's and fixtures	549		4	46	507	413		14	10	417	136
EDP Equipment's	807			26	781	683		57	17	723	124
Vehicles	29,827		8	4,257	25,578	12,788		3,433	2,767	13,454	17,039
Port handling equipment	12,221		-	-	12,221	10,849		718	-	11,567	1,372
<b>Intangible assets</b>											
Software	235			-	235	175		29	-	204	60
<b>Total</b>	<b>82,232</b>	<b>-</b>	<b>17</b>	<b>5,631</b>	<b>76,618</b>	<b>40,285</b>	<b>-</b>	<b>6,514</b>	<b>3,683</b>	<b>43,116</b>	<b>41,947</b>
Right of use assets											
(Refer note 1.20 and 35)											
Building	306	-			306	216	-	19	-	235	90
Vehicle	66	-			66	29	-	29	-	58	37
Capital Work in Progress	15	-	-	15	-	-	-	-	-	-	15
<b>GRAND TOTAL</b>	<b>82,619</b>	<b>-</b>	<b>17</b>	<b>5,646</b>	<b>76,990</b>	<b>40,530</b>	<b>-</b>	<b>6,562</b>	<b>3,683</b>	<b>43,409</b>	<b>42,089</b>

Note: Property, plant and equipment amounting to ₹ 33,471 lakhs as at 31 March 2021 (PV: ₹ 41,887 lakhs) has been pledged as security by the Company against the financing facilities availed from banks and financial institutions.

## NOTES TO ACCOUNTS

 2 Property, plant and equipments  
 Previous year 2019-20

₹ in lakhs

Particulars	Gross Block					Accumulated Depreciation				Net Block	
	As at 1 April 2019	Reclassi- fication	Additions during the year	Deletions during the year	As at 31 March 2020	As at 1 April 2019	Reclassi- fication	Additions during the year	Deletions during the year	As at 31 March 2020	As at 1 April 2019
<b>Tangible assets</b>											
Freehold land	11,260	-	14	-	11,274	-	-	-	-	11,274	11,260
Buildings	1,556	4	20	-	1,580	759	1	243	-	577	797
Plant and machinery	25,127	4	7	-	25,138	11,866	3	2,084	-	11,185	13,261
Office equipment's	584	(9)	26	-	601	345	12	64	-	180	239
Furniture's and fixtures	505	-	44	-	549	397	(1)	17	-	136	108
EDP Equipment's	729	8	70	-	807	608	(14)	89	-	124	121
Vehicles	27,861	(7)	2,472	499	29,827	9,670	-	3,608	490	17,039	18,191
Port handling equipment	12,221	-	-	-	12,221	10,142	-	707	-	1,372	2,079
<b>Intangible assets</b>											
Software	215	-	20	-	235	115	(1)	61	-	60	100
<b>Total</b>	<b>80,058</b>	<b>-</b>	<b>2,673</b>	<b>499</b>	<b>82,232</b>	<b>33,902</b>	<b>-</b>	<b>6,873</b>	<b>490</b>	<b>41,947</b>	<b>46,156</b>
Right of use assets											
(Refer note 1.20 and 35)											
Building	-	-	1,088	782	306	-	-	216	-	90	-
Vehicle	-	-	66	-	66	-	-	29	-	37	-
Capital Work in Progress	1,569	-	-	1,554	15	-	-	-	-	15	1,569
<b>GRAND TOTAL</b>	<b>81,627</b>	<b>-</b>	<b>3,827</b>	<b>2,835</b>	<b>82,619</b>	<b>33,902</b>	<b>-</b>	<b>7,118</b>	<b>490</b>	<b>42,089</b>	<b>47,725</b>

Note: Property, plant and equipment amounting to ₹ 41,887 lakhs as at 31 March 2020 (PY: ₹ 46,056 lakhs) has been pledged as security by the Company against the financing facilities availed from banks and financial institutions.



## NOTES TO ACCOUNTS

## 3 Financial Assets

## 3.1 Investments

₹ in lakhs

	As at 31 March 2021	As at 31 March 2020
<b>Investments in equity instruments</b>		
<b>Subsidiaries (unquoted)</b>		
- Sical Connect Ltd Share - 50,000 Shares (PY - 50,000 Shares) of ₹ 10/- each fully paid up	5	5
- Sical Supply Chain Solution Ltd - 50,000 Shares (PY - 50,000 Shares) of ₹ 10/- each fully paid up	5	5
- Sical Infra Assets Ltd - 2,85,65,000 Shares (PY - 2,85,65,000 Shares) of ₹ 10/- each fully paid up	19,339	19,339
- Sical Iron Ore Terminals Ltd - 8,19,00,000 Shares (PY - 8,19,00,000 Shares) of ₹ 10/- each fully paid up (Refer Note 24)	-	8,290
- Sical Iron Ore Terminal (Mangalore) Ltd - 3,65,00,000 Shares (PY - 3,65,00,000 Shares) of ₹ 10/- each fully paid up	250	250
- Bergen Offshore Logistics Pte. Ltd - 1,00,000 Shares (PY- 1,00,000 Shares) of SGD 1/- each and 1,00,22,138 Shares (PY- 1,00,22,138 Shares) of USD 1/- each	-	-
- Sical Mining Limited - 10,000 Shares (PY - 10,000 Shares) of ₹ 10/- each fully paid up	1	1
- Patchems Private Ltd Shares - 975 Shares (PY - 840) of ₹ 100/- each fully paid up	1,070	942
- Sical LogixpressPrivate Limited - 1,65,000 Shares (PY - 3,30,000 ) of ₹ 10/- each fully paid up (Refer Note 24)	711	711
- Develecto Mining Limited - 5,094 Shares (PY - 5,094) of ₹ 10/- each fully paid up	1	1
- Sical Washeries Limited - 5,094 Shares (PY - 5,094) of ₹ 10/- each fully paid up	5	5
- Sical Saumya Mining Limited - 6,500 Shares (PY - 6,500 Shares) of ₹ 10/- each fully paid up	1	1
<b>Joint Ventures (unquoted)</b>		
- PSA Sical Terminals Ltd - 56,25,030 Shares (PY - 56,25,030 Shares) of ₹ 10/- each fully paid up	654	654
	<b>22,042</b>	<b>30,204</b>
Aggregate book value of quoted investments	-	-
Aggregate value of unquoted investments	<b>22,042</b>	<b>30,204</b>

## 3.2 Other non current financial assets

₹ in lakhs

	As at 31 March 2021	As at 31 March 2020
Secured, considered good		
Margin money deposits*	59	67
Unsecured, considered good		
Security deposits	242	443
Receivables which have significant increase in Credit Risk	-	-
Receivables-credit impaired	-	-
Security deposits	196	196
Less: Allowances for credit losses	(196)	(196)
	<b>301</b>	<b>510</b>

\*Given as security for credit facilities availed by the Company.

## NOTES TO ACCOUNTS

		₹ in lakhs	
		As at 31 March 2021	As at 31 March 2020
<b>4 Other non-current assets</b>			
Secured, considered good		-	-
Unsecured, considered good			
Other advances			
- LIC fund for gratuity		220	348
- other advances		1,580	1,580
Receivables which have significant increase in Credit Risk		-	-
Receivables-credit impaired		-	-
		<u>1,800</u>	<u>1,928</u>
		₹ in lakhs	
		As at 31 March 2021	As at 31 March 2020
<b>5 Deferred tax assets (net)</b>			
Deferred tax assets			
Expenditure covered under 43 B of Income-tax Act, 1961		-	-
Unabsorbed losses		-	-
Provision for doubtful trade receivables		-	-
Deferred tax liability			
Excess of depreciation allowed under Income Tax Act, 1961 over depreciation as per books		-	-
MAT Credit entitlement		3,290	3,290
		<u>3,290</u>	<u>3,290</u>
<b>Current assets</b>			
		₹ in lakhs	
		As at 31 March 2021	As at 31 March 2020
<b>6 Inventories</b>			
Stores and spares		560	869
Loose tools		195	6
		<u>755</u>	<u>875</u>
		₹ in lakhs	
		As at 31 March 2021	As at 31 March 2020
<b>7 Financial Assets</b>			
<b>7.1 Trade receivables</b>			
Secured, considered good		-	-
Unsecured, considered good*		16,138	22,254
Trade Receivables-credit impaired		4,421	1,910
Less: Allowances for credit losses		(4,421)	(1,910)
Trade Receivables which have significant increase in Credit Risk		-	-
		<u>16,138</u>	<u>22,254</u>

\*Refer note 28 for the amount receivable from the related parties.

## NOTES TO ACCOUNTS

	₹ in lakhs	
	As at	As at
	31 March 2021	31 March 2020
<b>7.2 Cash and cash equivalents</b>		
Balances with Banks (of the nature of cash and cash equivalents)		
- in current accounts	1,699	554
Cash on hand	12	27
Other bank balances		
- in fixed/margin money deposit accounts with banks* (Refer note below)	1,563	2,598
	<u>3,274</u>	<u>3,179</u>

Note: Fixed deposits with original maturity period of less than 3 months are classified as "Cash and cash equivalents" and fixed deposits with 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."

\*Given as security for credit facilities availed by the Company.

	₹ in lakhs	
	As at	As at
	31 March 2021	31 March 2020
<b>7.3 Other current financial assets</b>		
Secured, considered good	-	-
Unsecured, considered good		
- advances to related parties, net (refer note 24 and 27)	-	74,838
- insurance claim receivable	-	82
- staff advance	90	97
- security deposits	998	998
	<u>1,088</u>	<u>76,015</u>

	₹ in lakhs	
	As at	As at
	31 March 2021	31 March 2020
<b>8 Current Tax Assets (Net)</b>		
Advance income tax, net of provision for tax	4,739	4,242
	<u>4,739</u>	<u>4,242</u>

	₹ in lakhs	
	As at	As at
	31 March 2021	31 March 2020
<b>9 Other current assets</b>		
Secured, considered good		
Unsecured, considered good		
Other advances		
- prepaid expenses	500	941
- advances for supply of goods and rendering of services	1,285	4,384
- tax credit receivable	14	14
- statutory advances	324	269
- other receivables	1,495	1,715
Receivables which have significant increase in Credit Risk		
Receivables-credit impaired		
- other receivables	439	439
Less: Allowances for credit losses	(439)	(439)
	<u>3,618</u>	<u>7,323</u>

## NOTES TO ACCOUNTS

## NOTES TO ACCOUNTS

## Part - I Balances Sheet

## 10 Share capital

Particulars	Authorised		Issued		Subscribed		Paid-up	
	Number of share	Face value	Total value (₹ In Lakhs)	Number of share	Total value (₹ In Lakhs)	Number of share	Total value (₹ In Lakhs)	Number of share
<b>Previous Year 2019-20</b>								
Equity Shares		10						
Opening balance as on 1 Apr 2019	70,000,000		7,000	58,560,602	5,856	58,556,362	5,856	58,520,264
Increase during the year					-		-	
Closing balance as on 31 Mar 2020	70,000,000		7,000	58,560,602	5,856	58,556,362	5,856	58,520,264
Preference shares								
Opening balance as on 1 Apr 2019	150,000,000		15,000	-	-	-	-	-
Increase during the year	-				-		-	
Closing balance as on 31 Mar 2020	150,000,000		15,000	-	-	-	-	-
Equity shares forfeited								
Opening balance as on 1 Apr 2019	-		-	-	-	-	-	2
Increase during the year	-		-	-	-	-	-	-
Closing balance as on 31 Mar 2020	-		-	-	-	-	-	2
<b>Total</b>			<b>22,000</b>		<b>5,856</b>		<b>5,856</b>	<b>5,854</b>
<b>Current Year 2020-21</b>								
Equity Shares		10						
Opening balance as on 1 Apr 2020	70,000,000		7,000	58,560,602	5,856	58,556,362	5,856	58,520,264
Increase during the year					-		-	
Closing balance as on 31 Mar 2021	70,000,000		7,000	58,560,602	5,856	58,556,362	5,856	58,520,264
Preference shares								
Opening balance as on 1 Apr 2020	150,000,000		15,000	-	-	-	-	-
Increase during the year					-		-	
Closing balance as on 31 Mar 2021	150,000,000		15,000	-	-	-	-	-
Equity shares forfeited								
Opening balance as on 1 Apr 2020	-		-	-	-	-	-	2
Increase during the year	-		-	-	-	-	-	-
Closing balance as on 31 Mar 2021	-		-	-	-	-	-	2
<b>Total</b>			<b>22,000</b>		<b>5,856</b>		<b>5,856</b>	<b>5,854</b>

## Of the above

- a) 93,20,003 Equity Shares of ₹ 10 each were allotted as fully paid up as per the earlier schemes of Amalgamation
- b) 98,60,910 Equity Shares of ₹ 10 each were Allotted as fully paid up to the share holders of 3,45,13,195, 1% Preference Shares on 1 Apr 1997 in terms of Special resolution passed by the shareholders on 9 December 1996.
- c) 47,61,908 Equity shares of ₹ 10 each were allotted as fully paid up by way of bonus shares by capitalisation of securities premium.
- \* 29,18,570 equity shares issued and allotted to Giri Vidyuth India Limited on 17 November 2018 on preferential basis.

## NOTES TO ACCOUNTS

## Part - I Balance Sheet

## Note 10 Share Capital (Contd.)

(i) **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.

(ii) **Details of shares held by the holding company:**

Particulars	Equity shares with voting rights Number of shares
<b>As at 31 March 2020:</b>	
Tanglin Retail Reality Developments Private Limited, the holding company	18,205,031
<b>As at 31 March 2021:</b>	
Tanglin Retail Reality Developments Private Limited, the holding company	16,005,031

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

Class of shares / Name of shareholder	As at 31 March 2021		As at 31 March 2020	
	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	16,005,031	27.35%	18,205,031	31.11%
Yes Bank Limited *	52,082	0.09%	3,052,082	5.22%

(iv) **Details of forfeited shares**

Class of shares	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount originally paid up (₹)	Number of shares	Amount originally paid up (₹)
Equity shares with voting rights	36,098	180,490	36,098	180,490

## (v) 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.

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

\* the reduction in the number of equity shares held by the holding Company is due to the invocation of shares by certain lenders to whom by the holding company has provided as security for availing financial assistance by other entities.

\* Details provided since the previous year was more than 5%

## NOTES TO ACCOUNTS

## 11 Other Equity

## Statement of changes in equity

Particulars	Other reserves					Foreign Currency Translation Reserve	Retained earnings	Other items of Other Comprehensive Income	Equity attributable to owners of the company
	Securities Premium	Debenture redemption reserve	General reserve	Capital reserve					
Balance as on 31 March 2019	15,385	2,500	3,294	1,093		-	32,174	-	54,446
Balance as at 1 April 2019	15,385	2,500	3,294	1,093		-	32,174	-	54,446
Total comprehensive income for the year	-	-	-	-		-	(8,446)	-	(8,446)
Adjustment on account of IndAS 116 adoption (Refer note 1.19 and 33)	-	-	-	-		-	(61)	-	(61)
<b>Balance as on 31 March 2020</b>	<b>15,385</b>	<b>2,500</b>	<b>3,294</b>	<b>1,093</b>		-	<b>23,666</b>	-	<b>45,938</b>
Balance as at 1 April 2020	15,385	2,500	3,294	1,093		-	23,666	-	45,938
Total comprehensive income for the year	-	-	-	-		-	(114,968)	-	(114,968)
Adjustment on account of IndAS 116 adoption (Refer note 1.19 and 33)	-	-	-	-		-	-	-	-
<b>Balance as on 31 March 2021</b>	<b>15,385</b>	<b>2,500</b>	<b>3,294</b>	<b>1,093</b>		-	<b>(91,302)</b>	-	<b>(69,030)</b>

Note: The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), require the Company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued over the life of debentures.

Since DRR to the tune of ₹ 2,500 lakh, being 25% of the NCDs, have been created as of 31 March 2018, no additional DRR has been created during further FY 2018-19, 2019-20 & 2020-21.

## NOTES TO ACCOUNTS

## Non-current liabilities

	₹ in lakhs	
	As at 31 March 2021	As at 31 March 2020
<b>12 Financial Liabilities</b>		
<b>12.1 Borrowings</b>		
<b>Secured</b>		
<b>Debentures</b>		
1,000 (Previous year: 1000) 11% Secured listed NCD of Rs. 10 Lakhs each issued to IDFC First Bank Limited (refer note i)	<b>10,000</b>	10,000
<b>Term loans</b>		
<b>from banks</b>		
- Canara Bank (refer note ii)	<b>6,799</b>	6,799
- IndusInd Bank (refer note iiia, iiib, iiic and iiid)	<b>2,459</b>	3,596
- IndusInd Bank Term Loan Suspense (refer note iiia, iiib, iiic, iiid, iiie)	<b>(565)</b>	-
- Bank of Baroda-FITL(refer note iv)	<b>1,307</b>	-
- Corporation Bank (refer note v)	<b>1,895</b>	1,896
- Standard Chartered Bank (refer note vi)	<b>685</b>	1,358
- South Indian Bank (refer note vii)	-	415
- YES Bank (refer note viia, viib, viic and viid)	<b>14,420</b>	16,245
- Axis Bank (refer note ix)	<b>1,710</b>	2,219
- Kotak Mahindra Bank (refer note x)	<b>225</b>	319
- DCB Bank (refer note xi)	<b>776</b>	845
- DCB Bank FITL(refer note xi)	<b>22</b>	-
- RBL Bank (refer note xxii)	<b>6,245</b>	7,345
<b>from other parties</b>		
- SREI Infrastructure Finance Limited (refer note xii)	<b>2,037</b>	1,901
- Sundaram Finance Limited (refer note xiii)	<b>371</b>	371
- Tata Motor Finance Limited (refer note xiv)	<b>495</b>	891
- Daimler Financial Services India Private Limited (refer note xv)	<b>320</b>	509
- Cholamandalam Invst & Finance Co Ltd (refer note xvi)	<b>646</b>	680
- HDB Financial Service Ltd (refer note xvii)	<b>48</b>	55
- Reliance Commercial Finance Limited (refer note xvii)	<b>63</b>	63
- Siemens Financial Services Private Limited (refer note xix)	-	349
- Tata Motor Finance Solutions Limited (refer note xx)	<b>225</b>	237
- Volvo Financial Services India Private Limited (refer note xxi)	<b>1,298</b>	1,298
- Volkswagen Financial Services India Private Limited		-
<b>Total borrowings</b>	<b>51,481</b>	57,391
<b>Current maturities of long-term debt</b>		
from banks	-	25,212
from other parties	-	4,624
Non-current portion of the long-term debt recalled by the Banks on account of defaults	<b>(51,481)</b>	18,004
	<b>(51,481)</b>	47,840
<b>Non-current maturities of long-term debt</b>		
from banks	-	7,821
from other parties	-	1,730
	-	9,551

## Notes:

- a] The Company has not serviced debt on due dates to the banks and financial institutions. The Corporate insolvency resolution process have commenced consequent to the order of Hon'ble NCLT Chennai Bench and IRP has been appointed in terms of the orders. All the financial creditors have made the claim with IRP. Hence all the loans have been classified as current liability

## NOTES TO ACCOUNTS

- [b] Based on the public announcement made for commencement of CIRP, various creditors have filed claims (including interest on delayed payment, penalty etc.) on the company. These claims have been submitted by financial and operational creditors (including past and present employees) and are being reconciled with the books of accounts on an ongoing basis. As a part of the process, the claims verified/submitted during this CIRP period (ongoing till submission of resolution plan) shall be settled in accordance with the provisions of the Code. Claims admitted under CIRP would be reconciled and reviewed in subsequent period for any additional liability which is to be recored in the books.
- [c] It is possible that, a proposed resolution plan envisages that the creditors accept haircuts and accept reduction in their liabilities. Since the RP is still in the process of receiving bids from prospective resolution applicants, it is not possible to evaluate the amounts that will be foregone or the restructuring, if any that will be necessitated. Therefore, overall implications on account of completion of such reconciliation process have not been considered in these financial statements.
- [d] Interest on borrowings are provided till the CIRP initiation date i.e. 10<sup>th</sup> March 2021 for the period ended 31st March 2021 as all liabilities prior to CIRP initiation date are frozen as at CIRP commencement date and are to be dealt under the resolution plan which is to be received and approved by the Committee of Creditors and the adjudicating authority
- [e] The following creditors are yet to file their claims as financial creditors pursuant to the initiation of CIRP and the claims once received would be admitted as per provisions of the Insolvency and Bankruptcy Code.
- Sundaram Finance Limited
  - HDB Financial Service Ltd
  - Reliance Commercial Finance Limited

### (i) Non-convertible debentures issued to IDFC Bank Limited

The Company had raised a sum of ₹ 10,000 lakhs through issue of 1,000 Nos. secured listed 11% Non-convertible debentures of ₹ 10 lakh each against the security of dredger and the spares and machinery pertaining to dredger held by the Company for the purpose of redeeming the then existing debentures of Kotak Mahindra [earlier ING Vysya Bank Limited]. The NCDs are listed in NSE. The IDBI Trusteeship Services Ltd has been appointed as the debenture trustees. Debentures are redeemable on 25 June 2021. However since the Company has not paid the interest due from Dec 2019 onwards due to liquidity crises. The bank has recalled the entire amount due to non adherence to the covenants.

### (ii) Canara Bank

The Company has taken a secured term loan of ₹ 4,000 lakhs during FY 2013-14, ₹ 1,000 lakhs in FY 2014-15, ₹ 5,000 lakhs in FY 2016-17 and ₹ 5,000 lakh during FY 2017-18 against (1) security of *pari passu* second charge over current assets and movable fixed assets of the company (2) office building at Kolkata and Mumbai as collateral security with a moratorium period of 12 months. Loan is repayable in 16 equal quarterly instalments. The interest rate as on 31 March 2021 is 11.55% (Previous year: 11.55%) which is linked to MCLR.

