

**Sical Logistics Ltd**

South India House  
73 Armenian Street  
Chennai 600 001 India  
Phone : 91.44.66157016 Fax : 91.44.66157017



Ref.:SICAL:SD:2021

12<sup>th</sup> August, 2021

National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No.C/1, G Block  
Bandra-Kurla Complex  
Bandra [East]  
Mumbai :: 400 051

BSE Limited  
Department of Corporate Services  
Floor 25, P.J. Towers  
Dalal Street  
Mumbai :: 400 001

Dear Sirs,

Sub : Audited financial results for the quarter and year ended  
31<sup>st</sup> March, 2021  
Ref : Regulation 33 of the SEBI [Listing Obligations and  
Disclosure Requirements] Regulations, 2015

=====  
Kindly find enclosed the following:-

1. The audited financial results for the quarter and year ended 31<sup>st</sup> March, 2021 both standalone and consolidated.
2. The Audit Report issued by the statutory auditors M/s. SRSV & Associates, in terms of Regulation 33 of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.
3. A declaration pursuant to Circular CIR/CFD/CMD/56/2016 dated May 27, 2016 with regard to modified opinion from the Statutory Auditors on the audited financial results for the year ended 31<sup>st</sup> March, 2021.

This may kindly be taken on record.

Thanking you,

Yours faithfully,  
For Sical Logistics Limited

  
V. Radhakrishnan  
Company Secretary

## Sical Logistics Limited

CIN: L51909TN1955PLC002431

Regd. office: No. 73, Armenian Street, Parrys, Chennai - 600 001

Website: www.sical.com; E-Mail: secl@sical.com; Telephone: 91 44 66157071; Fax: 91 44 66157017

Audited standalone financial results for the quarter and year ended 31 March 2021  
prepared in compliance with the Indian Accounting Standard (Ind-AS)

(Rs. in lakhs, except per equity share data)

Particulars	Quarter ended			For the year ended	
	31 March 2021	31 December 2020	31 March 2020	31 March 2021	31 March 2020
	Audited*	Unaudited	Audited*	Audited	Audited
Revenue from operations	8,577	9,113	13,296	37,651	83,665
Other income	(452)	294	655	240	1,998
<b>Total Income</b>	<b>8,125</b>	<b>9,407</b>	<b>13,951</b>	<b>37,891</b>	<b>85,663</b>
<b>Expenses</b>					
Cost of services	7,066	6,686	11,462	30,340	71,210
Employee benefits expense	947	823	1,887	3,733	10,614
Finance costs	10,694	36	530	11,773	2,787
Depreciation and amortisation expense	1,513	1,638	1,725	6,563	7,118
Other expenses	3,559	1,588	1,871	6,661	4,955
<b>Total expenses</b>	<b>23,780</b>	<b>10,771</b>	<b>17,475</b>	<b>59,070</b>	<b>96,684</b>
Profit/(Loss) before Exceptional Item	(15,655)	(1,364)	(3,524)	(21,179)	(11,021)
Exceptional Item (Refer note K)	(93,789)			(93,789)	
<b>Profit/(Loss) after Exceptional item before</b>	<b>(1,09,444)</b>	<b>(1,364)</b>	<b>(3,524)</b>	<b>(1,14,968)</b>	<b>(11,021)</b>
Tax expense					
Current tax	-	-	280	-	280
Deferred tax	-	-	(2,855)	-	(2,855)
<b>Profit/(Loss) for the period</b>	<b>(1,09,444)</b>	<b>(1,364)</b>	<b>(949)</b>	<b>(1,14,968)</b>	<b>(8,446)</b>
<b>Other Comprehensive income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Remeasurements of defined benefit plan actuarial gains/ (losses)	-	-	-	-	-
Others	-	-	-	-	-
<b>Income tax relating to items that will not be reclassified to profit or loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income/(Loss) for the period</b>	<b>(1,09,444)</b>	<b>(1,364)</b>	<b>(949)</b>	<b>(1,14,968)</b>	<b>(8,446)</b>
<b>Attributable to:</b>					
Owners of Company	(1,09,444)	(1,364)	(949)	(1,14,968)	(8,446)
Non-Controlling Interests	-	-	-	-	-
Paid up share capital (par value of Rs. 10 each, fully paid)	5,854	5,854	5,854	5,854	5,854
Debtenture redemption reserve				2,500	2,500
Other equity	(69,030)	45,939	45,939	(69,030)	45,939
<b>Earnings per equity share [in Rs.]</b>					
(1) Basic	(187.02)	(2.33)	(1.62)	(196.46)	(14.90)
(2) Diluted	(187.02)	(2.33)	(1.62)	(196.46)	(14.90)
Debt equity ratio				(1.30)	1.62
Debt service coverage ratio				(5.32)	(0.01)
Interest service coverage ratio				(7.99)	(0.04)

Debt Equity Ratio is computed as (Total borrowings including Long Term borrowing, Short Term borrowings and Current Maturities of Long Term borrowings)/(Total Shareholders Fund)

Debt Service Coverage Ratio is computed as (Profit after tax + Non cash expenses/income + Depreciation + Finance Cost)/(Finance Cost + Principal Repayment other than amounts paid on preclosure of loans and refinancing of loans).

Interest Service Coverage Ratio is Computed as (Profit after Tax + Non cash expenses/income + Depreciation + Finance Cost)/Finance Cost

\*Refer note (b)

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## Notes

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

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

- b) Based on the public announcement made for commencement of CIRP, various creditors have filed claims (including interest on delayed payment, penalty etc.) on the company. These claims have been submitted by financial and operational creditors (including past and present employees) and are being reconciled with the books of accounts on an ongoing basis. As a part of the process, the claims verified/submitted during this CIRP period (ongoing till submission of resolution plan) shall be settled in accordance with the provisions of the Code. Claims admitted under CIRP would be reconciled and reviewed in subsequent period for any additional liability which is to be recored in the books.

