

SICAL COFFEE DAY CO.

A NEW BEGINNING



Annual Report

2010-11

India's leading provider of integrated solutions for the multimodal logistics of bulk and containerized cargo, Sical is the single window for businesses that seek to create value-enabled supply-demand chains seamlessly across road, rail, port and sea.

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

QUICK INFORMATION

Sical Logistics Limited

Coffee Day Group, with the completion of open offer formalities, holds 54% equity stake in the company and the Board was re-constituted in September 2011.

Board (Reconstituted effective 26 September 2011)

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

Registered office

South India House
 73 Armenian Street
 Chennai 600001

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Fax +91 44 66157017

Email secl@sical.com

Web www.sical.com

Bankers

Allahabad Bank

Axis Bank

IDBI Bank

YES Bank

Bank of Baroda

Auditors

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

Company secretary

V Radhakrishnan

BUSINESS SNAPSHOT

Port operations

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

Container terminals

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

CFS/ICD

Container freight stations at Chennai, Vizag, and Tuticorin.

Trucking and warehousing

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

Bulk terminals

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

Iron ore terminal at Ennore Port.

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

Container trains

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

BUSINESS STRUCTURE

22% | **Promoters**

54% | **Co-promoters**

24% | **Public**

Sical Logistics

Port operations, Trucking and
Warehousing

PSA Sical | 37.50%

Container terminal JV with Port of Singapore Authority

Ennore Automotive Logistics | 40.92%

Automotive yard logistics

Sical Iron Ore Terminal | 63%

Iron ore terminal at Ennore

Sical Iron Ore Terminal (Mangalore) | 100%

Iron ore terminal at Mangalore port

Bergen Offshore Logistics | 100%

Offshore logistics

Norsea Offshore | 100%

Offshore logistics

Sical Infra Assets | 53.60%

SPV for asset-intensive businesses

Sical Distriparks | 100%

CFS/ICD

Sical Multimodal and Rail Transport | 100%

Pan-India container train operations

> Sical Sattva Rail Terminals | 50%

Container train operations

> Sical Hambhuja Logistics | 50%

Container train operations

> Nagpur Sical Gupta Road Terminal | 77%

Road terminal

> Nagpur Sical Gupta Logistics | 71%

Rail terminal

END-TO-END INTEGRATED MULTIMODAL DELIVERY

Container

Sea



Port/terminal



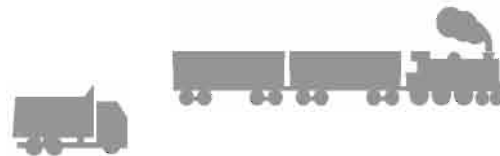
CONTAINER TERMINAL at Tuticorin in JV with PSA Corporation, Singapore.

ICD/CFS



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

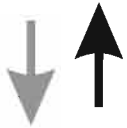
Multimodal transportation



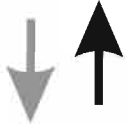
Pan-India TRUCKING FLEET with GSM/GPS systems for real-time tracking of high value cargo.

customers

Bulk



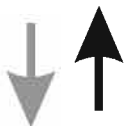
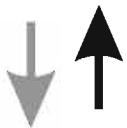
SHIP AGENCY at all major and intermediate ports in India.



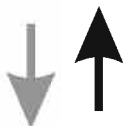
STEVEDORING, CUSTOMS CLEARING at Chennai, Tuticorin, Visakhapatnam, Kandla, Haldia, Paradip, Goa, Mangalore.

IRON ORE TERMINALS at Ennore and Mangalore.

COAL TERMINAL at Ennore port.



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



customers

PRODUCTS WE MOVE

Ores

Iron ore and pellets

Manganese

Chrome

Steel

HR coils

CR coils

Slabs

Billets

Plates

Metals

Copper anode

Aluminium ingots

Containers

20'-40' open top

ISO tanks

Packaged goods

Fertilizer

Cement

Sugar

Food

FMCG

Consumer electronics

Computers

Tubes

Dry bulk

Coal

Coke

Dolomite

Limestone

Sulfur/rock phosphate

Urea

DAP

Liquid bulk

Diesel

Petrol

LAB

Benzene

Ethanol

Furnace oil

Ammonia

Over-dimensional cargo

Plant and machinery

Heavy duty handling equipment

Project cargo

Transformers

Generators

Gases

LPG

Chlorine

Oxygen

KEY CUSTOMERS

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

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

Customer profile

	FY11	FY10	FY09
Percentage of revenue from no 1 customer	32%	33%	36%
Percentage of revenue from top 5 customers	69%	64%	57%
Percentage of revenue from top 10 customers	80%	78%	68%
No of customers that account for more than 10% of total revenue	2	3	1
No of customers that account for over INR 10 mn annual revenue	26	44	52
No of customers that account for over INR 50 mn annual revenue	16	17	13
No of customers that account for over INR 100 mn annual revenue	9	8	9

KEY FINANCIALS

(consolidated, in INR million)

Year To 31 March	2011	2010	2009
Revenue	7695	7220	6745
EBIDTA	323	382	985

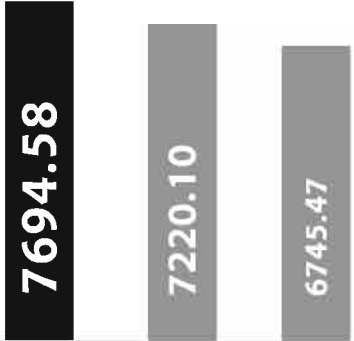
Year To 31 March	2011	2010	2009
Equity share capital	395	395	395
Net worth	4051	3261	2668
Current assets	6375	5907	6739
Cash and bank balance	1944	861	1829
Net working capital	3207	1792	3048
Net fixed assets	8579	9529	8656

6-year financials

(stand-alone, in INR million)

Year to 31 March	2011	2010	2009	2008	2007	2006
Sales and other income	5704.76	5374.00	4796.15	5709.61	10108.63	9692.19
EBITDA	275.66	442.66	417.67	422.84	616.92	1189.95
Interest	114.42	171.93	169.37	132.14	175.49	265.34
Depreciation	113.33	116.26	119.27	123.02	138.29	137.82
Tax	(82.19)	(0.57)	(6.57)	(40.20)	86.03	135.84
Exceptional items	22.51	(108.61)	80.97	154.83	108.99	-
Net profit	107.58	263.65	54.63	362.58	326.16	536.86
Equity capital	395.40	395.40	395.40	395.40	301.90	301.90
Net worth	3890.74	3271.95	1961.18	2708.20	3215.45	3144.64

REVENUE MIX



	2010-11	2009-10	2008-09
Port Operation	4099.33	3740.97	2928.24
Trucking & Warehousing	1268.84	1447.52	1459.31
Container Operations	1195.08	1023.26	1226.30
Container trains-SMART	1028.97	907.78	382.44
Offshore Logistics	99.17	100.57	633.43
Others	3.19	-	115.75
Gross Total	7694.58	7220.10	6745.47

(consolidated, in INR million)

VOLUMES MIX

	2010-11	2009-10	2008-09
Container (20-foot equivalents (TEUs))	587154	592000	570000
Bulk (million tonnes)	27	26	26

RATIOS (Consolidated)

	FY11	FY10	Change	Comment
Current ratio Current assets ÷ current liabilities	2.01	1.43	40%	Increase in debtors and bank balance; decrease in current liabilities and provisions
Quick ratio (Cash + receivables + loans & advances) ÷ current liabilities	1.98	1.43	38%	Same as above
Operating margin (Revenue from operations-cost of goods and services)/net sales	0.15	0.13	15.38%	Increase in revenue
Debt-to-equity (Current + long term debt) ÷ net worth	2.42	3.79	36%	Increase in net worth
Debt ratio (Current + long term debt) ÷ total assets	0.66	0.80	17%	Increase in current assets

RECOGNITION



Award from Chennai Port Trust for highest Tonnage handled and Best Performance for the year 2010-11 to CHA and highest tonnage handled as stevedores in 2nd quarter of 2010-11

Sical was chosen as the Best Stevedore and Logistics Company of the year at the South East CEO Conclave and Awards 2010

Citation from Visakhapatnam Port Trust for achieving the record loading of 36015 MT per mv STAR MANX of iron ore in a single day on 23.4.2010

Loading of 164 rakes in September 2010 surpassing Sical's own previous record of 159 at the Goa Terminal

SICAL
COFFEE DAY CO.

Annual report 2010-11
Directors' report

DIRECTORS' REPORT

Your directors are pleased to present this fifty sixth annual report of your company and the audited accounts for the year ended 31 March 2011.

FINANCIAL REVIEW

The financial results for the year ended 31 March 2011 are summarized below:

(in Rs crore)

Year ended 31 March	2011	2010
Sales and other income	570.48	537.40
Profit before interest, depreciation and tax	27.56	44.27
Interest	11.44	17.19
Cash profit	16.12	27.07
Depreciation	11.33	11.63
Profit before tax	4.79	15.45
Provision for tax	(8.22)	(0.06)
Exceptional Items	2.25	(10.86)
Net profit	10.76	26.36
Earnings per share (EPS) in Rs (after exceptional items)	2.72	6.67

DIVIDEND

In order to meet the capital expenditure related to the execution of the on-going projects, your directors wish to conserve the resources and hence are not recommending any dividend for the FY 2010-11.

SHARE CAPITAL

The Authorised Equity Share Capital of the Company was enhanced to Rs. 60 crores with the due approval of the shareholders at the Extra-ordinary General Meeting held on 14 December 2010. 1,60,80,010 equity shares of Rs 10/- each at a Premium of Rs 66/-per share were allotted on 01 April 2011 to M/s Tanglin Retail Reality Developments Private Limited on preferential basis after obtaining necessary approvals from the Stock Exchanges. Now the paid-up capital of the Company stands at 55601694 equity shares of Rs.10 each amounting to Rs. 55,60,16,940.

CHANGE IN MANAGEMENT

The Board of Directors at their meeting held on 13 November 2010 proposed to issue and allot 1,60,80,010 equity shares to M/s Tanglin Retail Reality Developments Private Limited on preferential basis subject to shareholders approval in order to raise funds for redemption of outstanding FCCBs as well for utilizing towards the on-going projects. Since such an allotment would exceed 15% of shareholding by M/s Tanglin Retail Reality Developments Private Limited, in accordance with the SEBI [SAST] Regulations, 1997, they made a Public Announcement on 15 November 2010 for acquisition of additional 1,17,07,608 equity shares constituting 20% of the emerging voting capital of the Company from the public shareholders. Letter of Offer were sent to the shareholders by M/s Tanglin and the Offer was open during the period 05 August 2011 to 24 August 2011. Since the shares surrendered under the Open Offer were more, pro-rata acceptance was made. After due completion of all the formalities under the Open Offer, M/s Tanglin Retail Reality Developments Private Limited were inducted as Co-promoters of the Company w.e.f. 26 September 2011. The Board was also reconstituted on 26 September 2011.

REDEMPTION OF FCCBs

The Company has redeemed the outstanding FCCBs of face value USD 36.75 Million with a maturity value of USD 50.16 million on the maturity date viz. 19 April 2011.

PERFORMANCE

The company's revenues for 2010-11 were Rs. 570.48 crore as against Rs. 537.40 crore in the previous year while profit after tax was Rs. 10.76 crore as against Rs. 26.36 crore in 2009-10. Profit before interest and depreciation for 2010-11 was Rs. 27.56 crore against Rs. 44.27 crore a year ago.

Business overview of various divisions of the company is given in the succeeding paragraphs.

DIRECTOR'S REPORT

Port Handling

This division operates in the ports of Chennai, Ennore, Tuticorin, Visakhapatnam, Goa and Mangalore. The major activities of this division are Stevedoring, Terminal operations and JD V which is an exclusive berth available for the Company at the Chennai Port. Cargoes handled at the various ports vary from Coal, Dolomite, Iron Ore, Steel products, Rock Phosphate and other general cargoes. The total volume handled by Sical at the various ports during FY 2010-11 was 27.257 million MT as against 25.54 million MT in FY 2009-10.

Customs House Agency

This division acts as an agency for clearing and forwarding goods through customs for imports and exports. This division handled 11.19 million MTs (12.21 million MTs in the previous year) of bulk cargo and 5,850 TEUs (5,514 TEUs in the previous year) of containerized cargo during the year under review. The cargoes handled vary from Coal, Iron Ore, Project Cargo, Capital Goods, Cement, Pulses, Non Ferrous Alloys and Steel in various forms.

Ship Agency

This division facilitates and ensures quick turnaround of the ships at berth at all major ports. During the year under review, the division improved its performance by handling 245 vessels (209 vessels in the previous year) at various ports in the country handling both dry and liquid bulk.

Trucking

This division is engaged in transporting cargoes such as dry bulk, liquid bulk, ODC and project equipments. The company currently owns 253 trucks and hires additional trucks based on consignments on a daily basis. The volume of cargo handled during the previous fiscal year was 13.11 lakh MT (17.60 lakh MTs in the previous year).

Container Logistics

Sical Distriparks Limited, a subsidiary of the Company, offers container logistics solutions with container yards, bonded and general warehousing, reefer storage and third party logistics for both import and export containers at container freight stations at Chennai, Vizag and Tuticorin. The total volume handled during 2010-11 was 122,870 TEUs as against 111,926 TEUs in the previous year.

Rail Operations

Sical Multimodal and Rail Transport Ltd, a subsidiary of the Company is engaged in rail operations and owns 7 rakes which are run between various routes in India. This SPV handled 18835 TEU's in the previous year. The Company is in the process of developing its own rail terminals at Chennai and Bangalore which will be completed in the year 2012.

Container Terminal

PSA SICAL Terminals Limited, a joint venture with Port of Singapore Authority operates a container terminal at Tuticorin. In 2010-11, the company handled container volumes of 445,449 TEUs as against 426,184 TEUs in the previous year.

Dredging Operations

Norsea Offshore India Limited, a wholly owned subsidiary of the Company owns and operates a Cutter Suction Dredger "SICAL Portofino". During the year 2010-11, the dredger was deployed at Karaikal Port.

SUBSIDIARIES AND JOINT VENTURES

Key subsidiaries and joint ventures are below –

1 Sical Infra Assets Limited

Sical Infra Assets Limited was formed for the purpose of housing infrastructure assets and undertaking infrastructure projects. Sical Distriparks Limited and Sical Multimodal and Rail Transport Limited are subsidiaries of this SPV. Further this SPV also has two other subsidiaries, namely, Nagpur Sical Gupta Road Terminal Limited and Nagpur Sical Gupta Logistics Limited.

- **Nagpur Sical Gupta Road Terminal Ltd**

The Company has signed a concession agreement with Maharashtra Airport Development Corporation to develop a road terminal at Mihan.

- **Nagpur Sical Gupta Logistics Ltd**

The Company has been formed to develop a rail terminal at Mihan.

DIRECTOR'S REPORT

However, due to the prevailing adverse market conditions and on account of non development of the proposed SEZ at Mihan and the delay in the International airport coming up at Nagpur, the project has not progressed further.

2 Sical Iron Ore Terminals Ltd

Sical Iron Ore Terminals Limited has developed a 6 million ton Iron ore terminal at Ennore Port on BOT basis. The project was completed and is ready for commercial operations. The terminal could not commence its operation due to the ban imposed by the Government of Karnataka on mining and transporting of Iron Ore from Karnataka region. This SPV is exploring the alternative use for the terminal.

3 PSA Sical Terminals Ltd

PSA SICAL Terminals Limited, a joint venture with Port of Singapore Authority operates a container terminal at Tuticorin.

4 Sical Iron Terminal [Mangalore] Limited

Sical Logistics Limited has entered into a Concession Agreement with the New Mangalore Port Trust for the setting up of mechanized Iron Ore handling facilities at the deep draft multipurpose berth of New Mangalore Port on BOT basis. The Project activities have been initiated.

5 Ennore Automotive Logistics Limited

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

6 Norsesea Offshore India Limited

Norsea Offshore India Limited, a wholly owned subsidiary of the Company owns and operates a Cutter Suction Dredger "SICAL Portofino".

DIVESTMENT

During the year under review, the Company divested its stake in the Chennai International Terminals Private Limited.

SUBSIDIARY COMPANIES ACCOUNTS

As per Section 212 of the Companies Act, 1956, the company is required to attach Director's report, Balance sheet and Profit and loss account of subsidiaries. The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated 8 February 2011 has provided an exemption to companies from complying with Section 212, provided the Board approves the proposal and such companies publish the audited consolidated financial statements in the Annual Report. Accordingly, the Annual Report for 2010 – 11 does not contain the financial statements of the subsidiaries. The audited annual accounts and related information of the subsidiaries, where applicable, will be made available upon request. These documents will also be available for inspection during business hours at the registered office of the company at Chennai. The same will also be published on the company's website www.sical.com.

AWARDS AND ACCOLADES

During the year under review,

- The Company was chosen as the Best Stevedore and Logistics Company of the year at the South East CEO Conclave and Awards 2010.
- Award for highest Tonnage handled by the CHA and Best Performer of the year – CHA for the year 2010-11 from the Chennai Port Trust.

DIRECTORS

Shri HR Srinivasan who is longest in the Office retire by rotation at this annual general meeting and being eligible, offer himself for re-election.

Shri Shyam Sundar SG and Shri Vinod P Giri, Nominee Directors – IDFC PE resigned from the directorship effective 13 Nov 2010.

Shri Ashwin C Muthiah, Shri Dhananjay N Mungale, Shri Sanjiv Ralph Noronha and Shri Mano Vikrant Singh, Directors resigned from the directorship effective 26 Sep 2011.

Shri LR Sridhar resigned from the position of the Managing Director effective 26 Sep 2011.

Shri R Ram Mohan, Shri Kush Desai, Shri S R Ramakrishnan and Shri AS Sundaresha were co-opted as additional directors on 26 Sep 2011 and they shall hold office until the ensuing AGM of the Company. Being eligible, they seek appointment as Directors of the Company at the ensuing Annual General Meeting of the Company.

DIRECTOR'S REPORT

Shri R Ram Mohan was appointed Managing Director of the Company for a period of 5 years from 26 Sep 2011.

AUDITORS

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

FIXED DEPOSITS

The provisions of Section 58-A of the Companies Act, 1956, relating to the acceptance/renewal of fixed deposits, have been complied with. The Board of Directors at the meeting held on 25 May 2010 decided not to invite deposits from the public from the year 2010 onwards. Accordingly no fresh deposits were accepted subsequent to the last Annual General Meeting. The value of matured and unclaimed deposits as on 31 March 2011 amounted to Rs. 95.03 lakh, out of which Rs. 12.88 lakh have since been refunded during the current financial year 2011-12.

DEMATERIALISATION OF EQUITY SHARES

3,68,27,498 equity shares representing 93.18% of the company's paid-up share capital have been dematerialized as of 31 March 2011. Shareholders who continue to hold shares in physical form are advised to dematerialize their shares.

CORPORATE GOVERNANCE

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

STATUTORY INFORMATION

- Under Section 217 [2AA] of the Companies Act, 1956, the board of directors report that:
 - in the preparation of annual accounts, the applicable accounting standards have been followed with no material departures;
 - they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
 - they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
 - they have prepared the annual accounts on a going concern basis.
- The particulars required under Section 217 [1] [e] of the Companies Act, 1956, read with the rules framed under it are not applicable since the company is engaged in the business of providing logistics services. However, details of foreign exchange earnings and outgo are furnished in Annexure I to this report.
- The particulars required under Section 217[2A] of the Companies Act, 1956 and the Companies [Particulars of Employees] Rules, 1975 as amended, are annexed as Annexure II to this report.