### (iii) IndusInd Bank (Term loan)

The Company has taken a term loan of ₹ 2,700 lakhs during the FY 2013-14 against security of *pari-passu* charge on the Ennore Project Assets. Loan is repayable in 84 equal monthly instalments. The interest rate as on 31 March 2021 is 10.00% (Previous year: 10.00%) which is linked to the MCLR.

### (iiib) IndusInd Bank (Term loan)

The Company had taken a term loan of ₹ 700 lakhs during FY 2016-17 for general corporate purposes. Loan is repayable in 45 equal monthly instalments. The Company had also availed ₹ 5,209 lakhs of term loan during FY 2016-17. Loan is repayable in 59 step-up monthly instalments including 3 months of moratorium. The interest rate as on 31 March 2021 is 10.00% (Previous year: 10.00%) which is linked to the MCLR. The securities offered for these loans are as below (including term loan in (iiiia)):

- a) charge on receivables from Ennore project;
- b) *pari-passu* charge on the Ennore project assets and
- c) exclusive charge on the office building located at 11, 12, 13, 14 and 15 Rajgiri Chambers, Mumbai.



**SICAL LOGISTICS LTD.**

**NOTES TO ACCOUNTS**

**(iiic) IndusInd Bank (Equipment loan)**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 11.00% (Previous year: 11.00%).

**(iiid) IndusInd Bank (Term loan)**

The Company has availed a term loan of ₹ 1,300 lakhs during FY 2017-18. Loan is repayable in 55 monthly step-up instalments. The interest rate as on 31 March 2021 is 10.00% (Previous year: 10.00%) which is linked to the MCLR. The securities offered for these loans are same as term loan iiia and iiib.

**(iiie) IndusInd Bank (Term loan)**

An amount of INR 565 Lakhs has been recovered from the Margin Money held in current account by IndusInd Bank towards the loan repayment post commencement of CIRP. The Resolution Professional is of the opinion that the said recovery is in violation of the provisions of the Insolvency and Bankruptcy Code ("Code") as no debits can be made from the current accounts of the Corporate Debtor without express authorisation of Interim Resolution Professional / Resolution Professional and all liabilities as at CIRP commencement date has to be claimed by the Financial creditor as per provisions of the code. Necessary steps are being taken for reversal of the said amounts recovered by IndusInd Bank to the current account of the Corporate Debtor.

**(iv) Bank of Baroda**

The Company had taken Funded Interest Term Loan (FITL) of ₹ 1687 lakhs by converting the interest on working capital from Mar-20 to Sep-20 Loan is repayable in step up 6 monthly instalments starting from Oct-20. The interest rate as on 31 March 2021 is 11.65% (Previous year: 11.65%) which is linked to the MCLR. The loan has been fully repaid during the current financial year.

**(v) Corporation Bank**

The loan is secured by a charge on the assets purchased out of the loan with a moratorium of 2 years and 12 half yearly step-up repayment. The interest rate as on 31 March 2021 is 10.30% which is linked to the MCLR. (Previous year: 10.30%).

**(vi) Standard Chartered Bank**

The Company had availed a term loan of ₹ 10,000 lakhs during FY 2017-18. ₹ 4,500 lakhs loan is repayable in 32 monthly step-up instalments and ₹ 5,500 lakhs loan is repayable in 48 monthly step-up instalments. The interest rate as on 31 March 2021 is 11.30% (Previous year: 11.30%) which is linked to the MCLR. The securities offered for the credit facilities are as below -

- a) first ranking exclusive security interest over the Accounts and/or any other operating account established in relation to the specific mining projects, cash flows and distributions and agreements in relation to the specific mining projects and all monies, securities, instruments and/or cash equivalents deposited or required to be deposited in the Collection Account and/or any other operating account established in relation to the specific mining projects
- b) a first ranking security interest over all receivables in relation to the specific mining projects
- c) a second ranking security interest over the dredger

**(vii) South Indian Bank**

The Company had taken a term loan of ₹ 5,000 lakhs during the FY 2015-16 against (1) security of movable fixed assets to be funded out of the loan amount (2) land at Kilacherry and Satharai, Tamilnadu, with a moratorium period of 24 months. Loan is repayable in 12 equal quarterly instalments. The term loan has been fully repaid during the FY 2020-21. The interest rate as on 31 March 2021 is Nil (Previous year: 11.10%) which is linked to the MCLR.

**(viii) YES Bank (Term loan)**

The Company had taken a term loan of ₹ 13,000 lakhs during the FY 2015-16 against security of fixed and current assets, with a moratorium period of 6 months. Loan is repayable in 18 quarterly instalments. The interest rate as on 31 March 2021 is 12.40% (Previous year: 12.40%) which is linked to the MCLR.

## NOTES TO ACCOUNTS

**(viii) YES Bank (Term loan)**

The Company has taken a term loan of ₹ 15,500 lakhs against security of subservient charge over fixed and current assets. Loan is repayable in 10 step-up quarterly instalments, including moratorium of 6 months. The interest rate as on 31 March 2021 is 12.40% (Previous year: 12.40%) which is linked to the MCLR.

**(viii) YES Bank (Term loan)**

The Company had obtained ₹ 8,000 lakhs term loan facility during FY 2012-13. This term loan is secured by subservient charge over dredger. The tenor of the loan is 84 months including a moratorium of 36 months followed by 16 quarterly repayment. The interest rate as on 31 March 2021 is 11.70% (Previous year: 11.70%) which is linked to the MCLR.

**(viii) YES Bank (Equipment loan)**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.75% (Previous year: 10.75%).

**(ix) Axis Bank**

The Company had availed a loan of ₹ 4,289 lakh secured by a charge on the assets purchased out of the loan for its mining projects. The loan is repayable in 6 years with a moratorium of 1.5 yrs and 18 quarterly step-up repayment thereafter. The interest rate as on 31 March 2021 is 9.78% (Previous year: 9.78%) which is linked to MCLR.

**(x) Kotak Mahindra Bank**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.01% (Previous year: 10.01%).

**(xi) DCB Bank Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.87% (Previous year: 10.87%) which is linked to the MCLR.

**(xii) SREI Infrastructure Finance Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 9.47% (Previous year: 9.47%).

**(xiii) Sundaram Finance Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.34% (Previous year: 10.34%).

**(xiv) Tata Motor Finance Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.79% (Previous year: 10.79%).

**(xv) Daimler Financial Services India Private Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.66% (Previous year: 10.66%).

**(xvi) Cholamandalam Invst & Finance Co Ltd**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.39% (Previous year: 10.39%).

**(xvii) HDB Financial Service Ltd**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 11.00% (Previous year: 11.00%).

**(xviii) Reliance Commercial Finance Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 13.50% (Previous year: 13.50%).

## NOTES TO ACCOUNTS

**(xix) Siemens Financial Services Private Limited**

The loan is secured by a charge on the assets purchased out of the loan. The entire loan repaid fully during the FY 2020-21. The interest rate as on 31 March 2021 is Nil (Previous year: 9.60%).

**(xx) Tata Motor Finance Solutions Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.28% (Previous year: 10.28%).

**(xxi) Volvo Financial Services India Private Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 8.95% (Previous year: 8.95%).

**(xxii) RBL Bank Limited**

The Company has availed a term loan of ₹ 10,000 lakhs during FY 2018-19 against security of 1.37 acre of land at Madhavaram and subservient charge over current assets, both present and future. Loan is repayable in 48 monthly instalments. The interest rate as on 31 March 2021 is 11.85% (Previous year: 11.85%) which is linked to the MCLR.

**(xxiii) Non-convertible / redeemable debentures in descending order of redemption:**

Particulars	Convertible into	Conversion/ maturity
Non convertible redeemable debentures issued to IDFC Bank Limited	None	Redemption 25/06/2021

Interest from Dec-19 onwards not paid. IDFC have recalled the loan

**(xxiv)** The aggregate amount of long-term borrowings secured by personal guarantee of promoters amounts to nil (Previous year: ₹ 64,659 lakhs)

**12.2 Other financial liabilities****Others**

Lease liability (refer note 1.19 and 33)

	₹ in lakhs
As at 31 March 2021	As at 31 March 2020
92	145
<b>92</b>	<b>145</b>

**13 Provisions****Provision for employee benefits**

Gratuity (refer note 27)

	₹ in lakhs
As at 31 March 2021	As at 31 March 2020
332	398
<b>332</b>	<b>398</b>

## NOTES TO ACCOUNTS

		₹ in lakhs	
14 Financial Liabilities		As at	As at
		31 March 2021	31 March 2020
14.1 Borrowings			
Secured			
Loans repayable on demand			
Working capital loan			
- Bank of Baroda (refer note i)		27,889	24,187
Other loans			
- RBL Bank Limited (refer note ii)		1,765	1,766
- DCB Bank Limited (refer note iii)		707	650
		<u>30,361</u>	<u>26,603</u>

## Note:

## (i) Bank of Baroda

Working capital facility is secured by composite hypothecation of entire raw materials, stock in process, stores and spares, packing material, finished goods, plant and machinery etc and book debts and trade advances of the company both present and future as well as equitable mortgage of certain immovable properties. The interest rate as on 31 March 2021 is 10.00% (Previous year: 10.00%) which is linked to the MCLR.

## (ii) RBL Bank Limited

The Company has availed a short-term revolving loan ('STL') facility amounting to ₹ 2,450 lakhs with a tenure of 4 months. The STL is secured by subservient charge on current assets including stock and book debts of the Company, both present and future. The interest rate as on 31 March 2021 is 12.30% (Previous year: 12.30%) which is linked to the MCLR.

## (iii) DCB Bank Limited

The Company has availed a short-term loan ('STL') facility amounting to ₹ 500 lakhs with a tenure of 12 months carrying an interest rate as on 31 March 2021 of 10.52% (Previous year: 10.52%) which is linked to the MCLR. The STL is secured by (1) subservient charge on current assets of the Company and (2) securities offered as per note 11.1 (xi). The interest rate as on 31 March 2021 is 10.52% (Previous year: 10.52%) which is linked to the MCLR. Further, STL ('Additional STL') of ₹ 150 lakh is availed during the year with an interest rate of 11.22% which is repayable in 10 equal monthly instalment after 2 months of moratorium. Additional STL is secured by extension of charge on few mining vehicles/equipment.

## (iv) The aggregate amount of short-term borrowings secured by personal guarantee of promoters amounts to ₹ Nil (Previous year: ₹ 25,953 lakhs)

		₹ in lakhs	
14.2 Trade payables		As at	As at
		31 March 2021	31 March 2020
- Total outstanding dues of Micro and Small Enterprises (refer note below)		-	-
- Total outstanding dues of creditors other than Micro and Small Enterprises*		9,529	12,466
		<u>9,529</u>	<u>12,466</u>

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: ₹ Nil).

\*Refer note 28 for the amount payable to the related parties.

## NOTES TO ACCOUNTS

	₹ in lakhs	
	As at	As at
	31 March 2021	31 March 2020
<b>14.3 Other financial liabilities</b>		
<b>Current maturities of long-term debt*</b>		
<b>Term loans</b>		
from banks	-	25,212
from other parties	-	4,624
Non-current portion of the long-term debt recalled by the Banks on account of defaults	<b>51,481</b>	18,004
	<b>51,481</b>	<b>47,840</b>
<b>Others</b>		
Interest accrued and due	<b>9,693</b>	4,049
Interest accrued but not due	-	285
Lease rental accrued due	-	28
Lease liability (refer note 1.20 and 35)	<b>52</b>	61
Deposit Payable	<b>22</b>	74
Accrued salaries and benefits **	<b>821</b>	306
	<b>62,069</b>	<b>52,643</b>

\*The details of interest rate, repayment terms, nature and value of securities furnished are disclosed under note 12.1.

\*\* Salary claim is pending

	₹ in lakhs	
	As at	As at
	31 March 2021	31 March 2020
<b>15 Other current liabilities</b>		
<b>Dues to related parties</b>		
- Tanglin Retail Reality Development Private Limited (refer note 28)	<b>12,890</b>	12,104
- Tanglin Developments Limited (refer note 28)	<b>6,048</b>	3,548
- Giri Vidyuth India Limited (refer note 28)	<b>10,500</b>	10,500
- Coffee Day Global Limited (refer note 28)	<b>4,814</b>	6,437
- advances to related parties, net (refer note 24 and 27)	<b>9,180</b>	
<b>Others</b>		
Statutory dues payable	<b>1,447</b>	151
Creditors for expenses	<b>6,521</b>	5,522
	<b>51,400</b>	<b>38,262</b>

	₹ in lakhs	
	As at	As at
	31 March 2021	31 March 2020
<b>16 Provisions</b>		
<b>Provision for employee benefits</b>		
- Gratuity (refer note 27)	<b>19</b>	16
- Compensated absence	-	32
	<b>19</b>	<b>48</b>

## NOTES TO ACCOUNTS

## PART II - STATEMENT OF PROFIT AND LOSS

		₹ in lakhs
	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>17 Revenue from operations</b>		
<b>Sale of services</b>		
Income from integrated logistics services	44,668	95,093
<b>Taxes and Deductions</b>		
Less: Goods and Service tax	(7,017)	(11,428)
	<u>37,651</u>	<u>83,665</u>
		₹ in lakhs
<b>18 Other income</b>	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Interest income</b>		
Interest income	132	478
Interest on inter-corporate advances (refer note 28)	-	57
<b>Other non operating income (net of expenses)</b>		
Foreign exchange (loss)/gain, net	-	(9)
Interest on inter-corporate guarantee (refer note 28)	53	230
Rental income (refer note 29)	30	64
Net gain on sale of investments	-	-
Provision no longer required written back	25	746
Interest on income Tax refund	-	306
Gain on sale of fixed asset	-	41
Sale of scrap	-	29
Miscellaneous income	-	56
	<u>240</u>	<u>1,998</u>
		₹ in lakhs
<b>19 Cost of services</b>	For the year ended 31 March 2021	For the year ended 31 March 2020
Freight	45	11,849
Port charges	49	141
Handling and transportation	16,428	43,716
Repairs and maintenance		
- plant and machinery	122	4,719
Warehousing expenses	0	229
Operation and maintenance	13,696	10,556
	<u>30,340</u>	<u>71,210</u>
		₹ in lakhs
<b>20 Employee benefits expense</b>	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries and wages	3,518	9,721
Contribution to provident and other funds		
- Gratuity and leave encashment	57	112
- Provident fund	128	264
Staff welfare expenses	30	517
	<u>3,733</u>	<u>10,614</u>

## NOTES TO ACCOUNTS

	₹ in lakhs	
	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>21 Finance costs</b>		
Interest expense		
- term loan	9,389	10,786
- debentures	1,028	962
- inter-corporate advances (refer note 28)	250	250
Interest on lease liability (refer note 1.19 and 33)	20	102
Interest on inter-corporate advances (refer note 28)		(10,035)
Other borrowing costs	1,086	722
	<b>11,773</b>	<b>2,787</b>
		₹ in lakhs
<b>22 Other expenses</b>	For the year ended 31 March 2021	For the year ended 31 March 2020
Rent (refer note 29)	87	180
Security charges	118	269
Power and fuel	27	159
ERP maintenance expenses	137	104
Payment to auditor's		
- statutory audit	15	16
- tax audit	4	4
- certification	4	8
- reimbursements	0	1
Travelling and conveyance	131	673
Legal, professional and consultancy	111	861
Rates and taxes	81	298
Membership and subscription	17	26
Repairs and maintenance		
- buildings	1	2
- vehicles	3	13
- others	1	24
Communication expenses	68	169
Insurance	111	97
Director's sitting fees	17	25
Corporate Social responsibility (refer note 30)*	-	116
Business promotion expense	-	37
Office maintenance expenses	54	133
Bad debts written off	74	-
Unbilled Receivable written Off	2,113	-
Provision for doubtful debts	2,511	707
Provision for doubtful advances	-	610
Loss on Sale of Assets	454	-
Rebates, Discount and Commission	-	9
Miscellaneous expenses	520	414
	<b>6,661</b>	<b>4,955</b>

\*Corporate Social responsibility has been accounted for 2019-20 and for financial year 2020-21 it is Nil.

## NOTES TO ACCOUNTS

	₹ in lakhs	
	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>23 Income tax</b>		
<b>Current income tax:</b>		
In respect of the current period	-	-
In respect of the previous years	-	280
<b>Deferred tax:</b>		
In respect of the current period	-	(1,971)
Minimum Alternate Tax credit	-	-
Minimum Alternate Tax credit entitlement of previous year	-	(884)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>-</b>	<b>(2,575)</b>

**A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:**

	₹ in lakhs	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss before income taxes	(114,968)	(11,021)
Enacted tax rates in India	31.20%	31.20%
Computed expected tax expense	(35,870)	(3,439)
Permanent disallowances	-	226
Deferred tax not created	-	1,292
Previous year current tax	-	280
Previous year Minimum Alternate Tax credit entitlement	-	(884)
Tax rate difference	-	(50)
Others *	35,870	-
<b>Total income tax expense</b>	<b>-</b>	<b>(2,575)</b>

The tax rates under Indian Income Tax Act, for the year ended 31 March 2021 is 31.2% and 31 March 2020 is 31.2%.

**Deferred tax**

Deferred tax relates to the following:

	₹ in lakhs	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Property, plant and equipment	-	(4,629)
Expenditure covered under 43 B of Income-tax Act, 1961	-	213
Unabsorbed losses	-	1,920
Provision for doubtful trade receivables	-	493
Lease liability	-	32
Others	-	-
<b>Net deferred tax expense</b>	<b>-</b>	<b>(1,971)</b>

\* Current Tax/ Deferred Tax Assets for the current year losses is not recognised during the FY 20-21 for the reason that the company is under CIRP and there is no certainty on setting-off of these losses.



## NOTES TO ACCOUNTS

## 24 Impairment Investment and Advances to Subsidiaries

₹ in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Investments</b>		
Scial Logixpress Pvt Ltd (SLPL)	711	-
<b>Total</b>	<u>711</u>	<u>-</u>
<b>Advances</b>		
Scial Logixpress Pvt Ltd (SLPL)	3,022	-
<b>Total</b>	<u>3,022</u>	<u>-</u>

Impairment of the above assets has not been considered in FS Mar-21. Also Interest on Loan and Corporate Guarantee Commission has not been charged to SLPL during FY Mar-21.

**IMPAIRMENT OF INVESTMENT MADE AND LOANS AND ADVANCES GIVEN TO SICAL IRON ORE TERMINALS LIMITED**

YES Bank Limited [YBL] had issued a Notice of Financial Default on the Subsidiary Company SIOTL on 07.12.2020 citing the Commercial Operation Date [COD] has not been achieved, default in payment of dues and to clear the outstanding amount of ₹ 236.93 crore. Further to this, vide letter dated 16<sup>th</sup> December, 2020, YBL has sent a letter to Kamarajar Port Limited [KPL] intimating the Financial default of SIOTL on account of non-achievement of COD, default in payment of dues in line with the covenant of the Substitution Agreement entered into between YBL, KPL and SIOTL on 13<sup>th</sup> June, 2018 and to issue the Notice of Intent to Terminate for non-payment of principal and interest. Based on the Lenders communication, KPL vide its letter dated 21<sup>st</sup> December 2020 issued the Notice of Intent to Terminate providing a curing time of 90 days to SIOTL. Due to the COVID-19 pandemic and delay in disbursal of Term Loan amount resulted in the stoppage of the project activities. The Company defended the position through various communications to YBL and KPL. However, KPL has vide their letter dated 22<sup>nd</sup> March 2021 issued the Termination Notice and Transfer Information Notice for handing over the project assets on as is where is basis providing a time limit of 90 days period.

Pursuant to this, aggrieved by the said impugned termination notice dated 22<sup>nd</sup> March, 2021 issued by KPL, left with no other alternative or efficacious remedy, MMTC a shareholder of SIOTL, has filed a Writ Petition before the Hon'ble High Court of Madras, challenging the above notice and the above said matter came up for hearing in the Madras High Court on 21<sup>st</sup> June, 2021. Upon hearing the matter, the Hon'ble Judge had issued returnable notices to the Lenders, i.e., YES Bank Limited and UCO Bank Limited, Kamarajar Port Limited and SIOTL, returnable by two weeks. The Learned Judge also ordered that all further proceedings pursuant to the termination notice dated 22<sup>nd</sup> March 2021 be kept in abeyance for two weeks. The stay on further proceedings in terms of termination notice continues as on the date of signing the financial statements for the period ended 31<sup>st</sup> March 2021

The Hon'ble National Company Law Tribunal, Chennai Bench has on 10<sup>th</sup> March, 2021 ordered for initiating Corporate Insolvency Resolution Process under the IBC Code against Sical Logistics Limited on an application made by an operational creditor.

The Resolution Professional also has filed an application before the Hon'ble NCLT, Chennai Bench with a prayer for protection of interest of the Corporate Debtor in SIOTL in terms of investments and loans given to the subsidiary. The matter is being heard and is yet to be disposed off as on the date of signing the financial statements for the period ended 31<sup>st</sup> March 2021.

It is also to be noted that the license agreement provides payment of actual value of assets or debt due whichever is lower in case of an event of default leading to termination and the quantum of the amounts that could be recovered by the company from the amounts advanced and investments made is not known as on date

In these circumstances, the exposure of the company in SIOTL is being impaired fully and any recovery which would result as an outcome of ongoing litigations would be recorded as and when certainty on the amounts which could be recovered is known.

**SICAL LOGIXPRESS PRIVATE LIMITED**

No business activity could be carried out during the FY 2020-21 since all vehicles have been ceased by RBL Bank Limited to recover the Loan amount. RBL Bank has also invoked 165000 equity shares of the Company held by Sical Logistics Limited and pledged for the financial assistance availed by the subsidiary.

