

SICAL LOGISTICS LIMITED

CIN : L51909TN1955PLC002431

Registered Office : "South India House", 73, Armenian Street, Chennai :: 600 001

Phone : 044-66157071 / Fax : 044-66157017

Website : www.sical.com :: e-mail ID : secl@sical.com

NOTICE

To

All Shareholders

NOTICE is hereby given that pursuant to Section 110 of the Companies Act, 2013 ("the Act"), read with Rule 22 of the Companies (Management & Administration) Rules, 2014 (as amended upto date) and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following resolutions are proposed to be passed through Postal Ballot and Remote Electronic Voting (e-voting) by the shareholders of the Company. The Explanatory Statement pursuant to Section 102 of the Act relating to the Resolutions are annexed.

The Board of Directors at their meeting held on 05th August, 2016 have appointed Mr. R. Kannan, Practicing Company Secretary as the Scrutinizer for conducting the Postal Ballot and e-voting process.

Please read carefully the instructions printed in the Postal Ballot Form and return the same duly completed and signed in the attached self-addressed postage pre-paid envelope so as to reach the Scrutinizer not later than 6.00 p.m. on Thursday, the 06th October, 2016. The Company has arranged for e-voting facility through CDSL and the members have the option to vote either by Postal Ballot or through e-voting, the detailed procedure for which is set out in the Postal Ballot Form.

The Scrutinizer will submit his report to the Chairman of the Company after completion of the scrutiny of Postal Ballots including remote e-voting. The Chairman / Company Secretary will declare the result of the Postal Ballot on Saturday, the 08th October, 2016. Such result along with Scrutinizers Report will be made available on the Company's Website www.sical.com under the Section "Investors" and will be forwarded to the Stock Exchanges where the Company's shares are listed and the CDSL who has been engaged by the Company for facilitating e-voting facility.

SPECIAL BUSINESS

1. **To provide Corporate Guarantee to the extent of Rs.700 crores and pledge its shareholding in company's subsidiary Sical Iron Ore Terminals Limited to secure the financial assistance to be availed by Sical Iron Ore Terminals Limited**

To consider and if deemed fit to pass with or without modification(s), the following resolution as a Special Resolution

RESOLVED THAT subject to the provisions of Sec 185, 186 read with Schedule VI of the Companies Act, 2013 and Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company be and is hereby permitted to provide Corporate Guarantee in favour of the security trustee acting on behalf of the consortium banks lead by YES Bank Limited for the purpose of financial assistance to be availed by Sical Iron Ore Terminals Limited from the consortium banks for the implementation of the project at Kamarajar Port for modification of the existing iron ore terminal also to handle coal ("Project") for an amount not exceeding Rs.700 crores (Rupees seven hundred crores only) ("Facility").

RESOLVED FURTHER THAT subject to the provisions of Sec 185, 186 read with Schedule VI of the Companies Act, 2013 and Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company be and is hereby permitted to pledge 63% (sixty three per cent) of its shareholding in Sical Iron Ore Terminals Limited in favour of the security trustee acting on behalf of the consortium banks lead by YES Bank Limited for the purpose of the Facility to be availed by Sical Iron Ore Terminals Limited from the consortium banks for the implementation of the Project.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take from time to time all decisions and such steps as may be necessary and finalise, settle and execute such documents, deeds, writings, papers, and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem fit, necessary or appropriate.

2. **To issue Unsecured/Secured Non-convertible Bonds / Debentures through Private Placement as per the provisions of Companies Act, 2013 and Rules made thereunder to the extent of Rs.200 crores during the financial year 2016-17.**

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

RESOLVED THAT pursuant to the provisions of section 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and Rules made there under (including any statutory modifications, clarifications, exemptions or re-enactment thereof, from time to time), and pursuant to the provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended up to date and other applicable SEBI regulations and guidelines, the provisions of Memorandum and Articles of Association of the Company and subject to such applicable laws, rules and regulations and guidelines, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall deemed to include any Committee thereof which the Board may have constituted / reconstituted or hereinafter constitute/ reconstitute to exercise its powers including the powers conferred by this Resolution) to offer, issue and allot, in one or more tranches Secured / Unsecured / Redeemable Non-convertible Debentures (NCDs) including but not limited to subordinate debentures, bonds, and/or other debt securities etc. on private placement basis, during the financial year 2016-2017, for an amount not exceeding Rs.200 Crores (Rupees Two hundred crores only) on such terms and conditions and at such times at par or at such premium, as may be decided by the Board to such person(s), including one or more company(ies), bodies corporate, statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be or such other person(s) as the Board/Committee of Directors may decide so, however, that the aggregate amount of funds to be raised by issue of NCDs, subordinate debentures, bonds, and/or other debt securities etc shall not exceed the overall borrowing limits of the Company, as may be approved by the Members from time to time.



RESOLVED FURTHER THAT in connection with the above, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.