RELATIONSHIP WITH EMPLOYEES

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

ACKNOWLEDGEMENT

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

Place Bengaluru
Date 14 Nov 2011

For and on behalf of the Board

R RAM MOHAN
Managing Director

ANNEXURE - 1 TO THE DIRECTORS' REPORT

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

A	CONSERVATION OF ENERGY	:	NA
B	TECHNOLOGY ABSORPTION	:	NA
C	FOREIGN EXCHANGE EARNINGS AND OUTGO		
	Total Foreign Exchange	Earned	: Rs. 102.83 Lakhs
		Used	: Rs. 112.18 Lakhs
	DISCLOSURE OF PARTICULARS WITH REFERENCE TO CONSERVATION OF ENERGY	:	NIL

ANNEXURE - II TO THE DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES

[Pursuant to Sec 217[2A] of the Companies Act, 1956]

Employed throughout the year and salary drawn was Rs 60 Lakhs or more for the year 2010-11

Name	Remuneration received Rupees	Designation & Nature of duties	Qualifications	Experience (Years)	Date of commencement of employment	Age	Last employment held before joining the company
LR Sridhar	81,37,008	Managing Director	BCom	32	05.05.2009	57	AFL Private Limited

Notes

- 1 Remuneration includes actual receipt of Salary. Allowances and Perquisites during the financial year 2010-11.
- 2 Other terms and conditions of the employment are as per the Company rules.
- 3 None of the employees are related to any of the directors of the Company.
- 4 None of the directors hold more than 2% of the equity shares in the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT [2010-11]

OVERVIEW

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

INDUSTRY STRUCTURE & DEVELOPMENT

India is today considered as a Sunrise Industry for the logistics players of the world because of the size of the market and the untapped potential in the market. The country today is only to the tune of 3% of the global logistics market. With increased competition, every market player is keen to make their mark by aiming for the share of the logistics pie. Influenced by the success of the global players in the Indian market, the Indian counterparts are also gearing up for the challenges, by providing a spectrum of services & offerings.

The global logistics market is valued at US \$4 trillion with an 8% growth over the previous year. The Indian logistics industry is estimated at 125 billion US\$ of which about 90% belongs to the unorganized sector. For the remaining 10% of the organized market, the growth rate is pegged at 20-25% per year.

Logistics in the Indian context would mean providing services such as transportation, warehousing, distribution, order & inventory management. Logistics costs in India are about 13-14% of GDP, as against 8.7% in the US, 11% in Europe, 12% in Japan and 18% in China. A further reduction of 1% in logistics cost could result in huge savings. Critically examining logistics cost drivers will enable Indian firms to gain competitive edge in global market place.

The current market size for the trucking logistics is 50 billion dollars with around 2.5-3 million trucks moving within the country per day. Transporters with a fleet less than or equal to five trucks constitute a share of around 80% of the total revenue in 2009-10 with the scenario not being very different from 2008-09.

The overall logistics scenario looks quite encouraging with the road freight industry witnessing a year on year growth rate of 20%. Similarly the rail & air freight industry also growing every year by 15%. Meanwhile, the sea freight industry growth rate has been 18% and the express logistics & supply chain logistics promising an enterprising growth of 35%.

OPPORTUNITIES

The Indian Economy is on the up-tick evident from factors such as healthy IIP growth. The annual GDP of the country is expected to witness an overall growth around 7% in 2011-12. For the subsequent years, GDP growth has been projected at 7.5 to 8% which will result in increased imports and exports.

The logistics industry contributed to around 13% of GDP in 2009-10 against 11% in 2008-09 and 12% in 2007-08.

The Indian warehousing sector has enormous potential as it is poised to be valued at US \$55 billion by 2011-12 with around 45 million Sq Ft. warehousing space to be developed. About 110 logistics parks shall come up over an area of 3500 acres in next two years. Also, the introduction of concessional import duty of 5% would help setting up mechanized handling systems & pallet racking systems/ cold storage for food grains.

Infrastructure development is another aspect fueling growth. Another dimension of development are the FTWZ's (Free trade warehousing zones), which would enable supply chain / logistics to function much more efficiently by removing the cargo bottlenecks witnessed at the Integrated Container Depots (ICD's).

Moreover, projects such as the green fields project, national highways development, national maritime program, introduction of freight corridors in rails shall add fuel to the growth.

A Bulk Logistics – Sical Standalone

Financial Performance	(in Rs Crores)	
	2010-11	2009-10
Turnover	570.48	537.40
EBIDTA	27.56	44.27

On the operational performance, Sical has its presence in almost all the major and minor ports. Sical provides integrated solutions for multimodal logistics and is the single window for businesses that seek to create value – enabled supply-demand chains seamlessly across road, rail, port and sea.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT [2010-11]

The total volume handled at various ports in 2010-11 was 27.256 million tones. The major commodities handled were:

Commodity	Million MT	%
Coal	23.055	84.59
Dolomite	1.723	6.32
Iron Ore	2.242	8.23
Others	0.236	0.86
Total	27.256	100

We are the partners for TNEB in handling coal both at Ennore and Tuticorin Ports. Further, the Company has an exclusive berth at Chennai Port – the Jawahar Dock – 5. Apart from coal, the company handles various products viz. dolomite, iron ore, project and miscellaneous cargoes.

The Company also provides Customs House Agency as well as Shipping agency services.

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

B Container handling

The performance of the Container handling subsidiary of the Company viz. Sical Distriparks Limited during the year under review is furnished below.

Financial Performance	(in Rs Crores)	
	2010-11	2009-10
Turnover	81.70	65.53
EBIDTA	14.20	10.06

The total volume handled at the ports where the CFS of SDL has presence during the year under review are furnished below:

Port	[TEU]
Chennai	78,664
Tuticorin	23,696
Vizag	20,510
Total	1,22,870

There is an improvement in the performance of the company during the year 2010-11 due to improvement in revenue and also increase in storage days.

C Rail Container Operations

The Rail Container operation is carried through Sical Multimodal and Rail Transport Limited the subsidiary of the Company. Currently, this Company operates 7 rakes in its fold and has more than 1800 own as well as leased containers. The container trains are run on Pan-India basis across the country. Depending upon the traffic, new routes are being introduced as a strategic decision. A snap shot on the performance of this Company during the year 2010-11 is given below:

	(in Rs Crores)	
	2010-11	2009-10
Income	103.70	87.55
EBIDTA	(4.27)	(1.49)

The Company has been improving its performance. This project is capital intensive with a long gestation period. SMART has initiated project activities for developing its own rail terminals near Chennai and Bangalore. Acquisition of land has been completed and civil work has been commenced. The Company has tied up for term loans with the lenders for the project. Once own terminals are made available, there will be an abundant scope for handling larger volumes and diversified clientele base. Dependence on Common Rail Terminals (CRTs) in various locations is considered to be a hindrance in the performance. Once own terminals are made ready, the Company will be in a position to handle EXIM cargoes also. This

MANAGEMENT DISCUSSION AND ANALYSIS REPORT [2010-11]

would provide rail connectivity between ports and various destinations. Even though, the Company faces competition from other private container train operators as well as CONCOR, the Company has stabilized its operations and the terminals under construction will fuel the future growth.

Other Projects

The iron ore terminal project coming up at Ennore is already completed and commercial operation could not be commenced at due to ban of the export of Iron Ore by the Government of Karnataka. We are exploring the alternative use for the terminal.

The Company has also been awarded the project of developing a mechanized iron ore handling facility at the deep draft berth No.14 of the New Mangalore Port on BOT basis. The Project activities have been initiated.

The Company has entered into a JV agreement with Mitsui OSK Lines Limited and Toyofuji Shipping Co. Ltd., Japan for the car yard management at Ennore Port for handling the export of Nissan cars. For this purpose an SPV viz. Ennore Automotive Logistics Limited has been formed. Since lot of automobile manufacturing units of foreign countries are located in and around Chennai, this entry would provide an opportunity to handle the automotives of various manufacturers in the years to come.

Sical – Overall Consolidated Financial Performance

The Consolidated financial results for the FY 2010-11 as compared with FY 2009-10 is furnished below:

	(in Rs Crores)	
	2010-11	2009-10
Income	803.48	726.73
EBIDTA	32.32	38.16
PBT	(11.99)	(19.77)
PAT	(11.08)	(35.27)

The Company was able to improve the overall performance by reducing the losses substantially over the period. The Company has turned around the operations in the first six months of the Financial Year 2011-12 and has turned itself into a profit zone after two consecutive years of losses. Efforts are underway to improve the performance of various divisions across the Company.

Our Strategy

We seek to further strengthen our position as a leading logistics company by successfully differentiating our service offerings and increasing the scale of our operations. To achieve these goals, we seek to:

- Increase business from existing and new clients
- Expand geographically
- Continue to invest in infrastructure and employees
- Continue to develop deep industry knowledge
- Enhance brand visibility

Competition

We operate in a highly competitive and rapidly changing market and compete with various organized sector as well as unorganized sector logistic player. However, we recognize that price alone cannot constitute a sustainable competitive advantage. We believe that the principal competitive factors in our business include end to end multi modal execution capabilities to deliver seamless, scalable, cost-effective services; increase scale and breadth of service offerings to provide one-stop solutions; provide industry expertise to clients' business solutions; attract and retain high-quality professionals. We believe we compete favorably with respect to these factors.

Outlook, Risks and Concerns

This section contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these statements as a result of certain factors.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT [2010-11]

Challenges

- Prohibition on handling of coal at Chennai Port
- Unorganized and fragmented nature of logistics industry
- Poor logistics infrastructure pushes up logistics costs
- Rural areas have poor access
- The railways are facing severe capacity constraints along with unfavourable policies
- Ports are congested and inefficient

The Way Forward

The Indian logistics industry is being heralded as the next big service segment with a high growth potential. The areas of investment for growth include Port Terminals, CFS / ICD expansion, setting up of warehousing zones and development of 3rd Party logistics (3PL).

The demand for 3PL business has been gaining ground in India with companies increasing their focus on better management of their supply chain processes in the wake of globalization. The companies are also adopting 3PL systems to increase their penetration levels in the market.

Issues and Concerns

The main problem for the logistics industry is that it is not governed by a single ministry. Logistics is governed by several ministries leading to lack of coordination among various governmental agencies.

Further, legal procedures are often fragmented and government clearances take a long time. Moreover, customs procedures for transporting goods are long and cumbersome, leading to delays in reaching the destination. Multiple check posts and documentation requirements further delay the delivery of cargo.

Railways no doubt account for a significant portion of the national freight traffic. Certain issues, however, continue to impede the growth of freight traffic. Capacity constraint is a major bottleneck for Indian Railways.

The lack of adequate rail connectivity to ports and long time lines for rail projects forces the use of roads for transportation.

For Private Container Operators, challenges continue to persist. Compared to road transport, rail haulage charges are higher. About 70 – 75 per cent of the revenues earned through the bookings of the containers are paid to Indian Railways as haulage charges. Customer orientation also needs to be strengthened.

Movement of freight through roads is mired in several problems related to infrastructure, inter state operability, taxation, over loading etc. These bottlenecks increase the turnaround time of freight carriers, which increases operational costs.

The government should introduce access controlled highways with proper barricades and crossings to facilitate uninterrupted traffic flow.

Over dependence on the foreign ships for carrying cargo is a major concern for the Indian shipping industry resulting in higher freight cost movements in the carriage of freight trade. In India over 80 per cent of the total freight bill is paid out of the country because of carriage of most of India's overseas trade in foreign flag ships.

Container traffic at the major ports is heavily skewed towards the western coast. Of the total container traffic handled at major ports, only around 18 per cent is handled on the east coast and 82 per cent is handled on the west coast. Moreover on the west coast, container traffic is handled mostly by JNPT and the Mumbai Port. This is due to the historically better connectivity enjoyed by these two ports. It is imperative for the overall growth of the sector that all other ports provide similar connectivity at the same levels of competitiveness and with the same intermediate storage facilities.

To sum up High logistics cost, fragmented and unorganized market, inadequate infrastructure, lack of capacity, high transit time, inefficiency in operations, lack of IT penetration, low outsourcing logistics, complex tax laws and over regulation, policy level issues, lack of skilled manpower, lack of proper storage facilities are affecting the logistics industry as a whole.

Going forward the growth of the logistics industry depends not only on the development of infrastructure but also on the ability of service providers to adapt to situations and optimization of technology.

The logistics business is no longer limited to basic transportation but encompasses a gamut of services.

The effective logistics management helps companies gain competitive advantage through both value enhancement and cost reduction.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT [2010-11]

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company has proper and adequate internal control systems and has complied with the various statutes of the Government and statutory authorities. Internal Audit has been entrusted to an external auditor and periodical review is being carried out. The Audit Committee meets regularly to review the adequacy of internal controls.

HUMAN RESOURCE DEVELOPMENT

Employees are considered as an invaluable asset and they are key to drive competitive advantages. Recognizing the importance of human resources all efforts have been put by your company to ensure that best talent is recruited continuously developed and retained.

There has been a lot of emphasis on training and development including self learning, manager inspired learning through coaching and career development opportunities. Employees were also sponsored for various seminars, symposiums and workshops conducted by the external agencies from time to time to enrich their knowledge.

CAUTIONARY STATEMENT

Forward-looking statement in this management discussion and analysis involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks.

REPORT ON CORPORATE GOVERNANCE

Your company is pleased to present the following report on Corporate Governance for the Financial Year 2010-11 [01 April 10—31 Mar 11].

1 GOVERNANCE PHILOSOPHY

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

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

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

2 BOARD OF DIRECTORS

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

As on 31 March 2011, the Board comprised of

Promoter Directors	:	1
Whole-time Directors/Executive Directors	:	1
Non-whole time Directors	:	4

BOARD PROCEDURE

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

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

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

3 NUMBER OF BOARD OF DIRECTORS MEETINGS AND THE DATES ON WHICH HELD DURING THE FINANCIAL YEAR 2010-11.

Total Number of Board Meetings : 5

I Quarter [April – June 2010]	II Quarter [July – September 2010]	III Quarter [October – December 2010]	IV Quarter [January – March 2011]
25 May 2010	29 July 2010	28 October 2010 13 November 2010	11 February 2011

REPORT ON CORPORATE GOVERNANCE

Attendance of Directors at the Board of Directors Meetings held during 2010-11 and the last Annual General Meeting [AGM] held on 23.09.2010 is as follows.

Director's Name	Category of Membership	Attendance Particulars		Number of other directorships and committee member/chairmanships		
		Board Meetings	Last AGM	Other Directorship	Committee Memberships	Committee Chairmanships
Ashwin C Muthiah	Chairman [Promoter non-executive Director]	5	✓	Chairman 4 Vice-Chairman 2 Director 4	2	-
Dhananjay N Mungale	Non-executive & independent Director	4	✓	Director 8	5	3
HR Srinivasan	Non-executive & independent Director	3	✓	Director 4	1	-
Mano Vikrant Singh	Non-executive & independent director	-	-	-	-	-
Sanjiv Ralph Noronha	Non-executive & independent director	3	✓	Director 1	-	-
# Shyam Sundar SG Nominee Director – IDFC PE	Non-executive & independent director	3	-	-	-	-
# Vinod P Giri Nominee Director IDFC PE	Non-executive & independent Director	3	✓	-	-	-
LR Sridhar Managing Director	Executive Director	5	✓	Director 5 Whole-time Director 1	1	-

Shri Vinod P Giri and Shri Shyam Sundar SG, Nominee Directors of IDFC PE resigned on 13 Nov 10.

Note

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

REPORT ON CORPORATE GOVERNANCE

4 AUDIT COMMITTEE

The composition of the Audit Committee as on 31.03.2011 is as follows:

1	HR Srinivasan	Chairman of the Committee
2	Ashwin C Muthiah	Member
3	Dhananjay N Mungale	Member
4	Mano Vikrant Singh	Member
5	Sanjiv Ralph Noronha	Member

The Committee met four times during the year i.e. on 25 May 2010, 29 July 2010, 28 October 2010 and 11 February, 2011.

Attendance of Directors at the Audit Committee Meetings held during 2010-11.

Directors Name	Category of Membership	Attendance Particulars			
		25.05.2010	29.07.2010	28.10.2010	11.02.2011
HR Srinivasan	Chairman of the Committee	✓	✓	✓	-
Ashwin C Muthiah	Member	✓	✓	✓	✓
Dhananjay N Mungale	Member	✓	✓	✓	✓
Mano Vikrant Singh	Member	-	-	-	-
Sanjiv Ralph Noronha	Member	-	✓	-	✓

The broad terms of reference of the Audit Committee are:

- Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause [2AA] of Sec 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgement by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with the listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- Reviewing, with the Management, the quarterly financial statements before submission to the board for approval.
- Reviewing, with the Management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 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.
- 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.
- To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

REPORT ON CORPORATE GOVERNANCE

14 Review of risk management policies and practices including the following:

- a to investigate any activity within its terms of reference.
- b to seek information from any employee.
- c to obtain outside legal or other professional advice.
- d to secure attendance of outsiders with relevant expertise.

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

5 Details of remuneration paid to the Managing Director/Directors for the financial year ended 31.03.2011.

Name	Fixed Component		Variable Component
	Salary & Allowances	Other benefits	Special Allowance
LR Sridhar, Managing Director	49.95	8.11	23.31

For the financial year 2010-11, a sitting fee of Rs 10,000/- was paid to the non-executive directors for attending each Board and Committee meetings.

Rs 2.86 lacs each was paid to non-executive independent directors viz. Dhananjay N Mungale, HR Srinivasan, Mano Vikrant Singh and Sanjiv Ralph Noronha towards commission for the financial year 2009-10.

6 Shareholders/Investors Grievance and Share & Debenture Committee

The Committee comprises as of 31.03.2011

Sanjiv Ralph Noronha	:	Chairman of the Committee
HR Srinivasan	:	Member
LR Sridhar	:	Member

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

The broad terms of reference of this Committee shall be:-

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

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

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

During the year 6 complaints were received and all the complaints were replied / disposed off.

7 Management Committee

The current composition of this Committee is:

S No	Name of the Directors	Position
1	Ashwin C Muthiah	Chairman of the Committee
2	Shyam Sundar SG	Member
3	HR Srinivasan	Member
4	LR Sridhar	Member

REPORT ON CORPORATE GOVERNANCE

The Broad terms of reference of this Committee is:

- 1 To oversee the operations and to review the performance and investments of Sical.
- 2 To approve the Business Plan, Borrowing Plan and investment policy.
- 3 To recommend Delegation of Powers to the Executives [subject to final approval by the Board] to enable day to day operations and
 - a to invest in any class of shares / debentures, stocks, bonds, etc. of other body corporate[s] to the extent of Rs 10 crores [Rupees ten crores only].
 - b to give any guarantee or provide security from time to time in connection with the loan / loans by any other body corporate[s] to the extent of Rs 10 crores [Rupees ten crores only].
 - c to give loan to any other person or any other body corporate[s] to the extent of Rs 10 crores [Rupees ten crores only].
 - d to borrow any sum or sums of monies from any body corporate [s] / Banks / Institutions to the extent of Rs 150 crores [Rupees one hundred and fifty crores only] as and when exigencies arise.
 and the above shall be reviewed by the Committee and the above limits replenished upon approval / ratification by the Board of Directors of the Company at the subsequent Board Meetings.
- 4 To mortgage all or any part of the immovable properties, current assets, inventories with various financial institutions for the purpose of securing any loan facility for the benefit of the company and execute such documents as are required for availing such facility.
- 5 To evaluate and recommend new strategic initiatives and business development for the company and its SPVs.
- 6 To review the justifications and rationale of the investment and capex made in terms of the Delegation of Powers conferred to the executives.
- 7 To recommend to the Board to invest in / advance to the subsidiaries and joint ventures.
- 8 to consider and approve the capital expenditure not covered in the budget.
- 9 to form new companies.
- 10 to review the investment policy, borrowing plans and explore various investment options.
- 11 to consider and approve proposals of acquisitions and mergers of companies / businesses.
- 12 to review the justifications and rationale of the participation and bid in tenders for more than one year and above Rs 10 crores of annual billing made in terms of the Delegation of Powers conferred to the executives.