## NOTES TO ACCOUNTS

## SICAL MINING LIMITED

West Bengal Power Development Corporation Limited [WBPDCL] vide their letter dated 30<sup>th</sup> June, 2021, have terminated the Coal Mining Agreement on dated 27<sup>th</sup> October, 2016 entered into with them by the SPV in accordance with Clause 35 of the Coal Mining Agreement for not curing the defaults of the covenants of the Coal mining Agreement enumerated in Sl Nos 1 to 14 of letter dt-13-03-2021.

The Resolution Professional has preferred an application before the Honourable NCLT, Chennai Bench for if there is any way that the Coal Mining Agreement can continue without being terminated and the stakeholders of both Sical Mining Limited and Sical Logistics Limited are protected to some extent and allow SML to start the mining operations at site and the same is pending.

## 24 Commitments and contingent liabilities

## Particulars

 As at  
31 March 2021

 ₹ in lakhs  
As at  
31 March 2020

## Contingent liabilities

Claims against the Company, not acknowledged as debt (other than those where in the possibility of any economic outflow in settlement is remote)

- Direct tax matters	512	250
- Indirect tax matters	1,819	1,819
- Legal matters	33,461	8,402
Guarantees given by bankers for performance of contracts & others	13,287	17,850
Guarantees given by bankers for performance of contracts & others on behalf of subsidiaries *	2,569	2,884
Guarantees given for loans taken by other bodies corporate (including subsidiary companies to complete their projects)	108,365	108,365
Loan outstanding in the books of other bodies corporate (including subsidiary companies) against such corporate guarantee	39,985	45,801

## Note :

The Bank Guarantee of Rs. 1600 Issued on behalf of Sical Mining Ltd to West Bengal Power Development Corp Ltd has been Invoked on 02 July 2021 due to non fulfilment of the covenants of the Coal Mining Agreement.

Confirmation of balances are not available for majority of the trade receivables, loans and advances given, trade payables, claims received from the employees, bank balances and bank loans as at March 31, 2021. Pursuant to the CIRP, the Company stopped providing interest on bank borrowings from the date of commencement of CIRP i.e. 10 Mar 2021 as per NCLT, Chennai Bench order. The finance cost appearing in the Statement are recorded based on transactions accounted in the accounting system, differences between the liability recorded by the Company and confirmations received by the lenders are not recorded as finance cost or contingent liability.

## 25 Earnings per share (EPS)

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

(Figures in rupees except number of shares)

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Loss after taxation as per statement of profit and loss	(114,968)	(8,446)
Less: Dividends on preference shares and tax thereon	-	-
Net profit attributable to equity shareholders for calculation of basic EPS	(114,968)	(8,446)
Add: Dividend on non-cumulative compulsorily convertible preference shares	-	-
<b>Net profit adjusted for the effects of dilutive potential equity shares for calculation of diluted EPS</b>	<b>(114,968)</b>	<b>(8,446)</b>

## NOTES TO ACCOUNTS

Particulars	As at 31 March 2021	As at 31 March 2020
Number of equity shares at the beginning of the year	58,520,264	58,520,264
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	58,520,264	58,520,264
Add: Dilutive effect of convertible preference shares	-	-
Number of weighted average shares considered for calculation of diluted earnings per share	58,520,264	58,520,264
<b>Earnings / (loss) per share:</b>		
Basic	(196.46)	(14.43)
Diluted	(196.46)	(14.43)

**27 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**

Particulars	As at 31 March 2021	₹ in lakhs As at 31 March 2020
<b>Change in projected benefit obligation</b>		
Present value of obligation as at beginning of the year	414	558
Acquisition adjustment	-	-
Current service cost	38	80
Interest cost	28	43
Benefits paid	(30)	(32)
Actuarial loss/ (gain) on obligation	(99)	(235)
<b>Obligations at year end</b>	<b>351</b>	<b>414</b>

**Change in plan assets**

Particulars	As at 31 March 2021	₹ in lakhs As at 31 March 2020
Fair value of plan assets as at beginning of the year	348	353
Expected return on plan assets	23	27
Contributions	(79)	-
Benefits paid	(72)	(32)
<b>Plans assets at year end, at fair value</b>	<b>220</b>	<b>348</b>

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

Particulars	As at 31 March 2021	₹ in lakhs As at 31 March 2020
Closing obligations	(351)	(414)
Closing fair value of plan assets	220	348
<b>Asset / (liability) recognised in the balance sheet</b>	<b>(131)</b>	<b>(66)</b>

**Gratuity cost for the year**

Particulars	For the year ended 31 March 2021	₹ in lakhs For the year ended 31 March 2020
Service cost	38	80
Interest cost	28	43
Expected return on plan assets	(23)	(27)
Actuarial loss/(gain)	(99)	(235)
<b>Net gratuity cost</b>	<b>(56)</b>	<b>(139)</b>

## NOTES TO ACCOUNTS

**Assumptions****Particulars****For the year ended  
31 March 2021**For the year ended  
31 March 2020

Discount rate	<b>6.60%</b>	6.65%
Estimated rate of return on plan assets	<b>7.50%</b>	7.50%
Salary increase	<b>8.00%</b>	8.00%
Attrition rate		
Up to 30 years	<b>4.50%</b>	4.50%
31 - 44 years	<b>4.80%</b>	4.80%
Above 44 years	<b>0.50%</b>	0.50%

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:**

₹ in lakhs

Particulars	As at and for the year ended 31 March				
	2017	2018	2019	2020	2021
Present value of the defined benefit obligations	(369)	(457)	(558)	(414)	<b>(351)</b>
Fair value of plan assets	248	266	353	348	<b>220</b>
Surplus/ (Deficit)	(121)	(190)	(204)	(66)	<b>(131)</b>
Experience adjustment on plan assets [Gain / (Loss)]	-	-	-	-	-
Experience adjustment on plan liabilities [(Gain) / Loss]	(1)	(2)	(27)	(139)	<b>(56)</b>

**Sensitivity Analysis**

Particulars	31-Mar-21		31-Mar-20	
Defined Benefit Obligation (Base)	351		414	
Particulars	31-Mar-21		31-Mar-20	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	386	321	<b>460</b>	<b>375</b>
(% change compared to base due to sensitivity)	10%	-8.6%	<b>11.1%</b>	<b>-9.4%</b>
Salary Growth Rate (- / + 1%)	322	383	<b>376</b>	<b>456</b>
(% change compared to base due to sensitivity)	-8.2%	9%	<b>-9.1%</b>	<b>10.1%</b>
Attrition Rate (- / + 50% of attrition rates)	356	347	<b>421</b>	<b>407</b>
(% change compared to base due to sensitivity)	1.3%	-1.1%	<b>1.9%</b>	<b>-1.6%</b>
Mortality Rate (- / + 10% of mortality rates)	351	351	<b>414</b>	<b>414</b>
(% change compared to base due to sensitivity)	0.0%	0.0%	<b>0.0%</b>	<b>0.0%</b>

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.

**28 Related parties disclosures****(i) List of related parties:****Name of Company****Holding Company & Group**

Coffee Day Enterprises Limited ('CDEL')

Coffee Day Global Limited (CDGL')

Tanglin Retail Reality Developments Pvt Ltd ('TRRDPL')

Tanglin Developments Limited ('TDL')

Way2wealth Brokers Private Limited ('W2W')

Giri Vidyuth India Limited ('GVIL')

**Relationship**

Ultimate Holding Company

Fellow Subsidiary

Holding Company

Holding Company

Fellow Subsidiary

Fellow Subsidiary

## NOTES TO ACCOUNTS

## 28 Related parties disclosures

## (i) List of related parties:

<b>Name of Company</b>	<b>Relationship</b>
<b>Holding Company &amp; Group</b>	
Magnasoft Consulting India Pvt Ltd ('MCIPL')	Fellow Subsidiary
Coffee Day Hotels & Resorts Private Limited ('CDHRPL')	Fellow Subsidiary
Sical Infra Assets Limited ('SIAL')	Indian Subsidiary
Sical Iron Ore Terminals Limited ('SIOT')	Indian Subsidiary
Sical Iron Ore Terminals (Mangalore) Limited ('SIOTML')	Indian Subsidiary
Sical Supply Chain Solution Limited ('SSCSL')	Indian Subsidiary
(erstwhile known as Sical Adams Offshore Limited ('SAOL'))	
Sical Connect Limited	Indian Subsidiary
(erstwhile known as Norsesea Offshore India Limited ('NOIL'))	
Sical Saumya Mining Limited ('SSML')	Indian Subsidiary
Sical Mining Limited ('SML')	Indian Subsidiary
Sical Logixpress Private Limited ('SLPL')	Indian Subsidiary
(erstwhile known as PNX Logistics Private Limited ('PNX'))	
Patchems Private Limited ('Patchems')	Indian Subsidiary
Develecto Mining Limited ('DML')	Indian Subsidiary
Sical Multimodal and Rail Transport Limited ('SMART')	Step down Indian Subsidiary (Through SIAL)
Sical Bangalore Logistics Park Limited ('SBLPL')	Step down Indian Subsidiary (Through SIAL)
Bergen Offshore Logistics Pte Ltd ('Bergen')	Foreign Subsidiary
Sical Washeries Limited ('SWL')	Indian Subsidiary (incorporated on 28 March 2019)
PSA Sical Terminal Limited ('PSA')	Joint Venture
Sical Sattva Rail Terminal Private Limited ('SSRTPL')	Joint Venture (Through SMART)

## (ii) Details of Key Managerial Personnel:

<b>Name of Personnel</b>	<b>Designation</b>
Mr. Ram Mohan	Chairman (Resigned 01 Feb 21)
Capt. K N Ramesh	Managing Director (Resigned w.e.f. 01 Feb 21)
Mr. T. Subramanian	Managing Director [appointed w.e.f. 01 Feb 21]
Mr. S. Rajappan	Executive Director [appointed w.e.f. 01 Feb 21]
Mr. S. Lakshmisubramanian	Interim Resolution Professional [appointed w.e.f. 10 Mar 21 as per the order of the Honourable NCLT Chennai Bench initiating CIRP]
Mr. T. Subramanian	Chief Financial Officer
Mr. V. Radhakrishnan	Company Secretary

## (iii) Details of the directors of the Company:

<b>Name of Personnel</b>	<b>Designation</b>
Mr. Ram Mohan	Chairman (Resigned 01 Feb 21)
Capt. K. N. Ramesh	Managing Director (Resigned w.e.f. 01 Feb 21)
Mr. H. Rathnakar Hegde	Independent Director [Resigned w.e.f. 27 Jan 21]
Mr. S. Ravinarayanan	Independent Director [Resigned w.e.f. 27 Jan 21]
Mr. H.R. Srinivasan	Independent Director [Resigned w.e.f. 01 Feb 21]

## NOTES TO ACCOUNTS

## 28 Related parties disclosures

## (i) List of related parties:

Name of Company	Relationship
<b>Holding Company &amp; Group</b>	
Mr. Sudhir Vidya Kamath	Independent Director (Resigned w.e.f. 01 Feb 21)
Ms. Shweta Shetty	Director (Resigned w.e.f. 01 Feb 21)
Mr. T. Subramanian	Director (appointed w.e.f. 27 Jan 21)
Mr. T. Subramanian	Managing Director [appointed w.e.f. 01 Feb 21]
Mr. S. Rajappan	Director [appointed w.e.f. 27 Jan 21]
Mr. S. Rajappan	Executive Director [appointed w.e.f. 01 Feb 21]
Mr. Krish Narayanan	Independent Director [appointed w.e.f. 27 Jan 21]
Mr. G. Swaminathan	Independent Director [appointed w.e.f. 27 Jan 21]
Ms. V. Neelaveni	Independent Director [appointed w.e.f. 27 Jan 21]
Mr. S. Lakshmisubramanian	Interim Resolution Professional [appointed w.e.f. 10 Mar 21 as per the order of the Honourable NCLT Chennai Bench initiating CIRP]

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

₹ in lakhs				
Particulars	Subsidiaries	Joint Venture Companies	Holding Company & Group	Key Management Personnel
For the year ended 31 March 2021				
Rendering of services				
SMART	435	-	-	-
SML	-	-	-	-
SIOTL	44	-	-	-
SIOT(M)L	-	-	-	-
SLPL	-	-	-	-
Patchems	353	-	-	-
SSML	21	-	-	-
CDGL	-	-	219	-
CDEL	-	-	-	-
Receiving services				
SMART	68	-	-	-
SLPL	-	-	-	-
SCL	-	-	-	-
CDEL	-	-	-	-
CDGL	-	-	10	-
CDHRPL	-	-	-	-
TDL	-	-	-	-
W2W	-	-	-	-
Loans and advances received from holding companies, net	-	-	1,663	-

## NOTES TO ACCOUNTS

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

₹ in lakhs				
Particulars	Subsidiaries	Joint Venture Companies	Holding Company & Group	Key Management Personnel
Loans and advances received from subsidiaries, net	(87,626)	-	-	-
Interest expense on inter-corporate deposit				
SMART	250	-	-	-
Interest income on inter-corporate guarantee				
SMART	45	-	-	-
SLPL (Refer Note 24)	-	-	-	-
SIOT (Refer Note 24)	-	-	-	-
SSML	7	-	-	-
Interest income on inter-corporate deposit				
SIOT (Refer Note 24)	-	-	-	-
SLPL (Refer Note 24)	-	-	-	-
Rental income received				
SMART	15	-	-	-
Commission to directors	-	-	-	-
KMPs Remuneration	-	-	-	123

**Sical has not charged Interest on subordate loan and Corporate Gurantee Commission to SIOT and SLPL during 2020-21.**

₹ in lakhs				
Particulars	Subsidiaries	Joint Venture Companies	Holding Company & Group	Key Management Personnel
<b>For the year ended 31 March 2020</b>				
Rendering of services				
SMART	457	-	-	-
SML	15	-	-	-
SIOTL	7	-	-	-
SIOT(M)L	130	-	-	-
SLPL	3	-	-	-
Patchems	102	-	-	-
SSML	1,852	-	-	-
CDGL		-	4,695	-
CDEL			39	-
Receiving services				
SMART	24	-	-	-
SLPL	185	-	-	-
SCL	241	-	-	-
CDEL		-	4	-

## NOTES TO ACCOUNTS

Sical has not charged Interest on subordate loan and Corporate Gurantee Commission to SIOT and SLPL during 2020-21.

₹ in lakhs				
Particulars	Subsidiaries	Joint Venture Companies	Holding Company & Group	Key Management Personnel
For the year ended 31 March 2020				
CDGL		-	15	-
CDHRPL	-	-	1	-
TDL	-	-	22	-
W2W	-	-	4	-
Loans and advances received from holding companies, net	-	-	4,485	-
Loans and advances received from subsidiaries, net	8,410	-	-	-
Interest expense on inter-corporate deposit				
SMART	250	-	-	-
Interest income on inter-corporate guarantee				
SMART	81	-	-	-
SLPL	16	-	-	-
SIOTL	115	-	-	-
SSML	18	-	-	-
Interest income on inter-corporate deposit				
SIOT	10,035	-	-	-
SLPL	57	-	-	-
Rental income received				
SMART	15	-	-	-
Commission to directors	-	-	-	-
KMPs Remuneration	-	-	-	117

## (v) Amount outstanding as at the balance sheet date:

₹ in lakhs				
Particulars	Subsidiaries	Joint Venture Companies	Holding Company & Group	Key Management Personnel
As at 31 March 2021				
<b>Other current liabilities</b>				
TRRDPL	-	-	12,890	-
TDL	-	-	6,048	-
GVIL	-	-	10,500	-
CDGL	-	-	4,814	-
Other current financial assets				
Advances given to subsidiaries	(9,180)	-	-	-
Trade receivables	-	-	-	-
Trade payables				
CDEL	-	-	15	-
CDHRPL	-	-	-	-
MCIPL	-	-	-	-
W2W	-	-	-	-



## NOTES TO ACCOUNTS

₹ in lakhs				
Particulars	Subsidiaries	Joint Venture Companies	Holding Company & Group	Key Management Personnel
As at 31 March 2020				
<b>Other current liabilities</b>				
TRRDPL	-	-	12,104	-
TDL	-	-	3,548	-
GVIL	-	-	10,500	-
CDGL	-	-	6,437	-
Other current financial assets				
Advances given to subsidiaries	74,838	-	-	-
Trade receivables	3,609	-	1,629	-
Trade payables				
CDEL	-	-	13	-
CDHRPL	-	-	1	-
MC IPL	-	-	1	-
W2W	-	-	25	-

**29 Leases**

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

₹ in lakhs		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Rent	87	180

**30 Corporate Social Responsibility**

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The areas for CSR activity is promoting education. The funds were utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013. The Company has not made the CSR contribution for the year FY 2019-20 due to financial constraints further CIRP has been initiated under IBC from 10-Mar-2021.

**31 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 in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The expected credit loss model takes into account available external and internal credit risk factors and the Company's historical experience for customers.

## NOTES TO ACCOUNTS

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from top customer	55.59%	20.22%
Revenue from top five customers	85.59%	68.69%

Seven customers accounted for more than 10% of the revenue for the year ended 31 March 2021.

### Credit risk exposure

The allowance for lifetime expected credit loss on customer balances for the year ended 31 March 2021 was ₹ 3421 lakhs.

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:

		₹ in lakhs		
Particulars	Note	As at 31 March 2021		
		Less than 1 year	1-2 years	More than 2 years
Borrowings	12.1, 14.1 and 14.3	91,535	-	-
Lease liability	12.2 and 14.3	52	51	41
Other financial liabilities	14.3	843	-	-
Trade payable	14.2	9,529	-	-

### 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 and derivative financial instruments.

#### 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.

#### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exchange risk arises from its foreign currency revenues and expenses (primarily in U.S. dollars, and Euros), foreign currency payable (in Euro) and foreign currency receivables (in USD). The following tables present foreign currency risk:

## NOTES TO ACCOUNTS

## Expenditure in foreign currency:

Particulars	₹ in lakhs	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Travel	-	-
Ocean freight and port dues	-	4,901
Others	26	1
<b>Total</b>	<b>26</b>	<b>4,902</b>

## Earnings in foreign currency:

Particulars	₹ in lakhs	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Agency receipts	-	578
<b>Total</b>	<b>-</b>	<b>578</b>

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

Particulars	Foreign currency	₹ in lakhs			
		As at 31 Mar 2021		As at 31 Mar 2020	
		Foreign currency amount	INR	Foreign currency amount	INR
Trade Payable	EUR	-	-	-	13
Borrowings	EUR	-	-	-	10,000
Payable to a related party	USD	1	82	1	(98)
Provision for expenses	USD	9	633	9	278
Advance from customers	USD	-	26	-	108
Trade Receivables	USD	1	98	90	271
Cash in bank	USD	-	13	11	12

## 32 Interest in joint venture

The Company has a 37.50% interest in PSA Sical Terminal Limited ('PSA'), a joint venture involved in container-handling operation at Tuticorin Port. The Company's interest in PSA is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements are set out below:

Particulars	₹ in lakhs	
	As at 31 March 2021	As at 31 March 2020
<b>Assets</b>		
Non-current assets	323	391
Current assets	2,308	1,940
<b>Liabilities</b>		
Non current liabilities	13	18
Current liabilities	1,801	205
Income	1,962	1,515
Expenses (including taxes)	3,252	1,517

## NOTES TO ACCOUNTS

**33 Contract balances**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

₹ in lakhs			
Particulars	Note	As at 31 March 2021	As at 31 March 2020
Receivables which are included in trade receivables	7.1	16,138	22,254
Contract assets (included in trade receivables)		5,098	4,466
Contract liabilities		-	-

- 34** Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March 2021 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March 2021.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of Rs. 1,154 lakhs, and a lease liability of Rs. 1,247 lakhs. The cumulative effect of applying the standard, amounting to Rs. 61 lakhs was debited to retained earnings, net of taxes. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 11%.

**35. Financial instruments**

The carrying value and fair value of financial instruments by categories as at 31 March 2021 and 31 March 2020 are as follows:

₹ in lakhs					
Particulars	Note	Carrying value		Fair value	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
<b>Financial Assets</b>					
<b>Amortised cost</b>					
Investments in equity instruments of subsidiaries/joint ventures	3.1	22,042	30,204	22,042	30,204
Other non-current financial assets	3.2	301	510	301	510
Trade receivables	7.1	16,138	22,254	16,138	22,254
Cash and cash equivalents	7.2	3,274	3,179	3,274	3,179
Other current financial assets	7.3	1,088	76,015	1,088	76,015
<b>Total financial assets</b>		<b>42,843</b>	132,162	<b>42,843</b>	132,162

## NOTES TO ACCOUNTS

					₹ in lakhs
Particulars	Note	Carrying value		Fair value	
		As at	As at	As at	As at
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
<b>Financial liabilities</b>					
<b>Amortised cost</b>					
Borrowings	12.1	-	9,551	-	9,551
Other financial liabilities	12.2	92	145	92	145
Borrowings	14.1	30,361	26,603	30,361	26,603
Trade payables	14.2	9,529	12,466	9,529	12,466
Other financial liabilities	14.3	62,069	52,643	62,069	52,643
<b>FVTPL</b>					
Derivative liability	12.2	-	-	-	-
<b>Total financial liabilities</b>		<b>102,051</b>	<b>101,408</b>	<b>102,051</b>	<b>101,408</b>

**36 Fair value hierarchy**

This explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. Derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

**36.1 Financial assets and liabilities measured at fair value - recurring fair value measurements as at 31 March 2021:**

Particulars	Note	Fair value measurement using			
		Total	Level 1	Level 2	Level 3
Liabilities measured at fair value:					
FVTPL					
Derivative liability	12.2	-	-	-	-

**36.2 Specific valuation techniques used to value the above financial instruments include:**

- 1) the use of quoted market prices
- 2) the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves

**37** The Company is primarily engaged in providing integrated logistics services which is considered as single business segment in terms of segment reporting as per AS 108. There being no services rendered outside India there are no separate geographical segments to be reported on.