It is possible that, a proposed resolution plan envisages that the creditors accept haircuts and accept reduction in their liabilities. Since the RP is still in the process of receiving bids from prospective resolution applicants, it is not possible to evaluate the amounts that will be foregone or the restructuring, if any that will be necessitated. Therefore, overall implications on account of completion of such reconciliation process have not been considered in these financial statements.

- c) The audited financial statements for the year ended 31 March 2021 was reviewed , approved and authenticated and taken on record by the Resolution Professional at the meeting held on 12 August 2021. The information presented above is extracted from the audited standalone financial statements. The audited financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- d) During the year ended 31 March 2021 under review, the Company's operations and revenue were impacted due to the prevailing COVID19 pandemic that erupted globally. All possible impacts on account of the COVID-19 pandemic have been captured in the audited financials for the quarter and year ended 31 March 2021. The Company is continuously monitoring for any material changes in economic conditions.
- e) The figures for the quarter ended 31 March 2021 and the corresponding quarter ended in the previous year are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also, the figures upto the end of third quarter has only been subjected to limited review and not audited.
- f) The Company is primarily engaged in providing integrated logistics services which is considered as a single business segment in terms of segment reporting as per Ind AS 108. There being no services rendered outside India there are no separate geographical segments to be reported on.
- g) Pursuant to Regulation 54(2) of the SEBI (LODR) Regulations, 2015, it is hereby disclosed that the Company has provided the dredger and the spares and machinery held by the Company as security for the 11% Secured Redeemable Non-Convertible Debentures of Rs. 100 Cr issued to IDFC First Bank Limited on private placement basis and the asset cover is 1.1 times as on 31 March 2021.

The following additional disclosures are made pursuant to Reg 52 (4) of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 in connection with the 11% listed secured Non-convertible Debentures issued to IDFC First Bank Limited.

- (a) credit rating and change in credit rating: D
  - (b) asset cover available, in case of non convertible debt securities: 1.1 times as at 31 March 2021
  - (c) debt-equity ratio: (1,30) as at 31 March 2021 (Standalone basis)
  - (d) previous due date for the payment of interest is 27 December 2020 and the same is overdue as on date alongwith interest due on 27 Decemebr 2019 and 27 Jun 2020.
  - (e) Due to non payment of interest due on the above dates, Debentureholders has recalled the principal amount. The Redemption of the NCD on 25-Jun-2021 along with Interest.
  - (f) debt service coverage ratio: (5.32) as at 31 March 2021 (Standalone basis)
  - (g) interest service coverage ratio: (7.99) as at 31 March 2021 (Standalone basis)
  - (h) debenture redemption reserve: Rs. 2,500 lakhs as at 31 March 2021 (Standalone basis)
  - (i) net worth: Rs.( 63,176) lakhs as at 31 March 2021 (Standalone basis)
  - (j) net loss after tax: Rs. 1,14,968 lakhs for the year ended 31 March 2021 (Standalone basis)
  - (k) earnings per share: Rs. (196.46) as at 31 March 2021(Standalone basis)
- h) The Company has not serviced debt on due dates to the banks and financial institutions. The Corporate insolvency resolution process have commenced consequent to the order of Hon'ble NCLT Chennai Bench and IRP has been appointed in terms of the orders. All the finacial creditors have made the claim with IRP. Hence all the loans have been classified as current liability

Interest on borrowings are provided till the CIRP initiation date i.e. 10th March 2021 for the period ended 31st March 2021 as all liabilities prior to CIRP initiation date are frozen as at CIRP commencement date and are to be dealt under the resolution plan which is to be received and approved by the Committee of Creditors and the adjudicating authority

- i) An amount of INR 5.65 Crs has been recovered from the Margin Money held in current account by IndusInd Bank towards the loan repayment post commencement of CIRP. The Resolution Professional is of the opinion that the said recovery is in violation of the provisions of the Insolvency and Bankruptcy Code ("Code") as no debits can be made from the current accounts of the Corporate Debtor without express authorisation of Interim Resolution Professional / Resolution Professional and all liabilities as at CIRP commencement date has to be claimed by the Financial creditor as per provisions of the code. Necessary steps are being taken for reversal of the said amounts recovered by IndusInd Bank to the current account of the Corporate Debtor.

The following creditors are yet to file their claims as financial creditors pursuant to the initiation of CIRP and the claims once received would be admitted as per provisions of the Insolvency and Bankruptcy Code.

- Sundaram Finance Limited
- HDB Financial Service Ltd
- Reliance Commercial Finance Limited

- j) Since DRR to the tune of Rs. 2,500 lakh, being 25% of the NCDs, have been created as of 31 March 2018, no additional DRR is created during FY 2020-21.

Rs



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

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

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

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

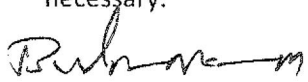
In these circumstances, the exposure of the company in SIOTL is being impaired fully and any recovery which would result as an outcome of ongoing litigations would be recorded as and when certainty on the amounts which could be recovered is known.

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

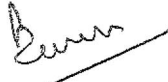
- m) Confirmation of balances are not available for majority of the trade receivables, loans and advances given, trade payables, claims received from the employees, bank balances and bank loans as at March 31, 2021. Pursuant to the CIRP, the Company stopped providing interest on bank borrowings from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



n) Figures pertaining to the previous periods have been regrouped, reclassified and rearranged wherever necessary.