Quorum for the meeting of this Committee shall be 2 members.

The Committee did not meet during the year.

8 INSIDER TRADING

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

9 CODE OF CONDUCT

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

10 SECRETARIAL AUDIT

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

11 GENERAL BODY MEETINGS

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

Year	Date & Time	Venue
2008	24 September 2008 at 3.00 pm	Rajah Annamalai Hall, Esplanade, Near High Court, Chennai 600108

REPORT ON CORPORATE GOVERNANCE

2009	16 September 2009 at 3.00 pm	Rajah Annamalai Hall, Esplanade, Near High Court, Chennai 600108
2010	23 September 2010 at 3.05 pm	Rajah Annamalai Hall, Esplanade, Near High Court, Chennai 600108

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

Annual General Meeting held on 23 September 2010	Increase in remuneration payable to Shri LR Sridhar as Managing Director w.e.f. 28 January 2010.
Annual General Meeting held on 16 September 2009	Appointment of LR Sridhar as Managing Director for a period of 3 years w.e.f. 05 May 09.
Annual General Meeting held on 24 September 2008	None

12 POSTAL BALLOT

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

13 DISCLOSURES

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

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

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

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

14 MINUTES OF SUBSIDIARY COMPANIES

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

15 GENERAL SHAREHOLDERS INFORMATION

i Disclosures regarding appointment or re-appointment of directors

Since the Board is likely to be reconstituted after the completion of the Open Offer formalities by Tanglin Retail Reality Developments Private Limited and accordingly the directors subject to retirement by rotation will be ascertained at the time of reconstitution of the Board, the same will be disclosed in the notice to the annual general meeting to be sent to the shareholders.

ii Committees of Board of Directors

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

iii Communication with shareholders

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

REPORT ON CORPORATE GOVERNANCE

iv Date, time and venue for 56th AGM:

19 December 2011 at 2.00 pm at Rajah Annamalai Hall, Esplanade, Chennai 600108

v Financial Calendar [2011-12]:

Financial reporting for the quarter ending [tentative]

1	30 June 2011	Second week of August 2011
2	30 September 2011	Second week of November 2011
3	31 December 2011	Second week of February 2012
4	31 March 2012	Audited results before last week of May 2012
	Annual General Meeting	By second/third week of September, 2012

vi Dates of Book Closure:

From: 14.12.2011 To: 19.12.2011 [both days inclusive]

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

Particulars	Bombay Stock Exchange Limited	National Stock Exchange of India Limited	Bloomberg	ISIN No
Trade Name	SICAL	SICAL	SICAL	INE075B01012
Stock Code/Series	520086	SICAL	SICL:IN	
Listing Fees for 2011-12 Depositories	:	Paid to all the above stock exchanges National Securities Depository Limited 4th Floor, 'A' wing, Trade World, Kamala Mills Compound Senapati Bapat Marg, Lower Parel, Mumbai 400013 Central Depository Services [India] Limited PJ Towers, Dalal Street, Fort, Mumbai 400023		
Custodial Fees for 2011-12	:	Paid to all the above depositories		

viii Registered Office

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

ix Investor Services

Investor Complaints

	2010-11		2009-10	
	Received	Attended to	Received	Attended to
Grievances/complaints	6	6	6	6

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

x Stock Market Data [Share prices on stock exchanges]

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

Month & Year	NSE			BSE		
	High	Low	Average	High	Low	Average
	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.	Rs. Ps.
April 2010	100.85	79.85	90.35	100.70	80.15	90.43
May 2010	90.95	66.20	78.58	91.25	66.35	78.80
June 2010	73.75	69.75	71.75	73.65	67.95	70.80
July 2010	76.80	67.80	72.30	77.10	67.55	72.33
August 2010	71.55	64.55	68.05	71.70	64.30	68.00
September 2010	68.50	64.25	66.38	68.75	64.10	66.43
October 2010	66.80	61.95	64.38	66.60	61.90	64.25
November 2010	89.70	67.10	78.40	89.65	67.05	78.35
December 2010	83.80	75.00	79.40	83.80	74.70	79.25
January 2011	84.45	74.50	79.48	84.75	74.25	79.50
February 2011	75.25	72.90	74.08	75.10	72.75	73.93
March 2011	73.70	68.95	71.33	73.85	68.80	71.33

REPORT ON CORPORATE GOVERNANCE

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

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

xii Share Transfer System

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

xiii Distribution of shareholding as on 31.03.2011

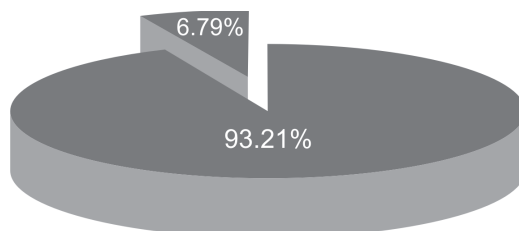
Number of shares Category	No. of Shareholders	% to total	No. of Shares	% to total
Upto 500	43293	94.22	2760363	6.98
501 – 1000	1434	3.12	1137265	2.88
1001 – 2000	571	1.24	868053	2.20
2001 – 3000	206	0.45	549519	1.39
3001 – 4000	84	0.18	302437	0.77
4001 – 5000	93	0.20	440457	1.11
5001 – 10000	120	0.26	911331	2.31
10001 & above	147	0.32	32552259	82.37
Total	45948	100.00	39521684	100.00

xiv Shareholding Pattern as on 31.03.2011

Category	Shareholders [No.]	Number of shares held	Voting Strength [%]
PROMOTER HOLDING			
Promoters & Associates	25	12329002	31.20
NON-PROMOTER HOLDING			
<i>Institutional Investors</i>			
Financial Institutions	5	167287	0.42
FII	7	4759189	12.04
Banks	17	600893	1.52
Mutual Funds	7	158849	0.40
OTHERS			
Other Bodies Corporate	726	13625534	34.48
Trusts	2	1851	0.00
NRIs	266	201765	0.51
Clearing Members	44	78539	0.20
Public	44849	7598775	19.23
Total	45948	39521684	100

xv Dematerialisation of Shares

3,68,27,498 equity shares representing 93.18% of the paid-up share capital, have been dematerialized upto 31.03.2011. Trading in equity shares of the Company is permitted only in dematerialized form with effect from 28.08.2000 as per SEBI's orders dated 29.05.2000.

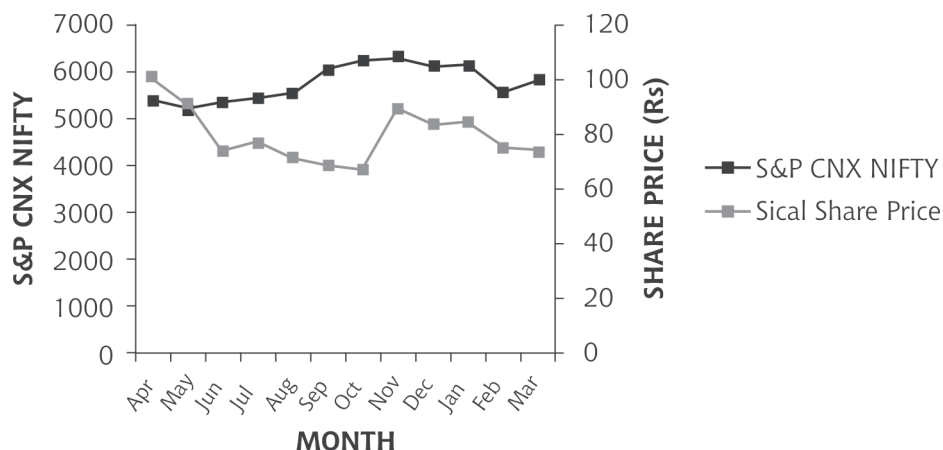


REPORT ON CORPORATE GOVERNANCE

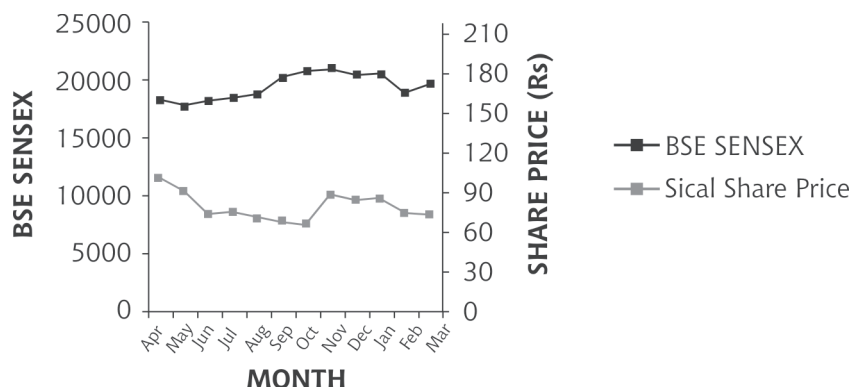
xvi Nomination of Physical Shares

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

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



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



xix Auditors' certificate on corporate governance

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

xx CEO/CFO certification

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

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

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

REPORT ON CORPORATE GOVERNANCE

Compliance with regard to non-mandatory requirement

We comply with the following non-mandatory requirements:

Remuneration committee

The Company has constituted a Remuneration Committee on 20.06.2000 and it was reconstituted on 27.06.2001, 24.04.2007 and 24.09.2009 comprising of three independent non-executive Directors viz. Dhananjay N Mungale, Chairman of the Committee, Shyam Sundar SG, Member and HR Srinivasan, Member.

Shareholders' rights

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

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

Whistle-blower policy

A mechanism for employees has been established to report concerns about unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. We further affirm that during the financial year 2010-11, no employee has been denied access to the audit committee.

17 Investor Correspondence

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

Sical Logistics Ltd.

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

Cameo Corporate Services Ltd.

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

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

AUDITORS CERTIFICATE

[Under Clause 49 of the Listing Agreement]

To

THE MEMBERS OF SICAL LOGISTICS LTD.

We have examined the compliance of the conditions of Corporate Governance by Sical Logistics Limited for the year ended 31 March 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that based on the conditions given by the Registrar and Transfer Agent of the Company, as on 31 March 2011, there was no investor grievance, remaining unattended.

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

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

Place Chennai
Date 28 May 2011

CN GANGADARAN
Partner
Membership No. 11205

CEO'S DECLARATION ON CODE OF CONDUCT

To

THE MEMBERS OF SICAL LOGISTICS LTD.

This is to certify that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct applicable to them for the financial year 2010-11.

Place Chennai
Date 27 May 2011

For Sical Logistics Limited
LR SRIDHAR
Managing Director

AUDITORS' REPORT

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

We have audited the attached Balance Sheet of M/s Sical Logistics Limited, as at 31 March 2011 and also the Profit and Loss Account for the year ended on that date annexed thereto and the cash flow statement for the period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

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

- i We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii In our opinion, proper books of account as required by law have been kept by the company, so far as it appears from our examination of those books.
- iii The Balance Sheet, the Profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
- iv In our opinion, the Balance Sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, to the extent applicable;
- v On the basis of written representations received from the directors, as on 31 March 2011, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31 March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- vi In our opinion and to the best of our information and according to the explanations given to us the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a In the case of Balance Sheet, of the state of affairs of the company as at 31 March 2011;
 - b In the case of Profit and Loss account, of the PROFIT for the year ended on that date; and
 - c In the case of cash flow statement, of the cash flows for the year ended on that date.

For **CNGSN & ASSOCIATES**
Chartered Accountants

Place Chennai
Dated 28 May 2011

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

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

- 1
 - a The company has maintained proper records showing full particulars including quantitative details and the situation of fixed assets except in certain divisions which are being updated.
 - b All the assets have not been physically verified by the management during the year but, according to the information and explanations given to us, there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c During the year the company has not disposed off substantial part of the fixed assets and the going concern status of the company is not affected.
- 2
 - a Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b In our opinion, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
 - c The company has maintained proper records of inventories. The discrepancies noticed on verification between the physical stock and the book records were not material.
- 3 In our opinion, the company has neither granted nor taken any loans, secured or unsecured from/to the companies, firms or other parties covered in the register maintained under section 301 of the companies Act, 1956. As such the clauses iii(b), iii(c) and iii(d) of paragraph 4 of the Order, are not applicable.
- 4 In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of the inventory. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal control.
- 5
 - a In our opinion and according to the information and explanation given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - b In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Sec. 301 of the Companies Act, 1956 and exceeding the value of Rs. 5,00,000/- in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6 In our opinion and according to the information and explanation given to us the company has complied with directives issued by the Reserve Bank of India and the provisions of Sec.58A and 58AA of the Companies Act, 1956 and the rules framed there under with regard to deposits accepted from the public. As per the information and explanations given to us no order under the aforesaid sections has been passed by the Company Law Board on the company.
- 7 In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- 8 The company does not come under section 209(1)(d) of the Companies Act.
- 9
 - a According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect Provident fund, Income Tax, sales tax, customs duty, excise duty, have generally been regularly deposited with the appropriate authorities. In respect of employees' state insurance scheme, contributions have generally been regularly deposited with the appropriate authorities. There are no undisputed statutory dues outstanding for more than 6 months.
 - b As at 31 March 2011 according to the records of the Company, the following are the particulars of the disputed dues on account of sales-tax, income-tax, custom duty and wealth-tax matters that have not been deposited:

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

Annexure: As Referred to in our report of even date

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

- 10 The company has neither accumulated losses as at 31 March 2011 nor it has incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
- 11 Based on our audit procedures and on the information and explanations given by management, we are of opinion that the company has not defaulted in repayment of dues to Financial Institutions or bank or debenture holders.
- 12 According to the information and explanation given to us, the company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 The provisions of any special statute as specified under clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
- 14 According to the information and explanation given to us, the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of Companies (Auditors Report) Order 2003 is not applicable.
- 15 In our opinion, the terms and conditions on which the company has given guarantees for loans taken by others from banks or financial institution are not prejudicial to the interest of the company.
- 16 In our opinion, the term loans have been applied for the purpose for which they were raised.
- 17 According to the information and explanation given to us and on overall examination of the balance sheet of the company, short-term funds have not been applied for long term purposes.
- 18 During the year the company has not made any preferential allotment of shares to the parties and the companies covered in the register maintained under Sec. 301 of the Companies Act, 1956. Accordingly, clause 4(xviii) of Companies (Auditors Report) Order 2003 is not applicable.
- 19 The company has not issued debentures during the year and therefore the question of creation of charge or security does not arise.
- 20 The company has not raised any money through public issue of equity shares during the year.
- 21 According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

Place Chennai
Date 28 May 2011

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

CN GANGADARAN
Partner

Membership No. 11205
FR No. 004915S

SICAL
COFFEE DAY CO.

Annual report 2010-11
Accounts

BALANCE SHEET AS AT 31 MARCH 2011

(in Rs lakh)

	Schedule	on 31 March 2011		on 31 March 2010	
I SOURCE OF FUNDS					
SHAREHOLDERS' FUNDS					
Capital	1	3953.97		3953.97	
Share Application Money		12220.81		-	
Reserves and Surplus	2	22732.66	38907.44	29138.97	33092.94
LOAN FUNDS					
Secured Loans	3	10906.85		11328.41	
Unsecured Loans	4	22494.19	33401.04	35590.75	46919.16
DEFERRED TAX LIABILITIES					
			1670.09		1931.13
Total			73978.57		81943.23
II APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	5	18038.60		29637.34	
Less: Depreciation		8736.75		8231.48	
Net Block		9301.85		21405.86	
Capital work-in-progress at Cost		-	9301.85	74.93	21480.79
INVESTMENTS					
	6		29093.71		42509.31
DEFERRED TAX ASSETS					
			607.85		14.87
CURRENT ASSETS, LOANS & ADVANCES					
Inventories	7	398.19		317.51	
Sundry Debtors	8	12316.99		16055.79	
Cash and Bank Balances	9	15693.37		2501.86	
Loans and Advances	10	22102.43		30441.64	
		50510.98		49316.80	
LESS: CURRENT LIABILITIES AND PROVISIONS	11	15535.82		31378.54	
NET CURRENT ASSETS			34975.16		17938.26
Total			73978.57		81943.23

Schedules 1 to 11 and Notes in Schedule 18 form part of this Balance sheet and should be read in conjunction therewith.

This is the Balance sheet referred to in our Report of even date.

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

CN GANGADARAN

Partner

Membership No. 11205

FRNo. 0049155

Place Chennai

Date 28 May 2011

Ashwin C Muthiah
Chairman

LR Sridhar
Managing Director

HR Srinivasan
Director

V Radhakrishnan
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2011

(in Rs lakh)

	Schedule	Year ended 31 March 2011		Year ended 31 March 2010	
INCOME					
Services and sales	12	53761.98		53612.51	
Other Income	13	3285.61	57047.59	127.45	53739.96
EXPENDITURE					
Cost of Services	14		47489.08		47062.69
Salaries, Wages and Other benefits	15		1805.90		1465.10
Manufacturing and other expenses	16		4996.05		785.59
Interest & Financial Charges	17		1144.23		1719.31
Depreciation			1133.34		1162.60
			56568.60		52195.29
PROFIT BEFORE TAXATION AND EXCEPTIONAL ITEMS					
			478.99		1544.67
Less: Provision for					
Current Tax		32.12		128.84	
Deferred Tax		(854.01)	(821.89)	(134.57)	(5.73)
PROFIT AFTER TAXATION AND BEFORE EXCEPTIONAL ITEMS					
			1300.88		1550.40
Less: EXCEPTIONAL ITEMS (Net of Tax)			225.10		(1086.05)
PROFIT AFTER TAXATION AND EXCEPTIONAL ITEMS					
			1075.78		2636.45
Prior period adjustments			-		-
Profit after prior period adjustments			1075.78		2636.45
Balance brought forward from previous year			17269.22		14632.77
			18345.00		17269.22
APPROPRIATION					
Balance carried to Balance Sheet			18345.00		17269.22
			18345.00		17269.22
Basic EPS (Rs) before Exceptional Items			3.29		3.92
Diluted EPS (Rs) before Exceptional Items			3.07		3.48
Basic EPS (Rs) after Exceptional Items			2.72		6.67
Diluted EPS (Rs) after Exceptional Items			2.54		5.92

Schedules 12 to 17 and Notes in Schedule 18 form an integral part of this Profit & Loss Account and should be read in conjunction therewith.