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

**For SRSV & Associates**  
Chartered Accountants  
Firm registration number : 0150415

**V. Rajeswaran**  
Partner  
Membership No. 020881

Chennai  
Date: 12 August 2021

For and on behalf of the Board of Directors of  
**Sical Logistics Limited**

**T.Subramanian**  
Director and Group CFO  
DIN:00584440

**V Radhakrishnan**  
Company Secretary

Chennai  
Date: 12 August 2021

**S Rajappan**  
Director  
DIN: 00862481

**Sripatham Venkatasubramanian Ramkumar**  
Resolution Professional for Sical Logistics Limited  
IP Registration no. IBBI/IPA-001/  
IP-P00015/2016-17/10039 (Taken on record)

# **Annual Report 2020-21 CONSOLIDATED ACCOUNTS**

# INDEPENDENT AUDITOR'S REPORT

To the Members of SICAL LOGISTICS LIMITED

## Report on the Audit of the Consolidated Financial Statements

### Qualified Opinion

We have audited the accompanying consolidated financial statements of **SICAL LOGISTICS LIMITED** ("the Holding Company"), its subsidiaries and its jointly controlled entities (collectively referred to as "the Company" or "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2021, the consolidated Statement of Profit and Loss (including Other Comprehensive Loss), the consolidated Statement of Changes in Equity and the consolidated Cash Flow Statement for the year ended on that date and a summary of the significant accounting policies and other explanatory information ("the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, **except for the effects of the matter described in the Basis of Qualified Opinion paragraph and the Material Uncertainty Relating To Going Concern Section below**, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2021, the consolidated loss, consolidated total comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Qualified Opinion

The Hon'ble National Company Law Tribunal ("NCLT"), Chennai Bench, admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by an operational creditor of **SICAL LOGISTICS LIMITED** ("the Holding Company") and appointed Mr. Lakshmisubramanian (IBBI Registration no. IBBI/IPA-003/IP-N00232/2019-2020/12697) as Interim Resolution Professional ("IRP"), in terms of the Insolvency and Bankruptcy Code, 2016 ("the Code") to manage the affairs of the Holding Company vide CP No. IBA/73/2020 dated 10th March 2021. Pursuant to this, based on the application made by Committee of Creditors of the Holding Company, the Hon'ble NCLT has ordered appointment of Mr. Sripatham Venkatasubramanian Ramkumar (IBBI Registration No. IBBI/IPA-001/IP-P00015/2016-17/10039) as Resolution Professional ("RP") of the Holding Company in disposing of IA no. IA/54/CHE/2021 in IBA/73/2020 on 2nd June 2021.

In view of pendency of the CIRP, and in view of suspension of the powers of Board of Directors of the Holding Company and as explained to us, the powers of adoption of the consolidated financial results for the year ended March 31, 2021 vest with the RP.

We draw attention to the following matters in respect of the Holding Company:

- a) Note No 1.2 and 11.1 to the Statement, regarding application by an operational creditor, initiating the insolvency provisions under the Insolvency and Bankruptcy Code, 2016 ('the Code') and the consequential appointment of the RP under the Code, and adequacy of disclosures concerning the Holding Company's ability to meet its financial, contractual and statutory obligations including management's technical estimates in regard to realisation of Overdue receivables, Loans and Advances including related party and contractual dues, investments and Deferred Tax Assets amounting to Rs.475.97 crores.

The possible impact, if any, arising out of the above matters is presently not quantifiable.

- b) Note No. 23 to the Statement, Confirmation of balances are not available for majority of the trade receivables, loans and advances given, trade payables, claims received from the employees, bank balances and bank loans as at March 31, 2021. Pursuant to the CIRP, the Holding Company stopped providing interest on bank borrowings from the CIRP initiation date. In the absence of confirmation of balances the possible adjustment if any required in the Statement is presently not determinable. The finance cost appearing in the Statement are recorded based on transactions accounted in the accounting system, differences between the liability recorded by the Holding Company and confirmations received by the lenders are not recorded as finance cost or contingent liability
- c) The Holding Company's net worth as on the reporting date is negative. The Holding Company has significant accumulated losses as at the date of the Balance Sheet and it continues to incur cash losses. Considering the above

and the matters more fully explained in the Material Uncertainties Relating to Going Concern section below, we are unable to comment on the appropriateness of preparation of the Statement on a going concern basis.

- d) We have been informed by the RP that certain information including the minutes of the meetings of the CoC, cases filed by the RP against other parties and the outcome of certain specific/ routine procedures carried out as part of the IBC process are confidential in nature and could not be shared with anyone, other than the CoC and Hon'ble NCLT. In the opinion of the RP, the matter is highly sensitive, confidential and may have adverse impact on the resolution process.

Accordingly, we are unable to comment on the possible adjustments required in the carrying amount of assets and liabilities, possible presentation and disclosure impacts, if any, that may arise if we have been provided access to review of those information.

Additionally, the auditors of some of the subsidiaries have highlighted key audit matters, material uncertainty related to going concern and emphasis of matter paragraphs, non receipt of confirmation of balance from debtors and creditors, delay / defaults in payment of interest and principal to banks and financial institutions amounting to Rs. 33,692 lakhs, receivables outstanding from Holding Company in the books of subsidiaries in their respective audit reports.

We conducted our audit in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and jointly controlled entities in accordance with the Code of Ethics issued by the Institute 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 obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion.

## Material Uncertainty Related to Going Concern

### Holding Company

The Holding Company has significant accumulated losses as at the date of the Balance Sheet and it continues to incur cash losses. The matters referred to in para (a) and (b) of the basis of qualified opinion paragraph above also essentially require the Holding Company to resolve the situations specified therein within the framework specified through the CIRP. Attention is also invited to para (c) of basis of qualified opinion paragraph above.

As mentioned in para 1 in Responsibilities of Management and Resolution Professional and Those Charged with Governance for the Statement, since the CIRP is currently in progress, as per the Code, it is required that the Holding Company be managed as going concern during the CIRP, the Consolidated Financial Results is continued to be prepared on going concern basis. However there exists material uncertainty about the Holding Company's ability to continue as a going concern since the same is dependent upon the resolution plan to be formulated and approved by NCLT. The appropriateness of preparation of Financial Statements on going concern basis is critically dependent upon CIRP as specified in the Code.

### Subsidiary Company - Sical Iron Ore Terminals Limited (SIOTL)

Independent Auditors of SIOTL have reported that due to acute liquidity crunch coupled with delay in completing the project indicates that a material uncertainty exists that may cast significant doubt on SIOT's ability to continue as a going concern and there are impairment indications that cast a doubt that the carrying value of the Cash generating Unit (CGU) is likely to exceed its recoverable amount. SIOTL had also received Notice of Default from the Consortium Lead Banker YES Bank Limited and UCO Bank requesting Kamarajar Port Limited to issue a Notice of Intent to Terminate SIOTL and suspending all rights of SIOTL. Kamarajar Port Ltd vide its letter dated 21st December 2020 served notice of intent to terminate the license agreement and subsequently issued termination notice dated 22nd March 2021. However, the accounts of SIOTL has been prepared on a going concern basis.

During the year, the exposure of the Holding Company to SIOTL has been fully impaired and effect has been given in the consolidated financial results.



These events indicate that a material uncertainty related to the going concern assumption exists and the Group's ability to continue as a going concern is dependent upon the resolution plan to be formulated and approved by NCLT for the Holding Company. However, the accounts of the Group have been prepared on a Going Concern basis.

Our opinion is not modified in respect of this matter.

### **Emphasis of Matter**

The Group has not paid statutory dues of Rs. 1,471.89 lakhs by the Holding Company and Rs 129.34 lakhs by the Subsidiaries. It is informed by the RP that the statutory dues which are payable by the Holding Company prior to CIRP initiation date (10th March 2021) are to be claimed by the respective authorities in relevant form as prescribed under Regulation 7 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. Due to non-payment of various statutory liabilities, there may be potential non-compliances under relevant statutes and regulations.

Our opinion is not modified in respect of this matter.

### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed and based on the work done/ audit report of other auditors, 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.

### **Responsibilities of Management and Resolution Professional and Those Charged with Governance**

During the year, the Hon'ble National Company Law Tribunal ("the NCLT"), Chennai Bench, admitted petition for initiation of Corporate Insolvency Resolution Process ("CIRP") under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("the Code") filed by an operational creditor vide order no. IBA/73/2020 dated 10th March 2021 and appointed Mr. Lakshmisubramanian (IBBI Registration no. IBBI/IPA-003/IP-N00232/2019-2020/12697) as Interim Resolution Professional ("IRP"), to manage affairs of the Holding Company in accordance with the provisions of the Code. Subsequently, the NCLT, Chennai Bench, vide order no IA/54/CHE/2021 in IBA/73/2020 on 2nd June 2021 appointed Mr. Sripatham Venkatasubramanian Ramkumar as Resolution Professional ("RP") replacing the IRP according to the resolution passed by the Committee of Creditors unanimously. In view of pendency of the CIRP and suspension of powers of Board of Directors of the Holding Company and as explained to us, the powers of adoption of the Statement vests with RP. The Statement is prepared by the Management of the Company and Certified by the Directors and approved by RP.

The Statement has been prepared on the basis of the consolidated annual financial statements.

The Holding Company's management/RP are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Subsidiaries and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its Subsidiaries and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records,

relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the management/RP of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the RP/ respective Board of Directors of the companies included in the Group and of its Subsidiaries and jointly controlled entities are responsible for assessing the ability of the Group and of its Subsidiaries and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the RP/ respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The RP/ respective Board of Directors of the companies included in the Group and of its subsidiaries and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its subsidiaries and jointly controlled entities.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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 consolidated 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 ability of the Group and its subsidiaries and jointly controlled entities 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 consolidated 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 Group and its subsidiaries and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the

direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

#### Other Matter

- (a) We did not audit the Ind AS financial statements of certain subsidiaries, whose Ind AS financial statements reflect total assets of Rs.1,12,390 lakhs as at March 31, 2021, revenue from operations of Rs. 10,610 lakhs and net cash flows amounting to Rs. 1,024 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These Ind AS financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entities, is based solely on the reports of the other auditors.
- (b) One of these subsidiaries is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiary entity located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary entity located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.
- (c) The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 298 lakhs for the year ended March 31, 2021, as considered in the consolidated Ind AS financial statements, in respect of the two jointly controlled entities, whose financial statements/financial information have not been audited by us or by other auditors. These unaudited financial statements/financial information have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entities, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements

below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

- (a) We have sought and obtained except for matters described in the Basis for Qualified Opinion paragraph above, all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, except for matters described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Loss), Consolidated Statement of Changes in Equity, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, except for matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) The matter described under Basis for Qualified Opinion paragraph above and matters described under Material Uncertainty Related to Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
- (f) The qualifications relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
- (g) Since the powers of the board of directors of Holding Company is suspended pursuant to the CIRP, receiving written representations from the directors that none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act and taking it on record by the board of directors is not applicable for the year under consideration; On the basis of the report of the statutory auditors of its subsidiary companies and jointly controlled entities incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a Director of that Company in terms of sub-section 2 of Section 164 of the Act.
- (h) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (i) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act as amended:  
  
In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and jointly controlled entities incorporated in India which were not audited by us, the remuneration paid during the current year by the Group to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies and jointly controlled entities 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.
- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, and jointly controlled entities– Refer Note 23 to the consolidated financial statements.

- ii. Provision has been made in the consolidated financial statements, except for matters described in the Basis for Qualified Opinion paragraph above, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 11.2 to the consolidated financial statements
- iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, and jointly controlled companies incorporated in India.

For SRSV & Associates  
Chartered Accountants  
F.R. No. 0150415

Place: Chennai  
Dated: August 12, 2021

V. Rajeswaran  
Partner  
Membership. No. 020881

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of **SICAL LOGISTICS LIMITED** ("the Holding Company"), its subsidiary companies, and its jointly controlled enterprises which are companies incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

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

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports and the information and explanation provided by the management is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated 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 consolidated 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 consolidated financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be

detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, based on the test checks conducted by us, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company, its subsidiary companies which are companies incorporated in India, have, in all material respects, reasonably adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were prima facie operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Holding Company, in so far as it relates to the subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For SRSV & Associates  
Chartered Accountants  
F.R. No. 0150415

Place: Chennai  
Dated: August 12, 2021

V. Rajeswaran  
Partner  
Membership. No. 020881

# CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2021

Particulars	Note	₹ in lakhs	
		As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	74,285	83,599
Right of use of assets	2	7,890	8,446
Capital work-in-progress	2	39,440	128,446
Other intangible assets	2	1,066	1,247
Goodwill		706	706
Financial Assets	3		
- Investments	3.1	883	586
- Other non-current financial assets	3.2	949	1,153
Other non-current assets	4	1,852	2,053
Deferred tax assets (net)	5	838	932
		<b>127,909</b>	<b>227,168</b>
<b>Current assets</b>			
Inventories	6	1,507	1,627
Financial Assets	7		
- Trade receivables	7.1	21,281	24,053
- Cash and cash equivalents	7.2	6,462	5,026
- Other current financial assets	7.3	1,280	1,380
Current Tax Assets (Net)	8	5,019	5,574
Other current assets	9	9,648	11,856
		<b>45,197</b>	<b>49,516</b>
<b>Total Assets</b>		<b>173,106</b>	<b>276,684</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	10	5,854	5,854
Other Equity	10.1	(72,642)	43,316
Equity attributable to the owners of the Company		(66,788)	<b>49,170</b>
Non-controlling interests		16,983	17,628
<b>Total equity</b>		<b>(49,805)</b>	<b>66,798</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
- Borrowings	11.1	5,194	45,130
- Other financial liabilities	11.2	11,432	11,478
Provisions	12	410	502
Deferred tax liabilities (net)	13	-	-
		<b>17,036</b>	<b>57,110</b>
<b>Current liabilities</b>			
Financial Liabilities	13		
- Borrowings	13.1	34,107	29,297
- Trade payables			
a) Total outstanding dues of Micro and Small Enterprises	13.2		
b) Total outstanding dues of creditors other than Micro and Small Enterprise	13.2	16,872	19,421
- Other financial liabilities	13.3	101,183	59,232
Other current liabilities	14	53,670	44,761
Provisions	15	43	75
		<b>205,875</b>	<b>152,786</b>
<b>Total Equity and Liabilities</b>		<b>173,106</b>	<b>276,694</b>
<b>Significant accounting policies</b>	1		
<b>Notes to the accounts</b>	2 to 36		

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

As per our report of even date attached

**For SRSV & Associates**

Chartered Accountants

Firm registration number : 0150415

**V. Rajeswaran**

Partner

Membership No. 020881

For and on behalf of the Board of Directors of

**Sical Logistics Limited**

**T. Subramanian**

Director and Group CFO

DIN:00584440

**V. Radhakrishnan**

Company Secretary

**S. Rajappan**

Director

DIN: 00862481

**Sripatham Venkatasubramanian Ramkumar**

Resolution Professional for Sical Logistics

Limited IP Registration no. IBBI/IPA-001/

IP-P00015/2016-17/10039 (Taken on record)

Chennai

Date: 12 August 2021

Chennai

Date: 12 August 2021



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

₹ in lakhs			
Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from operations	16	50,363	100,593
Other income	17	310	2,899
<b>Total Income</b>		<b>50,673</b>	<b>103,492</b>
<b>Expenses</b>			
Cost of services	18	38,150	82,921
Employee benefits expense	19	5,389	13,289
Finance costs	20	13,919	5,501
Depreciation and amortisation expense	2	7,875	8,445
Other expenses	21	8,221	6,630
<b>Total expenses</b>		<b>73,554</b>	<b>116,786</b>
<b>Loss before exceptional item</b>		<b>(22,881)</b>	<b>(13,294)</b>
Exceptional item		(93,789)	
<b>Loss before tax</b>		<b>(116,670)</b>	<b>(13,294)</b>
Tax expense	22		
Current tax		(48)	188
Deferred tax		279	(2,539)
<b>Loss for the period</b>		<b>(116,901)</b>	<b>(10,943)</b>
Share of profit/(loss) from joint venture		298	(1,241)
<b>Loss for the year</b>		<b>(116,603)</b>	<b>(12,184)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of defined benefit plan actuarial gains / (losses)			-
Others		-	-
<b>Income tax relating to items that will not be reclassified to profit or loss</b>			-
<b>Total Comprehensive Income for the period</b>		<b>(116,603)</b>	<b>(12,184)</b>
<b>Attributable to:</b>			
Owners of Company		(115,958)	(10,704)
Non- Controlling Interests		(645)	(1,480)
<b>Earnings per equity share</b>	24		
(1) Basic (In ₹)		(198.15)	(18.29)
(2) Diluted (In ₹)		(198.15)	(18.29)
Significant accounting policies	1		
Notes to the accounts	2 to 36		

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

As per our report of even date attached

**For SRSV & Associates**

Chartered Accountants

Firm registration number : 0150415

**V. Rajeswaran**

Partner

Membership No. 020881

For and on behalf of the Board of Directors of

**Sical Logistics Limited**

**T. Subramanian**

Director and Group CFO

DIN:00584440

**V. Radhakrishnan**

Company Secretary

**S. Rajappan**

Director

DIN: 00862481

**Sripatham Venkatasubramanian Ramkumar**

Resolution Professional for Sical Logistics

Limited IP Registration no. IBBI/IPA-001/

IP-P00015/2016-17/10039 (Taken on record)

Chennai

Date: 12 August 2021

Chennai

Date: 12 August 2021

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

₹ in lakhs

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Cash flows from operating activities</b>			
Loss before tax		(116,670)	(13,294)
Adjustments:			
Depreciation		7,875	8,445
Profit on sale of fixed assets		452	(1,142)
Impairment of Loans advance given and Investments made in SIOTL		93,789	-
Interest and finance charges		12,584	5,501
Interest income		(199)	(541)
Forex loss		-	9
Operating cash flow before working capital changes		<b>(2,169)</b>	<b>(1,022)</b>
Changes in			
- Trade receivables		2,772	15,633
- Current/Non current financial assets		296	1,190
- Current/Non current assets		2,409	7,804
- Inventories		120	(172)
- Current/Non current financial liabilities		528	(52)
- Current/Non current liabilities		7,246	(841)
- Trade payables		4,810	7,274
- Provisions		(124)	(173)
Cash generated from operations		15,888	29,641
Income taxes paid		(64)	(406)
<b>Cash generated from operations [A]</b>		<b>15,824</b>	<b>29,235</b>
<b>Cash flows from investing activities</b>			
Purchase of fixed assets (Including Capital Work in Progress)		(5,192)	(28,308)
Proceeds from sale of fixed assets		1,564	1,174
Proceeds from sale of investment		-	-
Purchase of non controlling interests		-	(152)
Bank deposit		846	2,516
Interest income		199	541
<b>Net cash generated used in investing activities [B]</b>		<b>(2,583)</b>	<b>(24,229)</b>

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

₹ in lakhs

Particulars	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Cash flows from financing activities</b>			
Proceeds from long term borrowings		2,039	12,424
Repayment of long term borrowings		(6,693)	(19,940)
Proceeds from holding company		1,663	9,494
Repayment of lease liability		(202)	(297)
Proceeds from issue of shares		-	-
Proceeds from/(repayment of) short term borrowings (net)		4,810	(1,221)
Finance cost		(12,584)	(5,204)
<b>Net cash generated from financing activities [C]</b>		<b>(10,967)</b>	<b>(4,744)</b>
Effect of exchange differences on translation of foreign currency cash and cash equivalents [D]			
<b>Increase in cash and cash equivalents [A+B+C+D]</b>		<b>2,274</b>	<b>262</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>1,499</b>	<b>1,237</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>3,773</b>	<b>1,499</b>
Components of cash and cash equivalents	7		
Cash on hand		16	34
<i>Balances with banks</i>			
- in current accounts		3,757	1,465
Total cash and cash equivalents		3,773	1,499
Significant accounting policies	1		
Notes to the accounts	2 to 36		

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

As per our report of even date attached

**For SRSV & Associates**

Chartered Accountants

Firm registration number : 0150415

**V. Rajeswaran**

Partner

Membership No. 020881

Chennai

Date: 12 August 2021

For and on behalf of the Board of Directors of  
**Sical Logistics Limited**

**T. Subramanian**

Director and Group CFO

DIN:00584440

**V. Radhakrishnan**

Company Secretary

Chennai

Date: 12 August 2021

**S. Rajappan**

Director

DIN: 00862481

**Sripatham Venkatasubramanian Ramkumar**

Resolution Professional for Sical Logistics

Limited IP Registration no. IBBI/IPA-001/

IP-P00015/2016-17/10039 (Taken on record)

## 1 Group overview and Significant Accounting Policies

### 1.1 Group overview

Sical Logistics Limited ('Sical' or 'SLL') founded in 1955 is a leading integrated logistics solutions provider. The Company is into every aspect of logistics namely port handling, road and rail transport, warehousing, shipping, stevedoring, customs handling, trucking, retail logistics, mining and integrated logistics.

The Company is a public limited company incorporated and domiciled in India and has its registered office at Chennai, Tamilnadu. The Company has its equity shares listed on the BSE Limited and National Stock Exchange of India Limited [NSE] and its NCDs on the NSE. SLL is the parent company of the Sical Group. The Company, primarily through its subsidiaries and joint venture companies (together referred to as "the Group") as detailed below are engaged in business in multiple verticals of logistics business.