**T. Subramanian**  
Director



**S. Rajappan**  
Director



**V. Radhakrishnan**  
Company Secretary

Taken on Record



**Sripatham Venkatasubramanian Ramkumar**

Resolution Professional for Sical Logistics Limited

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

## Statement of assets and liabilities (Standalone-Audited)

Rs. in lakhs

Particulars	As at	
	31 March 2021	31 March 2020
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	33,471	41,887
Other intangible assets	31	60
Right of use of assets	79	127
Capital work-in-progress	-	15
Financial Assets		
- Investments (Refer note k)	22,042	30,204
- Other non-current financial assets	301	510
Other non-current assets	1,800	1,928
Deferred tax assets (net)	3,290	3,290
	61,014	78,021
<b>Current assets</b>		
Inventories	755	875
Financial Assets		
- Trade receivables	16,138	22,254
- Cash and cash equivalents	3,274	3,179
- Other current financial assets (refer note k)	1,088	76,015
Current Tax Assets (Net)	4,739	4,242
Other current assets	3,618	7,323
	29,612	1,13,888
<b>Total Assets</b>	<b>90,626</b>	<b>1,91,909</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share capital	5,854	5,854
Other Equity	(69,030)	45,939
	(63,176)	51,793
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial Liabilities		
- Borrowings	-	9,551
- Other financial liabilities	92	145
Provisions	332	398
	424	10,094
<b>Current liabilities</b>		
Financial Liabilities		
- Borrowings	30,361	26,603
- Trade payables	-	-
(a) Total outstanding dues of Micro and Small Enterprises	-	-
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	9,529	12,466
- Other financial liabilities (Refer note i)	62,069	52,643
Other current liabilities	51,400	38,262
Provisions	19	48
	1,53,378	1,30,022
<b>Total Equity and Liabilities</b>	<b>90,626</b>	<b>1,91,909</b>

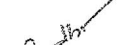
The above disclosure is an extract of the audited Balance Sheet as at 31 March 2021 and 31 March 2020 prepared in compliance with the Indian Accounting Standards (Ind-AS).



T. Subramanian  
Director



S. Rajappan  
Director



V. Radhakrishnan  
Company Secretary

Taken on Record

**Sripatham Venkatasubramanian Ramkumar**

Resolution Professional for Sical Logistics Limited

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

Place: Chennai

Date: 12 August 2021

## Cash Flows Statement

Rs. in lakhs

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Cash flows from operating activities</b>		
Loss before tax	(1,14,968)	(11,021)
Adjustments:		
Depreciation	6,562	7,118
Profit on sale of fixed assets	454	(41)
Impairment of Loans advance given and Investments made in SIO TL (Refer Note K)	93,789	-
Interest and finance charges	10,417	2,065
Interest income	(185)	(765)
Effect of exchange differences on translation of assets and liabilities		9
Operating cash flow before working capital changes	(3,930)	(2,635)
<i>Changes in</i>		
- Trade receivables	6,116	13,259
- Current/Non current financial assets	290	1,373
- Current/Non current assets	3,833	6,214
- Inventories	120	(172)
- Current/Non current financial liabilities	463	(489)
- Current/Non current liabilities	2,275	(368)
- Trade payables	(2,937)	4,811
- Provisions	(95)	(167)
Cash generated from operations	6,134	21,826
Income taxes paid	(497)	(332)
<b>Cash generated from operations [A]</b>	<b>5,637</b>	<b>21,494</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets (Including Capital Work in Progress)	(2)	(1,119)
Investment in subsidiaries	(128)	(152)
Proceeds from sale of fixed assets	1,494	50
Proceeds from sale of investments		-
Loans and advances received from subsidiaries	(1,429)	1,662
Bank deposit	1,043	1,777
Interest income	132	478
<b>Net cash generated used in investing activities [B]</b>	<b>1,110</b>	<b>2,696</b>
<b>Cash flows from financing activities</b>		
Proceeds from long term borrowings	(551)	1,404
Repayment of long term borrowings		(17,398)
Proceeds from/(Repayment of) Short Term Borrowings (net)	3,758	(297)
Payment of lease liability	(70)	(246)
Proceeds from issue of shares	-	-
Proceeds from Holding Companies	1,663	4,485
Finance cost	(10,417)	(12,100)
<b>Net cash generated from financing activities [C]</b>	<b>(5,617)</b>	<b>(24,152)</b>
<b>Increase in cash and cash equivalents [A+B+C]</b>	<b>1,130</b>	<b>38</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>581</b>	<b>543</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1,711</b>	<b>581</b>

T.Subramanian  
Director

S Rajappan  
Director

V Radhakrishnan  
Company Secretary

Taken on Record

**Sripatham Venkatasubramanian Ramkumar**

Resolution Professional for Sical Logistics Limited

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

Place: Chennai

Date: 12 August 2021



## **SRSV & ASSOCIATES**

CHARTERED ACCOUNTANTS

'Madura', No.66, Bazullah Road,  
T. Nagar, Chennai - 600 017.  
Tel : 044-28344742

**P. SANTHANAM**  
B.Com., FCA, FCS

**R. SUBBURAMAN**  
B.Com., FCA

**V. RAJESWARAN**  
B.Com., FCA

**G. CHELLA KRISHNA**  
M.Com., FCA, PGPM

### **Independent Auditor's Report on the Quarterly and Year to Date Standalone Audited Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To,

**THE RESOLUTION PROFESSIONAL,  
SICAL LOGISTICS LIMITED**

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

#### **Report on the audit of the Standalone Financial Results**

1. We have audited the Annual Standalone Financial Results ("the Statement") of Sical Logistics Limited ("the Company") for the year ended March 31, 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR / CFD / FAC / 62 / 2016 dated July 5, 2016 ("Listing Regulations").
2. As the Corporate Insolvency Resolution Process ("CIRP") has been initiated in respect of the Company under the provisions of "The Insolvency and Bankruptcy Code, 2016" ('IBC' / 'the Code') by the National Company Law Tribunal ("NCLT"), Chennai Bench, vide its order dated March 10, 2021, the powers of the Board of Directors stand suspended as per Section 17 of the Code and such powers are being exercised by the Resolution Professional appointed by the National Company Law Tribunal by the said order under the provisions of the Code.
3. This Statement, which is the responsibility of the Company's Management and have been certified by the Directors of the Company, confirming that financial results do not contain any material misstatements and thereafter provided to the Resolution Professional for his signing on 12<sup>th</sup> August 2021 and for further filing with stock exchanges; has been prepared on the basis of related Standalone Ind AS Financial Statements, which has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India and in compliance with regulation 33 of Listing Regulations.