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

CN GANGADARAN
Partner
Membership No. 11205
FRNo. 0049155
Place Chennai
Date 28 May 2011

Ashwin C Muthiah
Chairman

LR Sridhar
Managing Director

HR Srinivasan
Director

V Radhakrishnan
Company Secretary

SCHEDULES

(in Rs lakh)
on 31 March 2011 on 31 March 2010

SCHEDULE 1: SHARE CAPITAL

AUTHORISED

6,00,00,000 (5,00,00,000) Equity Shares of Rs 10 each	6000.00		5000.00	
15,00,00,000 (15,00,00,000) Preference Shares of Rs 10 each	15000.00	21000.00	<u>15000.00</u>	20000.00

ISSUED

3,95,62,022 (3,95,62,022) Equity Shares of Rs 10 each		3956.20		3956.20
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SUBSCRIBED

3,95,57,782 (3,95,57,782) Equity Shares of Rs 10 each		3955.78		3955.78
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PAID-UP

3,95,21,684 (3,95,21,684) Equity Shares of Rs 10 each	3952.17		3952.17	
Add: Forfeited shares	1.80	3953.97	<u>1.80</u>	3953.97
		3953.97		<u>3953.97</u>

Of the Above

- a 9320003 Equity Shares of Rs 10 each were allotted as fully paid up as per the earlier schemes of Amalgamation.
- b 9860910 Equity Shares of Rs 10 each were Alloted as fully paid up to the share holders of 34513195, 1% Preference Shares on 1/4/1997 in terms of Special Resolution passed by the shareholders on 9/12/1996.
- 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.
- d Share application money.
The Company has received an amount of Rs 122,20,80,760 towards issue and allotment of 1,60,80,010 equity shares of Rs 10 each at a premium of Rs. 66 each on preferential basis which is pending allotment.
(Tanglin Retail Reality Developments Pvt. Ltd.)

SCHEDULES

(in Rs lakh)

on 31 March 2011

on 31 March 2010

SCHEDULE 2: RESERVES AND SURPLUS

CAPITAL RESERVE

As per last Balance Sheet	1093.31		1093.31
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SECURITIES PREMIUM ACCOUNT

As per last Balance Sheet	6272.25		-
Add: Received during the year	-		6272.25
Less: Goodwill on Demerger Written off	(6272.25)	-	<u>6272.25</u>

REVALUATION RESERVE

As per last Balance Sheet	373.41		373.41
Less: Adjusted against Goodwill Written Off	(373.41)	-	<u>373.41</u>

GENERAL RESERVE

As per last Balance Sheet	3294.35		3294.35
---------------------------	----------------	--	---------

FOREIGN CURRENCY TRANSLATION RESERVE

As per last Balance Sheet	836.43		(3362.60)
Add: Addition during the Year	222.51		5035.46
Less: Transfer to Profit and Loss Account	(1058.94)	-	<u>(836.43)</u>

PROFIT AND LOSS ACCOUNT

Surplus from Profit and Loss Account	18345.00		17269.22
	22732.66		<u>29138.97</u>

SCHEDULES

(in Rs lakh)
on 31 March 2011 on 31 March 2010

SCHEDULE 3: SECURED LOANS

LOANS FROM BANKERS

Working capital facilities	4148.08	3324.84
Term Loans	1177.00	1514.08

LOANS FROM FINANCIAL INSTITUTIONS

Term Loans	5435.72	6147.11
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LOANS AND ADVANCES FROM OTHERS

Hire Purchase Loans	146.05	342.38
	<u>10906.85</u>	<u>11328.41</u>

Secured Loans

- a Working Capital Facilities from Bankers are secured by hypothecation of stocks, book debts, other current assets and equitable mortgage/deposit of title deeds of certain Immovable Properties on Pari Passu basis.
- b Term Loans from Banks are secured by mortgage of movable and immovable properties acquired under the respective Loans and hypothecation of current assets as applicable.
- c Term Loans from financial institutions are secured by equipments acquired under the Loan as first charge/mortgage on movable and immovable assets executed/pending execution as applicable.
- d Hire Purchase Loans are secured by hypothecation of respective assets acquired under the hire purchase contracts.

SCHEDULE 4: UNSECURED LOANS

Foreign Currency Convertible Bonds (FCCB)	16511.78	16511.78
Fixed Deposits	97.71	118.03
Other Loans and Advances	-	12830.46
Provision for FCCB Premium/FCTR (Refer Note 18 B Point No 19)	5884.70	6130.48
	<u>22494.19</u>	<u>35590.75</u>

Note

The bonds have been listed on the Singapore Stock Exchange. These Bonds will mature in 5 years and 1 day. Each bond will be convertible to 78.8152 share of Sical Logistics Ltd., the conversion price of each being Rs 563.55. The Bonds are convertible into fully paid equity share on or after 29 May 2006 up to 12 April 2011 by the holders. The company has the option to exercise a call option for the bonds after 18 April 2009, provided a 30% premium has been achieved over the accreted conversion price as of that date. The bonds carry a zero Coupon with a Yield-To-Maturity of 6.32% P.A. calculated on a semi-annual basis. From the eligible period for conversion, the Bonds will be treated as dilutive potential equity shares. The current outstanding FCCB of face value US\$ 36.75 Million has not been hedged as on 31 March 2011.

SCHEDULES

SCHEDULE 5: FIXED ASSETS

(in Rs lakh)

FIXED ASSETS	COST				DEPRECIATION			NET BLOCK		
	As on 01.04.10	Additions	Sales/ Adjustments	As on 31.03.11	As on 01.04.10	For the Period	Withdrawn	Upto 31.03.11	As on 31.03.11	As on 31.03.10
Goodwill	8,832.36	-	(8,832.36)	-	-	-	-	-	-	8,832.36
Freehold Land	4,028.35	1,649.93	(4,183.46)	1,494.82	-	-	-	-	1,494.82	4,028.35
Buildings	811.72	1.76	(9.93)	803.55	289.74	19.86	(8.03)	301.57	501.98	521.97
Plant & Machinery	1,586.25	11.05	(1,323.74)	273.56	903.23	14.89	(707.14)	210.98	62.58	683.02
Office Equipments	684.44	25.81	(36.06)	674.19	509.20	66.02	(43.37)	531.85	142.34	175.24
Furnitures & Fixtures	392.08	1.91	(19.62)	374.37	340.16	9.07	(19.68)	329.55	44.82	51.92
Trucks	3,233.52	13.19	(247.93)	2,998.78	2,095.98	429.15	(227.90)	2,297.23	701.55	1,137.54
Vehicles	276.64	17.01	(153.42)	140.23	221.01	15.52	(135.15)	101.38	38.85	55.64
Leased Machinery	38.13	-	(38.13)	-	38.13	-	(38.13)	-	-	-
Port Handling Equipment	9,753.85	398.49	1,126.76	11,279.10	3,834.03	578.83	551.33	4,964.19	6,314.91	5,919.82
Total	29,637.34	2,119.15	(13,717.89)	18,038.60	8,231.48	1,133.34	(628.07)	8,736.75	9,301.85	21,405.86
Capital Work in Progress	74.93	-	(74.93)	-	-	-	-	-	-	74.93
Previous Year	35,635.52	2,720.47	(8,718.65)	29,637.34	7,380.32	1,162.60	311.43	8,231.48	21,405.86	28,255.20

NOTES

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

31-03-11 31-03-10
in Rs Lakh

Vehicles	12.30	19.65
Trucks	298.99	752.70

SCHEDULES

(in Rs lakh)

No. of **Face Value per** **Amount as on** **Amount as on**
Shares/Units **Share/Unit** **31 March 2011** **31 March 2010**

SCHEDULE 6: INVESTMENTS

TRADE INVESTMENT - AT COST

IN SUBSIDIARY COMPANIES AT COST

In ordinary shares - Fully Paid

Sical Infra Assets Ltd	19731667	10	5334.80	5.00
Sical Iron Ore Terminals Ltd***	81900000	10	8290.00	7030.00
Bergen Offshore Logistics Pte. Ltd	19000000	USD 1	8778.41	8778.41
Sical Iron Ore Terminal (Managlore) Ltd	50000	10	5.00	5.00
Ennore Automotive Logistics Limited	1800000	10	180.00	5.00
Norsea Offshore India Limited	50000	10	5.00	-
Share Application Money			3267.25	18021.33

OTHERS

In Ordinary Shares - Fully Paid

PSA Sical Terminal Ltd	5625000	10	654.10	654.10
Chennai International Terminals P Ltd (CITPL)	1	10	-	5400.00
Sicagen India Ltd	50000	10	5.00	5.00

INVESTMENT IN PROPERTY

Investment In Land			931.88	2603.96
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In Mutual Funds

DWS short Maturity Fund	15112.71	10.02	-	1.51
Reliance Liquidity Fund 06496	5090674.059	10.00	511.37	-
UTI-Mis Advantage Fund	22547.409	1000.21	225.52	-
UTI-Mis Advantage Fund-Dividend Plan	999700.09	10.00	100.53	-
DWS Credit Opportunities Cash	1012644.289	10.50	101.77	-
Birla Sunlife Interval Income Fund	2829528.801	10.00	283.04	-
LIC MF Saving Plus Fund	11840441.77	10.00	118.40	-
IDFC Mutual Fund	1000000	10.02	100.24	-
L&T Freedom Income Short Term Fund	996776.306	10.16	101.22	-
Axis Treasury Advantage Fund	10016.274	1000.08	100.18	-

TOTAL

29093.71 **42509.31**

Additions/Deletions During the Year

No. of **Face Value per** **Amount as on** **Amount as on**
Shares/Units **Share/Unit** **31 March 2011** **31 March 2010**

ADDITIONS

Investment In Land	-	-	-	399.40
Sical Iron Ore Terminal (Mangalore) Ltd	-	-	-	5.00
Share Application Money	-	-	3267.25	-
Sical Infra Assets Ltd	19681667	10.00	5329.80	0.06
Sical Iron Ore Terminals Ltd	12600000	10.00	1260.00	2835.00
Ennore Automotive Logistics Limited	1750000	10.00	175.00	5.00
Norsea Offshore India Limited	50000	10.00	5.00	-
Reliance Liquidity Fund 06496	5090674.059	10.00	511.37	-
UTI-Mis Advantage Fund	22547.409	1000.21	225.52	-
UTI-Mis Advantage Fund-Dividend Plan	999700.09	10.00	100.53	-
DWS Credit Opportunities Cash	1012644.289	10.50	101.77	-
Birla Sunlife Interval Income Fund	2829528.801	10.00	283.04	-
LIC MF Saving Plus Fund	11840441.77	10.00	118.40	-
IDFC Mutual Fund	1000000	10.02	100.24	-
L&T Freedom Income Short Term Fund	996776.306	10.16	101.22	-
Axis Treasury Advantage Fund	10016.274	1000.08	100.18	-

TOTAL

11679.32 **3244.46**

SCHEDULES

	No. of Shares/Units	Face Value per Share/Unit	Amount as on 31 March 2011	Amount as on 31 March 2010
SALES/REDEMPTION				
Land Capitalised/Transferred	-	-	1672.08	2533.53
Sical Distriparks Ltd	-	-	-	500.00
Share Application Money	-	-	18021.33	482.98
DWS Short Maturity Fund	15112.71	10.02	1.51	69.09
Nagpur Sical Gupta Logistics Ltd	-	-	-	3.75
Chennai International Terminals P Ltd (CITPL)	-	-	5400.00	-
TOTAL			25094.92	3589.35

*** 78749994 equity shares of Rs 10 each held by the Company in this Subsidiary have been pledged in favour of Unit Trust of India Investment Advisory Services Ltd., on behalf of the lenders towards the term loan availed by the subsidiary for the development of Iron Ore Terminal at Ennore Port.

(in Rs lakh)

on 31 March 2011 on 31 March 2010

SCHEDULE 7: INVENTORIES

At lower of cost and net realisable value

Stores and Spares	383.66	283.20
Loose Tools	14.53	28.62
Work-in-Process		
Civil Engineering	-	5.69
	398.19	317.51

SCHEDULE 8: SUNDRY DEBTORS

Unsecured

Debts outstanding for a period exceeding six months

Considered good	6097.05	8758.08
Considered doubtful	-	378.79
	6097.05	9136.87
Less: Provision for doubtful debts	-	(378.79)
	6097.05	8758.08
Other debts considered good	6219.94	7297.71
	12316.99	16055.79

SCHEDULES

(in Rs lakh)
on 31 March 2011 on 31 March 2010

SCHEDULE 9: CASH AND BANK BALANCES

Cash and Cheques on hand, Remittances in transit and in foreign currency	36.98		34.72
With Scheduled Banks			
On Current Accounts	1533.71		705.21
On Deposit Accounts	13235.73		606.58
On Margin Money Accounts	687.91		934.12
On Dividend Accounts	11.27		11.40
On Debenture Account	0.38	15469.00	0.38 2257.69
With Non-Scheduled Bank			
Overseas Chinese Banking Corporation Ltd Current Account (Maximum amount outstanding: Rs 13.92 Lakhs)	11.31		13.49
United Overseas Bank Current Account (Maximum amount outstanding: Rs 8.04 Lakhs)	7.62		7.70
RBS-Coutts Bank Ltd (Maximum amount outstanding: Rs 193.77 Lakhs)	168.46	187.39	188.26 209.45
		15693.37	2501.86

SCHEDULES

(in Rs lakh)

on 31 March 2011

on 31 March 2010

SCHEDULE 10: LOANS AND ADVANCES

Advances to subsidiaries		9564.21		7211.29
Advances recoverable in cash or kind or for value to be received				
Considered good	7787.02		10860.83	
Considered doubtful	-		-	
	7787.02		10860.83	
Less: Provision for doubtful advances	-	7787.02	-	10860.83
Advance payment of Income-tax		3895.61		10642.61
Balance with Central Excise, Customs and Port Trust Authorities		157.94		925.06
Deposits		697.65		801.85
		22102.43		30441.64

SCHEDULE 11: CURRENT LIABILITIES AND PROVISIONS

CURRENT LIABILITIES

Acceptances	40.30		-	
Sundry Creditors	15229.84		23075.87	
Unclaimed Dividend	11.27		11.40	
Unclaimed Debentures	0.38		0.38	
Interest accrued but not due on loans	38.60	15320.39	36.62	23124.27

PROVISIONS

Provision for gratuity	177.28		166.16	
Provision for Taxation	-		8088.11	
Other Provisions	38.15	215.43	-	8254.27
		15535.82		31378.54

SCHEDULES

(in Rs lakh)
on 31 March 2011 on 31 March 2010

SCHEDULE 12: SERVICES AND SALES

Transportation	20743.11	24429.93
Clearing & Handling Charges	3712.66	4043.96
Warehousing Rent, Freight, Stevedoring & Coal Handling	29010.64	24907.27
Agency Fees	179.72	145.76
Others		
Others including by-products	115.85	85.59
	<u>53761.98</u>	<u>53612.51</u>

(Tax Deducted at Source on the above Rs 456.50 Lakhs (Rs 428.72 Lakhs))

SCHEDULE 13: OTHER INCOME

Profit on sale of assets (Net)	90.48	93.55
Rent including Lease Rent and Service charges (Tax Deducted at source Rs 1.24 Lakhs (Rs 2.10 Lakhs))	12.43	9.50
Miscellaneous Income	3182.70	24.40
	<u>3285.61</u>	<u>127.45</u>

SCHEDULE 14: COST OF SERVICES

Freight Paid	14708.54	18715.06
Port Charges	528.90	577.49
Handling and Transportation Expenses	31487.88	27253.92
Warehousing expenses	39.13	24.41
Workshop Expenses	-	0.20
Expenditure on Contracts	174.25	250.58
Operation and Maintenance	550.38	241.03
	<u>47489.08</u>	<u>47062.69</u>

SCHEDULES

(in Rs lakh)

On 31 March 2011

On 31 March 2010

SCHEDULE 15: SALARIES, WAGES AND OTHER BENEFITS

Salaries, Wages and Bonus including Directors Remuneration	1579.53	1294.24
Contribution to Provident Fund	71.66	58.58
Contribution to Gratuity and Superannuation Fund	21.71	17.45
Welfare Expenses	133.00	94.83
	<u>1805.90</u>	<u>1465.10</u>

SCHEDULE 16: MANUFACTURING AND OTHER EXPENSES

Rent including Lease Rent	71.70	55.58
Rates, Taxes, Licenses and Filing Fees	295.45	59.57
Insurance	41.93	19.53
Power and Fuel	57.58	59.02
Repairs and Maintenance		
Plant & Machinery	67.82	25.77
Building	16.47	7.58
Vehicles	6.89	8.19
Others	11.16	18.69
Travelling and Coveyance	102.34	60.23
Directors' Sitting Fees	250.95	214.11
Payment to Auditors	5.10	9.10
Audit	15.00	16.55
Tax Audit	4.00	4.41
Certification	6.02	7.63
Expenses	5.14	5.17
Consumable Stores and Tools	30.16	33.76
Miscellaneous Expenses	60.71	76.05
Bad Debts Written Off	1047.29	129.69
Less: Written off against provision	3,015.65	51.66
Assets discarded, written-off	-	-
Rebates, Discount and Commission	8.97	0.23
Commission to Directors	3.05	1.52
	5.17	15.54
	<u>4996.05</u>	<u>785.59</u>

SCHEDULES

(in Rs lakh)
On 31 March 2011 On 31 March 2010

SCHEDULE 17: INTEREST & FINANCIAL CHARGES

On Fixed Loans	1549.04	1786.77
Others	136.68	166.80
	1685.72	1953.57
Less: Interest on Deposits	(329.52)	(169.92)
Less: Interest from Others	(211.97)	(64.34)
	(541.49)	(234.26)
(Tax deducted at source Rs 10.46 Lakhs (Rs 17.62 Lakhs))		
	<u>1144.23</u>	<u>1719.31</u>

SCHEDULES

SCHEDULE 18A: SIGNIFICANT ACCOUNTING POLICIES

1 Method of Accounting:

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

2 Fixed Assets

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

Assets which were revalued on 31 March 1994 and 31 March 1995 are stated at revalued amounts.

The resultant increase which was credited to Revaluation Reserve account amounting to Rs 373.41 lakhs was written off during this financial year by setting off the same against Goodwill.

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

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

3 Borrowing Cost

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

4 Depreciation

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

- a Assets of logistics division at written down value method except assets of transportation & warehousing divisions at straight-line method. Port handling equipments are written off over the period of BOT Scheme.
- b Depreciation on certain premises are provided on composite cost where it is not possible to segregate the land cost.
- c Assets costing less than Rs 5000 are fully depreciated.

5 Investments (Long Term)

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

6 Inventories

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

7 Excise Duty

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

8 Revenue Recognition

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

SCHEDULES

- c Coal handling charges up to January 2001 is net of shortage cover retained by the Tamil Nadu Electricity Board. Additional claim, if any, that may be determined on the closure of the contract will be recognized as and when the claim is made.

9 Foreign Currency transactions

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

Foreign currency monetary items as on balance sheet date are reinstated to its acquisition/ commencing date, the resultant difference transferred to General reserve account.

The Company had opted for accounting the exchange difference arising on reporting of long term foreign currency monetary items in line with the Companies (Accounting Standards) Amendment Rules, 2009 on Accounting Standard 11 (AS 11) notified by Govt. of India on 31 March 09. Accordingly the effect of exchange differences on FCCBs/other long term foreign currency monetary items has been accounted by transfer to "Foreign Currency Translation Reserve Account", to be amortised in subsequent period(s). Exchange difference recognised in the Profit & Loss Account upto the financial year ending 31 March 08 relating to said long term monetary items in foreign currency has been adjusted against General Reserve as provided in the Rules. As a result of this change in accounting for exchange difference in the long term monetary items, the charge back to profit and loss account for the year ended 31 March 2011 is Rs 1058.94 Lakhs.