- 1.2 The Hon'ble National Company Law Tribunal ("NCLT"), Chennai Bench, admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by an operational creditor of SICAL LOGISTICS LIMITED ("the Holding Company") and appointed Mr. Lakshmisubramanian (IBBI Registration no. IBBI/IPA-003/IP-N00232/2019-2020/12697) as Interim Resolution Professional ("IRP"), in terms of the Insolvency and Bankruptcy Code, 2016 ("the Code") to manage the affairs of the Holding Company vide CP No. IBA/73/2020 dated 10<sup>th</sup> March 2021. Pursuant to this, based on the application made by Committee of Creditors of the Holding Company, the Hon'ble NCLT has ordered appointment of Mr. Sripatham Venkatasubramanian Ramkumar (IBBI Registration No. IBBI/IPA-001/IP-P00015/2016-17/10039) as Resolution Professional ("RP") of the Holding Company in disposing of IA no. IA/54/CHE/2021 in IBA/73/2020 on 2<sup>nd</sup> June 2021

In view of pendency of the CIRP, and in view of suspension of the powers of Board of Directors of the Holding Company and as explained to us, the powers of adoption of the consolidated financial results for the year ended March 31, 2021 vest with the RP.

The consolidated financial statements are approved for issue by the company's Board of Directors on 12 August 2021.

Name of the entity	Country of incorporation and other particulars	Holding (%)
<b>DIRECT SUBSIDIARIES</b>		
Sical Infra Assets Limited ('SIAL')	a subsidiary of the Company incorporated under the laws of India	53.60
Sical Multimodal and Rail Transport Limited ('SMART')	a subsidiary of SIAL incorporated under the laws of India	100.00
Sical Bangalore Logistics Park Limited ('SBLPL')	a subsidiary of SIAL incorporated under the laws of India	100.00
Sical Iron Ore Terminals Limited ('SIOTL')	a subsidiary of the Company incorporated under the laws of India	63.00
Sical Iron Ore Terminals (Mangalore) Limited ('SIOT(M)L')	a subsidiary of the Company incorporated under the laws of India	100.00
Sical Adams Offshore Limited ('SAOL')	a subsidiary of the Company incorporated under the laws of India	100.00
Sical Connect Limited [formerly Norseia Offshore India Limited (NOIL)]	a subsidiary of the Company incorporated under the laws of India	100.00
Bergen Offshore Logistics Pte Ltd ('Bergen')	a subsidiary incorporated under the laws of Singapore	100.00
Sical Saumya Mining Limited ('SSML')	a subsidiary of the Company incorporated under the laws of India	65.00
Sical Mining Limited ('SML')	a subsidiary of the Company incorporated under the laws of India	100.00
Develecto Mining Limited ('DML')	a subsidiary of the Company incorporated under the laws of India	51.00
PNX Logistics Private Limited ('PNX')	a subsidiary of the Company incorporated under the laws of India	60.00
Sical Washeries Limited ('SWL')	a subsidiary of the Company incorporated under the laws of India	100.00

Name of the entity	Country of incorporation and other particulars	Holding (%)
Patchems Private Limited ('Patchems')	a subsidiary of the Company incorporated under the laws of India	97.50
<b>JOINT VENTURES</b>		
PSA Sical Terminal Limited ('PSA')	a joint venture incorporated under the laws of India	37.50
Sical Sattva Rail Terminal Private Limited ('SSRTPL')	a joint venture of SMART incorporated under the laws of India	50.00

## 1.2 Basis of preparation of consolidated financial statements

These consolidated 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) and guidelines issued by the Securities and Exchange Board of India (SEBI). 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 Basis of Consolidation

The consolidated financial statements include the financial statements of Sical Logistics Limited ('SLL') and all its subsidiaries and joint ventures. The consolidated financial statements are prepared on the following basis:

- The financial statements of the parent company and the subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting unrealised profits/losses in full in accordance with Ind AS 110 Consolidated Financial Statements. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the subsidiaries.
- In translating the financial statements of the non-integral foreign subsidiaries for incorporation in the consolidated financial statements, the assets and liabilities, both monetary and nonmonetary are translated at the closing rate, while income and expense items are translated at the date of transaction. For practical reasons, a rate that approximates the actual exchange rates i.e. average rate for the period has been used and all resulting exchange differences are reflected in foreign currency translation reserve. Share Capital and opening reserves and surplus are carried at historical cost. The resulting net exchange difference are reflected in the foreign currency translation reserve.
- The proportionate share of the Group's interest in Joint Ventures is accounted under equity method of accounting in accordance with Ind AS 28 Investments in Associates and Joint Ventures.
- Minority interest in the net assets of consolidated subsidiaries consists of: (a) the amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and (b) the minorities' share of movements in equity since the date the parent subsidiary relationship came into existence. Minority interest in share of net result for the year is identified and adjusted against the profit after tax.

## 1.4 Current versus non-current classification

The Group 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 Group 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 Group has identified twelve months as its operating cycle.

## 1.5 Use of estimates

The preparation of consolidated 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 consolidated financial statements is included in the following notes:

- (i) 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 1.17.
- (ii) Property, plant and equipment: Property, plant and equipment represent a significant proportion of the asset base of the Group. 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 Group'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.
- (iii) Other estimates: The preparation of consolidated 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 Group 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.

## 1.6 Revenue recognition

Revenue is recognized on accrual method on rendering of services when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers". The effect on adoption of Ind AS 115 was insignificant. Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

## 1.7 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 Group depreciates property, plant and equipment over the estimated useful life on a straight-line as well as written down value 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)
Buildings	3.34%/1.67%	SLM	30 / 60
Workshop	33.34%	SLM	3
Furniture & Fixtures	10.00%	SLM	10
Office Equipments	20.00%	SLM	5
EDP Equipments	33.34%	SLM	3
Plant & Machinery	20%/6.79%	SLM	5 / 14
Vehicles	12.50%	SLM	8
BOT Equipments	5.00%	SLM	20
Electrical Installations	10.00%	SLM	10

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 Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the consolidated statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the consolidated statement of profit and loss.

Amounts paid towards the acquisition 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.

### 1.8 Functional and presentation currency

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

### 1.9 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.

### 1.10 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 Group'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.

### 1.11 Fair value measurement

The Group 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 Group.

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 Group 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 consolidated 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 consolidated financial statements on a recurring basis, the Group 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 Group 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.

### 1.12 Impairment

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

The application of simplified approach does not require the Group 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 Group 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 Group 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 Group 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 consolidated statement of profit and loss and reflected in an allowance account. When the Group 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 consolidated 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").

### 1.13 Employee Benefit

The Group 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 Group'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 Group's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Group. The present value of the defined benefit obligations is calculated using the projected unit credit method.

#### The Group has the following employee benefit plans:

- (a) **Gratuity:** In accordance with the Payment of Gratuity Act, 1972, the Group 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 Group. The gratuity fund is managed by the Life Insurance Corporation of India (LIC). The Group'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.

- (b) **Compensated absences:** The employees of the Group 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 Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Group recognizes actuarial gains and losses immediately in the consolidated statement of profit and loss.

#### 1.14 Provisions

Provisions are recognized when the Group 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.

#### 1.15 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.

#### 1.16 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.

#### 1.17 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 Group 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 consolidated 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.

### 1.18 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.

### 1.19 Rounding of amounts

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

### 1.20 Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the company has concluded that no changes are required to lease period relating to the existing lease contracts.

The Company's lease asset classes primarily consist of leases for land, building and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## CONSOLIDATED NOTES TO ACCOUNTS

**2 Property, plant and equipments**  
**Current year 2020-21**

Particulars	Gross Block				Accumulated Depreciation						Net Block	
	As at 1 April 2020	Reclass during the year	Additions during the year	Deletions during the year	As at 31 March 2021	As at 1 April 2020	Reclass during the year	Additions during the year	Deletions during the year	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Tangible assets												
Freehold land	39,313		3		39,316	-		-		-	39,316	39,313
Buildings	10,823		34	243	10,614	1,757		323	227	1,853	8,761	9,066
Plant and machinery	30,937		8	1,053	29,892	15,952	(82)	2,462	645	17,687	12,205	14,985
Office equipments	1,201	9	8	34	1,184	622	82	118	22	800	384	579
Furnitures and fixtures	667		4	46	625	481		24	10	495	130	186
EDP Equipments	898	(9)		29	860	752		67	17	802	58	146
Vehicles	32,147		8	4,293	27,862	14,196		3,424	2,502	15,087	12,774	17,951
Port handling equipment	12,221	-	-	-	12,221	10,848		718		11,566	655	1,373
Total	128,207	-	66	5,698	122,575	44,608	-	7,106	3,423	48,290	74,284	83,599
Intangible assets												
Software	251		2		253	181	-	31	-	215	38	70
Licence fees	2,033				2,033	856	-	149	-	1,005	1,028	1,177
Total	2,284	-	2	-	2,286	1,037	-	183	-	1,220	1,066	1,247
Right of Use of Assets												
(Refer note )												
Building	306				306	216	-	19	-	235	71	90
Land	8,327				8,327	359	-	359	-	718	7,609	7,968
Vehicles	567				567	179	-	178	-	357	210	388
Total	9,200	-	-	-	9,200	754	-	556	-	1,310	7,890	8,446
Capital Work in Progress	128,149		4,827	93,833	39,143	(297)	-			(297)	39,440	128,146
Grand Total	267,840	-	4,895	99,531	173,204	46,102	-	7,845	3,423	50,524	122,680	221,438

**CONSOLIDATED NOTES TO ACCOUNTS**
**2 Property, plant and equipments**  
**Previous year 2019-20**

Particulars	Gross Block				Accumulated Depreciation					Net Block	
	As at 1 April 2019	Reclass during the year	Additions during the year	Deletions during the year	As at 31 March 2020	As at 1 April 2019	Reclass during the year	Additions during the year	Deletions during the year	As at 31 March 2020	As at 31 March 2019
<b>Tangible assets</b>											
Freehold land	39,299	-	14	-	39,313	-	-	-	-	39,313	39,299
Buildings	10,767	9	47		10,823	1,335	1	421	-	9,066	9,432
Plant and machinery	30,876	3	59	1	30,937	13,605	(140)	2,487	-	14,985	17,271
Office equipments	1,147	(24)	88	10	1,201	334	155	133	-	622	813
Furnitures and fixtures	607	4	59	3	667	450	(1)	32	-	481	157
EDP Equipments	812	12	79	5	898	661	(14)	105	-	752	151
Vehicles	30,182	(4)	2,472	503	32,147	10,796	-	3,890	490	14,196	19,386
Port handling equipment	12,221	-	-	-	12,221	10,142	-	706	-	10,848	2,079
<b>Total</b>	<b>125,911</b>	<b>-</b>	<b>2,818</b>	<b>522</b>	<b>128,207</b>	<b>37,323</b>	<b>1</b>	<b>7,774</b>	<b>490</b>	<b>44,608</b>	<b>88,588</b>
<b>Intangible assets</b>											
Software	231	-	20	-	251	118	(1)	64	-	181	113
Licence fees	2,033	-	-	-	2,033	706	-	150	-	856	1,327
<b>Total</b>	<b>2,264</b>	<b>-</b>	<b>20</b>	<b>-</b>	<b>2,284</b>	<b>824</b>	<b>(1)</b>	<b>214</b>	<b>-</b>	<b>1,037</b>	<b>1,440</b>
Right of Use of Assets											
(Refer note)											
Building	-	-	1,088	782	306	-	-	216	-	216	90
Land	-	-	8,327	-	8,327	-	-	359	-	359	7,968
Vehicles	-	-	567	-	567	-	-	179	-	179	388
<b>Total</b>	<b>-</b>	<b>-</b>	<b>9,982</b>	<b>782</b>	<b>9,200</b>	<b>-</b>	<b>-</b>	<b>754</b>	<b>-</b>	<b>754</b>	<b>8,446</b>
Capital Work in Progress	102,782	-	27,645	2,278	128,149	-	-	(297)	-	(297)	102,782
<b>Grand Total</b>	<b>230,957</b>	<b>-</b>	<b>40,465</b>	<b>3,582</b>	<b>267,840</b>	<b>38,147</b>	<b>-</b>	<b>8,445</b>	<b>490</b>	<b>46,102</b>	<b>192,810</b>

**SICAL LOGISTICS LTD.**

**CONSOLIDATED NOTES TO ACCOUNTS**

		₹ in lakhs	
		As at	As at
		31 March 2021	31 March 2020
<b>3 Financial Assets</b>			
<b>3.1 Investments</b>			
<b>Investments in equity instruments</b>			
<b>Joint Ventures (unquoted)</b>			
- PSA Sical Terminals Ltd- 56,25,030 Shares (PY - 56,25,030 Shares) of ₹ 10/- each fully paid up		817	543
- Sical Sattva Rail Terminal Private Limited - 17,25,000 Shares (PY - 17,25,000 Shares) of ₹ 10/- each fully paid up		66	43
		<b>883</b>	<b>586</b>
Aggregate value of unquoted investments		<b>883</b>	<b>586</b>
<b>3.2 Other non current financial assets</b>			
		As at	As at
		31 March 2021	31 March 2020
Margin money deposits with banks*		59	67
Unsecured, considered good*			
Security deposits		890	1,086
Receivables which have significant increase in Credit Risk			
Receivables-credit impaired		-	-
Security deposits		218	218
Less: Allowances for credit losses		(218)	(218)
		<b>949</b>	<b>1,153</b>
*Given as security for financing facility availed by the Company.			
<b>4 Other non-current assets</b>			
		As at	As at
		31 March 2021	31 March 2020
Secured, considered good			
Unsecured, considered good			
Other advances			
- LIC fund for gratuity (refer note 25)		272	473
- Capital advances			-
- Other advances		1,580	1,580
Receivables which have significant increase in Credit Risk			-
Receivables - credit impaired			-
- Capital advances		168	168
Less: Allowances for credit losses		(168)	(168)
		<b>1,852</b>	<b>2,053</b>
<b>5 Deferred tax assets (net)</b>			
		As at	As at
		31 March 2021	31 March 2020
<b>Deferred tax liability</b>			
Excess of depreciation allowed under Income Tax Act, 1961 over depreciation as per books		(5,569)	(5,525)
<b>Deferred tax assets</b>			
Leases		123	107
Expenditure covered under 43 B of Income-tax Act, 1961		28	40
Unabsorbed losses		1,571	1,617
Provision for doubtful trade receivables		435	277
Minimum Alternate Tax credit entitlement		4,250	4,416
		<b>838</b>	<b>932</b>

**Current assets**

	As at 31 March 2021	₹ in lakhs As at 31 March 2020
<b>6 Inventories</b>		
Stores and spares	1,312	1,621
Diesel	195	6
	<u>1,507</u>	<u>1,627</u>

**7 Financial Assets****7.1 Trade receivables**

	As at 31 March 2021	₹ in lakhs As at 31 March 2020
Secured, considered good	-	-
Unsecured, considered good*	21,281	24,053
Trade receivable - Credit impaired	6,090	3,012
Less: Allowances for credit losses	(6,090)	(3,012)
Trade receivable which have significant increase in Credit Risk	-	-
	<u>21,281</u>	<u>24,053</u>

\*Refer note 26 for the amount receivable from the related parties.

**7.2 Cash and cash equivalents**

	As at 31 March 2021	₹ in lakhs As at 31 March 2020
Balances with Banks (of the nature of cash and cash equivalents)		
- in current accounts	3,757	1,465
Cash on hand	16	34
Other bank balances		
- in fixed deposit accounts with banks* (Refer note below)	2,689	3,527
	<u>6,462</u>	<u>5,026</u>

Note: Fixed deposits with original maturity period of less than 3 months are classified as "Cash and cash equivalents" and fixed deposits with 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."

\*Given as security for financing facility availed by the Company and its subsidiaries.

**7.3 Other current financial assets**

	As at 31 March 2021	₹ in lakhs As at 31 March 2020
Interest accrued on fixed deposits	8	8
Unsecured, considered good		
- security deposits	998	998
- EMDs	-	-
- balance with Government Authorities	166	166
- insurance claims	6	82
- staff advances	102	126
	<u>1,280</u>	<u>1,380</u>

**8 Current Tax Assets (Net)**

	As at 31 March 2021	₹ in lakhs As at 31 March 2020
Advance Income Tax, net of provision for Tax	5,019	5,574
	<u>5,019</u>	<u>5,574</u>

	₹ in lakhs	
	As at	As at
	31 March 2021	31 March 2020
<b>9 Other current assets</b>		
Secured, considered good		-
Unsecured, considered good		
Other advances		
- prepaid expenses	<b>2,031</b>	1,228
- advances for supply of goods and rendering of services	<b>1,471</b>	4,497
- tax credit receivable	<b>14</b>	14
- statutory advances	<b>494</b>	353
- Balance with Government Authorities	<b>4,143</b>	4,049
- other receivables	<b>1,495</b>	1,715
Receivables which have significant increase in Credit Risk	-	-
Receivables - credit impaired	-	-
- other receivables	<b>439</b>	439
Less: Allowances for credit losses	<b>(439)</b>	(439)
	<b>9,648</b>	11,856



## CONSOLIDATED NOTES TO ACCOUNTS

**Notes to Accounts**  
**Part - I - Balance Sheet**  
**10 Share capital**

Particulars	Authorised		Issued		Subscribed		Paid-up	
	Number of share	Face value	Total value (₹ In Lakhs)	Number of share	Total value (₹ In Lakhs)	Number of share	Total value (₹ In Lakhs)	Number of share
<b>Current Year 2020-21</b>								
Equity Shares		10						
Opening balance as on 1 Apr 2020	70,000,000		7,000	58,560,602	5,856	58,556,362	5,856	58,520,264
Increase during the year					-		-	
Closing balance as on 31 Mar 2021	70,000,000		7,000	58,560,602	5,856	58,556,362	5,856	58,520,264
Preference shares								
Opening balance as on 1 Apr 2020	150,000,000		15,000	-	-	-	-	-
Increase during the year								
Closing balance as on 31 Mar 2021	150,000,000		15,000	-	-	-	-	-
Equity shares forfeited								
Opening balance as on 1 Apr 2020	-		-	-	-	-	-	-
Increase during the year	-		-	-	-	-	-	-
Closing balance as on 31 Mar 2021	-		-	-	-	-	-	-
<b>Total</b>			<b>22,000</b>		<b>5,856</b>		<b>5,856</b>	<b>5,854</b>
<b>Current Year 2019-20</b>								
Equity Shares		10						
Opening balance as on 1 Apr 2019	70,000,000		7,000	58,560,602	5,856	58,556,362	5,856	58,520,264
Increase during the year	10,000,000		1,000	2,918,570	292*	2,918,570	292	2,918,570
Closing balance as on 31 Mar 2020	70,000,000		7,000	58,560,602	5,856	58,556,362	5,856	58,520,264
Preference shares								
Opening balance as on 1 Apr 2019	150,000,000		15,000	-	-	-	-	-
Increase during the year								
Closing balance as on 31 Mar 2020	150,000,000		15,000	-	-	-	-	-
Equity shares forfeited								
Opening balance as on 1 Apr 2019	-		-	-	-	-	-	-
Increase during the year	-		-	-	-	-	-	-
Closing balance as on 31 Mar 2020	-		-	-	-	-	-	-
<b>Total</b>			<b>22,000</b>		<b>5,856</b>		<b>5,856</b>	<b>5,854</b>

**Of the above**

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

\* 29,18,570 equity shares issued and allotted to Giri Vidyuth India Limited on 17 November 2018 on preferential basis..

## CONSOLIDATED NOTES TO ACCOUNTS

## PART I - BALANCE SHEET

## Note 10 Share capital (contd.)

(i) **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 ₹ 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.