Our responsibility is to express an opinion on the Statement based on our audit of financial statements.





## Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, **except for the effects of the matters described in the "Basis for Qualified Opinion and the Material Uncertainty Relating To Going Concern Section below,"** the Statement:

- I. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- II. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India of the net loss and other comprehensive loss and other financial information of the Company for the quarter ended March 31, 2021 and for the year ended March 31, 2021.

## Basis for Qualified Opinion

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

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

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

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

We draw attention to the following matters:

- a) Note No. (a) and (b) to the Statement, regarding application by an operational creditor, initiating the insolvency provisions under the Insolvency and Bankruptcy Code, 2016 ('the Code') and the consequential appointment of the RP under the Code, and adequacy of disclosures concerning the Company's ability to meet its financial, contractual and statutory



obligations including management's technical estimates in regard to realisation of Overdue receivables, Loans and Advances including related party and contractual dues, investments and Deferred Tax Assets amounting to Rs.475.97 crores.

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

- b) Note No. (h) and (m) to the Statement, Confirmation of balances are not available for majority of the trade receivables, loans and advances given, trade payables, claims received from the employees, bank balances and bank loans as at March 31, 2021. Pursuant to the CIRP, the Company stopped providing interest on bank borrowings from the CIRP initiation date. In the absence of confirmation of balances the possible adjustment if any required in the Statement is presently not determinable. The finance cost appearing in the Statement are recorded based on transactions accounted in the accounting system, differences between the liability recorded by the Company and confirmations received from the lenders are not recorded as finance cost or contingent liability
- c) The Company's net worth as on the reporting date is negative. The Company has significant accumulated losses as at the date of the Balance Sheet and it continues to incur cash losses. Considering the above and the matters more fully explained in the Material Uncertainties Relating to Going Concern section below, we are unable to comment on the appropriateness of preparation of the Statement on a going concern basis.
- d) We have been informed by the RP that certain information including the minutes of the meetings of the CoC, cases filed by the RP against other parties and the outcome of certain specific/ routine procedures carried out as part of the IBC process are confidential in nature and could not be shared with anyone, other than the CoC and Hon'ble NCLT. In the opinion of the RP, the matter is highly sensitive, confidential and may have adverse impact on the resolution process.

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

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

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

As mentioned in para 1 in Responsibilities of Management and Resolution Professional and Those Charged with Governance for the Statement, since the CIRP is currently in progress, as per the Code, it is required that the Company be managed as going concern during the CIRP, the Standalone Financial Results is continued to be prepared on going concern basis. However there exists material uncertainty about the Company's ability to continue as a going concern since the same is dependent





upon the resolution plan to be formulated and approved by NCLT. The appropriateness of preparation of Financial Statements on going concern basis is critically dependent upon CIRP as specified in the Code.

Our opinion is not modified in respect of this matter.

### **Emphasis of Matter**

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

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

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

The Statement has been prepared on the basis of the standalone annual financial statements. The management / RP are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive loss of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

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

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

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



- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### **Other Matter**

Attention is drawn to the fact that figures for the quarter ended March 31, 2021 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subject to audit.

Place: Chennai  
Dated: August 12, 2021



For SRSV & Associates  
Chartered Accountants  
F.R.No. 015041S

V. Rajeswaran  
Partner

Membership .No. 020881  
UDIN NO. : 21020881AAAAEH9930

## Sical Logistics Limited

CIN: L51909TN1955PLC002431

Regd. office: No. 73, Armenian Street, Paryys, Chennai - 600 001

Website: www.sical.com; E-Mail: secl@sical.com; Telephone: 91 44 66157071; Fax: 91 44 66157017

Audited consolidated financial results for the quarter and year ended 31 March 2021

prepared in compliance with the Indian Accounting Standard (Ind-AS)

(Rs. in lakhs, except per equity share data)

Particulars	Quarter ended			For the year ended	
	31 March 2021	31 December 2020	31 March 2020	31 March 2021	31 March 2020
	Audited*	Unaudited	Audited*	Audited	Audited
Revenue from operations	11,466	12,364	15,852	50,363	1,00,593
Other income	(9)	53	1,614	310	2,899
<b>Total Income</b>	<b>11,456</b>	<b>12,418</b>	<b>17,466</b>	<b>50,673</b>	<b>1,03,492</b>
<b>Expenses</b>					
Cost of services	9,394	8,819	13,148	38,150	82,921
Employee benefits expense	1,102	1,470	2,347	5,389	13,289
Finance costs	10,857	713	1,234	13,919	5,501
Depreciation and amortisation expense	1,836	1,967	2,033	7,875	8,445
Other expenses	3,949	1,860	2,038	8,221	6,630
<b>Total expenses</b>	<b>27,138</b>	<b>14,829</b>	<b>20,800</b>	<b>73,554</b>	<b>1,16,786</b>
<b>Profit/(Loss) before exceptional item</b>	<b>(15,681)</b>	<b>(2,412)</b>	<b>(3,334)</b>	<b>(22,881)</b>	<b>(13,294)</b>
Exceptional Item (Refer note K)	(93,789)			(93,789)	
<b>Profit/(Loss) after exceptional item and before tax</b>	<b>(1,09,470)</b>	<b>(2,412)</b>	<b>(3,334)</b>	<b>(1,16,670)</b>	<b>(13,294)</b>
Tax expense					
Current tax	(61)	-	268	(49)	188
Deferred tax	280	-	(2,539)	280	(2,539)
<b>Profit/(Loss) for the period</b>	<b>(1,09,689)</b>	<b>(2,412)</b>	<b>(1,063)</b>	<b>(1,16,901)</b>	<b>(10,943)</b>
Share of profit/(Loss) from joint venture	(686)	892	(431)	298	(1,241)
<b>Profit/(Loss) for the year</b>	<b>(1,10,375)</b>	<b>(1,520)</b>	<b>(1,494)</b>	<b>(1,16,603)</b>	<b>(12,184)</b>
<b>Other Comprehensive Income</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Remeasurements of defined benefit plan actuarial gains/ (losses)	-	-	-	-	-
Others	-	-	-	-	-
<b>Income tax relating to items that will not be reclassified to profit or loss</b>					
<b>Total Comprehensive Income /(Loss) for the period</b>	<b>(1,10,375)</b>	<b>(1,520)</b>	<b>(1,494)</b>	<b>(1,16,603)</b>	<b>(12,184)</b>
<b>Attributable to:</b>					
Owners of Company	(1,10,385)	(1,129)	(824)	(1,15,958)	(10,704)
Non-Controlling Interests	10	(391)	(670)	(645)	(1,480)
Paid up share capital (par value of Rs. 10 each, fully paid)	5,854	5,854	5,854	5,854	5,854
Debenture redemption reserve				4,500	4,000
Other equity	(72,642)	43,306	43,306	(72,642)	43,306
<b>Earnings per equity share [in Rs.]</b>					
(1) Basic	(188.63)	(1.93)	(1.41)	(198.15)	(18.29)
(2) Diluted	(188.63)	(1.93)	(1.41)	(198.15)	(18.29)
Debt equity ratio				(1.89)	2.60
Debt service coverage				(2.94)	0.08
Interest service coverage ratio				(6.59)	0.34