10 Retirement Benefits

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

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

11 Contingent Liabilities & Provisions

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

12 Segment reporting

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

13 Discontinuing Operations

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

14 Impairment of Assets

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

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

15 Deferred Taxes

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

SCHEDULES

SCHEDULE 18B: NOTES ON ACCOUNTS

- 1 Claims against the Company not acknowledged as debts Rs 374.86 Lakhs (Previous Year: Rs 467.82 Lakhs).
- 2 In accordance with Accounting Standard–29, the following are considered as Contingent Liabilities and Provisions:
 - a Sales Tax, Service Tax, Customs, Wealth Tax and Income tax demands together with penalties under appeal amounts to Rs 8889.86 Lakhs (Previous Year: Rs 4868.12 Lakhs.)
 - b Guarantees given by the Company for loans taken by other bodies corporate (subsidiary companies) to complete their projects is Rs 47509.00 Lakhs (Previous Year: Rs 47509.00 Lakhs).
 - c Guarantees given by bankers for Performance of Contracts & others Rs 2631.70 Lakhs (Previous Year: Rs 3925.63 Lakhs).
- 3 Sundry Debtors, Loans and Advances and Deposits include certain overdue and unconfirmed balances. Some of the accounts are under reconciliation. These include:
Retention money retained as per terms of contracts Rs 5690.85 Lakhs (Previous Year: Rs 7069.22 Lakhs).
- 4 Deposits with Bank in pursuance of Rule 3 A of the Companies (Acceptance of Deposit) Rules, 1975 included under fixed deposits with banks Rs 67.56 Lakhs (Previous Year: Rs 52.61 Lakhs).
- 5 Balance with Central Excise Authorities includes unutilised Cenvat Credits of Rs 23.83 Lakhs (Previous Year: Rs 25.32 Lakhs).
- 6 The provision for Taxation includes Rs 1.00 Lakh (Previous Year: Rs 1.00 Lakh) towards Wealth tax.
- 7 Letters of confirmation of balances in personal account of suppliers, debtors and principals, loans and advances and in-operative bank accounts have been called for and where not received is being followed up.
- 8 Sundry Creditors include Rs Nil (Previous Year: Rs Nil Lakh) due to small scale industrial undertakings to the extent such parties have been identified by the Management and relied upon by auditors. The Company has normally made payments to Small Scale Industrial units in due time and also there being no claim from the parties, interest, if any, on overdue payments is unascertainable and thus not provided for.
- 9 **Micro, Small and Medium Enterprises Development Act, 2006**
The management is currently in the process of identifying enterprises which have provided goods and services to the company and which qualify under the definition of medium and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such medium and small enterprises as at 31 March 2011 has not been made in the financial statements. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

10 **Employee Benefits**

Disclosures required under Accounting Standard 15 on Employee Benefits are given below:

(in Rs lakh)

Defined Contribution Plan:

Employer's Contribution to Provident Fund	36.82
Employer's Contribution to Superannuation Fund	4.98
Employer's Contribution to Pension Scheme	27.30

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

Employees' Gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of service giving rise to additional unit of employee entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

As per the transitional provisions specified in the Standard, the difference in the liability as per the existing policy followed by the Company and that arising on adoption of this standard is required to be charged to opening reserves and surplus

SCHEDULES

account. However, there is no significant impact on adoption of the Standard which is required to be adjusted to the opening balance of reserves and surplus.

Actuarial Assumptions	Gratuity	Leave
Encashment (Unfunded)		
a Assumptions		
Discount Rate	8.00%	8.00%
Salary Escalation	6.00%	6.00%
Attrition rate	2.00%	2.00%
Expected Rate of Return on Plan Assets	9.25%	-
	(Rs in '000)	(Rs in '000)
b Table showing changes in present value of obligation		
Present value of obligation as at beginning of the year	16,616	3,191
Current service cost	2,153	712
Interest cost	1,272	215
Past Service Cost (Vested Benefits)	319	-
Benefit paid	(1,441)	(1,014)
Actuarial loss/(gain) on obligation (Balancing figure)	(1,191)	1,680
Present value of obligation as at end of the year	17,728	4,784
c Table showing changes in the fair value of Plan assets		
Fair value of plan assets as at beginning of the year	9,098	-
Actuarial (Gain)/Loss on Plan assets	882	-
Contributions	2,304	1,014
Benefits Paid	(1,441)	(1,014)
Expected return on plan assets	882	-
Actuarial loss/(gain) on obligation (Balancing figure)	81	-
Fair value of plan assets as at end of the year	10,924	-
d Reconciliation of fair value of assets and obligations		
Fair value of plan assets as at end of the year	10,924	-
Less: Present value of obligation as at end of the year	17,728	-
Net Assets/(Liability) recognised in balance sheet	(6,804)	-
e Expenses recognised during the year		
Current service cost	2,153	712
Interest cost	1,272	215
Expected return on plan assets	(882)	-
Net actuarial (Gain)/Loss recognised in the year	(1,272)	1,680
Past Service Cost (Vested Benefits)	319	-
Expenses recognized	1,590	2,607

SCHEDULES

11 a Managerial Remuneration

Particulars	2010-11	(in Rs lakh)
		2009-10
Salaries & Allowances	69.27	45.56
Contribution to Provident and Other Funds	2.40	0.94
Perquisites	9.70	1.17
Total	81.37	47.67

b Commission Payable to Directors

Particulars	2010-11	(in Rs lakh)
		2009-10
PBT as per P & L before Exceptional Item	478.99	1544.66
Add:		
Salary & Allowances to Directors	69.27	45.56
PF Contribution	2.40	0.94
Perks to Directors	9.41	1.17
Directors Sitting Fees	5.10	9.10
Commission to Directors	5.17	15.54
Depreciation as per book	1,133.34	1,162.60
Assets W/O	8.97	-
	1,233.66	1234.91
	1,712.65	2779.57
Less:		
Depreciation as per Sec. 350	1,104.45	1131.36
Provision for wealth tax	1.00	1.00
Profit on sale of Asset	90.48	93.33
	1,195.93	1,225.69
Profit Computed U/s 349 of Companies Act	516.72	1,553.88
1% of the above	5.17	15.54

12 a Expenditure in Foreign Currency during the financial Year.

Particulars	2010-11	(in Rs lakh)
		2009-10
Travel	17.89	4.25
Ocean freight	3.15	-
Bank Charges	0.04	4.87
Repairs and Maintenance	53.91	50.91
Others	37.19	5.83
Total	112.18	65.86

b Earnings in foreign exchange (received during the year)

Particulars	2010-11	(in Rs lakh)
		2009-10
Agency fees	77.38	126.84
Commission	0.22	0.22
Interest	0.33	0.30
Others	24.90	-
Total	102.83	127.36

SCHEDULES

13 Related Party disclosure

I Related parties where control exists

Subsidiary Companies

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

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

Joint Ventures

PSA Sical Terminals Limited

Ennore Automotive Logistics Limited

Chennai International Terminals Private Limited (Upto 18 June 2010)

Key Management Personnel

LR Sridhar Managing Director

Related Party transactions

Transactions	Subsidiaries	Associates/Joint Venture Companies	(in Rs lakh) Key Management Personnel
Rendering of services	538.94 (122.09)	192.46 (268.22)	
Receiving services	43.40 (1605.54)	- (-)	
Reimbursement of expense	933.29 (2171.28)	32.81 (-)	
Loans and advance	4374.18 (4430.01)	1.00 (-)	
Investment in equity	6594.80 (2845.00)	175.00 (-)	
Transfer of Land	4183.46 (-)	- (-)	
Managerial Remuneration			81.37 (47.67)
Closing Balances			
Loans and Advances	9562.02 (7114.38)	2.19 (-)	
Debtors	213.13 (33.51)	16.51 (34.59)	
Creditors	24.12 (142.17)		

Note: Figures in brackets relate to previous year

SCHEDULES

14 Segment Information for the Year ended 31 March 2011 Information about Primary Business Segment

Business Segments	Logistics	Discontinuing Operations	Eliminations	(in Rs lakh) Consolidated Total
REVENUE				
External Sales	53761.98	-	-	53761.98
Inter Segment Sales	-	-	-	-
Total Revenue	<u>53761.98</u>	<u>-</u>	<u>-</u>	<u>53761.98</u>
RESULT				
Segment Result	583.15	2.40		585.55
Unallocated Corporate Expenses				2141.51
Operating Profit				(1555.96)
Interest expense				1685.72
Interest/Dividend income				3720.67
Income Taxes				(821.89)
Profit from Ordinary Activities				1300.88
Exceptional Items-Net of tax				(225.10)
Net Profit				1075.78
OTHER INFORMATION				
Segment Assets	28236.11	-		28236.11
Unallocated Corporate Assets				61278.28
Total Assets	<u>28236.11</u>	<u>-</u>		<u>89514.39</u>
Segment Liabilities	19703.91	-		19703.91
Unallocated Corporate Liabilities				30903.04
Total Liabilities	<u>19703.91</u>	<u>-</u>		<u>50606.95</u>
Capital Expenditure				2119.15
Depreciation	1055.23	-		1055.23
Unallocated Corporate Depreciation				78.11

Information about Secondary Business Segment

	India	Outside India	(in Rs lakh) Total
Revenue by Geographical Market	53761.98	-	53761.98
Segment Assets	28236.11	-	28236.11
Capital Expenditure	2119.14	-	2119.15

SCHEDULES

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

S.No.	Particulars	Opening	Current Year Adjustments/Additions	(in Rs lakh) Closing
1	VRS Earlier years	14.87	(14.87)	-
2	Carry forward business loss	-	607.85	607.85
	Total	14.87	592.98	607.85

b Deferred tax liability arising out of timing difference relating to

S.No.	Particulars	Opening	Current Year Adjustments/Additions	Closing
1	Depreciation	1913.02	(251.33)	1661.69
2	Pre-closure interest	20.66	(10.88)	9.78
3	Technical know how	(2.55)	1.17	(1.38)
	Total	1931.13	(261.04)	1670.09

16 Discontinuing Operations

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

Particulars	2010-11	(in Rs lakh) 2009-10
Other Income	2.40	-
Operating Expenses	-	0.39
Pre tax Profit/(Loss) before Interest and Depreciation	2.40	(25.79)
Profit/(Loss) before Exceptional Items and Tax	2.40	(25.79)

17 Exceptional Items

Particulars	2010-11	(In Rs lakh) 2009-10
Profit on buy back of FCCB after Impairment of Goodwill	-	1416.09
Foreign currency translation reserve written off	1058.94	836.43
Gain on transfer of Joint venture	600.00	
Foreign Exchange Fluctuation Difference	302.69	(500.84)
Write off of Goodwill ***	(2186.73)	
Total Exceptional Income	(225.10)	1751.68
Tax on the above-Credit/(charge) on Current Tax	-	665.63
Total	(225.10)	1086.05

*** During the year, out of the total amount of Rs 8832.36 lakhs, Rs 6272.25 lakhs and Rs 373.41 lakhs were set off against Securities Premium account and Revaluation reserve respectively. Balance of Rs 2186.73 lakhs was charged to profit and loss accounts.

SCHEDULES

18 Earning Per Share

Particulars	31 March 2011	31 March 2010
Profit before Exceptional items as per Profit & Loss Account	1300.88	1550.40
Profit After Prior Period adjustments as per Profit & Loss account	1075.78	2636.45
Number of Shares Used in computing Earning per Share–For Basic	39521684	39521684
Number of Shares Used in computing Earning per Share–For Diluted	42418143	44565587
Earning Per Share–Basic (In Rs)–Before Exceptional Item and Prior Period Adjustments	3.29	3.92
Earning Per Share–Diluted (In Rs)–Before Exceptional Item and Prior Period Adjustments	3.07	3.48
Earning Per Share–Basic (In Rs)–After Exceptional Item and Prior Period Adjustments	2.72	6.67
Earning Per Share–Diluted (In Rs)–After Exceptional Item and Prior Period Adjustments	2.54	5.92
Face Value per Share	10.00	10.00

19 Foreign Currency Convertible Bonds:

The company had raised USD 75 million during the year 2006-07 by way of issue of Foreign Currency Convertible Bonds (FCCB), and the amount so raised were used towards capital expenditure and investments in foreign subsidiaries. During the FY 2009-10, the company had bought back 38250 Nos of FCCBs of face value USD 38.25 million out of the total issued FCCBs. The balance FCCBs of face value USD 36.75 million, were redeemed on the due date viz. 19 April 2011.

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

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

CN GANGADARAN

Partner

Membership No. 11205

FR No. 004915S

Place Chennai

Date 28 May 2011

Ashwin C Muthiah
Chairman

LR Sridhar
Managing Director

HR Srinivasan
Director

V Radhakrishnan
Company Secretary

SCHEDULES

21 Balance Sheet Abstract and Company's general business profile

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

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

CN GANGADARAN
Partner

Membership No. 11205

FR No. 004915S

Place Chennai

Date 28 May 2011

Ashwin C Muthiah
Chairman

LR Sridhar
Managing Director

HR Srinivasan
Director

V Radhakrishnan
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2011

	Year ended 31 March 2011	(in Rs lakh) Year ended 31 March 2010
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax before Exceptional Items	478.99	1544.67
Adjustments for:		
Depreciation	1133.34	1162.60
Bad debts w/off / Provision	3015.65	
(Profit)/Loss on sale of fixed assets (net)	(90.48)	(93.79)
Interest and Finance Charges (net)	1144.23	1719.31
	<u>5202.74</u>	<u>2788.12</u>
Operating Profit before Working Capital Changes	5681.73	4332.79
Adjustments for:		
Inventories	(80.68)	(79.91)
Trade and other receivables	723.15	318.45
Loans and Advances	8339.21	-
Trade payables	<u>(15842.72)</u>	<u>(1675.87)</u>
	<u>(6861.04)</u>	<u>(1437.33)</u>
Cash Generated from Operations	<u>(1179.31)</u>	2895.46
Tax Paid	<u>(32.12)</u>	(128.84)
Net Cash used in Operating activities	<u>(1211.43)</u>	<u>2766.62</u>
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Including Capital Work in Progress)	<u>(371.72)</u>	(67.92)
Proceeds from Sale of Fixed Assets	4347.52	130.37
Investments made (net)	<u>(348.01)</u>	(1789.24)
Loans & Advances	-	<u>(2042.32)</u>
Net Cash generated from Investing Activities	<u>3627.79</u>	<u>(3769.11)</u>
C CASH FLOW FROM FINANCING ACTIVITIES		
Adv towards share capital / Increase in Capital	12220.81	-
Short Term Borrowings	626.91	(430.45)
(Repayment) of Long Term Borrowings	<u>(769.09)</u>	1868.97
(Repayment) of Unsecured loans (net)	<u>(159.25)</u>	-
Interest Received		234.26
Interest (Paid)	<u>(1144.23)</u>	(1953.57)
FCCB -Payment for redemption	-	<u>(7418.47)</u>
Net Cash generated from Financing Activities	<u>10775.15</u>	<u>(7699.26)</u>
Decrease in cash and cash equivalents (D)=(A+B+C)	<u>13191.51</u>	(8701.75)
Cash and cash equivalents as at 1 April 2010	<u>2501.86</u>	11203.61
Cash and cash equivalents as at 31 March 2011	<u>15693.37</u>	<u>2501.86</u>

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

CN GANGADARAN
Partner
Membership No. 11205
FR No. 004915S
Place Chennai
Date 28 May 2011

Ashwin C Muthiah
Chairman

LR Sridhar
Managing Director

HR Srinivasan
Director

V Radhakrishnan
Company Secretary

AUDITORS' CERTIFICATE

We have examined the above Cash Flow Statement of Sical Logistics Limited for the year ended 31 March 2011. The Statement has been prepared by the Company in accordance with the requirements of the listing agreement—Clause 32 with Stock Exchanges and is based on and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our Report of even date to the Members of the Company.

Place Chennai
Date 28 May 2011

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

CN GANGADARAN
Partner
Membership No. 11205
FR No. 0049155

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

Particulars	Sical Infra Assets Ltd.	Sical Iron Ore Terminals Ltd.*	Bergen Offshore Logistics Pte. Ltd.	Sical Iron Ore Terminal (Mangalore) Ltd.*	Norsea Offshore India Ltd.
1 Financial year of the subsidiary ended on	31.03.2011	31.03.2011	31.03.2011	31.03.2011	31.03.2011
2 Share of the susidiary held by the company on the above date:					
a Number of Equity shares and Face value	19731663 Rs 10 Each	81900000 Rs 10 Each	19000000 USD 1 Each	50000 Rs 10 Each	50000 Rs 10 Each
b Extent of holding	53.60%	63%	100%	100%	100%
3 Net aggregate amount of Profits/(Losses) for the above financial year of the subsidiary so far as they concern members of the company					
a Dealt with in the Accounts of the company for the year ended 31 March 2011 (in Rs Lakhs)	Nil	Nil	Nil	Nil	Nil
b Not dealt with in the Accounts of the company for the year ended 31 March 2011 (in Rs Lakhs)	(20.45)	Nil	(874.64)	Nil	Nil
4 Net aggregate amount of profits/(Losses) for previous financial years of the subsidiary, since it became a subsidiary, so far as they concern members of the company.					
a Dealt with in the Accounts of the company as at 31 March 2011 (in Rs Lakhs)	Nil	Nil	Nil	Nil	Nil
b Not dealt with in the Accounts of the Company as at 31 March 2011 (in Rs Lakhs)	(14.57)	Nil	(5489.01)	Nil	Nil

* Company yet to commence business

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

CN GANGADARAN
Partner
Membership No. 11205
FR No. 0049155
Place Chennai
Date 28 May 2011

Ashwin C Muthiah
Chairman

LR Sridhar
Managing Director

HR Srinivasan
Director

V Radhakrishnan
Company Secretary

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COFFEE DAY CO.

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SICAL
COFFEE DAY CO.

Annual report 2010-11
Consolidated accounts

AUDITORS' REPORT

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

We have examined the attached consolidated Balance Sheet of M/s Sical Logistics Limited and its subsidiaries Sical Infra Assets Ltd, Sical Iron Ore Terminals Limited, Sical Iron Ore Terminal [Mangalore] Limited, Bergen Offshore Logistics Pte Ltd, Norsesea Offshore India Ltd and Joint Ventures PSA Sical Terminals Ltd, Ennore Automotive Logistics Ltd as at 31 March 2011 and the Consolidated Profit & Loss Account for the year ended on that date and the Consolidated Cash flow statement for the year ended on that date.

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

We did not audit the financial statements of subsidiaries Sical Infra Assets Ltd, Sical Iron Ore Terminals Limited, Sical Iron Ore Terminal [Mangalore] Limited, Bergen Offshore Logistics Pte Ltd, Norsesea Offshore India Ltd and Joint Ventures PSA Sical Terminals Ltd, Ennore Automotive Logistics Ltd whose financial statements reflect the Group's share of total assets of Rs 48341 lakhs as at 31 March 2011 and Group's share of total revenues of Rs 23300 lakhs for the year ended 31 March 2011. These financial statements and other information (except for M/s PSA Sical Terminals Ltd) have been audited by other auditors whose reports have been furnished to us and our opinion so far, as it relates to the amounts included in respect of the subsidiaries, is based solely on the report of the other auditors and other unaudited report.

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

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

- i The Consolidated Balance Sheet gives a true and fair view of the Consolidated state of affairs of M/s Sical Logistics Limited, its subsidiaries and its joint ventures as at 31 March 2011;
- ii The Consolidated Profit and Loss Account gives a true and fair view of the Consolidated result of operations of M/s Sical Logistics Limited, its subsidiaries and its joint ventures as at 31 March 2011;
- iii The Consolidated Cash Flow Statement gives a true and fair view of the Consolidated Cash Flows for the year ended on that date.