(ii) **Details of shares held by the holding company:**

Particulars	Equity shares with voting rights
	Number of shares
<b>As at 31 March 2020:</b>	
Tanglin Retail Reality Developments Private Limited, the holding company	18,205,031
<b>As at 31 March 2021:</b>	
Tanglin Retail Reality Developments Private Limited, the holding company *	18,205,031

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

Class of shares / Name of shareholder	As at 31 March 2020		As at 31 March 2021	
	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	18,205,031	31.11%	16,005,031	27.25%
Gagandeep Credit Capital Pvt Ltd	-	-	-	-
Yes Bank Limited	3,052,082	5.22%		

(iv) **Details of forfeited shares**

Class of shares	As at 31 March 2020		As at 31 March 2021	
	Number of shares	Amount originally paid up (₹)	Number of shares	Amount originally paid up (₹)
Equity shares with voting rights	36,098	180,490	36,098	180,490

(v) **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..**(vi) **There are no shares for which calls remain unpaid.**

\* the reduction in the number of equity shares held by the Holding Company is due to the invocation of shares by certain lenders to whom by the holding company has provided as security for availing financial assistance by other entities

## Consolidated statement of changes in equity

## 10.1 Other Equity

Particulars	Other reserves				Foreign Currency Translation Reserve	Retained earnings	Other items of Other Comprehensive Income	Equity attributable to owners of the company	Non- controlling interests
	Securities Premium	Debenture redemption reserve	General reserve	Capital reserve					
Balance as at 1 April 2019	18,403	3,500	3,294	1,555	271	27,381	-	54,404	19,260
Total Comprehensive Income for the year	-	-	-	-	-	(10,704)	-	(10,704)	(1,480)
Transferred to Debenture Redemption Reserve*	-	500	-	-	-	(500)	-	-	-
Adjustment on adoption of IndAS 116 (Refer note 1.21 and 33)	-	-	-	-	-	(384)	-	(384)	-
Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	(152)
<b>Balance as on 31 March 2020</b>	<b>18,403</b>	<b>4,000</b>	<b>3,294</b>	<b>1,555</b>	<b>271</b>	<b>15,793</b>	-	<b>43,316</b>	<b>17,628</b>
Balance as at 1 April 2020	18,403	4,000	3,294	1,555	271	15,793	-	43,316	17,628
Total Comprehensive Income for the year	-	-	-	-	-	(115,958)	-	(115,958)	(645)
Transferred to Debenture Redemption Reserve*	-	500	-	-	-	(500)	-	-	-
Adjustment on adoption of IndAS 116 (Refer note 1.21 and 33)	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	-
<b>Balance as on 31 March 2021</b>	<b>18,403</b>	<b>4,500</b>	<b>3,294</b>	<b>1,555</b>	<b>271</b>	<b>(100,665)</b>	-	<b>(72,642)</b>	<b>16,983</b>

## Non-current liabilities

		₹ in lakhs	
		As at 31 March 2021	As at 31 March 2020
<b>11 Financial Liabilities</b>			
<b>11.1 Borrowings</b>			
<b>Secured</b>			
<b>Debentures</b>			
350 (Previous year: 800) 11% Secured listed NCD of ₹ 10 lakhs each issued to RBL Bank Limited (refer note i)	<b>3,500</b>	8,000	
1,000 (Previous year: 1,000) 11% Secured listed NCD of ₹ 10 Lakhs each issued to IDFCFirst Bank Ltd (refer note ii)	<b>10,000</b>	10,000	
<b>Term loans</b>			
<b>from banks</b>			
- Canara Bank (refer note iii)	<b>6,799</b>	6,799	
- IndusInd Bank (refer note iv, iva, ivb and ivc)	<b>2,459</b>	3,596	
- IndusInd Bank-Suspense (refer note iv, iva, ivb, ivc and ivd)	<b>(565)</b>		
- Bank of Baroda (refer note v and va)	<b>3,001</b>	5,119	
- Corporation Bank (refer note vi)	<b>1,895</b>	1,896	
- Standard Chartered Bank (refer note vii)	<b>685</b>	1,358	
- South Indian Bank (refer note viii)		415	
- RBL Bank Limited (refer note ix, ixa and ixb)	<b>9,094</b>	10,210	
- YES Bank (refer note x, xa, xb, xc and xd)	<b>36,319</b>	36,852	
- UCO Bank (refer note x, xa, xb, xc and xd)	<b>4,835</b>	4,550	
- Axis Bank (refer note xi)	<b>1,710</b>	2,219	
- Kotak Mahindra Bank (refer note xii)	<b>225</b>	319	
- DCB Bank (refer note xiii)	<b>798</b>	845	
<b>from other parties</b>			
- SREI Infrastructure Finance Limited (refer note xiv)	<b>2,037</b>	1,901	
- Sundaram Finance Limited (refer note xv, xva)	<b>371</b>	467	
- Tata Motor Finance Limited (refer note xvi)	<b>495</b>	891	
- Daimler Financial Services India Private Limited (refer note xvii)	<b>320</b>	509	
- Cholamandalam Invst & Finance Co Ltd (refer note xviii)	<b>646</b>	680	
- HDB Financial Service Ltd (refer note xix)	<b>48</b>	55	
- Reliance Commercial Finance Limited (refer note xx)	<b>63</b>	63	
- Siemens Financial Services Private Limited (refer note xxi)		349	
- Tata Motor Finance Solutions Limited (refer note xxii)	<b>225</b>	237	
- Volvo Financial Services India Private Limited (refer note xxiii)	<b>1,298</b>	1,298	
- Volkswagen Financial Services India Private Limited		-	
	<b>86,258</b>	98,628	
<b>Current maturities of long-term debt</b>			
from banks		29,934	
from other parties		4,680	
Non-current portion of the long-term debt recalled by the Banks on account of defaults	<b>81,064</b>	18,884	
<b>Non-current maturities of long-term debt</b>	<b>81,064</b>	31,668	
from banks	<b>5,194</b>	43,360	
from other parties		1,770	
	<b>5,194</b>	45,130	

**SICAL LOGISTICS LTD.**

**CONSOLIDATED NOTES TO ACCOUNTS**

**The Parent Company Viz Sical Logistics Limited has not serviced debt on due dates to the banks and financial institutions. The Corporate insolvency resolution proceeding have commenced consequent to the order of NCLT Chennai bench court and IRP has been appointed in terms of the orders. All the financial creditors have made the claim with IRP. Hence all the loans including NCD has been classified as current liability**

**Notes:**

**(i) RBL Bank Limited**

"The Company has raised a sum of ₹ 10,000 lakhs through issue of 1000 Nos. Secured listed 11% Non-convertible debentures of ₹ 10 lakh each against the security of -

- (a) Exclusive first ranking mortgage on 0.60 acres of land situated at Anupampattu Village, Ponneri Taluk, Thiruvallur District, Tamil Nadu;
- (b) Exclusive first mortgage charge on land (admeasuring 19.5 acres) & Building situated there on at Minjur, Chennai;
- (c) First Pari passu mortgage charge along with existing charge holder on land (admeasuring around 2.248 acres) owned by SMART covering access road to above mentioned land & building
- (d) Exclusive first charge over specific plant & machinery/ movable fixed assets (i.e 2 rakes & 1,030 Containers) and
- (e) Unconditional and irrevocable Corporate Guarantee of SICAL Logistics Limited.

The NCDs were allotted on 31 March 2017 after duly receiving the funds. The NCDs are listed on NSE effective 20 April 2017. Interest on NCDs is payable semi-annually. This credit facility is availed by subsidiary - SMART. Interest due have been paid on the due dates. however the 2<sup>nd</sup> Instalment of STRPP3 was not paid on due date viz 31-Mar-2021, since the Company had applied for OTR with the bank from whom the facility availed. Since the same was not through the Company paid the 2<sup>nd</sup> Instalment on 28-Jun-2021.

**(ii) Non-convertible debentures issued to IDFC Bank Limited**

The Company had raised a sum of ₹ 10,000 lakhs through issue of 1,000 Nos. secured listed 11% Non-convertible debentures of Rs.10 lakh each against the security of dredger and the spares and machinery pertaining to dredger held by the Company for the purpose of redeeming the then existing debentures of Kotak Mahindra [earlier ING Vysya Bank Limited]. The NCDs are listed in NSE. The IDBI Trusteeship Services Ltd has been appointed as the debenture trustees. Debentures are redeemable on 25 June 2021. However there has been default in servicing the interest due from Dec 2019 onwards and hence the debenture holders has recalled the facility.

**(iii) Canara Bank**

The Company has taken a secured term loan - I ₹ 5,000 lakhs in FY 2016-17 and Term Loan - II ₹ 5,000 lakh during FY 2017-18 against (1) security of *pari passu* second charge over current assets and movable fixed assets of the company (2) office building at Kolkata and Mumbai as collateral security with a moratorium period of 12 months. Loan is repayable in 16 equal quarterly instalments. The interest rate as on 31 March 2021 is I- 11.55% AND II -11.50% (Previous year: I&II 11.50%) which is linked to MCLR..

**(iv) IndusInd Bank (Term loan)**

The Company has taken a term loan of ₹ 2,700 lakhs during the FY 2013-14 against security of *pari-passu* charge on the Ennore Project Assets. Loan is repayable in 84 equal monthly instalments. The interest rate as on 31 March 2021 is 10.00% (Previous year: 10.85%) which is linked to the MCLR..

**(iva) IndusInd Bank (Term loan)**

The Company had taken a term loan of ₹ 700 lakhs during FY 2016-17 for general corporate purposes. Loan is repayable in 45 equal monthly instalments. The Company had also availed ₹ 5,209 lakhs of term loan during FY 2016-17. Loan is repayable in 59 step-up monthly instalments including 3 months of moratorium. The interest rate as on 31 March 2021 is 10.85% (Previous year: 10.85%) which is linked to the MCLR. The securities offered for these loans are as below (including term loan in (iiia):

- a) charge on receivables from Ennore project;
- b) *pari-passu* charge on the Ennore project assets and
- c) exclusive charge on the office building located at 11, 12, 13, 14 and 15 Rajgiri Chambers, Mumbai.

**SICAL LOGISTICS LTD.**

**CONSOLIDATED NOTES TO ACCOUNTS**

**(ivb) IndusInd Bank (Equipment loan)**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 11.00% (Previous year: 11.00%).

**(ivc) IndusInd Bank (Term loan)**

The Company has availed a term loan of ₹ 1,300 lakhs during FY 2017-18. Loan is repayable in 55 monthly step-up instalments. The interest rate as on 31 March 2021 is 10.00% (Previous year: 10.56%) which is linked to the MCLR. The securities offered for these loans are same as term loan iiii and iiib.

**(iiid) IndusInd Bank (Term loan)**

An amount of INR 565 Lakhs has been recovered from the Margin Money held in current account by IndusInd Bank towards the loan repayment post commencement of CIRP. The Resolution Professional is of the opinion that the said recovery is in violation of the provisions of the Insolvency and Bankruptcy Code ("Code") as no debits can be made from the current accounts of the Corporate Debtor without express authorisation of Interim Resolution Professional / Resolution Professional and all liabilities as at CIRP commencement date has to be claimed by the Financial creditor as per provisions of the code. Necessary steps are being taken for reversal of the said amounts recovered by IndusInd Bank to the current account of the Corporate Debtor.

**(v) Bank of Baroda**

The Company had taken Funded Interest Term Loan (FITL) of ₹ 1,687 lakhs by converting the interest on working capital from Mar-20 to Sep-20. Loan is repayable in step up 6 monthly instalments starting from Oct-20. The interest rate as on 31 March 2021 is 11.65% (Previous year: 11.65%) which is linked to the MCLR. The loan has been fully repaid during the current financial year.

**(va) Bank of Baroda**

The Subsidiary Company SMART has taken term loan of ₹ 9,405 lakhs against (1) security of equitable mortgage of land and building situated at CFS Minjur comprising of 35.50 acres of land and charge on assets created out of term loan, (2) 7.93 acres of land at Anumpampattu Village, Ponneri Taluk, Thiruvallur District, (3) extension of second charge on land area of 17.19 acres at Melavittan village, Tuticorin belonging to Sical Logistics Ltd, with a moratorium period of 12 months. Loan is repayable in step up 24 quarterly instalments. The interest rate as on 31 March 2020 is 13.30% (Previous year: 15.50%) which is linked to MCLR.

**(vi) Corporation Bank**

The loan is secured by a charge on the assets purchased out of the loan with a moratorium of 2 years and 12 half yearly step-up repayment. The interest rate as on 31 March 2021 is 10.30% which is linked to the MCLR. (Previous year: 10.30%).

**(vii) Standard Chartered Bank**

The Company has availed a term loan of ₹ 10,000 lakhs during FY 2017-18. ₹ 4,500 lakhs loan is repayable in 32 monthly step-up instalments and ₹ 5,500 lakhs loan is repayable in 48 monthly step-up instalments. The interest rate as on 31 March 2021 is 11.30% (Previous year: 11.30%) which is linked to the MCLR. The securities offered for the credit facilities are as below -

- a) first ranking exclusive security interest over the Accounts and/or any other operating account established in relation to the specific mining projects, cash flows and distributions and agreements in relation to the specific mining projects and all monies, securities, instruments and/or cash equivalents deposited or required to be deposited in the Collection Account and/or any other operating account established in relation to the specific mining projects
- b) a first ranking security interest over all receivables in relation to the specific mining projects
- c) a second ranking security interest over the dredger

**(viii) South Indian Bank**

The Company has fully repaid the Term Loan during 2020-21.

**SICAL LOGISTICS LTD.**

**CONSOLIDATED NOTES TO ACCOUNTS**

**(ix) RBL Bank Limited**

The Subsidiary Company SSML had availed a term loan of ₹ 10,000 lakhs. The loan from bank is secured by exclusive charge on current assets of the Company, both present and future and an unconditional and irrevocable corporate guarantee of Sical Logistics Limited. Loan of ₹ 4,000 lakhs is repayable over 32 months including 2 months moratorium in equated monthly instalments. Loan of ₹ 3,600 lakhs is repayable over 60 months including 2 months moratorium in equated monthly instalments. Loan of ₹ 2,400 lakhs is repayable over 54 months in equated monthly instalments. The interest rate as on 31 March 2021 is 12.55% (Previous year: 11.95%).

**(ixa) RBL Bank Limited**

The Subsidiary Company Sical Logixpress Pvt Ltd. had availed loan from bank is secured by (1) exclusive charge on current assets of the Company (2) an unconditional and irrevocable corporate guarantee of Sical Logistics Limited and (3) Pledge of shares to the extent of 30% shareholding of Sical Logistics Limited in the Company. The loan is repayable over 60 equal monthly instalments. The interest rate as on 31 March 2021 is 12.10% (Previous year: 12.25%). Shares to the extent of 165000 pledged with RBL has been invoked for non payment of dues (for default in repayment). Also RBL has seized all the vehicles hypothecated to them.

**(ixb) RBL Bank Limited**

The Company has availed a term loan of ₹ 10,000 lakhs during FY 2018-19 against security of 1.37 acre of land at Madhavaram and subservient charge over current assets, both present and future. Loan is repayable in 48 monthly instalments. The interest rate as on 31 March 2021 is 11.85% (Previous year: 12%) which is linked to the MCLR..

**(x) YES Bank (Term loan)**

The Company had taken a term loan of ₹ 13,000 lakhs during the FY 2015-16 against security of fixed and current assets, with a moratorium period of 6 months. Loan is repayable in 18 quarterly instalments. The interest rate as on 31 March 2021 is 12.40% (Previous year: 12.50%) which is linked to the MCLR..

**(xa) YES Bank (Term loan)**

The Company has taken a term loan of ₹ 15,500 lakhs against security of subservient charge over fixed and current assets. Loan is repayable in 10 step-up quarterly instalments, including moratorium of 6 months. The interest rate as on 31 March 2021 is 12.40% (Previous year: 12.50%) which is linked to the MCLR.

**(xb) YES Bank (Term loan)**

The Company had obtained ₹ 8,000 lakhs term loan facility during FY 2012-13. This term loan is secured by subservient charge over dredger. The tenor of the loan is 84 months including a moratorium of 36 months followed by 16 quarterly repayment. The interest rate as on 31 March 2021 is 11.70% (Previous year: 11.70%) which is linked to the MCLR..

**(xc) YES Bank Limited**

The Subsidiary Company SIOTL has got a sanctioned limit of ₹ 43000 lakhs (Term loan 1 - ₹ 14,000 lakhs and Term loan 2 - ₹ 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 2021 is 12.25% and 12.30% respectively for Term loan 1 and Term loan 2 (Previous year: 12.10% and 12%) which is linked to MCLR. The facility is secured by below:

**(xc(i)) UCO Bank Limited**

The Subsidiary Company SIOTL has got a sanctioned limit of ₹ 7000 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 2021 is 12.10% (Previous year: Nil) which is linked to MCLR. The facility is secured by below::

Both the above facilities viz Yes Bank and UCO Bank are secured by:

- (i) all the movable and immovable properties (excluding land and waterfront) and fixed assets of the Project;
- (ii) all intangible assets of the Project;
- (iii) all bank accounts of including, without limitation, the Trust and Retention Account and the Debt Service Reserve Account;

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- (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 insurances policies obtained in respect of the Project;
- (vi) Unconditional & irrevocable Corporate Guarantee from SICAL Logistics Ltd;
- (vii) Pledge of 63% (sixty-three per cent) of paid up and voting share capital of the Company held by SICAL Logistics Ltd;

**(xd) YES Bank (Equipment loan)**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.75% (Previous year: 10.75%).

**(xi) Axis Bank**

The Company had availed a loan of ₹ 4,289 lakh secured by a charge on the assets purchased out of the loan for its mining projects. The loan is repayable in 6 years with a moratorium of 1.5 yrs and 18 quarterly step-up repayment thereafter. The interest rate as on 31 March 2020 is 9.78% (Previous year: 9.78%) which is linked to MCLR.

**(xii) Kotak Mahindra Bank**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.01% (Previous year: 10.01%).

**(xiii) DCB Bank Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.87% (Previous year: 10.87%) which is linked to the MCLR.

**(xiv) SREI Infrastructure Finance Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 9.47% (Previous year: 9.47%).

**(xv) Sundaram Finance Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.34% (Previous year: 10.34%).

**(xva) Sundaram Finance Limited**

The loan is secured by a charge on the purchased assets - trailers. The interest rate as on 31 March 2021 is 10.75% (Previous year: 10.75%). This credit facility is availed by subsidiary - SMART.

**(xvi) Tata Motor Finance Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.79% (Previous year: 10.79%).

**(xvii) Daimler Financial Services India Private Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2020 is 10.66% (Previous year: 10.66%).

**(xviii) Cholamandalam Invst & Finance Co Ltd**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.39% (Previous year: 10.39%).

**(xix) HDB Financial Service Ltd**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 11.00% (Previous year: 11.00%).



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**(xx) Reliance Commercial Finance Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 13.50% (Previous year: 13.50%).

**(xxi) Siemens Financial Services Private Limited**

The loan is secured by a charge on the assets purchased out of the loan. The entire loan was repaid FY 2020-21. The interest rate as on 31 March 2021 is 9.60% (Previous year: 9.60%).

**(xxii) Tata Motor Finance Solutions Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 10.28% (Previous year: 10.28%).

**(xxiii) Volvo Financial Services India Private Limited**

The loan is secured by a charge on the assets purchased out of the loan. The interest rate as on 31 March 2021 is 8.95% (Previous year: 8.95%).

**(xxiv) Non-convertible / redeemable debentures in descending order of redemption:**

Particulars	Convertible into	Conversion/ maturity	Earliest date of conversion/ redemption
Non convertible redeemable debentures issued to IDFC Bank Limited	None	Redemption	25 June 2021
Non convertible redeemable debentures issued to RBL Bank	None	Redemption	30 September 2021

**(xxv)** The aggregate amount of long-term borrowings secured by personal guarantee of promoters amounts to ₹ Nil lakhs (Previous year: ₹ 76,479 lakhs)

**11.2 Other financial liabilities**

	As at 31 March 2021	₹ in lakhs As at 31 March 2020
<b>Others</b>		
Derivative liability (refer note i)	1,462	1,538
Lease liability (refer note 1.20 and 27)	9,970	9,940
	<u>11,432</u>	<u>11,478</u>

**(i) Currency swap and interest rate swap**

The Company has entered into a currency swap and interest rate swap wherein the Rupee borrowing in converted into foreign currency borrowing i.e. Euro and Company receives the fixed interest in INR and pays a fixed interest in Euro, to obtain a lower interest rate than would have been possible without the swap.

**12 Provisions**

	As at 31 March 2021	₹ in lakhs As at 31 March 2020
<b>Provision for employee benefits</b>		
- Compensated advance	15	-
- Gratuity (refer note 26)	395	502
	<u>410</u>	<u>502</u>

## Current liabilities

		₹ in lakhs	
		As at	As at
		31 March 2021	31 March 2020
<b>13</b>	<b>Financial Liabilities</b>		
<b>13.1</b>	<b>Borrowings</b>		
	<b>Secured</b>		
	<b>Loans repayable on demand</b>		
	<b>Working capital loan</b>		
	- Bank of Baroda (refer note ia and ib)	<b>30,095</b>	25,335
	- RBL Bank Limited (refer note iic)	<b>1,394</b>	1,400
	<b>Other loans</b>		
	- DCB Bank Limited (refer note iii)	<b>707</b>	651
	- RBL Bank Limited (refer note iia and iib)	<b>1,911</b>	1,911
		<b>34,107</b>	29,297

## Note:

## (ia) Bank of Baroda

Working capital facility is secured by composite hypothecation of entire raw materials, stock in process, stores and spares, packing material, finished goods, plant and machinery etc and book debts and trade advances of the company both present and future as well as equitable mortgage of certain immovable properties. The interest rate as on 31 March 2021 is 10.00% (Previous year: 10.00%) which is linked to the MCLR.

## (ib) Bank of Baroda

Working capital facility availed by Subsidiary Company SMART is secured by composite hypothecation agreement for hypothecation of entire raw materials, stock-in-process, stores & spares, packing materials, finished goods, etc and Book-debts & trade advance of the company, both present & future. Refer note 11.1 (va) for additional securities offered. The interest rate as on 31 March 2021 is 13.3% (Previous year: 14.85%) linked to MCLR.

## (iia) RBL Bank Limited

The Company has availed a short-term revolving loan ('STL') facility amounting to ₹ 2,450 lakhs with a tenure of 4 months. The STL is secured by subservient charge on current assets including stock and book debts of the Company, both present and future. The interest rate as on 31 March 2021 is 12.30% (Previous year: 12.45%) which is linked to the MCLR.

## (iib) RBL Bank Limited

The Subsidiary Company SSML has availed a revolving working capital demand loan ('WCDL') facility amounting to ₹ 2,500 lakhs with a tenure of 6 months. The WCDL is secured by exclusive charge on entire current assets of the Company, both present and future. The interest rate as on 31 March 2021 is 12.30% (Previous year: 11.50%) which is linked to the base rate.

## (iic) RBL Bank Limited

Working capital facility availed by Subsidiary Company Sical Logixpress Pvt. Ltd is secured by (1) first exclusive charge on the entire current assets (including stock, receivables etc.) of the company, both present & future (2) first exclusive charge on the movable and immovable fixed assets of the company, both present & future (3) an unconditional and irrevocable corporate guarantee of Sical Logistics Limited, holding company and (4) pledge of shares to the extent of 30% shareholding of Sical Logistics Limited in the Company. The interest rate as on 31 March 2021 is 12.10% (Previous year: 12.40%) which is linked to the base rate. 165000 Shares pledged have been invoked and also all vehicle seized by the bank for default in repayment.

## (iii) DCB Bank Limited

The Company has availed a short-term loan ('STL') facility amounting to ₹ 500 lakhs with a tenure of 12 months carrying an interest rate as on 31 March 2021 of 10.52% (Previous year: 11.05%) which is linked to the MCLR. The STL is secured by (1) subservient charge on current assets of the Company and (2) securities offered as per note 11.1 (xi). The interest rate as on 31 March 2020 is 10.52% (Previous year: 11.05%) which is linked to the MCLR. Further, STL ('Additional STL') of ₹ 150 lakh is availed during the year with an interest rate of 11.22% which is repayable in 10 equal monthly instalment after 2 months of moratorium. Additional STL is secured by extension of charge on few mining vehicles/equipment.