Debt Equity Ratio is computed as (Total borrowings including Long Term borrowing, Short Term borrowings and Current Maturities of Long Term borrowings)/(Total Shareholders Fund)

Debt Service Coverage Ratio is computed as (Profit after tax + Non cash expenses/income + Depreciation + Finance Cost)/(Finance Cost + Principal Repayment other than amounts paid on preclosure of loans and refinancing of loans).

Interest Service Coverage Ratio is Computed as (Profit after Tax + Non cash expenses/income + Depreciation + Finance Cost)/Finance Cost

\*Refer note (b)

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## Notes

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

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

- b) Based on the public announcement made for commencement of CIRP, various creditors have filed claims (including interest on delayed payment, penalty etc.) on the company. These claims have been submitted by financial and operational creditors (including past and present employees) and are being reconciled with the books of accounts on an ongoing basis. As a part of the process, the claims verified/submitted during this CIRP period (ongoing till submission of resolution plan) shall be settled in accordance with the provisions of the Code. Claims admitted under CIRP would be reconciled and reviewed in subsequent period for any additional liability which is to be recored in the books.

It is possible that, a proposed resolution plan envisages that the creditors accept haircuts and accept reduction in their liabilities. Since the RP is still in the process of receiving bids from prospective resolution applicants, it is not possible to evaluate the amounts that will be foregone or the restructuring, if any that will be necessitated. Therefore, overall implications on account of completion of such reconciliation process have not been considered in these financial statements.

- c) The audited financial statements for the year ended 31 March 2021 was reviewed , approved and authenticated and taken on record by the Resolution Professional at the meeting held on 12 August 2021. The information presented above is extracted from the audited standalone financial statements. The audited financial statements are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- d) During the year ended 31 March 2021 under review, the Company's operations and revenue were impacted due to the prevailing COVID19 pandemic that errupted globally. All possible impacts on account of the COVID-19 pandemic have been captured in the audited financials for the quarter and year ended 31 March 2021. The Company is continuously monitoring for any material changes in economic conditions.
- e) The figures for the quarter ended 31 March 2021 and the corresponding quarter ended in the previous year are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the relevant financial year. Also, the figures upto the end of third quarter has only been subjected to a limited review and not audited.



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

g) Pursuant to Regulation 54(2) of the SEBI (LODR) Regulations, 2015 it is hereby disclosed that the Company has provided the dredger and the spares and machinery held by the Company as security for the 11% Secured Redeemable Non-Convertible Debentures of Rs. 100 Cr issued to IDFC First Bank Limited on private placement basis and the asset cover is 1.1 times as on 31 March 2021.

Pursuant to Regulation 54(2) of the SEBI (LODR) Regulations, 2015 it is hereby disclosed that Sical Multimodal and Rail Transport Limited, subsidiary of the Company has provided (1) 0.60 acres of land situated at Anupampattu Village, (2) 19.5 acres of land and building situated there on at Minjur (3) 2 rakes and 1,030 Containers and (4) pari passu mortgage charge along with existing charge holder on land (admeasuring around 2.248 acres) at Minjur as security for the 11% secured listed NCDs of Rs. 100 Cr issued to RBL Bank Limited on a private placement basis and the asset cover is 1.5 times as on 31 March 2021.

The following additional disclosures are made pursuant to Reg 52 (4) of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 in connection with the 11% listed secured Non-convertible Debentures issued to IDFC First Bank Limited and 11% listed secured Non-convertible Debentures issued to RBL Bank Limited by the Subsidiary.

(a) credit rating and change in credit rating (if any): D.

(b) asset cover available, in case of non convertible debt securities issued to IDFC Bank Limited: 1.1 times as at 31 March 2021

(c) asset cover available, in case of non convertible debt securities issued to RBL Bank Limited: 1.5 times as at 31 March 2021

(d) debt-equity ratio: (1.89) as at 31 March 2021 (Consolidated basis)

(e) previous due date for the payment of interest is 27 December 2020 and the same is overdue as on date alongwith interest due on 27 Decemebr 2019 and 27 Jun 2020.

(f) previous due date for the payment of interest with respect to NCDs issued to RBL Bank Limited 31 March 2021 and the same was paid on due date.

(g) Due to non payment of interest due on the above dates, Debentureholders has recalled the principal amount. The Redemption of the NCD on 25-Jun-2021 along with Interest.