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

CN GANGADARAN
Partner
Membership No. 11205
FR No. 0049155

Place Chennai
Date 28 May 2011

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2011

(in Rs lakh)

	Schedule	on 31 March 2011		on 31 March 2010	
I SOURCE OF FUNDS					
SHAREHOLDERS' FUNDS					
Paid up Share Capital	1	3,953.97		3,953.97	
Share Application Money		13,220.81		-	
Reserves & Surplus	2	<u>23,332.76</u>	40,507.54	<u>29,030.55</u>	32,984.52
LOAN FUNDS					
Secured Loans	3	42,433.87		36,883.41	
Unsecured Loans	4	<u>23,825.97</u>	66,259.84	<u>45,381.28</u>	82,264.69
Minority Interest			13,095.14		5,103.25
Deferred Tax Liabilities			<u>2,456.89</u>		<u>2,569.79</u>
Total			<u>122,319.41</u>		<u>122,922.25</u>
II APPLICATION OF FUNDS					
FIXED ASSETS:					
Gross Block	5	52,390.80		80,861.13	
Less: Depreciation		<u>15,610.01</u>		<u>15,855.14</u>	
Net Block		36,780.79		65,005.99	
Capital Work-in-progress at cost		<u>49,012.35</u>	85,793.14	<u>30,282.25</u>	95,288.24
INVESTMENTS					
Deferred Tax Assets	6		2,644.37		8,778.90
			<u>607.85</u>		<u>14.87</u>
CURRENT ASSETS, LOANS & ADVANCES					
Inventories	7	1,070.95		433.03	
Sundry Debtors	8	24,886.93		19,237.98	
Cash and Bank Balances	9	19,442.90		8,609.91	
Loans and Advances	10	<u>18,344.92</u>		<u>30,792.68</u>	
		63,745.70		59,073.60	
LESS: CURRENT LIABILITIES AND PROVISIONS	11	<u>31,678.55</u>		<u>41,150.04</u>	
NET CURRENT ASSETS			32,067.15		17,923.56
MISCELLANEOUS EXPENDITURE (To the extent not written off)	12		<u>1,206.90</u>		<u>916.68</u>
Total			<u>122,319.41</u>		<u>122,922.25</u>

Schedules 1 to 12 and Notes in Schedule 19 form an integral part of this Balance Sheet and should be read in conjunction therewith.

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

CN GANGADARAN
Partner
Membership No. 11205
FR No. 004915S
Place Chennai
Date 28 May 2011

Ashwin C Muthiah
Chairman

LR Sridhar
Managing Director

HR Srinivasan
Director

V Radhakrishnan
Company Secretary

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2011

(in Rs lakh)

	Schedule	Year Ended 31 March 2011		Year Ended 31 March 2010	
INCOME					
Services and Sales	13	76,945.74		72,201.00	
Other Income	14	<u>3,402.05</u>	80,347.79	<u>472.26</u>	72,673.26
			80,347.79		<u>72,673.26</u>
EXPENDITURE					
Cost of Services	15		65,337.43		62,269.86
Salaries, Wages and Other benefits	16		3,144.63		2,678.56
Manufacturing and other expenses	17		8,633.02		3,907.93
Interest and Financial charges	18		1,736.67		2,265.04
Depreciation			2,694.59		3,528.83
			<u>81,546.34</u>		<u>74,650.22</u>
PROFIT BEFORE TAXATION					
			<u>(1,198.55)</u>		<u>(1,976.96)</u>
Less: Provision for					
- Current Tax		364.50		243.71	
- Deferred Tax		<u>(706.47)</u>		<u>(173.86)</u>	
Fringe benefit Tax		<u>(0.60)</u>	(342.57)	0.36	70.21
PROFIT AFTER TAXATION AND BEFORE EXCEPTIONAL ITEMS					
			(855.98)		(2,047.17)
EXCEPTIONAL ITEMS (Net of Tax)					
			225.10		(1,511.62)
PROFIT AFTER TAXATION AND AFTER EXCEPTIONAL ITEMS					
			(1,081.08)		(3,558.79)
Prior Period Adjustments			26.67		(31.38)
Profit after Prior Period Adjustments			(1,107.75)		(3,527.41)
Minority Interest			(304.76)		35.67
Profit after Minority Interest			(802.99)		(3,563.08)
Balance brought forward from Previous year			15,134.76		18,707.80
			<u>14,331.77</u>		<u>15,144.72</u>
APPROPRIATION					
Proposed Dividend on Equity Shares			8.63		8.63
Tax on Proposed Dividend/Dividend paid			1.43		1.33
General Reserve			9.00		-
Balance carried to Balance Sheet			14,312.71		15,134.76
			<u>14,312.71</u>		<u>15,134.76</u>
Earning per Share (Basic & Diluted) (Rs/P)					
Basic EPS Rs before Exceptional Items			(2.17)		(5.18)
Diluted EPS Rs before Exceptional Items			(2.02)		(4.59)
Basic EPS Rs after Exceptional Items			(2.80)		(9.00)
Diluted EPS Rs after Exceptional Items			(2.61)		(7.99)

Schedules 13 to 18 and Notes in Schedule 19 form an integral part of this Profit & Loss Account and should be read in conjunction therewith

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

CN GANGADARAN
Partner
Membership No. 11205
FRNo. 004915S
Place Chennai
Date 28 May 2011

Ashwin C Muthiah
Chairman

LR Sridhar
Managing Director

HR Srinivasan
Director

V Radhakrishnan
Company Secretary

SCHEDULES

(in Rs lakh)

on 31 March 2011

on 31 March 2010

SCHEDULE 1: SHARE CAPITAL

AUTHORISED

6,00,00,000 (5,00,00,000) Equity Shares of Rs 10 each	6000.00		5000.00	
15,00,00,000 (15,00,00,000) Preference Shares of Rs 10 each	15000.00	21000.00	<u>15000.00</u>	20000.00

ISSUED

3,95,62,022 (3,95,62,022) Equity Shares of Rs 10 each		3956.20		3956.20
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SUBSCRIBED

3,95,57,782 (3,95,57,782) Equity Shares of Rs 10 each		3955.78		3955.78
---	--	----------------	--	---------

PAID-UP

3,95,21,684 (3,95,21,684) Equity Shares of Rs 10 each	3952.17		3952.17	
Add: Forfeited shares	1.80		<u>1.80</u>	
		3953.97		3953.97
		3953.97		<u>3953.97</u>

Of the Above

- 9320003 Equity Shares of Rs 10 each were allotted as fully paid up as per the earlier schemes of Amalgamation
- 9860910 Equity Shares of Rs 10 each were allotted as fully paid up to the share holders of 34513195, 1% Preference Shares on 1/4/1997 in terms of the special resolution passed by the shareholders on 9/12/1996.
- 47,61,908 Equity shares of Rs 10 each were allotted as fully paid up by way of bonus shares by capitalisation of share premium.
- Share application money
The company has received an amount of Rs. 122,20,80,760 towards issue and allotment of 16080010 equity shares or Rs 10 each at a premium of Rs 66 each on preferential basis which is pending allotment (Tanglin Retail Reality Developments Pvt. Ltd.) and Rs 1000 lakhs in one of the subsidiaries.

SCHEDULES

(in Rs lakh)

on 31 March 2011

on 31 March 2010

SCHEDULE 2: RESERVES AND SURPLUS

CAPITAL RESERVE

As per last Balance Sheet	2412.03		2293.19	
Add: Pre-acquisition profit (Negative Goodwill)	<u>-</u>	2412.03	<u>118.84</u>	2412.03

SECURITIES PREMIUM ACCOUNT

As per last Balance Sheet	6278.73		6.48	
Additions during the year	<u>(3588.96)</u>	2689.77	<u>6272.25</u>	6,278.73

REVALUATION RESERVE

As per last Balance Sheet	373.41		373.41	
Less: Written off	<u>(373.41)</u>	-	<u>-</u>	373.41

FOREIGN EXCHANGE RESERVE

As per last Balance Sheet	383.01		1469.71	
Add: Profit/(Loss) on Reinstatement of Investments	<u>(85.94)</u>	297.07	<u>(1086.70)</u>	383.01

FOREIGN CURRENCY TRANSLATION RESERVE

As per last Balance Sheet	836.43		(3362.60)	
Add: Addition during the year	222.51		5035.46	
Less: Transfer to Profit and Loss Account	<u>(1058.94)</u>	-	<u>(836.43)</u>	836.43

GENERAL RESERVE

As per last Balance Sheet	3612.18		3612.18	
Add: Addition during the last year	<u>9.00</u>		<u>-</u>	
		3621.18		3612.18

PROFIT AND LOSS ACCOUNT

Surplus from Profit and Loss Account		14312.71		15134.76
		<u>23332.76</u>		<u>29030.55</u>

SCHEDULES

	on 31 March 2011		(in Rs lakh) on 31 March 2010	
SCHEDULE 3: SECURED LOANS				
LOANS FROM BANKERS				
Working capital facilities	5186.02		3812.13	
Term Loans	25130.03	30316.05	19824.00	23636.13
LOANS FROM FINANCIAL INSTITUTIONS				
Term Loans		10597.22		11308.61
LOANS AND ADVANCES FROM OTHERS				
Hire Purchase Loans	611.16		896.78	
Share of Joint Ventures	909.44	1520.60	1041.89	1938.67
		42433.87		36883.41

Notes

- a Working Capital Facilities from Bankers are secured by hypothecation of stocks, book debts and other current assets and equitable mortgage/deposit of title deeds of certain immovable properties on pari passu basis.
- b Term Loans from Banks are secured by mortgage of movable and immovable properties acquired under the respective Loan and hypothecation of current assets as applicable.
- c Term Loans from financial institutions are secured by equipments acquired under the loan as first charge/mortgage on movable and immovable assets executed /pending execution as applicable.
- d Hire Purchase Loans are secured by hypothecation of respective assets acquired under the hire purchase.

SCHEDULES

(in Rs lakh)

on 31 March 2011 on 31 March 2010

SCHEDULE 4: UNSECURED LOANS

Foreign Currency Convertible Bonds (FCCB)	16511.78	16511.78
Fixed Deposits	97.71	118.03
Compulsorily Convertible Debentures	-	10,239.96
Other Loans and Advances	499.05	1402.32
Provision for FCCB Premium	5884.70	6130.48
Share of Joint Ventures	832.73	10978.71
	<hr/> 23825.97 <hr/>	<hr/> 45381.28 <hr/>

Notes

The FCCB have been listed on the Singapore stock exchange. These Bonds will mature in 5 years and 1 day. Each bond will be convertible in to 78.8152 share of Sical Logistics Ltd ,the conversion price of each being Rs 563.55. The bonds are convertible in to fully paid equity share on or after 29 May 2006 upto 12 April 2011 by the holders. The company has the option to exercise a call option for the bonds after 18 April 2009, provided 30% premium has been achieved over the accreted conversion price as of the date. The bonds carry zero coupon with yield-to-maturity of 6.32% P.A calculated on a semi-annual basis. From the eligible period for conversion ,the bonds will be treated as dilutive potential equity shares. The current outstanding FCCB of face value US\$ 36.75 million has not been hedged as on 31 March 2011.

SCHEDULES

SCHEDULE 5: FIXED ASSETS

(in Rs lakh)

	COST				DEPRECIATION						NET BLOCK	
	On 01.04.10	Additions	Transfer in/out	Sales/ Adjustments	On 31.03.11	On 01.04.10	For the period	Transfer in/out	Withdrawn	Upto 31.03.11	As on 31.03.11	As on 31.03.10
Goodwill	8,832.36	-	-	(8,832.36)	-	-	-	-	-	-	-	8,832.36
Freehold Land	4,428.03	6,260.30	-	(4,183.47)	6,504.86	-	-	-	-	-	6,504.86	4,428.03
Buildings	5,979.83	2,569.86	2.21	(12.14)	8,539.76	720.62	138.87	2.19	(10.23)	851.45	7,688.31	5,259.21
Leasehold Improvements	2.35	-	-	-	2.35	1.58	-	-	-	1.58	0.77	0.77
Plant & Machinery	8,853.59	2,703.59	(1,307.29)	(24.84)	10,225.05	1,574.54	436.11	(689.90)	(21.52)	1,299.23	8,925.82	7,279.05
Office Equipments	949.41	88.45	49.14	(88.40)	998.60	632.61	102.88	27.91	(75.61)	687.79	310.81	316.80
Furnitures & Fixtures	538.83	71.01	0.30	(31.01)	579.13	404.12	22.11	-	(30.79)	395.44	183.69	134.71
Ship	11,363.01	-	-	(11,087.63)	275.38	1,570.19	490.42	-	(2,011.82)	48.79	226.59	9,792.82
Trucks	3,233.54	13.19	0.08	(248.01)	2,998.80	2,095.98	429.15	-	(227.88)	2,297.25	701.55	1,137.56
Vehicles	729.95	18.40	0.07	(161.75)	586.67	323.59	66.65	-	(138.48)	251.76	334.91	406.36
Leased Machinery	38.13	-	(38.13)	-	-	38.13	-	(38.13)	-	-	-	-
Port Handling Equipment	9,753.85	398.49	1,293.62	(166.86)	11,279.10	3,834.03	578.83	697.93	(146.60)	4,964.19	6,314.91	5,919.82
Licence Fee	5,000.00	-	-	-	5,000.00	517.52	249.87	-	-	767.39	4,232.61	4,482.48
Total	59,702.88	12,123.29	-	(24,836.47)	46,989.70	11,712.91	2,514.89	-	(2,662.93)	11,564.87	35,424.83	47,989.97
Goodwill on Investment in Subsidiary	995.83	-	-	(986.21)	9.62	-	-	-	-	-	9.62	995.83
Goodwill on Investment in JV	159.51	640.36	-	(159.51)	640.36	-	-	-	-	-	640.36	159.51
Share in Joint Venture Assets	20,002.91	26.30	-	(15,278.09)	4,751.12	4,142.23	179.70	-	(276.79)	4,045.14	705.98	15,860.68
Grand Total	80,861.13	12,789.95	-	(41,260.28)	52,390.80	15,855.14	2,694.59	-	(2,939.72)	15,610.01	36,780.79	65,005.99
Capital Work in Progress	30,282.25	19,654.02	-	(923.91)	49,012.35	-	-	-	-	-	49,012.35	30,282.25
Total	30,282.25	19,654.02	-	(923.91)	49,012.35	-	-	-	-	-	49,012.35	30,282.25
Current Year	111,143.38	32,443.97	-	(42,184.19)	101,403.15	15,855.14	2,694.59	-	(2,939.72)	15,610.01	85,793.14	95,288.24
Previous Year	101,606.18	43,254.38	-	(33,717.18)	111,143.38	15,045.17	3,528.83	-	2,718.86	15,855.14	95,288.24	86,561.01

NOTES

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

	As on 31.03.2011	As on 31.03.2010
	in Rs Lakh	
Vehicles	12.30	19.65
Trucks	298.99	752.70

SCHEDULES

SCHEDULE 6: INVESTMENTS

Name of the Body Corporate	No. of Shares/Units	Face Value per Share/Unit	(in Rs lakh)	
			On 31 March 2011	On 31 March 2010
TRADE INVESTMENT - AT COST				
Sicagen India Limited	50000	10	5.00	5.00
Share Application Money				
Share Application Money			-	1.20
Investment in Land				
			931.88	2,603.96
NON TRADE INVESTMENT - AT COST				
In Mutual Funds				
DWS Short Maturity Fund	15112.71	10.02	-	1.51
Reliance Medium Term Fund	112990.2	17.10	19.32	18.33
UTI Treasury Advantage Fund-IP DDO	10103.427	1000.21	-	101.06
Reliance Liquidity Fund 06496	5090674.059	10.00	511.37	
UTI-Mis Advantage Fund	22547.409	1000.21	225.52	
UTI-Mis Advantage Fund-Dividend Plan	999700.09	10.00	100.53	
DWS Credit Opportunities Cash	1012644.289	10.50	101.77	
Birla Sunlife Interval Income Fund	2829528.801	10.00	283.04	
LIC MF Saving Plus Fund	11840441.77	10.00	118.40	
IDFC Mutual Fund	1000000	10.02	100.24	
L&T Freedom Income Short Term Fund	996776.306	10.16	101.22	
Axis Treasury Advantage Fund	10016.274	1000.08	100.18	
Reliance Money Manager Fund	4462.87	1,001.37	45.90	
HDFC CMF TAP			-	1,019.77
HSBC Floating RF-LTP			-	508.27
Reliance STF -Retail Plan			-	503.70
UTI Floating Rate -STP			-	503.78
HDFC CMF TAP			-	503.70
IDFC Money Manager F-TAP			-	503.30
ICICI Prudential-FIP			-	503.13
HDFC CMF TAP			-	500.50
Reliance Short Term Fund -RP			-	500.77
ICICI Prudential-FIP			-	500.49
IDFC Money Manager F-TAP			-	500.43
			2644.37	8778.90
Additions				
Investment in Land	-	-	-	399.40
In Mutual Funds				
Reliance Medium Term Fund	112990.2	17.10	0.99	-
Reliance Liquidity Fund 06496	5090674.059	10.00	511.37	-
UTI-Mis Advantage Fund	22547.409	1000.21	225.52	-
UTI-Mis Advantage Fund-Dividend Plan	999700.09	10.00	100.53	-
DWS Credit Opportunities Cash	1012644.289	10.50	101.77	-
Birla Sunlife Interval Income Fund	2829528.801	10.00	283.04	-
LIC MF Saving Plus Fund	11840441.77	10.00	118.40	-
IDFC Mutual Fund	1000000	10.02	100.24	-
L&T Freedom Income Short Term Fund	996776.306	10.16	101.22	-
Axis Treasury Advantage Fund	10016.274	1000.08	100.18	-
Reliance Money Manager Fund	4462.87	1,001.37	45.90	-
DWS Short Maturity Fund	589.04	10.02	-	0.06

SCHEDULES

UTI Treasury Advantage Fund-IP DDO	10103.427	1,000.21	-	101.06
HDFC CMF TAP	10165681.1	-	-	1,019.77
HSBC FLOATING RF-LTP	4526074.92	-	-	508.27
RELIANCE STF -RETAIL PLAN	4731308.71	-	-	503.70
UTI FLOATING RATE -STP	50338.74	-	-	503.78
HDFC CMF TAP	5021144.71	-	-	503.70
IDFC MONEY MANAGER F-TAP	4998076.51	-	-	503.30
ICICI PRUDENTIAL-FIP	501725.84	-	-	503.12
HDFC CMF TAP	4989270	-	-	500.50
RELIANCE SHORT TERM FUND-RP	4703763.41	-	-	500.77
ICICI PRUDENTIAL-FIP	473348.06	-	-	500.49
IDFC MONEY MANAGER F-TAP	4969582.37	-	-	500.43
Total			1,689.16	6,548.35
Sales / Redemption				
ICICI Prudential Flexible Income				69.06
Birla Sunlife Mutual Fund				1,249.06
DWS Fixed Term Fund				500.00
ICICI Prudential Flexible Income Plan				150.00
Reliance Money Manager Fund				40.58
Reliance Medium Term Fund				881.67
UTI Guilt Fund				2,000.00
Temp. Investment (HDFC)				700.00
Land Capitalised			1672.08	2533.53
Share Application Money			1.20	134.90
DWS Short Maturity Fund			1.51	-
UTI Treasury Advantage Fund-IP DDO			101.06	-
HDFC CMF TAP			1,019.77	-
HSBC Floating RF-LTP			508.27	-
Reliance STF -Retail Plan			503.70	-
UTI Floating Rate -STP			503.78	-
HDFC CMF TAP			503.70	-
IDFC Money Manager F-TAP			503.30	-
ICICI Prudential-FIP			503.12	-
HDFC CMF TAP			500.50	-
Reliance Short Term Fund -RP			500.77	-
ICICI Prudential-FIP			500.49	-
IDFC Money Manager F-TAP			500.44	-
Total			7823.69	8258.80