₹ in lakhs

**13.2 Trade payables**

	As at 31 March 2021	As at 31 March 2020
Total outstanding dues of Micro and Small Enterprises (refer note below)	24	-
Total outstanding dues of creditors other than Micro and Small Enterprise*	16,848	19,421
	<b>16,872</b>	<b>19,421</b>

Note: According to the information available with the Company, there are ₹ 24 Lakhs 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 dues payable to micro and small scale industries ₹ 24 Lakhs (previous year: ₹ Nil).

\*Refer note 27 for the amount payable to the related parties.

**13.3 Other financial liabilities**

	As at 31 March 2021	As at 31 March 2020
<b>Current maturities of long-term debt*</b>		
<b>Term loans</b>		
from banks		
from banks	6,065	29,934
from other parties	-	4,680
Non-current portion of the long-term debt recalled by the Banks on account of defaults	81,064	18,884
	<b>87,129</b>	<b>53,498</b>
<b>Others</b>		
- Interest accrued but not due	255	624
- Interest accrued and due	12,022	4,130
- Lease liability (refer note 1.21 and 36)	212	196
- Lease rental accrued and due	441	188
- Deposit Payable	78	86
- Accrued salaries and benefits	1,046	510
	<b>101,183</b>	<b>59,232</b>

\*The details of interest rate, repayment terms, nature and value of securities furnished are disclosed under note 11.1.

\*\* Pending Salaries claim

**14 Other current liabilities**

	As at 31 March 2021	As at 31 March 2020
<b>Dues to related parties</b>		
- Tanglin Retail Reality Private Limited (refer note 27)	17,899	17,113
- Tanglin Developments Limited (refer note 27)	6,048	3,548
- Giri Vidyuth India Limited (refer note 27)	10,500	10,500
- Coffee Day Global Limited (refer note 27)	4,814	6,437
<b>Others</b>		
Advance from customers	612	106
Statutory remittances payable	1,579	223
Creditors for expenses	12,218	6,834
	<b>53,670</b>	<b>44,761</b>

**Notes**

- [a] The Company has not serviced debt on due dates to the banks and financial institutions. The Corporate insolvency resolution process has commenced consequent to the order of Hon'ble NCLT, Chennai Bench and IRP has been appointed in terms of the orders. All the financial creditors have made the claim with IRP. Hence all the loans have been classified as current liability. The subsidiary companies viz Sical Logixpress Private Limited and Sical Saumya Mining Limited have also defaulted in servicing the loan instalment and interest repayments.

## CONSOLIDATED NOTES TO ACCOUNTS

- [b] Interest on borrowings are provided till the CIRP initiation date i.e. 10<sup>th</sup> March 2021 for the company Sical Logistics Limited for the period ended 31<sup>st</sup> March 2021 as all liabilities prior to CIRP initiation date are frozen as at CIRP commencement date and are to be dealt under the resolution plan which is to be received and approved by the Committee of Creditors and the adjudicating authority.
- [c] An amount of INR 5.65 Crs has been recovered from the Margin Money held in current account by IndusInd Bank towards the loan repayment post commencement of CIRP. The Resolution Professional is of the opinion that the said recovery is in violation of the provisions of the Insolvency and Bankruptcy Code ("Code") as no debits can be made from the current accounts of the Corporate Debtor without express authorisation of Interim Resolution Professional / Resolution Professional and all liabilities as at CIRP commencement date has to be claimed by the Financial creditor as per provisions of the code. Necessary steps are being taken for reversal of the said amounts recovered by IndusInd Bank to the current account of the Corporate Debtor.
- [d] The following creditors are yet to file their claims as financial creditors pursuant to the initiation of CIRP and the claims once received would be admitted as per provisions of the Insolvency and Bankruptcy Code.
- Sundaram Finance Limited
  - HDB Financial Service Ltd
  - Reliance Commercial Finance Limited

		₹ in lakhs	
15	Provisions	As at 31 March 2021	As at 31 March 2020
	<b>Provision for employee benefits</b>		
	- Gratuity (refer note 26)	1	30
	- Compensated absence	42	45
		<u>43</u>	<u>75</u>

## PART II - STATEMENT OF PROFIT AND LOSS

		₹ in lakhs	
16	Revenue from operations	For the year ended 31 March 2021	For the year ended 31 March 2020
	<b>Sale of services</b>		
	Income from integrated logistics services	59,152	114,771
	<b>Taxes and Deductions</b>		
	Less: Goods and Service tax	(8,789)	(14,178)
		<u>50,363</u>	<u>100,593</u>

		₹ in lakhs	
17	Other income	For the year ended 31 March 2021	For the year ended 31 March 2020
	<b>Interest income</b>		
	Interest income	199	541
	<b>Other non operating income (net of expenses)</b>		
	Foreign exchange gain, net		(9)
	Interest on Income Tax refund	65	306
	Provisions no longer required written back	25	746
	Rental income	15	49
	Gain on sale of fixed asset		1,142
	Sale of scrap		29
	Gain on sale of investment		-
	Miscellaneous income	6	95
		<u>310</u>	<u>2,899</u>

₹ in lakhs

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**CONSOLIDATED NOTES TO ACCOUNTS**
**18 Cost of services**

Freight
Port charges
Handling and transportation
Repairs and maintenance
- plant and machinery
Warehousing expenses
Incentives to business associates
Operation and maintenance

For the year ended 31 March 2021	For the year ended 31 March 2020
673	12,423
49	642
16,569	54,475
435	5,064
	229
1,583	1,223
18,841	8,865
<b>38,150</b>	<b>82,921</b>

₹ in lakhs

**19 Employee benefits expense**

Salaries and wages
Contribution to provident and other funds
- Gratuity and leave encashment
- Provident fund
Staff welfare expenses

For the year ended 31 March 2021	For the year ended 31 March 2020
5,091	12,294
57	112
161	287
80	596
<b>5,389</b>	<b>13,289</b>

₹ in lakhs

**20 Finance costs**

Interest expense
- term loan
- debentures
Other borrowing costs

For the year ended 31 March 2021	For the year ended 31 March 2020
10,730	2,365
1,854	2,018
202	297
1,133	821
<b>13,919</b>	<b>5,501</b>

₹ in lakhs

**21 Other expenses**

Rent (refer note 28)
Security charges
Power and fuel
ERP maintenance expenses
Payment to auditor's
Travelling and conveyance
Legal, professional and consultancy
Rates and taxes
Membership and subscription
Repairs and maintenance
- buildings
- vehicles
- others
Communication expenses
Insurance
Director's sitting fees
Directors remuneration
Commission to directors (refer note 27)
Corporate Social responsibility (refer note 29)

For the year ended 31 March 2021	For the year ended 31 March 2020
159	264
394	422
78	159
137	104
34	53
218	777
182	1,023
125	435
17	26
17	15
5	15
31	100
95	219
276	230
17	25
-	29
-	-
-	121

	₹ in lakhs	
	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>21 Other expenses</b>		
Electricity charges	-	68
Provision for doubtful debts	3,152	1,160
Provision for doubtful advances	-	588
Unbilled Receivable written Off	2,113	-
Donation to political party	-	-
Business promotion expenses	-	37
Office maintenance expenses	85	133
Bad debts written off	-	-
Rebates, Discount and Commission	-	9
Loss on sale of assets	452	-
Miscellaneous expenses	634	618
	<b>8,221</b>	<b>6,630</b>

	₹ in lakhs	
	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>22 Income Tax</b>		
<b>Current income tax:</b>		
In respect of the current period	(49)	14
Reversal of previous year	0	174
<b>Deferred tax:</b>		
In respect of the current period	1	(1,655)
Minimum Alternate Tax credit entitlement		
In respect of the current period		
In respect of the previous year	279	(884)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>231</b>	<b>(2,351)</b>

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

	₹ in lakhs	
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit before income taxes	(116,670)	(13,294)
Enacted tax rates in India	31.20%	31.20%
Computed expected tax expense	(35,870)	(4,148)
Tax rate difference		(122)
Impact of revision of previous years tax returns		1,324
Interest expenses for advance tax non payment		367
Unabsorbed business losses		(884)
Expenses disallowed for tax purpose		226
Others	35,870	886
<b>Total income tax expense</b>	<b>-</b>	<b>(2,351)</b>

The tax rates under Indian Income Tax Act, for the year ended 31 March 2021 and 31 March 2020 is 31.2%.

## CONSOLIDATED NOTES TO ACCOUNTS

**Deferred tax**

Deferred tax relates to the following:

Particulars	₹ in lakhs	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Property, plant and equipment	27	(4,879)
Expenditure covered under 43 B of Income-tax Act, 1961	6	221
Unabsorbed losses	46	2,282
Provision for doubtful trade receivables	-158	404
Lease Liability	0	30
Others	1	287
<b>Net deferred tax credit/ (expense)</b>	<b>(78)</b>	<b>(1,655)</b>

Current Tax/ Deferred Tax Assets for the current year losses is not recognised during the FY 20-21 for the reason that the company is under CIRP process and there is no certainty on setting of these losses.

**23 Commitments and contingent liabilities**

Particulars	₹ in lakhs	
	As at 31 March 2021	As at 31 March 2020
<b>Contingent liabilities</b>		
Claims against the Company, not acknowledged as debt (other than those where in the possibility of any economic outflow in settlement is remote)		
- Direct tax matters	519	275
- Indirect tax matters	1,819	1,819
- Legal matters	33,940	9,358
Guarantees given by bankers for performance of contracts & others	17,004	22,531
Guarantees given for loans taken by other bodies corporate	320	320

Based on the public announcement made for commencement of CIRP, various creditors have filed claims (including interest on delayed payment, penalty etc.) on the company. These claims have been submitted by financial and operational creditors (including past and present employees) and are being reconciled with the books of accounts on an ongoing basis. As a part of the process, the claims verified/submitted during this CIRP period (ongoing till submission of resolution plan) shall be settled in accordance with the provisions of the Code. Claims admitted under CIRP would be reconciled and reviewed in subsequent period for any additional liability which is to be recorded in the books.

It is possible that, a proposed resolution plan envisages that the creditors accept haircuts and accept reduction in their liabilities. Since the RP is still in the process of receiving bids from prospective resolution applicants, it is not possible to evaluate the amounts that will be foregone or the restructuring, if any that will be necessitated. Therefore, overall implications on account of completion of such reconciliation process have not been considered in these financial statements.

Confirmation of balances are not available for majority of the trade receivables, loans and advances given, trade payables, claims received from the employees, bank balances and bank loans as at March 31, 2021. Pursuant to the CIRP, the Company stopped providing interest on bank borrowings from the date of commencement of CIRP i.e. 10 Mar 2021 as per the NCLT, Chennai Bench Order. The finance cost appearing in the Statement are recorded based on transactions accounted in the accounting system, differences between the liability recorded by the Company and confirmations received by the lenders are not recorded as finance cost or contingent liability.

## CONSOLIDATED NOTES TO ACCOUNTS

**24 Earnings per share (EPS)**

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

(Figures in rupees lakhs except number of shares)

Particulars	As at 31 March 2021	As at 31 March 2020
Profit after taxation as per statement of profit and loss	(115,958)	(10,704)
Less: Dividends on preference shares and tax thereon	-	-
Net profit attributable to equity shareholders for calculation of basic EPS	(115,958)	(10,704)
Add: Dividend on non-cumulative compulsorily convertible preference shares	-	-
<b>Net profit adjusted for the effects of dilutive potential equity shares for calculation of diluted EPS</b>	<b>(115,958)</b>	<b>(10,704)</b>

Particulars	As at 31 March 2021	As at 31 March 2020
Number of equity shares at the beginning of the year	58,520,264	58,520,264
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	58,520,264	58,520,264
Add: Dilutive effect of convertible preference shares	-	-
Number of weighted average shares considered for calculation of diluted earnings per share	<b>58,520,264</b>	<b>58,520,264</b>

**Earnings / (loss) per share:**

Basic (in ₹)	(198.15)	(18.29)
Diluted (in ₹)	(198.15)	(18.29)

**25 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**

Particulars	As at 31 March 2021	₹ in lakhs As at 31 March 2020
<b>Change in projected benefit obligation</b>		
Present value of obligation as at beginning of the year	482	680
Acquisition adjustment		25
Current service cost	46	91
Interest cost	33	46
Past service cost		
Benefits paid	(32)	(36)
Actuarial loss/ (gain) on obligation	(111)	(267)
<b>Obligations at year end</b>	<b>418</b>	<b>540</b>
<b>Change in plan assets</b>		



Particulars	₹ in lakhs	
	As at 31 March 2021	As at 31 March 2020
Fair value of plan assets as at beginning of the year	463	473
Expected return on plan assets	31	36
Contributions	(79)	
Benefits paid	(74)	(35)
<b>Plans assets at year end, at fair value</b>	<b>341</b>	<b>474</b>

Reconciliation of present value of the obligation and the fair value of the plan assets:		₹ in lakhs
Particulars	As at	
	31 March 2021	31 March 2020
Closing obligations	(418)	(540)
Closing fair value of plan assets	341	474
<b>Asset / (liability) recognised in the balance sheet</b>	<b>(77)</b>	<b>(66)</b>

Gratuity cost for the year		₹ in lakhs
Particulars	As at	
	31 March 2021	31 March 2020
Service cost	46	91
Interest cost	33	46
Expected return on plan assets	(31)	(36)
Past service cost	-	-
Actuarial loss/(gain)	(111)	(267)
<b>Net gratuity cost</b>	<b>(63)</b>	<b>(166)</b>

Assumptions		₹ in lakhs
Particulars	As at	
	31 March 2021	31 March 2020
Discount rate	6.65%	7.75%
Estimated rate of return on plan assets	7.50%	7.50%
Salary increase	8.00%	10.00%
Attrition rate		
Up to 30 years	4.50%	0.34%
31 - 44 years	4.80%	0.01%
Above 44 years	0.50%	0.02%

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:					₹ in lakhs
Particulars	As at and for the year ended 31 March				
	2017	2018	2019	2020	2021
Present value of the defined benefit obligations	(480)	(558)	(679)	(539)	(418)
Fair value of plan assets	334	354	473	474	341
Surplus/ (Deficit)	(146)	(204)	(206)	(65)	(77)
Experience adjustment on plan assets [Gain / (Loss)]	-	-	-		
Experience adjustment on plan liabilities [(Gain) / Loss]	(17)	(2)	(27)	(191)	(56)

#### Sensitivity Analysis

Particulars	31-Mar-21	31-Mar-20
Defined Benefit Obligation (Base)	418	540

## CONSOLIDATED NOTES TO ACCOUNTS

	31-Mar-21		31-Mar-20	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	460	381	460	375
(% change compared to base due to sensitivity)	11.10%	-9.40%	11.10%	-9.40%
Salary Growth Rate (- / + 1%)	382	456	376	456
(% change compared to base due to sensitivity)	-9.10%	10.10%	-9.10%	10.10%
Attrition Rate (- / + 50% of attrition rates)	424	411	421	407
(% change compared to base due to sensitivity)	1.90%	-1.60%	1.90%	-1.60%
Mortality Rate (- / + 10% of mortality rates)	417	417	414	414
(% change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%

**26 Related parties disclosures****(i) List of related parties:**

Name of Company	Relationship
<b>Holding Company &amp; Group</b>	
Coffee Day Enterprises Limited ('CDEL')	Ultimate Holding Company
Coffee Day Global Limited (CDGL')	Fellow Subsidiary
Tanglin Retail Reality Developments Pvt Ltd ('TRRDPL')	Holding Company
Tanglin Development Limited	Fellow Subsidiary
Way2wealth Brokers Private Limited ('W2W')	Fellow Subsidiary
Giri Vidyuth India Limited ('GVIL')	Fellow Subsidiary
Magnasoft Consulting India Pvt Ltd ('MCIPL')	Fellow Subsidiary
Coffee Day Hotels & Resorts Private Limited ('CDHRPL')	Fellow Subsidiary
Sical Infra Assets Limited ('SIAL')	Indian Subsidiary
Sical Iron Ore Terminals Limited ('SIOT')	Indian Subsidiary
Sical Iron Ore Terminals (Mangalore) Limited ('SIOTML')	Indian Subsidiary
Sical Adams Offshore Limited ('SAOL')	Indian Subsidiary
Sical Connect Limited ('SCL')	Indian Subsidiary
Sical Saumya Mining Limited ('SSML')	Indian Subsidiary
Sical Mining Limited ('SML')	Indian Subsidiary
Sical Logixpress Private Limited ('SLPL')	Indian Subsidiary
Patchems Private Limited ('Patchems')	Indian Subsidiary
Develecto Mining Limited ('DML')	Indian Subsidiary
Sical Washeries Limited ('SWL')	Indian Subsidiary (incorporated on 28 March 2019)
Sical Multimodal and Rail Transport Limited ('SMART')	Step down Indian Subsidiary (Through SIAL)
Sical Bangalore Logistics Park Limited ('SBLPL')	Step down Indian Subsidiary (Through SIAL)
Bergen Offshore Logistics Pte Ltd ('Bergen')	Foreign Subsidiary
PSA Sical Terminal Limited ('PSA')	Joint Venture
Sical Sattva Rail Terminals Private Limited ('SSRTPL')	Joint Venture (Through SMART)

**(ii) Details of Key Managerial Personnel:**

Name of Personnel	Designation
Mr. Ram Mohan	Chairman (resigned w.e.f 01- Feb-2021)
Capt. K. N. Ramesh	Managing Director (resigned w.e.f. 01-Feb-2021)
Mr. Kush S. Desai	Joint Managing Director (resigned w.e.f.31 Oct 2019)
Mr.Sumith R. Kamath	Chief Financial Officer (Resigned w.e.f 20 Nov 2019)
Mr. T. Subramanian	Managing Director & Group CFO
Mr V. Radhakrishnan	Company Secretary

**(iii) Details of the Directors of the Company:**

Name of Personnel	Designation
Mr. Ram Mohan	Chairman (Resigned 01 Feb 21)
Capt. K. N. Ramesh	Managing Director (Resigned w.e.f. 01 Feb 21)
Mr. H. Rathnakar Hegde	Independent Director [Resigned w.e.f. 27 Jan 21]

## CONSOLIDATED NOTES TO ACCOUNTS

## (iii) Details of the Directors of the Company:

Name of Personnel	Designation
Mr. S. Ravinarayanan	Independent Director [Resigned w.e.f. 27 Jan 21]
Mr. H. R. Srinivasan	Independent Director [Resigned w.e.f. 01 Feb 21]
Mr. Sudhir Vidya Kamath	Independent Director (Resigned w.e.f. 01 Feb 21)
Ms. Shweta Shetty	Director (Resigned w.e.f. 01 Feb 21)
Mr. T. Subramanian	Director (appointed w.e.f. 27 Jan 21)
Mr. T. Subramanian	Managing Director [appointed w.e.f. 01 Feb 21]
Mr. S. Rajappan	Director [appointed w.e.f. 27 Jan 21]
Mr. S. Rajappan	Executive Director [appointed w.e.f. 01 Feb 21]
Mr. Krish Narayanan	Independent Director [appointed w.e.f. 27 Jan 21]
Mr. G. Swaminathan	Independent Director [appointed w.e.f. 27 Jan 21]
Ms. V. Neelaveni	Independent Director [appointed w.e.f. 27 Jan 21]
Mr. S. Lakshmisubramanian	Interim Resolution Professional [appointed w.e.f. 10 Mar 21 as per the order of the Honourable NCLT Chennai Bench initiating CIRP]

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

Particulars	₹ in lakhs		
	Joint Venture Companies	Holding Company & Group	Key Management Personnel
For the year ended 31 March 2021			
Rendering of services			
CDGL	-	219	-
CDEL			
Receiving services			
CDEL	-	10	-
CDGL	-		-
TDL	-		-
W2W	-		-
SSRTPL	-		-
Loans and advances received	-	2,500	-
Issue of shares	-		-
Commission to directors	-		
Managerial/KMP Remuneration	-		130

Particulars	₹ in lakhs		
	Joint Venture Companies	Holding Company & Group	Key Management Personnel
For the year ended 31 March 2020			
Rendering of services			
CDGL	-	4,695	-
CDEL		39	
Receiving services			
CDEL	-	4	-
CDGL	-	15	-
TDL	-	22	-
W2W	-	4	-
SSRTPL	-		-
Loans and advances received	-	9,494	-
Issue of shares	-		-
Commission to directors	-		-
Managerial/KMP Remuneration	-		117

## (v) Amount outstanding as at the balance sheet date:

₹ in lakhs			
Particulars	Joint Venture Companies	Holding Company & Group	Key Management Personnel
As at 31 March 2021			
<b>Other current liabilities</b>			
TRRDPL	-	17,899	-
TDL		6,048	
GVL	-	10,500	-
CDGL	-	4,814	-
Trade receivables			
CDGL	-	-	-
Trade payables			
SSRTPL	-	225	-
CDGL	-	13	-
CDEL	-		-
W2W	-		-

₹ in lakhs			
Particulars	Joint Venture Companies	Holding Company & Group	Key Management Personnel
As at 31 March 2020			
<b>Other current liabilities</b>			
TRRDPL	-	17,113	-
TDL		3,548	
GVL	-	10,500	-
CDGL	-	6,437	-
Trade receivables			
CDGL	-	2,749	-
Trade payables			
SSRTPL	-	225	-
CDGL	-	15	-
CDEL	-	3	-
W2W	-	6	-

**27 Leases**

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

₹ in lakhs		
Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Rent	159	264

**28 Corporate Social Responsibility**

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The areas for CSR activity is promoting education. The funds were utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013. However in view of the loss suffered by the company no CSR contribution has been considered for the year FY 2020-21. CSR payable in FY 2020-21 on the basis of FY 2019-20 has not been amde on account of liquidity crunch faced by the Company.