(h) next due date for the payment of interest with respect to NCDs issued to RBL Bank Limited is 30 September 2021.

(i) debt service coverage ratio: (2.94) as at 31 March 2021 (Consolidated basis)

(j) interest service coverage ratio: (6.59) as at 31 March 2021 (Consolidated basis)

(k) debenture redemption reserve: Rs. 4,500 lakhs as at 31 March 2021

(l) net worth: Rs. (49,805) lakhs as at 31 March 2021 (Consolidated basis)



(m) loss after tax: Rs.(1,16,603) lakhs for the year ended 31 March 2021 (Consolidated basis)

(n) earnings per share: Rs. (198.15) as at 31 March 2021 (Consolidated basis)

- h) The Company has not serviced debt on due dates to the banks and financial institutions. The Corporate insolvency resolution process has commenced consequent to the order of Hon'ble NCLT, Chennai Bench and IRP has been appointed in terms of the orders. All the financial creditors have made the claim with IRP. Hence all the loans have been classified as current liability. The subsidiary companies viz Sical Logixpress Private Limited and Sical Saumya Mining Limited have also defaulted in servicing the loan instalment and interest repayments.

Interest on borrowings are provided till the CIRP initiation date i.e. 10th March 2021 for the company Sical Logistics Limited for the period ended 31st March 2021 as all liabilities prior to CIRP initiation date are frozen as at CIRP commencement date and are to be dealt under the resolution plan which is to be received and approved by the Committee of Creditors and the adjudicating authority

- i) An amount of INR 5.65 Crs has been recovered from the Margin Money held in current account by IndusInd Bank towards the loan repayment post commencement of CIRP. The Resolution Professional is of the opinion that the said recovery is in violation of the provisions of the Insolvency and Bankruptcy Code ("Code") as no debits can be made from the current accounts of the Corporate Debtor without express authorisation of Interim Resolution Professional / Resolution Professional and all liabilities as at CIRP commencement date has to be claimed by the Financial creditor as per provisions of the code. Necessary steps are being taken for reversal of the said amounts recovered by IndusInd Bank to the current account of the Corporate Debtor.

The following creditors are yet to file their claims as financial creditors pursuant to the initiation of CIRP and the claims once received would be admitted as per provisions of the Insolvency and Bankruptcy Code.

- Sundaram Finance Limited
- HDB Financial Service Ltd
- Reliance Commercial Finance Limited

- j) Creation of DRR in respect of NCDs issued to IDFC First Bank Limited has been completed as of 31 March 2018 and the outstanding balance being Rs. 2,500 lakh, no additional DRR created for FY 2020-2021. DRR of Rs. 500 Lakhs with respect to the NCDs issued to RBL Limited by the subsidiary viz SMART have duly been created for the year 2020-21

R



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

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

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

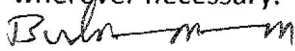
It is also to be noted that the license agreement provides payment of actual value of assets or debt due whichever is lower in case of an event of default leading to termination and the quantum of the amounts that could be recovered by the company from the amounts advanced and investments made is not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

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

Rs. 93789 Lakhs given to SIOTL by way of Investment and advance has been written off by the holding company Sical Logistics Limited and in Sical Consolidation the same is adjusted with CWIP but it is payable as per the books of SIOTL.



- l) Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March 2021 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March 2021.
- m) The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 11% and 12.75%.
- n) Confirmation of balances are not available for majority of the trade receivables, loans and advances given, trade payables, claims received from the employees, bank balances and bank loans as at March 31, 2021. Pursuant to the CIRP, the Company stopped providing interest on bank borrowings from the date of commencement of CIRP i.e. 10 Mar 2021 as per the NCLT, Chennai Bench Order. The finance cost appearing in the Statement are recorded based on transactions accounted in the accounting system, differences between the liability recorded by the Company and confirmations received by the lenders are not recorded as finance cost or contingent liability.
- o) Figures pertaining to the previous periods have been regrouped, reclassified and rearranged wherever necessary.

  
T. Subramanian  
Director

  
S. Rajappan  
Director

  
V. Radhakrishnan  
Company Secretary

Taken on Record



Sripatham Venkatasubramanian Ramkumar  
Resolution Professional for Sical Logistics Limited  
IP Registration no. IBBI/IPA-001/IP-P00015/2016-17/10039

Place: Chennai  
Date: 12 August 2021

Statement of assets and liabilities (Consolidated-Audited)

Rs. in lakhs

Particulars	As at 31 March 2021	As at 31 March 2020
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	74,285	83,599
Right of use of assets	7,890	8,446
Capital work-in-progress (Refr note K)	39,440	1,28,446
Other intangible assets	1,066	1,247
Goodwill	706	706
<b>Financial Assets</b>		
- Investments	883	586
- Other non-current financial assets	949	1,153
Other non-current assets	1,852	2,053
Deferred tax assets (net)	838	932
	1,27,909	2,27,168
<b>Current assets</b>		
Inventories	1,507	1,627
<b>Financial Assets</b>		
- Trade receivables	21,281	24,053
- Cash and cash equivalents	6,462	5,026
- Other current financial assets	1,280	1,380
Current Tax Assets (Net)	5,019	5,574
Other current assets	9,648	11,856
	45,197	49,516
<b>Total Assets</b>	<b>1,73,106</b>	<b>2,76,684</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share capital	5,854	5,854
Other Equity	(72,642)	43,306
<b>Equity attributable to the owners of the Company</b>	<b>(66,788)</b>	<b>49,160</b>
Non-controlling interests	16,983	17,628
<b>Total equity</b>	<b>(49,805)</b>	<b>66,788</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial Liabilities</b>		
- Borrowings	5,194	45,130
- Other financial liabilities	11,432	11,478
Provisions	410	502
Deferred tax liabilities (net)		
	17,036	57,110
<b>Current liabilities</b>		
<b>Financial Liabilities</b>		
- Borrowings	34,107	29,297
- Trade payables		
(a) Total outstanding dues of Micro and Small Enterprises	-	-
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	16,872	19,421
- Other financial liabilities	1,01,183	59,232
Other current liabilities	53,670	44,761
Provisions	43	75
	2,05,875	1,52,786
<b>Total Equity and Liabilities</b>	<b>1,73,106</b>	<b>2,76,684</b>

The above disclosure is an extract of the audited Balance Sheet as at 31 March 2021 and 31 March 2020 prepared in compliance with the Indian Accounting Standards (Ind-AS).