(in Rs lakh)
on 31 March 2011 on 31 March 2010

SCHEDULE 7: INVENTORIES

At lower of cost and net realisable value

Stores and Spares	922.27	284.54
Loose Tools	14.53	28.62
Civil engineering contracts	-	5.69
Share of Joint Ventures	134.15	114.18
	<u>1070.95</u>	<u>433.03</u>

SCHEDULE 8: SUNDRY DEBTORS

Unsecured

Debts outstanding for a period exceeding six months

Considered good	6656.65	9310.71
Considered doubtful	49.12	405.12
	<u>6705.77</u>	<u>9715.83</u>
Less: Provision for Doubtful debts	49.12	402.12
	6656.65	9313.71
Other debts - Considered good	17997.98	9784.83
Share of Joint Ventures	232.30	139.44
	<u>24886.93</u>	<u>19237.98</u>

SCHEDULES

(in Rs lakh)

on 31 March 2011

on 31 March 2011

SCHEDULE 9: CASH AND BANK BALANCES

Cash and Cheques on hand, Remittances in transit and in foreign currency	39.25		36.16
With Scheduled Banks			
On Current Accounts	2551.40		3505.32
On Deposit Accounts	14486.67		2057.66
On Margin Money Accounts	1005.03		1182.87
On Dividend Accounts	11.27		11.40
On Debenture Account	0.38	18054.75	0.38
			6757.63
With Non-Scheduled Bank			
On Current Account with Overseas Chinese Banking Corpn Ltd (Maximum amount outstanding Rs 13.92 Lakhs)	11.31		13.49
United Overseas Bank Current Account (Maximum amount outstanding Rs 8.04 Lakhs)	7.62		7.70
On Current account with RBS Coutts Bank Ltd. (Maximum amount outstanding Rs 193.77 Lakhs)	168.46		188.25
		187.39	209.44
Share of Joint Ventures		1161.51	1606.68
		19442.90	8609.91

SCHEDULES

(in Rs lakh)
on 31 March 2011 on 31 March 2010

SCHEDULE 10: LOANS AND ADVANCES

Advances recoverable in cash or in kind or for value to be received

Considered good	10682.07	14220.32
Advance payment of Income-tax/TDS	4991.78	11459.75
Balance with Central Excise, Customs and Port Trust Authorities	1231.62	1689.12
Others	-	496.95
Deposits	1039.18	1457.19
Share of Joint Ventures	400.27	1469.35
	<u>18344.92</u>	<u>30792.68</u>

SCHEDULE 11: CURRENT LIABILITIES AND PROVISIONS

CURRENT LIABILITIES

Acceptances	40.30	-
Sundry Creditors	29801.39	28791.25
Unclaimed Dividend	11.27	11.40
Unclaimed Debentures	0.38	0.38
Interest accrued but not due on Loans	38.60	36.62
	<u>29891.94</u>	<u>28839.65</u>

PROVISIONS

Provision for Gratuity	177.28	166.16
Provision for Taxation	808.00	8674.04
Other Provisions	179.09	1923.45
	<u>1164.37</u>	<u>10763.65</u>
Share of Joint Ventures	622.24	1546.74
	<u>31678.55</u>	<u>41150.04</u>

SCHEDULES

(in Rs lakh)
on 31 March 2011 on 31 March 2010

SCHEDULE 12: MISCELLANEOUS EXPENDITURE

(to the extent not written off)

Preliminary Expenses	508.00	337.61
Pre-operative Expenses	698.90	578.46
Share of Joint Ventures	-	0.61
	<u>1206.90</u>	<u>916.68</u>

SCHEDULE 13: SERVICES AND SALES

SERVICES

Transportation	30659.47	31518.21
Clearing & Handling Charges	8010.70	7733.20
Warehousing Rent, Freight on Lorry, Stevedoring, Coal Handling	32732.63	27685.93
Offshore Earnings	991.66	1005.68
Agency Fees	179.72	145.76
	<u>72574.18</u>	<u>68088.78</u>

OTHERS

Others - including by products	115.85	85.58
Share of Joint Ventures (Tax Deducted at Source on the above Rs 595.39 Lakhs (Rs 521.87 Lakhs))	4255.71	4026.64
	<u>76945.74</u>	<u>72201.00</u>

SCHEDULE 14: OTHER INCOME

From Non-Trade Investments	8.63	
Provision no longer required written back	30.37	
Profit on sale of fixed assets	90.48	93.56
Exchange fluctuation difference	9.15	83.23
Rent including Lease Rent and Service charges (Tax Deducted at Source Rs 1.24 Lakhs (Previous Year: Rs 1.51 Lakhs))	12.43	9.50
Miscellaneous Income	3227.85	48.74
Share of Joint ventures	23.14	237.23
	<u>3402.05</u>	<u>472.26</u>

SCHEDULES

(in Rs lakh)

On 31 March 2011 On 31 March 2010

SCHEDULE 15: COST OF SERVICES

Freight Paid	25069.73	25030.67
Port Charges	528.90	577.49
Handling and Transportation expenses	32634.75	29688.32
Warehousing expenses	39.13	24.41
Workshop Expenses	-	0.20
Expenditure on Contracts	174.25	250.58
Operation and Maintenance	3333.48	3718.60
Share of Joint Ventures	3557.19	2979.59
	<u>65337.43</u>	<u>62269.86</u>

SCHEDULE 16: SALARIES, WAGES AND OTHER BENEFITS

Salaries, Wages and Bonus including Directors remuneration	2577.08	2204.09
Contribution to Provident Fund	87.06	72.48
Contribution to Gratuity and Superannuation Fund	29.10	26.21
Welfare Expenses	185.44	145.99
Share of Joint Ventures	265.95	229.79
	<u>3144.63</u>	<u>2678.56</u>

SCHEDULES

(in Rs lakh)

On 31 March 2011

On 31 March 2010

SCHEDULE 17: MANUFACTURING AND OTHER EXPENSES

Rent including Lease Rent		117.58		107.07
Rates, Taxes, Licence and Filing fees		314.61		69.56
Insurance		152.78		41.07
Power and Fuel		68.39		69.48
Repairs and Maintenance				
Plant & Machinery	107.97		48.95	
Building	38.26		38.74	
Vehicles	8.80		8.65	
Others	192.86	347.89	<u>43.99</u>	140.33
Travelling and Conveyance		333.50		301.01
Directors' Sitting Fees		5.10		9.14
Payment to Auditors				
Audit	43.19		38.58	
Tax Audit	5.55		5.41	
Other Services	24.37		-	
Certification	7.75		7.63	
Expenses	5.17	86.03	<u>9.26</u>	60.88
Consumable Stores and Tools		60.71		76.05
Selling Expenses		1271.76		874.78 \
Miscellaneous Expenses		1725.99		1212.04
Bad Debts written off	3125.66		138.48	
Less: Written off against Provision	-	3125.66	-	138.48
Provisions for doubtful debts		-		16.99
Assets discarded / written off		59.54		1.75
Rebates, Discount and Commission		196.46		-
Commission to Directors		15.13		15.54
Share of Joint Ventures		751.89		773.76
		8633.02		<u>3907.93</u>

SCHEDULE 18: INTEREST & FINANCIAL CHARGES

On Fixed Loans	1797.55		2133.73	
Others	417.93		266.58	
		2215.48		2400.31
Less: Interest on Deposits	(334.51)		(196.23)	
Interest from Others	(227.42)	1653.55	<u>(257.62)</u>	1946.46
(Tax Deducted at Source Rs 10.83 Lakhs (Previous Year: Rs 23.80 Lakhs))				
Share of Joint Ventures		83.12		318.58
		1736.67		<u>2265.04</u>

SCHEDULES

SCHEDULE 19A: SIGNIFICANT ACCOUNTING POLICIES

1 Basis of Preparation

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

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

Subsidiary Companies

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

Joint ventures

PSA Sical Terminals Ltd.

Ennore Automotive Logistics Ltd.

Chennai International Terminals Private Limited (CITPL) (upto 18 June 2010).

During the financial year the company has divested investment in CITPL, the Joint Venture Company

2 Basis of Consolidation

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

Interests In Joint Ventures:

Name	Percentage of ownership interest as at 31 March 2011	Country of Incorporation	Financial Statements drawn up to
PSA Sical Terminals Limited	37.50%	India	31.03.2011
Ennore Automotive Logistics Ltd.	40.92%	India	31.03.2011

Joint Venture disclosures:

	(in Rs Lakh)
a Income	
i Sales & Service	3869.51
ii Other Income	16.94
b Total Expenditure	4503.02
c Profit before Tax	(616.57)
Less: Provision for taxation- Current & Deferred	(3.15)
d Profit/(Loss) after tax	(613.42)

3 Fixed Assets

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

Assets which were revalued on 31 March 1994 and 31 March 1995 have been stated at revalued amounts.

The resultant increase which was credited to Revaluation Reserve amounting to Rs 373.41 lakhs was written off during the financial year by setting off the same against Goodwill.

SCHEDULES

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

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

4 Borrowing Cost

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

5 Depreciation

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

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

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

6 Investments

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

Cost includes interest attributable to funds borrowed for acquisition of investments.

Dividends are accounted for when the right to receive the payment is established.

7 Inventories

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

8 Excise Duty

CENVAT credit on materials purchased for production are taken into account at the time of purchase and CENVAT credit on purchase of capital items wherever applicable are taken into account as and when the assets are installed, to the credit of respective purchase and assets accounts. The CENVAT credits so taken are utilized for payment of excise duty on goods manufactured. The unutilized CENVAT credit is carried forward in the books.

9 Revenue Recognition

- a Revenue is recognised and expenses are accounted on their accrual with necessary provisions for all known liabilities and losses.

SCHEDULES

- b Service Income:
 - i Net earnings on voyage/contracts on completion.
 - ii Other services on completion of services and billed.
 - iii Expenditure incurred on incomplete voyages and contracts are included under "Advances Recoverable".
- c Warranty Liability on account of after-sales service is recognized for the best estimate of the cost of making good under the warranty of products sold before the Balance Sheet date in accordance with Accounting Standard-29 on Provisions, Contingent Liabilities and Contingent Assets issued by The Institute of Chartered Accountants of India
- d Coal handling charges up to January 2001 is net of shortage cover retained by Tamil Nadu Electricity Board. Additional claim, if any, that may be determined on the closure of the contract will be recognized as and when the claim is made.

10 Foreign Currency Transactions

Foreign currency monetary items as on Balance Sheet date are reinstated to its acquisition/ commencing date and the resultant difference is transferred to General Reserve account.

The Company has opted for accounting the exchange difference arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 on Accounting Standard 11 (AS 11) notified by Govt. of India on 31 March 09. Accordingly the effect of exchange differences on FCCBs/other long term foreign currency monetary items is accounted by transfer to "Foreign Currency Translation Reserve Account", to be amortised in subsequent period(s). Exchange difference recognised in the Profit & Loss Account upto the financial year ending 31 March 08 relating to said long term monetary items in foreign currency has been adjusted against general reserve as provided in the rules. As a result of this change in accounting for exchange difference in the long term monetary items, the charge back to profit and loss account for the year ended 31.03.2011 is Rs 1058.94 Lakhs.

11 Retirement Benefits

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

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

12 Miscellaneous Expenditure

In respect of one of the Joint Ventures, Preliminary expenses, Share Issue expenses and Pre-operative expenses are written off over a period of 8 years commencing from the first full year of commercial Operations and in respect of other Expenditure on account of front-end royalty is amortized over a period of 10 years and other deferred expenditure is amortized over a period of 2 to 5 years.

13 Subsidy

Lump sum capital subsidies not relating to any specific fixed asset received from the State Governments for setting up new projects are accounted as Capital Reserve.

14 Contingent Liabilities & Provisions

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

15 Segment Reporting

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

16 Discontinuing Operations

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

17 Impairment of Assets

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

SCHEDULES

18 Deferred Taxes

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

SCHEDULE 19B: NOTES ON ACCOUNTS

- 1 Claims against the Company not acknowledged as debts Rs 415.40 Lakhs (Previous Year: Rs 468.02 Lakhs).
- 2 Estimated amount of contracts remaining to be executed on capital account and not provided for Rs 44443.88 Lakhs (Previous Year: 24,747 Lakhs).
- 3 In accordance with Accounting Standard-29, the following are considered as Contingent liabilities and Provisions:
 - a Sales Tax, Service Tax, Customs, Wealth tax and Income tax demands together with penalties under appeal amounts to Rs 10,765.78 Lakhs (Previous Year: Rs 4868.12 Lakhs).
 - b Guarantees given by the Company for loans taken by other bodies corporate for the purpose of executing the projects which are under construction are Rs 69,209 Lakhs (Previous Year Rs 49,211 Lakhs)
 - c Guarantees given by bankers for Performance of Contracts & others Rs 5,171.70 Lakhs (Previous Year: Rs 11,338.11 Lakhs).
- 4 Sundry Debtors, Loans and Advances and Deposits include certain overdue and unconfirmed balances. Some of the accounts are under reconciliation. These include Retention money retained as per terms of contracts Rs 5,690.85 Lakhs (Previous Year: Rs 7,069.22 Lakhs).
- 5 **Related Party disclosure**
 - I Related parties where control exists Nil
 - II Other related parties with whom trade transactions have taken place during the year

Joint Ventures

PSA Sical Terminals Ltd.
Ennore Automotive Logistics Ltd.
Chennai International Terminals Privet Limited (upto 18 June 2010)

Key Management Personnel

LR Sridhar Managing Director

Transaction	Joint venture & Associates	(in Rs lakh)	
		Key management personnel	
Rendering services	192.46 (268.22)	-	(-)
Reimbursement of expenses	32.81 (-)	-	(-)
Loans and advances	1.00 (-)	-	(-)
Investment in equity	175 (-)	-	(-)
Managerial remuneration		81.37 (47.67)	
Closing balances:			
Loans and Advances	2.19 (-)	-	(-)
Debtors	16.51 (34.59)	-	(-)

Notes: Figures in brackets relate to previous year.

SCHEDULES

6 Consolidated Segment Information Information about Primary Business Segments

Business Segments	Logistics	Discontinuing Operations	Eliminations	(in Rs lakh) Consolidated Total
REVENUE				
External Sales	77528.08	-	(582.34)	76945.74
Inter Segment Sales	-	-	-	-
Total Revenue	<u>77528.08</u>	<u>-</u>	<u>(582.34)</u>	<u>76945.74</u>
RESULT				
Segment Result	(501.94)	2.40	-	(499.54)
Unallocated Corporate Expenses	-	-	-	2141.51
Operating Profit	-	-	-	(2641.05)
Interest expense	-	-	-	2298.60
Interest/Dividend income	-	-	-	3741.10
Income Taxes	-	-	-	(342.57)
Profit from Ordinary Activities	-	-	-	(855.98)
Exceptional Items-Net of Tax	-	-	-	(225.10)
Net Profit	-	-	-	(1081.08)
OTHER INFORMATION				
Segment Assets	92719.70	-	-	92719.70
Unallocated Corporate Assets	-	-	-	61278.26
Total Assets	<u>92719.70</u>	<u>-</u>	<u>-</u>	<u>153997.96</u>
Segment Liabilities	82587.36	-	-	82587.36
Unallocated Corporate Liabilities	-	-	-	30903.06
Total Liabilities	<u>82587.36</u>	<u>-</u>	<u>-</u>	<u>113490.42</u>
Capital Expenditure	-	-	-	12123.29
Depreciation	2616.48	-	-	2616.48
Unallocated Corporate Depreciation	-	-	-	78.11
Non Cash Charges other than depreciation	-	-	-	-

Information about Secondary Business Segments

	India	Outside India	(Rs in lakh) Total
Revenue by Geographical Market	75954.08	991.66	76945.74
Segment Assets	92719.70	9,927.77	102647.47
Capital Expenditure	12123.29	-	12123.29

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

(Rs in lakh)					
S. No	Particulars	Opening	Additions on account of change in shareholding	Current year Adjustments/ Additions	Closing
1	VRS Earlier years	14.87	-	(14.87)	-
2	Carry forward business Loss	-	-	607.85	607.85
	Total	14.87	-	592.98	607.85

SCHEDULES

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

(Rs in lakh)

S. No	Particulars	Opening	Additions on account of change in shareholding	Current year Adjustments/ Additions	Closing
1	Depreciation	1913.02	-	(251.33)	1661.69
2	Others	9.66	-	(9.10)	0.56
3	Share of Subsidiary	647.11	-	147.53	794.64
	Total	2569.79	-	(112.90)	2456.89

8 Earnings per share

Particulars	31.03.2011	31.03.2010
Profit Before Exceptional Items as per profit & loss Account (Rs Lakhs)	(855.98)	(2047.17)
Profit After Prior Period adjustments as per Profit & Loss Account	(1107.75)	(3558.79)
Number of Shares Used in computing Earning Per Share - For Basic	39521684	39521684
Number of Shares Used in computing Earning Per Share - For Diluted	42418143	44565587
Earnings per Share-Basic (in Rs) Before Exceptional Item and Prior Period Adjustments	(2.17)	(5.18)
Earnings per Share - Diluted (in Rs) Before Exceptional Item and Prior Period Adjustments	(2.02)	(4.59)
Earning per Share - Basic (in Rs) After Exceptional item and Prior Period Adjustments	(2.80)	(9.00)
Earning per Share - Diluted (in Rs) After Exceptional item and Prior Period Adjustments	(2.61)	(7.99)
Face value per Share	10.00	10.00

9 Discontinuing Operations

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

(in Rs lakh)

Particulars	2010-11	2009-10
Other Income	2.40	-
Operating Expenses	-	25.79
Pre Tax Profit/(Loss) before Interest and Depreciation	2.40	(25.79)
Profit/(Loss) before Exceptional Items and Tax	2.40	(25.79)

SCHEDULES

10 Exceptional Items

Particulars	(in Rs lakh)	
	2010-11	2009-10
Loss on sale of ship	-	(2141.02)
Profit on buy back of FCCB after Impairment of Goodwill	-	1416.09
One time cost of shifting of Dredger from China to Saudi	-	(456.65)
Foreign currency translation reserve written off	1058.94	836.43
Gain on transfer of Joint venture	600.00	-
Foreign Exchange Fluctuation Difference	302.69	(500.84)
Write off of Goodwill ***	(2186.73)	-
Total Exceptional Income	(225.10)	(845.99)
Tax on the above-Credit/(charge) on Current Tax	-	665.63
Total	(225.10)	(1511.62)

*** During the year, out of the total amount of Rs 8832.36 lakhs, Rs 6272.25 lakhs and Rs 373.41 lakhs were set off against Securities Premium account and Revaluation reserve account respectively. Balance of Rs 2186.73 lakhs was charged to profit and loss account.

11 Foreign Currency Convertible Bonds

The company had raised USD 75 million during the year 2006-07 by way of issue of Foreign Currency Convertible Bonds (FCCB), and the amount so raised have been used towards capital expenditure and investments in foreign subsidiaries. During the FY 2009-10, the company had bought back 38250 Nos of FCCBs of face value USD 38.25 million out of the total issued FCCBs. The balance FCCBs of face value USD 36.75 million, were redeemed on the due date viz. 19 April 2011.