By Order of the Board
V. Radhakrishnan
Company Secretary

Date : 25th August, 2016

Place : Chennai

Registered Office :

"South India House", 73, Armenian Street

Chennai :: 600 001

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Annexure to Notice dated 25th August, 2016

Item No.1

Providing Corporate Guarantee to the extent of Rs700 crores and pledge its shareholding in company's subsidiary Sical Iron Ore Terminals Limited to secure the financial assistance to be availed by Sical Iron Ore Terminals Limited

The Board of Directors at their meeting held on 05th August, 2016 have recommended for the approval of the members the proposal to provide corporate guarantee on behalf of the company's subsidiary Sical Iron Ore Terminals Limited in favour of the security trustee acting on behalf of the consortium banks lead by YES Bank Limited and further pledge 63% (sixty three per cent) of its shareholding in Sical Iron Ore Terminals Limited for the financial assistance to be availed by the subsidiary Sical Iron Ore Terminals Limited for the modification of the existing iron ore terminal also to handle coal on DBFOT basis in line with the Licence Agreement signed between SIOTL and the Kamarajar Port Limited on 11th July, 2016 ("**Licence Agreement**"). The revised project cost has been pegged at Rs.900 crores (Rupees Nine Hundred crores only) and for this purpose, as part of the Request For Proposal issued during December, 2016 and Licence Agreement executed on 11th July, 2016, financial closure has to be effected on the overall project cost and it has been decided by the subsidiary to raise funds by way of term loan, financial guarantees, working capital facilities and treasury limits upto an amount of Rs.700 crores (Rupees Seven Hundred crores only). As part of covenant of lending, bankers have insisted to obtain corporate guarantee from the parent company and also pledge the shareholding of the parent company held in the subsidiary company. Though the provisions of Section 186 of the Companies Act, 2013 exempts extending loan facility by a company engaged in infrastructural facilities as provided under Schedule VI of the Companies Act, 2013 yet as per the requirement of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, members approval is required since this amount would exceed 10% of the consolidated turnover of the Company as per the latest audited balance sheet available viz. 31st March, 2016 and it would be construed as a material related party transaction.

MEMORANDUM OF INTEREST

Mr. Sunil Deshmukh, Mr. H. Rathnakar Hegde, Mr. Sudhir Kamath and Ms. Shweta Shetty Directors and Mr. Sumith R Kamath, Group CFO are considered to be interested in the said resolution to the extent that they hold directorships in the subsidiary viz. Sical Iron Ore Terminals Limited. None of the other Directors, Key Managerial Personnel of the Company or their relatives are considered to be interested in the above resolution.

Item No.2

Issue of Unsecured/Secured Non-Convertible Bonds/ Debentures through Private Placement as per the provisions of the Companies Act, 2013 and Rules made thereunder to the extent of Rs.200 crores during the financial year 2016-17

The Company has recently concluded issuance of Rs.100 Crores [Rupees one hundred crores only] Non-convertible Debentures to a bank on private placement basis as a part of long-term borrowing within the powers provided by the members to the Board vide special resolution at the AGM held on 26th September, 2014 including by way of issue of debentures for the purpose of redeeming the existing NCDs on account of the early redemption notice issued by the holder of NCDs as part of exercising their rights under the debenture issued and the shorter time available with the company. For the purpose of redeeming the existing debt and considering the future requirement and cost of finance available, it has been proposed to obtain the approval of the members for an overall limit of Rs.200 crores [Rupees two hundred crores only] that can be raised by way of issue of NCDs during the current financial year 2016-17. Mobilisation of these funds would help the company in reducing the cost of finance. While mobilisation of the funds, the Company felt willingness of the lenders to subscribe for debt instruments viz. non-convertible securities of the Company. Further, on a careful analysis of the present debt profile of the Company, it was felt that the Company can further replace few of its current or near term maturity debts as well as some more high cost debts with fresh mobilisation of funds by way of issue of Non-convertible bonds /debentures and to limit this to Rs.200 crores [Rupees two hundred crores only] for the current financial year viz. 2016-17. Accordingly, the Company, subject to the approval of Members propose to issue Non-convertible Debentures to various person(s) on private placement basis, at such terms and conditions and at such price(s) in compliance with the requirements of regulatory authorities, if any and as may be finalized by the Board and/or Committee of Directors from time to time. The aforesaid borrowings shall be within the overall borrowing limits authorized by the Members. It may be noted that pursuant to Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 42 of the Companies Act, 2013, a Company shall obtain approval of shareholders by way of a special resolution for all the offer or invitation for non-convertible debentures to be made through a private placement basis in one or more tranches. Consent of the Members is therefore sought in connection with the aforesaid issue of debentures/bonds from time to time and authorize the Board (including any Committee of the Board) for issue of Non-convertible Debentures on private placement basis upto Rs.200 crores [Rupees two hundred crores only] as stipulated above, in one or more tranches, during the financial year 2016-17 including any issue already made during the current financial year within the overall borrowing limits of the Company, as approved by the Members from time to time.