T. Subramanian  
Director

S. Rajappan  
Director

V. Radhakrishnan  
Company Secretary

Taken on Record

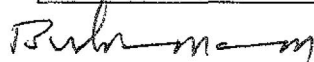
Place: Chennai  
Date: 12 August 2021

Sripatham Venkatasubramanian Ramkumar  
Resolution Professional for Sical Logistics Lim  
IP Registration no. IBBI/IPA-001/IP-P00015/20

## (i) Consolidated cash flows statement

Rs. in lakhs

Particulars	For the period ended 31 Mar 2021	For the period ended 31 Mar 2020
<b>Cash flows from operating activities</b>		
Profit before tax	(1,16,670)	(13,294)
Adjustments:		
Depreciation	7,875	8,445
Profit on sale of fixed assets	452	(1,142)
Impairment of Loans advance given and Investments made in SIO TL (Refer note k)	93,789	-
Interest and finance charges	12,584	5,501
Interest income	(199)	(541)
Forex loss	-	9
Operating cash flow before working capital changes	(2,169)	(1,022)
<i>Changes in</i>		
- Trade receivables	2,772	15,633
- Current/Non current financial assets	296	1,190
- Current/Non current assets	2,409	7,804
- Inventories	120	(172)
- Current/Non current financial liabilities	528	(52)
- Current/Non current liabilities	7,246	(841)
- Trade payables	4,810	7,274
- Provisions	(124)	(173)
Cash generated from operations	15,888	29,641
Income taxes paid	(64)	(406)
<b>Cash generated from operations [A]</b>	<b>15,824</b>	<b>29,235</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets (Including Capital Work in Progress)	(5,192)	(28,308)
Proceeds from sale of fixed assets	1,564	1,174
Proceeds from sale of investment	-	-
Purchase of non controlling interests	-	(152)
Bank deposit	846	2,516
Interest income	199	541
<b>Net cash generated used in investing activities [B]</b>	<b>(2,583)</b>	<b>(24,229)</b>
<b>Cash flows from financing activities</b>		
Proceeds from long term borrowings	2,039	12,424
Repayment of long term borrowings	(6,693)	(19,940)
Proceeds from holding company	1,663	9,494
Repayment of lease liability	(202)	(297)
Proceeds from issue of shares	-	-
Proceeds from/(repayment of) short term borrowings (net)	4,810	(1,221)
Finance cost	(12,584)	(5,204)
<b>Net cash generated from financing activities [C]</b>	<b>(10,967)</b>	<b>(4,744)</b>
<b>Increase in cash and cash equivalents [A+B+C]</b>	<b>2,274</b>	<b>262</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,499</b>	<b>1,237</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>3,773</b>	<b>1,499</b>



T. Subramanian  
Director



S. Rajappan  
Director



V. Radhakrishnan  
Company Secretary

Taken on Record



Sripatham Venkatasubramanian Ramkumar  
Resolution Professional for Sical Logistics Limited  
IP Registration no. IBBI/IPA-001/IP-P00015/2016-17/10039

Place: Chennai  
Taken on Record





## SRSV & ASSOCIATES

CHARTERED ACCOUNTANTS

'Madura', No.66, Bazullah Road,  
T. Nagar, Chennai - 600 017.  
Tel : 044-28344742

**P. SANTHANAM**  
B.Com., FCA, FCS

**R. SUBBURAMAN**  
B.Com., FCA

**V. RAJESWARAN**  
B.Com., FCA

**G. CHELLA KRISHNA**  
M.Com., FCA, PGPM

### **Independent Auditor's Report on the Quarterly and Year to Date Audited Consolidated Financial Results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To,

**THE RESOLUTION PROFESSIONAL,**

**SICAL LOGISTICS LIMITED**

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

We have audited the accompanying Statement of Consolidated Financial Results of **SICAL LOGISTICS LIMITED** ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its jointly controlled entities for the quarter and year ended March 31, 2021 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

As the Corporate Insolvency Resolution Process ("CIRP") has been initiated in respect of the Holding Company under the provisions of "The Insolvency and Bankruptcy Code, 2016" ('IBC' / 'the Code') by the National Company Law Tribunal ("NCLT"), Chennai Bench, vide its order dated March 10, 2021, the powers of the Board of Directors of the Holding Company stand suspended as per Section 17 of the Code and such powers are being exercised by the Resolution Professional appointed by the National Company Law Tribunal by the said order under the provisions of the Code.

This Statement, which is the responsibility of the Holding Company's Management and have been certified by the Directors of the Company, confirming that the financial results do not contain any material misstatements and thereafter provided to the Resolution Professional for his signing on 12<sup>th</sup> August, 2021 and for further filing with stock exchanges; has been prepared on the basis of related Standalone Ind AS Financial Statements, which has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India and in compliance with regulation 33 of Listing Regulations.

Our responsibility is to express an opinion on the Statement based on our audit of financial statements.