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

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

CN GANGADARAN

Partner

Membership No. 11205

FRNo. 004915S

Place Chennai

Date 28 May 2011

Ashwin C Muthiah
Chairman

LR Sridhar
Managing Director

HR Srinivasan
Director

V Radhakrishnan
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2011

(in Rs lakh)

Year ended
31 March 2011

Year ended
31 March 2010

A CASH FLOW FROM OPERATING ACTIVITIES

Net Profit before tax and before Exceptional Items	(1198.55)		(1976.96)
Adjustments for:			
Depreciation	2694.59		3528.83
(Profit) / Loss on sale of fixed assets (net)	(30.94)		(99.96)
Interest Paid (net)	1811.50		2318.26
Bad Debts written off / Provision for Doubtful Debts	3125.35		155.47
Dividend Received	(8.63)		
Loss on sale of vessel	40.30		
Other Income / Interest Received	(49.56)	7582.61	(194.95)
Operating Profit before Working Capital Changes	6,384.06		<u>3,730.69</u>
Adjustments for:			
Trade & other Receivables	(9969.46)		(1196.33)
Increase in Loans & Advances	(5548.15)		
Inventories	(637.91)		(160.23)
Trade Payables	(7329.52)		2762.73
		(23485.04)	1406.17
Cash Generated from Operations	(17100.98)		<u>5136.86</u>
Taxes paid	(244.34)		(195.07)
Net Cash from Operating activities	(17345.32)		<u>4941.79</u>

B CASH FLOW FROM INVESTING ACTIVITIES

Purchase of Fixed Assets (Including Capital Work in Progress)	(18846.15)		(12428.85)
Redemption of Investment	7188.21		(608.84)
Miscellaneous Expenditure	(165.33)		(685.51)
Proceeds from Sale of Fixed Assets	13181.75		10181.42
Deposits	(5.70)		(81.21)
Interest Income	-		276.31
Dividend Received	8.63		-
Trade Payables	(823.88)		-
Project Advance	(6833.82)		(19252.08)
Loans and Advances	10840.94		(6999.65)
Net Cash used in Investing Activities before	-		-
Extraordinary Items	4544.65		<u>(29598.41)</u>

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2010

	Year ended 31 March 2011	(in Rs lakh) Year ended 31 March 2010
C CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) of Long Term Borrowings	4284.70	719.00
(Repayment) of Short Term Borrowings	(419.47)	194.50
Interest Received	308.46	403.18
Interest (Paid)	(3809.74)	(4261.40)
Equity Share Capital Advance / Contribution	16662.13	1665.00
Term loans received	5267.25	22000.00
Premium/ Issue Expense/Forex Fluctuations	1340.33	1674.69
FCCB -Payment for redemption	-	(7418.47)
Net Cash used in Financing Activities	23633.66	14976.50
Net increase/(decrease) in cash and cash equivalents (A+B+C)	10832.99	(9,680.12)
Cash and cash equivalents as at (opening) 1 April 2010	8609.91	18290.03
Cash and cash equivalents as at(closing) 31 March 2011	19442.90	8609.91

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

CN GANGADARAN
Partner

Membership No. 11205

FR No. 004915S

Place Chennai

Date 28 May 2011

Ashwin C Muthiah
Chairman

LR Sridhar
Managing Director

HR Srinivasan
Director

V Radhakrishnan
Company Secretary

**INFORMATION DISCLOSED IN ACCORDANCE WITH THE GOVERNMENT OF INDIA, MINISTRY OF CORPORATE AFFAIRS
CIRCULAR NO. 2/2011 [NO:15/12/2007-CL-III] DATED 08 FEBRUARY 2011**

Particulars	Bergen Offshore Logistics Pte. Ltd., Singapore (Consolidated)	Sical Iron Ore Terminals Limited	Sical Multimodal and Rail Transport Limited (Consolidated)	Nagpur Sical Gupta Logistics Limited	Nagpur Sical Gupta Road Terminal Limited	Sical Infra Assets Limited	Sical Distriparks Limited	Sical Iron Ore Terminal (Mangalore) Limited	Noirse Offshore India Limited
Financial year of the Subsidiary Companies Ended/Ending on	31 Mar 2011	31 Mar 2011	31 Mar 2011	31 Mar 2011	31 Mar 2011	31 May 2011	31 Mar 2011	31 Mar 2011	31 Mar 2011
	Amount in USD	Rupees in lac	Rupees in lac	Rupees in lac	Rupees in lac	Rupees in lac	Rupees in lac	Rupees in lac	Rupees in lac
Capital	19000000	8536.70	469.00	5.25	15.65	7948.83*	1000.00	5.00	5.00
Reserves & Surplus	(9247909.56)	(4182.39)	(3002.18)	Nil	Nil	12133.37	5578.27	Nil	Nil
Total Assets	22234649.80	9927.77	25088.29	135.30	1672.23	20498.94	12795.62	352.46	9196.09
Total Liabilities	12482559.36	5573.46	21621.48	134.77	2159.16	416.74	6159.34	1028.11	9208.01
Investments	Nil	Nil	Nil	Nil	Nil	2256.68	Nil	Nil	Nil
Turnover	2195734.81	1000.82	10763.17	Nil	Nil	62.31	8169.78	Nil	Nil
Profit/(Loss) before tax	(1740062.67)	(793.12)	(1282.29)	Nil	Nil	(20.45)	988.29	Nil	Nil
Provision for taxation	178854.76	81.52	(7.18)	Nil	Nil	Nil	408.11	Nil	Nil
Profit/(Loss) after tax	(1918917.43)	(874.64)	(1275.11)	Nil	Nil	(20.45)	580.18	Nil	Nil
Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

* Includes advance towards share application money.

1 USD = Rs 45.58 (Average rate)

1 USD = Rs 44.65 (Closing rate)

Note: Miscellaneous expenditure to the extent not written off not considered as assets.

SICAL
COFFEE DAY CO.

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Sical Logistics Limited

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

Registered Office: South India House 73 Armenian Street Chennai 600001

Notice to Shareholders

NOTICE is hereby given that the Fifty Sixth Annual General Meeting of the shareholders of SICAL LOGISTICS LTD will be held on Monday, the 19 December 2011 at 2.00 pm., at "Rajah Annamalai Hall", Esplanade, Chennai 600108 to transact the following business:

ORDINARY BUSINESS

- 1 To receive, consider and adopt the Directors' and Auditors' Report and audited Profit and Loss Account for the year ended 31 March 2011 and the Balance Sheet as at that date.
- 2 To appoint a Director in the place of Shri HR Srinivasan, who retires by rotation and being eligible offers himself for re-election.
- 3 To appoint Auditors for the current year and fix their remuneration. M/s CNGSN & Associates, Chartered Accountants, the retiring auditors, are eligible for re-appointment

SPECIAL BUSINESS

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

ORDINARY RESOLUTION

"RESOLVED THAT Shri R Ram Mohan, who was appointed as an additional Director of the Company by the Board of Directors on 26 September 2011 and who ceases to hold office under Section 260 of the Companies Act, 1956 on the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

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

ORDINARY RESOLUTION

"RESOLVED THAT Shri Kush Desai, who was appointed as an additional Director of the Company by the Board of Directors on 26 September 2011 and who ceases to hold office under Section 260 of the Companies Act, 1956 on the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

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

ORDINARY RESOLUTION

"RESOLVED THAT Shri SR Ramakrishnan, who was appointed as an additional Director of the Company by the Board of Directors on 26 September 2011 and who ceases to hold office under Section 260 of the Companies Act, 1956 on the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company."

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

ORDINARY RESOLUTION

“RESOLVED THAT Shri AS Sundaresha, who was appointed as an additional Director of the Company by the Board of Directors on 26 September 2011 and who ceases to hold office under Section 260 of the Companies Act, 1956 on the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”

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

SPECIAL RESOLUTION

RESOLVED THAT pursuant to Article 152 of the Articles of Association of the Company and as per Sections 269, 198 and 309 of the Companies Act, 1956 (the Act”) and other applicable provisions, if any, of the Act read along with the Schedule XIII to the Act as amended from time to time Shri R Ram Mohan be and is hereby appointed as the Managing Director of the Company for a period of 5 years from 26 September 2011, on the following terms and conditions:

- | | |
|----------------|--------------------------------|
| 1 Term | 5 years from 26 September 2011 |
| 2 Remuneration | Nil |

Place Chennai
Date 14 November 2011

By order of the Board
V RADHAKRISHNAN
Company Secretary

Registered Office
South India House 73 Armenian Street Chennai 600001

NOTES

- 1 A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself and the proxy need not be a member of the company. The instrument appointing the proxy shall be deposited at the registered office of the company not later than forty eight hours before the time fixed for holding the meeting; in default, the instrument of proxy shall be treated as invalid.
- 2 An Explanatory Statement pursuant to Section 173[2] of the Companies Act, 1956, in respect of Item Nos.4 - 8 of the notice is annexed hereto.
- 3 The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, the 14 December 2011 to Monday, the 19 December 2011 [both days inclusive].
- 4 The members / proxies should bring the attendance slip duly filled-in and signed, clearly indicating the Folio No. for shares held in physical form or DP ID and client ID numbers in case of members holding the shares in dematerialized form, along with the Annual Report and they are requested to hand over the attendance slip at the entrance of the hall for attending the meeting.
- 5 Shareholders seeking any information with regard to accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
- 6 Pursuant to the provisions of Section 205A of the Companies Act, 1956, any dividend amount which remains unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government. Hence the shareholders who have not encashed their

dividend warrant[s] so far for the financial year ended 31 March 2002 declared on 27 March 2007 are requested to make their claim to the Company at "South India House", 73, Armenian Street, Chennai 600 001. It may also be noted that once the unclaimed dividend is transferred to the Central Government, as stated above, no claim shall lie in respect thereof.

- 7 Members are hereby informed that the Company, as per the SEBI guidelines, w.e.f. 01.04.2003, has appointed M/s Cameo Corporate Services Limited, Unit: Sical Logistics Limited, "Subramanian Building", V Floor, No.1, Club House Road, Chennai 600 002, Telephone : 044-28461073; Fax : 044-28460129; e-mail: cameo@cameoindia.com as its Registrar and Share Transfer Agent both for electronic and physical transactions of the shares. The shareholders are therefore requested to take note of the same and send all documents, correspondences, queries on any matter including their change of address to the Company's Registrar and Share Transfer Agent.
- 8 Shareholders are requested to notify immediately any change in their address to the Company / Share Transfer Agents / Depository Participants as well as the e-mail address if not intimated / updated earlier. The company shall henceforth send all shareholders communications to the e-mail addresses registered with the Registrar / Depository Participants in line with the compliance of the Green Initiatives of the Ministry of Corporate Affairs. In the event of any shareholder requiring physical copies may send in an e-mail to the company.
- 9 The Company's equity shares are listed with the Bombay Stock Exchange Limited [BSE] and the National Stock Exchange of India Limited [NSE] and the listing fee for the year 2011-12 has been paid in time.
- 10 Information required to be given under Clause 49 of the Listing Agreement about the particulars of Directors to be appointed / re-appointed at the ensuing Annual General Meeting and their Directorship / Chairmanship / Committee Membership in other Companies.
 - a HR Srinivasan, a Mathematics graduate with an MBA, is currently the Vice-Chairman and vision holder of TAKE Solutions and plays a vital role in the evaluation of new initiatives, mergers and acquisitions and business lines that will enable this company to emerge as a global player. His rich experience in the logistics and SCM industry enables him to nurture dynamic leadership. Prior to setting up TAKE Solutions, he was Managing Director, South Asia at SembCorp logistics. He has also served as Managing Director at Temasek Capital and as Director and CEO of PSA India. He has been very active with the Confederation of Indian Industry (CII) having served in both the State and Regional councils. Has recently received the CII Tamil Nadu Emerging Entrepreneurs Award given in association with Business Line for Global Reach and Superior Intellectual Property for TAKE Solutions. He is also a member of the YPO.

Other Directorships

TAKE Solutions Limited

Parry Enterprises India Limited

Aakanksha Management Consultancy & Holdings P Ltd

Aasheesha Hospitality Services & Holdings P Ltd

Autoparts Asia Private Limited

Maha Dhan Energy Private Limited

TAKE Solutions GmbH Switzerland

TAKE Solutions Pte. Limited, Singapore

CMNK Consultancy & Services Private Limited

TOWELL TAKE Investments LLC, Muscat

Shalivahana Power & Infra Ventures Limited

Bharath Coal Chemicals Limited

More than 2% shareholdings in

Aakanksha Management Consultancy & Holdings P Ltd

Aasheesha Hospitality Services & Holdings P Ltd
MahaDhan Energy Private Limited

Other Committee Membership

Parry Enterprises India Limited – Member - Audit Committee

- b R Ram Mohan, is a chartered Accountant by profession and held senior Management positions at Deloitte, Madura Coats, Hindustan Motors and Caterpillar India. At Coffee Day Group he is the Director-Strategy and CFO for infrastructure related companies. He took over as Managing Director of Sical Logistics Ltd., effective 26 September 2011. He has over 30 years of industrial experience in Commercial, Manufacturing & Business operations segments. His core strength includes Finance, Project Management and Business Development.

Other Directorships

Karnataka Wild Life Resorts Private Limited

Wilderness Resorts Private Limited

- c Kush Desai is a Chartered Accountant, having two decades of experience in multiple industries such as Information Technology, FMCG and Financial Services. He joined Coffee Day Group in 2010 in the infrastructure segment. Prior to this, he was Managing Director of SAP's R & D in India apart from a brief stint with a Doc Com Start and in the business development group of Coca-cola.

Other Directorships Nil

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

Other Directorships

Bharath Coal Chemicals Limited

Sical Multimodal and Rail Transport Limited

Norsea Offshore India Limited

Sical Iron Ore Terminals Limited

- e AS Sundaresha is a Fellow Member of Institute of Chartered Accountants of India and a Law graduate. He is a practicing chartered accountant since 1978. He specializes in income tax matters especially representation of litigation matters, transfer pricing and seizure cases. He is an advisor on tax matters to reputed industrial houses in Bangalore and well known in the circle. He also specializes in audit – both statutory and internal audits. He is associated with many educational institutions in capacity as advisor and statutory auditor. He was a Taxation Committee member of the Federation of Karnataka Chamber of Commerce and Industries.

Other Directorships

Sudha Co-Operative Bank Ltd

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

The following Explanatory Statement sets out the material facts referring to Item Nos. 4 – 8

Item No.: 4

R Ram Mohan was inducted as an additional director into the Board of the Company on 26.09.2011.

According to Section 260 of the Companies Act, 1956, R Ram Mohan holds office as Director only upto the

date of this Annual General Meeting. The Board of Directors recommend the same for the approval of the members. Particulars about his qualification and experience are given under Note 10 [b] of this Notice.

MEMORANDUM OF INTEREST

Except R Ram Mohan, none of the other Directors is deemed to be interested or concerned in this resolution.

Item No.: 5

Kush Desai was inducted as an additional director into the Board of the Company on 26.09.2011. According to Section 260 of the Companies Act, 1956, Kush Desai holds office as Director only upto the date of this Annual General Meeting. The Board of Directors recommend the same for the approval of the members. Particulars about his qualification and experience are given under Note 10 [c] of this Notice.

MEMORANDUM OF INTEREST

Except Kush Desai, none of the other Directors is deemed to be interested or concerned in this resolution.

Item No.: 6

SR Ramakrishnan was inducted as an additional director into the Board of the Company on 26.09.2011. According to Section 260 of the Companies Act, 1956, SR Ramakrishnan holds office as Director only upto the date of this Annual General Meeting. The Board of Directors recommend the same for the approval of the members. Particulars about his qualification and experience are given under Note 10 [d] of this Notice.

MEMORANDUM OF INTEREST

Except SR Ramakrishnan, none of the other Directors is deemed to be interested or concerned in this resolution.

Item No.: 7

AS Sundaresha was inducted as an additional director into the Board of the Company on 26.09.2011. According to Section 260 of the Companies Act, 1956, AS Sundaresha holds office as Director only upto the date of this Annual General Meeting. The Board of Directors recommend the same for the approval of the members. Particulars about his qualification and experience are given under Note 10 [e] of this Notice.

MEMORANDUM OF INTEREST

Except AS Sundaresha, none of the other Directors is deemed to be interested or concerned in this resolution.

Item No.: 8

The Board appointed R Ram Mohan as the Managing Director of the Company for a period of 5 years from 26 September 2011. The required notice under Sec 302 of the Companies Act, 1956 was sent to all the shareholders. The subject is now placed before the members for their approval.

MEMORANDUM OF INTEREST

Except R Ram Mohan, none of the other Directors is deemed to be interested or concerned in this resolution.

Place Chennai
Date 14 November 2011

By order of the Board
V RADHAKRISHNAN
Company Secretary

Registered Office
South India House 73 Armenian Street Chennai 600001



Sical Logistics Limited

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

Registered Office: South India House 73 Armenian Street Chennai 600001

ATTENDANCE SLIP

Name & address of the shareholder

Folio No _____

DPID _____

Client ID _____

No. of shares _____

I hereby record my presence at the 56th Annual General Meeting of the Company, at Rajah Annamalai Hall Esplanade Chennai 600108, on Monday, the 19 December, 2011 at 2.00 pm.

Name of the Shareholder / Proxy*

Signature of the Shareholder / Proxy*

*Strike out whichever is not applicable.



Sical Logistics Limited

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

Registered Office: South India House 73 Armenian Street Chennai 600001

PROXY FORM

I / We _____

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

of _____ in the district of _____

or failing him _____ of _____

in the district of _____ as my / our Proxy to vote for me / us on my / our behalf at the 56th Annual General Meeting of the Company to be held on Monday, the 19 December 2011 at 2.00 pm at Rajah Annamalai Hall Esplanade Chennai 600108 and at any adjournment thereof.

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

Resolutions	For	Against
1 Adoption of Report and Accounts		
2 Re-election of HR Srinivasan		
3 Appointment of Statutory Auditors		
4 Appointment of R Ram Mohan as Director		
5 Appointment of Kush Desai as Director		
6 Appointment of SR Ramakrishnan as Director		
7 Appointment of AS Sundaresha as Director		
8 Appointment of R Ram Mohan as Managing Director for a period of 5 years from 26 September 2011		

Signed on this _____ day of _____ 2011

FOLIO NO. / DP ID / CLIENT ID



No. of shares _____

Notes

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



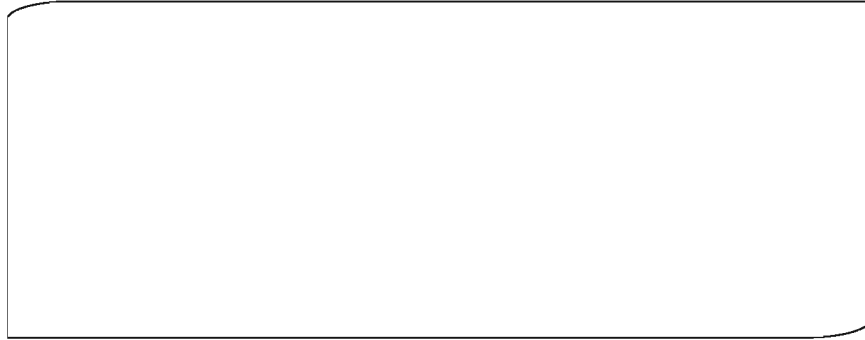
NOTES

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NOTES

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Book - Post
Printed matter



integrated multimodal logistics

port operations

container terminals

container trains

trucking and warehousing

ICD/CFS

Sical Logistics Ltd

73 Armenian Street, Chennai 600001, India
www.sical.com

SICAL
COFFEE DAY CO.