Accordingly, the proposed Resolution in Item No.2 of the Notice is placed for your approval by way of a Special Resolution to comply with the provisions of Section 42 & 71 of the Companies Act, 2013 to enable the Company to avail the aforesaid powers as and when required. The Board recommends the Special Resolution set forth in Item No. 2 of the Notice for approval of the members.

Memorandum of Interest

None of the Directors or Key Managerial Personnel of the Company including their relatives are interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

Date : 25th August, 2016
Place : Chennai
Registered Office :
"South India House", 73, Armenian Street
Chennai :: 600 001

By Order of the Board
V. Radhakrishnan
Company Secretary

INSTRUCTIONS

GENERAL INFORMATION

1. There will be one Postal Ballot Form / e-voting for every Client ID No./Folio No. irrespective of joint holders.
2. Members can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. In case you are opting for voting by Postal Ballot, then please do not cast your vote by e-voting and vice versa. In case Members cast their votes both by Postal Ballot and e-voting, the votes cast through e-voting shall prevail and the votes cast through postal ballot form shall be considered invalid.
3. Voting rights in the Postal Ballot / e-voting can not be exercised by a proxy.

PROCESS FOR MEMBERS OPTING FOR VOTING BY POSTAL BALLOT

1. A member desiring to exercise vote by postal ballot may complete this Postal Ballot Form in all respects and send it to the Company in the attached self-addressed envelope bearing the address of the Scrutinizer. Postage will be borne and paid by the Company. However, envelopes containing postal ballots, if sent by courier or deposited personally at the Registered Office of the Company at the expenses of the registered shareholder will also be accepted.
2. This form should be completed in all respects and signed by the shareholder. In case of joint holding, this form should be completed and signed [as per the specimen signature registered with the Company] by the first named shareholder and in his absence, by the next named shareholder.
3. The signature of the Member on this Postal Ballot Form should be as per the specimen signature registered with the Company where shares are in physical form and / Depository Participants viz. NSDL and CDSL in case of holding in dematerialized form.
4. In respect of shares held by Corporate and institutional shareholders [companies, trusts, societies, etc.] the completed Postal Ballot Form should be accompanied by a certified copy of the relevant board resolution /appropriate authorization with the specimen signature[s] of the authorized signatory[ies] duly attested. In respect of FII clients, where the forms are submitted by the custodian, in such a case the filled in and signed Postal Ballot Form should be accompanied with the Power of Attorney.
5. Duly completed Postal Ballot Form should reach the Scrutinizer on or before 6.00 p.m. on Thursday, the 06th October, 2016. Postal Ballot Forms received after this date will be strictly treated as if the reply from the member has not been received.
6. Voting rights shall be reckoned on the paid up value of shares registered in the name of the shareholders on the date of despatch of the notice.
7. Postal Ballot Forms which are incomplete or unsigned or defective in any manner are liable for rejection. The Scrutinizer's decision in this regard shall be final and binding.
8. A Member seeking duplicate Postal Ballot Form or having any grievance pertaining to the Postal Ballot Process can write to the Company Secretary, Sical Logistics Limited, South India House, 73, Armenian Street, Chennai :: 600 001 – e-mail ID : secl@sical.com.
9. Members are requested not to send any paper [other than the resolution / authority as mentioned in Point No.4 above] along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope, the same would not be considered and would be destroyed by the Scrutinizer.
10. Members to whom the notice is being sent by electronic means but opts to send the postal ballot may kindly take a print out of the postal ballot form and after duly filling in the same, be dispatched to Mr. R. Kannan, Scrutinizer, Sical Logistics Limited, South India House, 73, Armenian Street, Chennai :: 600 001. While sending such an envelope, you may please indicate the Business Reply Permit No.BRP/CNI GPO/16.

PROCESS FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS

1. Electronic copy of the Notice of the Postal Ballot inter alia indicating the process and manner of voting through Postal Ballot / Electronic means is being sent to all the members whose email IDs are registered with the Company / Depository Participant[s] for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice inter-alia indicating the process and manner of e-voting is being sent in the permitted mode.
2. Notice for Postal Ballot along with Postal Ballot Form will be available on the Company's website www.sical.com for download.
1. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 and 22 of the Companies [Management and Administration] Rules, 2014 [as amended from time to time], the Company is pleased to provide members facility to exercise their right to vote on the Postal Ballot Resolution by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services [India] Limited [CDSL].

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 07th September, 2016 and ends on 06th October, 2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 26th August, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.

- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- B. In case of members receiving the physical copy of Postal Ballot Notice [for members whose e-mail IDs are not registered with the company / depository participant[s] or requesting physical copy]
Please follow all steps from Sl. No. [i] to Sl. No. [xvi] above, to cast vote.
- C. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ["FAQs"] and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.