#### **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate audited financial statements/ financial information of subsidiaries and jointly controlled entities **except for the effects of the matters described in the "Basis for Qualified Opinion and the Material Uncertainty Relating To Going Concern Section below,"** the Statement:



- I. includes the results of the following subsidiaries and joint ventures:
  - a. Sical Infra Assets Limited
  - b. Sical Iron Ore Terminals Limited
  - c. Sical Iron Ore Terminal (Mangalore) Limited
  - d. Sical Connect Limited [erstwhile known as Norsea Offshore India Limited]
  - e. Bergen Offshore Logistics Pte Limited [foreign subsidiary]
  - f. Sical Supply Chain Solution Limited (erstwhile known as Sical Adams Offshore Limited)
  - g. Sical Saumya Mining Limited
  - h. Sical Mining Limited
  - i. Sical Multimodal and Rail Transport Limited
  - j. Sical Bangalore Logistics Park Limited
  - k. Sical Washeries Limited
  - l. Patchems Private Limited
  - m. Sical Logixpress Private Limited (erstwhile known as PNX Logistics Private Limited)
  - n. Develecto Mining Limited
  - o. PSA Sical Terminals Limited (Joint Venture)
  - p. Sical Sattva Rail Terminals Private Limited (Joint Venture)
- II. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and
- III. gives a true and fair view, in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated total comprehensive loss (comprising of net loss and other comprehensive loss) and other financial information of the Group for the quarter ended March 31, 2021 and for the year ended March 31, 2021.

### **Basis for Qualified Opinion**

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

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

We conducted our audit in accordance with the Standards on Auditing (SAs) as specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group and its jointly controlled entities in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the



Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our qualified opinion.

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

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

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

- b) Note No. (h) and (n) Confirmation of balances are not available for majority of the trade receivables, loans and advances given, trade payables, claims received from the employees, bank balances and bank loans as at March 31, 2021. Pursuant to the CIRP, the Holding Company stopped providing interest on bank borrowings from the CIRP initiation date. In the absence of confirmation of balances the possible adjustment if any required in the Statement is presently not determinable. The finance cost appearing in the Statement are recorded based on transactions accounted in the accounting system, differences between the liability recorded by the Holding Company and confirmations received by the lenders are not recorded as finance cost or contingent liability
- c) The Holding Company's net worth as on the reporting date is negative. The Holding Company has significant accumulated losses as at the date of the Balance Sheet and it continues to incur cash losses. Considering the above and the matters more fully explained in the Material Uncertainties Relating to Going Concern section below, we are unable to comment on the appropriateness of preparation of the Statement on a going concern basis.
- d) We have been informed by the RP that certain information including the minutes of the meetings of the CoC, cases filed by the RP against other parties and the outcome of certain specific/ routine procedures carried out as part of the IBC process are confidential in nature and could not be shared with anyone, other than the CoC and Hon'ble NCLT. In the opinion of the RP, the matter is highly sensitive, confidential and may have adverse impact on the resolution process.

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

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





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

### ***Holding Company***

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

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

### ***Subsidiary Company - Sical Iron Ore Terminal Limited (SIOTL)***

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

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

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

Our opinion is not modified in respect of this matter.

### **Emphasis of Matter**

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



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

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

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

The Holding Company's management / RP are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net loss and other comprehensive loss and other financial information of the Group including its jointly controlled entities in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The RP / respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its jointly controlled entities and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Management / RP of the Holding Company, as aforesaid.

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

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



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

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

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

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its jointly controlled entities to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



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

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

#### **Other Matter**

The Statement includes the audited Financial Results of all the subsidiaries whose Financial Statements reflects Group's share of total assets of Rs. 1,12,390 lakhs as at March 31,2021, Group's share of total revenue of Rs.3,205 lakhs and Rs.10,610 lakhs and Group's share of total net loss after tax of Rs.222 lakhs and Rs. 933 lakhs for the quarter ended March 31, 2021 and for the year ended March 31, 2021 respectively, and net cash inflows of Rs. 1,042 lakhs for the year ended March 31, 2021, as considered in the Statement, which have been audited by their respective independent auditors except the subsidiary mentioned in (n) above audited by us.

The independent auditors' reports on financial statements of these entities have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

The Statement includes the unaudited Financial Results of two jointly controlled entities, whose financial information reflect Group's share of total net profit / (loss) after tax of Rs.(686) lakhs and Rs.298 lakhs for the quarter ended March 31, 2021 and for the year ended March 31, 2021 respectively, as considered in the Statement.

These unaudited Financial Results have been furnished to us by the management / RP and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entities is based solely on such unaudited Financial Statements. In our opinion and according to the information and explanations given to us by the management / RP, these financial information are not material to the Group .

The subsidiaries mentioned in (e) above is located outside India whose financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have



audited these conversion adjustments made by the management. Our opinion in so far it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Holding Company's Management and audited by us. Our opinion is not modified in respect of the above matters.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the management / RP.

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

Place: Chennai  
Dated: August 12, 2021



For SRSV & Associates  
Chartered Accountants  
F.R.No. 015041S

A handwritten signature in blue ink that reads 'V. Rajeswaran'.

V. Rajeswaran  
Partner  
Membership .No. 020881  
UDIN No. : 21020881AAAAEI2441

**Sical Logistics Ltd**

South India House  
73 Armenian Street  
Chennai 600 001 India  
Phone : 91.44.66157016 Fax : 91.44.66157017



Ref.:SICAL:SD:2021

12<sup>th</sup> August, 2021

National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No.C/1, G Block  
Bandra-Kurla Complex  
Bandra [East]  
Mumbai :: 400 051

BSE Limited  
Department of Corporate Services  
Floor 25, P.J. Towers  
Dalal Street  
Mumbai :: 400 001

Dear Sirs,

Sub : Audited financial results for the quarter and year ended  
31<sup>st</sup> March, 2021  
Ref : Regulation 33 of the SEBI [Listing Obligations and Disclosure  
Requirements] Regulations, 2015  
SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016

=====  
Pursuant to SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby declare that the Statutory Auditors M/s. SRSV & Associates have provided a modified opinion in their Audit Report on the financials for the quarter and year ended 31<sup>st</sup> March, 2021.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,  
For Sical Logistics Limited

  
V. Radhakrishnan  
Company Secretary