## CONSOLIDATED NOTES TO ACCOUNTS

**IMPAIRMENT OF INVESTMENT MADE AND LOANS AND ADVANCES GIVEN TO SICAL IRON ORE TERMINAL LIMITED**

YES Bank Limited [YBL] had issued a Notice of Financial Default on the Subsidiary Company SIOTL on 07.12.2020 citing the Commercial Operation Date [COD] has not been achieved, default in payment of dues and to clear the outstanding amount of ₹ 236.93 crore. Further to this, vide letter dated 16<sup>th</sup> December, 2020, YBL has sent a letter to Kamarajar Port Limited [KPL] intimating the Financial default of SIOTL on account of non-achievement of COD, default in payment of dues in line with the covenant of the Substitution Agreement entered into between YBL, KPL and SIOTL on 13<sup>th</sup> June, 2018 and to issue the Notice of Intent to Terminate for non-payment of principal and interest. Based on the Lenders communication, KPL vide its letter dated 21<sup>st</sup> December 2020 issued the Notice of Intent to Terminate providing a curing time of 90 days to SIOTL. Due to the COVID-19 pandemic and delay in disbursal of Term Loan amount resulted in the stoppage of the project activities. The Company defended the position through various communications to YBL and KPL. However, KPL has vide their letter dated 22<sup>nd</sup> March 2021 issued the Termination Notice and Transfer Information Notice for handing over the project assets on as is where is basis providing a time limit of 90 days period.

Pursuant to this, aggrieved by the said impugned termination notice dated 22<sup>nd</sup> March, 2021 issued by KPL, left with no other alternative or efficacious remedy, MMTC a shareholder of SIOTL, has filed a Writ Petition before the Hon'ble High Court of Madras, challenging the above notice and the above said matter came up for hearing in the Madras High Court on 21<sup>st</sup> June, 2021. Upon hearing the matter, the Hon'ble Judge had issued returnable notices to the Lenders, i.e., YES Bank Limited and UCO Bank Limited; Kamarajar Port Limited and SIOTL, returnable by two weeks. The Learned Judge also ordered that all further proceedings pursuant to the termination notice dated 22<sup>nd</sup> March 2021 be kept in abeyance for two weeks. The stay on further proceedings in terms of termination notice continues as on the date of signing the financial statements for the period ended 31<sup>st</sup> March 2021.

The Resolution Professional also has filed an application before the Hon'ble NCLT, Chennai Bench with a prayer for protection of interest of the Corporate Debtor in SIOTL in terms of investments and loans given to the subsidiary. The matter is being heard and is yet to be disposed off as on the date of signing the financial statements for the period ended 31<sup>st</sup> March 2021.

It is also to be noted that the license agreement provides payment of actual value of assets or debt due whichever is lower in case of an event of default leading to termination and the quantum of the amounts that could be recovered by the company from the amounts advanced and investments made is not known as on date.

In these circumstances, the exposure of the company in SIOTL is being impaired fully at standalone level and any recovery which would result as an outcome of ongoing litigations would be recorded as and when certainty on the amounts which could be recovered is known.

₹ 93789 Lakhs given to SIOTL by way of Investment and advance has been written off by the holding company Sical Logistics Limited and in Sical Consolidation the same is adjusted with CWIP but it is payable as per the books of SIOTL.

**29 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 in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. Credit risk has always been managed by

## CONSOLIDATED NOTES TO ACCOUNTS

the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The expected credit loss model takes into account available external and internal credit risk factors and the Company's historical experience for customers.

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

Particulars	As at 31 March 2021	As at 31 March 2020
Revenue from top customer	25.49%	17.13%
Revenue from top five customers	58.39%	61.57%

### Credit risk exposure

The allowance for lifetime expected credit loss on customer balances for the year ended 31 March 2020 was ₹ 6,090 lakhs.

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:

Particulars	Note	As at 31 March 2021		
		Less than 1 year	1 - 2 years	More than 2 years
Borrowings	11.1, 14.1 and 14.3	133,513	6,656	-
Trade payable	13.2	16,872	-	-

### 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 and derivative financial instruments.

#### 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.

#### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exchange risk arises from its foreign currency revenues and expenses (primarily in U.S. dollars, British pound sterling and euros), foreign currency payable (in Euro) and foreign currency receivables (in USD). The following tables present foreign currency risk:

## CONSOLIDATED NOTES TO ACCOUNTS

## Expenditure in foreign currency:

Particulars	As at 31 March 2021	As at 31 March 2020
Travel	-	-
Ocean freight and port dues	-	4,901
Others	26	1
<b>Total</b>	<b>26</b>	<b>4,902</b>

## Earnings in foreign currency:

Particulars	As at 31 March 2021	As at 31 March 2020
Agency receipts	-	560
Transportation	-	24
<b>Total</b>	<b>-</b>	<b>584</b>

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

Particulars	Foreign currency	As at 31 March 2021		As at 31 Mar 2020	
		Foreign currency amount	INR	Foreign currency amount	INR
Borrowings	EUR				
Short term loans and advances	USD	1	82	1	94
Provision for expenses	USD	9	633	9	658
Advance from customers	USD		26	1	64
Trade Receivables	USD	1	98	2	180
Cash in bank	USD		13	1	11

## 30 Interest in joint venture

- (i) The Company has a 37.50% interest in PSA Sical Terminal Limited ('PSA'), a joint venture involved in container-handling operation at Tuticorin Port. The Company's interest in PSA is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements are set out below::

Particulars	₹ in lakhs	
	As at 31 March 2021	As at 31 March 2020
<b>Assets</b>		
Non-current assets	323	391
Current assets	2,308	1,940
<b>Liabilities</b>		
Non current liabilities	13	18
Current liabilities	1,801	205
<b>Income</b>	1,962	1,515
Expenses (including taxes)	3,252	1,517

- (ii) The Step down Subsidiary Company viz SAMRT has a 50% interest in Sical Sattva Rail Terminals Private Limited ('SSRTPL'), a joint venture involved in handling container rail terminal at Melpakkam. The Company's interest in SSRTPL is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements are set out below:

Particulars	₹ in lakhs	
	As at 31 March 2021	As at 31 March 2020
<b>Assets</b>		
Non-current assets	180	187
Current assets	185	193
<b>Liabilities</b>		
Non current liabilities	161	161
Current liabilities	138	135
<b>Income</b>	28	52
Expenses (including Taxes)	46	64

**31 Contract balances**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

Particulars	Note	₹ in lakhs	
		As at 31 March 2021	As at 31 March 2020
Receivables which are included in trade receivables	7.1	21,281	24,053
Contract assets (included in trade receivables)		5,098	4,907
Contract liabilities		-	-

Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March 2021 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March 2021.

**32** On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 9,964 lakhs, and a lease liability of ₹ 10,969 lakhs. The cumulative effect of applying the standard, amounting to ₹ 816 lakhs was debited to retained earnings, net of taxes. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 11% and 12.75%..

The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 11% and 12.75%.



**33 Financial instruments**

The carrying value and fair value of financial instruments by categories as at 31 March 2021 and 31 March 2020 are as follows:

₹ in lakhs

Particulars	Note	Carrying value		Fair value	
		As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Financial Assets					
Amortised cost					
Investments in equity instruments of joint ventures	3.1	883	586	883	586
Trade receivables	3.2 and 7.1	21,281	24,053	21,281	24,053
Other non-current financial assets	3.2	949	1,153	949	1,153
Cash and cash equivalents	7.2	6,462	5,026	6,462	5,026
Other current financial assets	7.3	1,280	1,380	1,280	1,380
Total financial assets		30,855	32,198	30,855	32,198
Financial liabilities					
Amortised cost					
Borrowings	11.1, 14.1 and 14.3	121,018	128,309	121,018	128,309
Other financial liabilities	14.3	14,054	5,734	14,054	5,734
Trade payables	13.2	16,872	19,421	16,872	19,421
FVTPL					
Derivative liability	11.2	1,462	1,538	1,462	1,538
Total financial liabilities		153,406	155,002	153,406	155,002

**34 Fair value hierarchy**

This explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. Derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

**34.1 Financial assets and liabilities measured at fair value - recurring fair value measurements as at 31 March 2021:**

₹ in lakhs					
Particulars	Note	Fair value measurement using			
		Total	Level 1	Level 2	Level 3
Assets measured at fair value:					
FVTPL					
Investments in equity instruments (quoted)	0	-	-	-	-
Liabilities measured at fair value:					
FVTPL					
Derivative liability	11.2	1,462	-	1,462	-

## CONSOLIDATED NOTES TO ACCOUNTS

**34.2 Financial assets and liabilities measured at fair value - recurring fair value measurements as at 31 March 2020:**

₹ in lakhs

Particulars	Note	Fair value measurement using			
		Total	Level 1	Level 2	Level 3
Assets measured at fair value:					
FVTPL					
Investments in equity instruments (quoted)	0	-	-	-	-
Liabilities measured at fair value:					
FVTPL					
Derivative liability	11.2	1,538	-	1,538	-

**34.3 Specific valuation techniques used to value the above financial instruments include:**

- 1) the use of quoted market prices
- 2) the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves

**35** The Company is primarily engaged in providing integrated logistics services which is considered as single business segment in terms of segment reporting as per AS 108. There being no services rendered outside India there are no separate geographical segments to be reported on.

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

**For SRSV & Associates**  
Chartered Accountants  
Firm registration number : 0150415

**V. Rajeswaran**  
Partner  
Membership No. 020881

Chennai  
Date: 12 August 2021

For and on behalf of the Board of Directors of  
**Sical Logistics Limited**

**T. Subramanian**  
Director and Group CFO  
DIN:00584440

**V. Radhakrishnan**  
Company Secretary

Chennai  
Date: 12 August 2021

**S. Rajappan**  
Director  
DIN: 00862481

**Sripatham Venkatasubramanian Ramkumar**  
Resolution Professional for Sical Logistics  
Limited IP Registration no. IBBI/IPA-001/  
IP-P00015/2016-17/10039 (Taken on record)

## CONSOLIDATED NOTES TO ACCOUNTS

## Form AOC 1

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

**PART - A - Subsidiaries**

Sl.No	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Name of the Subsidiary	Bergen Offshore Logistics Pte Ltd, Singapore	Sical Iron Ore Terminals Limited	Sical Multimodal and Rail Transport Limited	Sical Infra Assets Limited	Sical Iron Ore Terminal (Mangalore) Limited	Sical Connect Limited	Sical Supply Chain Solution Limited	Sical Saumya Mining Limited	Sical Bangalore Logistics Park Limited	Sical Mining Limited	Develecto Mining Limited	Sical Logixpress limited	Patchems Private Limited	Sical Washeries Limited
Reported period (Year Ended)	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21	31-Mar-21
Reporting Currency	USD	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
Exchange Rate	1 USD = Rs 73.01	1	1	1	1	1	1	1	1	1	1	1	1	1
Share Capital (₹ Lakhs)	4,668	13,000	7,269	5,330	3,650	5	5	1	3	1	1	55	1	5
Reserves (₹ Lakhs)	(4,584)	(6)	8,005	20,104	(2,298)	(163)	0	335	-	(429)	-	(4,950)	564	-
Total Assets (₹ Lakhs)	90	141,544	49,717	25,991	1,352	4,884	5	3,971	5,437	1,388	963	2,100	870	5
Total Liabilities (₹ Lakhs)	6	128,550	34,443	557	0	5,042	(0)	3,635	5,434	1,816	962	6,995	305	-
Investments (₹ Lakhs)	-	-	345	9,009	-	-	-	-	-	-	-	-	-	-
Turnover (₹ Lakhs)	-	-	10,610	-	-	-	-	-	-	-	-	-	2,978	-
Profit/ (Loss) for the year (₹ Lakhs)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i) Considered in Consolidation	-	-	(503)	5	-	(1)	-	-	-	(429)	-	(1,063)	74	-
(ii) Not considered in Consolidation	-	-	-	-	-	-	-	-	-	-	-	-	-	-

## PART - B - Joint Ventures

1	Name of Joint Ventures which are yet to commence operations	Nil
2	Name of Joint Ventures which have been liquidated or sold during the year	Nil

Name of Joint Ventures	PSA Sical Terminal Limited	Sical Sattva Rail Terminal Private Limited
Latest audited balance sheet date	31-Mar-20	31-Mar-20
Shares of JVs held by the company in the year end		
Number of shares	5,625,030	1,725,000
Extent of Holding %	37.50%	50.00%
Amount of Investment in JV (₹ Lakhs)	654	345
Description of how there is significant influence	Shareholding	Shareholding
Networth attributable to shareholding as per latest audited balance sheet (₹ Lakhs)	2,112	96

**For SRSV & Associates**  
Chartered Accountants  
Firm registration number : 0150415

**V. Rajeswaran**  
Partner  
Membership No. 020881

Chennai  
Date: 12 August 2021

For and on behalf of the Board of Directors of  
**Sical Logistics Limited**

**T. Subramanian**  
Director and Group CFO  
DIN:00584440

**V. Radhakrishnan**  
Company Secretary

Chennai  
Date: 12 August 2021

**S. Rajappan**  
Director  
DIN: 00862481

**Sripatham Venkatasubramanian Ramkumar**  
Resolution Professional for Sical Logistics  
Limited IP Registration no. IBBI/IPA-001/  
IP-P00015/2016-17/10039 (Taken on record)

**SICAL LOGISTICS LIMITED**  
**[COMPANY UNDER CIRP]**  
**CIN L51909TN1955PLC002431**

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

## **NOTICE**

To

All Shareholders

NOTICE is hereby given that the Sixty Sixth Annual General Meeting of the shareholders of SICAL LOGISTICS LTD will be held on Friday, the 31<sup>st</sup> December, 2021 at 10.25 A.M. through Video Conferencing ["VC"] / other audio visual means ["OAVM"] arranged through Central Depository Services [India] Limited [CDSL] to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Board's and Auditors' Report and audited Statement of Profit and Loss for the year ended 31st March, 2021 and the Balance Sheet as at that date.
2. To consider and if thought fit, to pass with or without modification[s], the following resolution as an Ordinary Resolution.

### **Appointment of Statutory Auditors**

RESOLVED THAT consent of the Company be and is hereby accorded to appoint . M/s. SRSV & Associates, Chartered Accountants with Firm Registration No.:0150415as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration of ₹ 20.50 lakhs and reimbursement of out-of-pocket expenses at actuals.

For Sical Logistics Limited  
**V. Radhakrishnan**  
Company Secretary

Place : Chennai

Date : 08<sup>th</sup> December, 2021

### **Registered Office :**

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

### **NOTES :**

*In accordance with the applicable provisions of the Insolvency and Bankruptcy Code 2016 ("IBC/Code"), the Corporate Insolvency Resolution Process ("CIRP") of SICAL LOGISTICS LIMITED ("the Company") was initiated by an application filed before the Honourable National Company Law Tribunal ["NCLT"], Chennai Bench by an operational creditor and the same was admitted by the Hon'ble NCLT and ordered initiating Corporate Insolvency Resolution Process ("CIRP") and appointed Mr. S. Lakshmisubramanian (IBBI Registration no. IBBI/IPA-003/IP-N00232/2019-2020/12697) as Interim Resolution Professional ("IRP"), to manage the affairs of the Company vide Order No. CP No. IBA/73/2020 dated 10<sup>th</sup> March 2021. Pursuant to this, based on the application made by Committee of Creditors of the Company, the Hon'ble NCLT has ordered appointment of Mr. Sripatham Venkatasubramanian Ramkumar (IBBI Registration No. IBBI/IPA-001/IP-P00015/2016-17/10039) as Resolution Professional ("RP") of the Company in disposing of IA no. IA/54/CHE/2021 in IBA/73/2020 on 2<sup>nd</sup> June 2021. Upon appointment of the IRP / RP the powers of the Board remain suspended and the same vests with the RP. Under the circumstances, the agenda items relating to appointment of directors / re-appointment of directors retiring by rotation are not being considered for approval by the members at this AGM.*

The detailed notes are furnished relating to the AGM for the ease of members.

1. As members are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.sical.in/Investors/AGM2021](http://www.sical.in/Investors/AGM2021). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.
9. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 25<sup>th</sup> December, 2021 to Friday, the 31<sup>st</sup> December, 2021 [both days inclusive].
10. The Annual Report along with the notice for the AGM will be sent by e-mail ID as registered with the DP / RTA and no physical copies will be sent since Ministry of Corporate Affairs on account of the prevailing COVID-19 pandemic have waived the condition of posting the physical copy to members. Hence members are requested to update their e-mail ID with the DP / RTA if not done earlier to receive the Annual Report and the AGM Notice electronically.
11. 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 but not later than 24<sup>th</sup> December, 2021.
12. Members are hereby informed that the Company, as per the SEBI guidelines, w.e.f. 01.04.2003, has appointed M/s. Cameo Corporate Services Limited, Unit : Sical Logistics Limited, "Subramanian Building", V Floor, No.1, Club House Road, Chennai :: 600 002, Telephone : 044-28461073; Fax : 044-28460129; e-mail : [cameo@cameoindia.com](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. Further as per SEBI's notification dated 08<sup>th</sup> June, 2018, confirming that request for effecting transfer of securities shall not be processed except in case of transmission or transposition of securities unless the securities are held in demat form. Hence, we would not be in a position to accept / process the requests for transfer of shares held in physical form with effect from April, 2019. We therefore advise you to take immediate steps for dematerializing your shareholding in the company. As you may be aware holding shares in dematerialized form offers host of benefits like enhanced security, ease of handling, faster transfers, exemption from stamp duty, eliminating bad deliveries. In view of the above, in order to ensure that you are able to deal in the securities hassle-free, kindly take steps for dematerializing the shares at an early date.

13. 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.
14. The Securities and Exchange Board of India [SEBI] has mandated the submission of copy of PAN card to the Company / Depository Participants as the case may be. Members holding shares in physical form should submit their PAN details to the Company / RTA. Nomination in Form SH-13 in duplicate as provided under Sec 72 of the Companies Act, 2013 may please be sent by the shareholders holding shares in physical form in case if it is not sent earlier.
15. Electronic copy of the Annual Report for the current year are being sent to all the members whose e-mail IDs are registered with the Company / Depository Participant[s] for communication purposes and printing and posting of annual report has been dispensed for the current year as per the directives of the Ministry of Corporate Affairs.
16. Electronic copy of the Notice of the 66<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of remote e-voting is being sent to all the members whose e-mail IDs are registered with the Company/ Depository Participant[s] for communication purposes.
17. Notice for the AGM and Annual Report for the financial year ended 31<sup>st</sup> March, 2021 will be available on the Company's website [www.sical.in](http://www.sical.in) for download.
18. The Company's equity shares are listed with the BSE Limited and National Stock Exchange of India Limited [NSE] and the listing fee for the year 2020-21 has been paid.
19. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
20. The remote e-voting period shall commence on Tuesday, the 28<sup>th</sup> December, 2021 [9.00 a.m. Indian Standard Time] and end on Thursday, the 30<sup>th</sup> December, 2021 [5.00 p.m. Indian Standard Time]. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date viz. 24<sup>th</sup> December, 2021 may cast their votes by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholders, the shareholder shall not be allowed to change it subsequently. Electronic voting shall be allowed to the members who participate in the meeting through video conferencing / other audio visual means on the date of AGM viz. 31<sup>st</sup> December, 2021, provided they have not cast their vote earlier and are not barred from voting at the general meeting.
21. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies [Management and Administration] Rules, 2014 as amended by the Companies [Management and Administration] Rules, 2015 and Regulation 44 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 66<sup>th</sup> Annual General Meeting [AGM] by electronic means and the business may be transacted through e-voting services. The facility of casting votes by the members using an electronic voting system from a place other than the venue of the annual general meeting ["remote e-voting"] will be provided by the Central Depository Services [India] Limited [CDSL].

**THE INSTRUCTIONS TO SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- (i) The voting period begins on Tuesday, the 28<sup>th</sup> December, 2021 at 9.00 a.m. and ends on Thursday, the 30<sup>th</sup> December, 2021 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24<sup>th</sup> December 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode with CDSL/NSDL** is given below:

<b>Type of shareholders</b>	<b>Login Method</b>
<i>Individual Shareholders holding securities in Demat mode with CDSL</i>	<ol style="list-style-type: none"> <li>1) <i>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</i></li> <li>2) <i>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</i></li> <li>3) <i>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></i></li> <li>4) <i>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</i></li> </ol>



Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
  - 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
  - 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
<b>OR</b> Date of Birth (DOB)	<ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant SICAL LOGISTICS LIMITED on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk. [evoting@cdslindia.com](mailto:evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz. [radhakrishnan@sical.com](mailto:radhakrishnan@sical.com) (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 07 [seven] **days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 07 [seven] **days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders, please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id.**
2. For Demat shareholders, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat Shareholders, Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

20. [a] KRA & Associates, Firm of Company Secretaries with Firm Registration Number P2020TN082800 has been appointed as Scrutinizer to scrutinize voting process in a fair and transparent manner.
- [b] The scrutinizer shall within 48 hours from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Resolution Professional of the Company along with any votes cast at the venue of the meeting..
- [c] The Results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be available for inspection and also placed on the website of the Company within the prescribed period and also will be forwarded to the Stock Exchanges where the shares are listed viz. BSE and NSE and to CDSL through whom the e-voting facility being availed.

For **Sical Logistics Limited**  
**V. Radhakrishnan**  
 Company Secretary

Place : Chennai  
 Date : 8<sup>th</sup> December, 2021

**Registered Office :**  
 "South India House"  
 No.73, Armenian Street  
 Chennai :: 600 001

<b>Corporate Office :</b>	<b>Registered Office :</b>
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