

Report of Directors to the members of Sical Multimodal and Rail Transport Limited

The Board of Directors have pleasure in presenting the Twelfth Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2019.

FINANCIAL RESULTS

The financial highlights are:-

Rs. In lakhs

	2018-19	2017-18
Revenue	14494	17070
Expenses	14454	16187
Profit Before Tax	40	883
Tax	32	335
Profit After Tax	8	548

DIVIDENDS

The Board of Directors proposed to conserve the resources for the future years and hence not to declare any dividend for the financial year 2018-19

RESERVES

No amount has been transferred to any Reserves during the financial year under review.

FRESH ISSUE OF SHARES / DEBENTURES

The Company has not issued any fresh shares or debentures during the year under review. The company has also not bought back any of its shares nor issued any sweat equity or employee stock option scheme during the financial year under review.

DEPOSITS

The Company has not accepted any deposits from the public during the financial year 2018-19.

UNCLAIMED DIVIDENDS

Since the company has not declared any dividend in the past years, there are no amounts which are lying as unclaimed and as such provisions of Sec 125[2] of the Companies Act, 2013 are not applicable.

OPERATION STATUS

Sical Multimodal and Rail Transport Limited has two divisions viz. Container rail and Container Freight Stations. The company moves containers through rail on Pan India basis. The contract with HCL for transportation of copper concentrates to various destinations was continued during the year under review. The company also handled export cargo in its pursuit to engage in the EXIM business. The project activities relating to development of its own rail terminals ICD/CFS at Chennai and Bangalore are in progress. The Company has a JV with 50% stake in Sical Sattva Rail Terminals Private Limited which operates the Melpakkam terminal. The performance of the rail division continues to be challenging due to the increased haulage charges payable to Railways and stiff competition from other Container Train Operators and has to compete with the movement of cargo by road.

CFS operations were continued at Chennai , Tuticorin and Vizag. The total volume handled during 2018-19 was 154147 TEUs as against 139566 TEUs in the pervious fiscal. Due to certain policy decisions by the Government of India, this sector faces certain challenges especially in storage services and the stiff competition from the fellow operators. However, the company is taking all efforts to enhance its performance in the years to come.

To achieve effective performance of the rail terminals, a subsidiary company was incorporated in May 2016 under the name and style of Sical Bangalore Logistics Park Limited for the purpose of taking care of the Bengaluru ICD terminal operations. Subsequent to this, the Board of Directors of both the subsidiaries viz. Sical Multimodal and Rail Transport Limited and Sical Bangalore Logistics Park Limited proposed a Scheme of Arrangement [Demerger] for hiving off the Bangalore ICD to the newly incorporated company and filed an application before the National Company Law Tribunal, Southern Region, Chennai for the approval of the Scheme of Arrangement [Demerger]. The same was approved by the NCLT Vide its order passed in the month December, 2017. Accordingly all processes have been completed during the financial year under review.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange earnings and outgo as required under Section 134[3][m] of the Companies Act, 2013 read with Rule 8[3] of the Companies [Accounts] Rules, 2014 are not applicable since the company is yet to commence its operations.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

Since the company is yet to commence its operations, no Risk Management Policy has been put in place. Once the operation is started, necessary policy will be evolved and implemented.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

In compliance with Section 135 of the Companies Act, 2013 read with the Companies [Corporate Social Responsibility Policy] Rules, 2014, the Company has established Corporate Social Responsibility [CSR] Committee and statutory disclosures with respect to the CSR Committee and an Annual Report on CSR Activities forms part of this Report as Annexure – 2.

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

The company has not made any loans, given guarantees or made investments under Sec 186 of the Companies Act, 2013 during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There were no contracts or arrangements made with related parties which are defined under Section 188 of the Companies Act, 2013 during the year under review. contracts / arrangements which were at arms length basis during the financial year are provided as Annexure – 4 in Form AOC-2.

EXPLANATION / COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMAKRS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There was no qualification, reservation or adverse remarks made by the Auditors or the Practicing Company Secretary in their respective reports.

PERFORMANCE EVALUATION OF THE BOARD

In accordance with Section 178 of the Companies Act, 2013, the Company has laid down a Nomination and Remuneration Policy. Based on the evaluation policy of the Company, a performance evaluation process was carried out by the directors duly recording their remarks which consisted of performance evaluation by all directors except the independent director who is being evaluated, Independent directors on the performance of non-independent directors / whole-time directors and Independent Directors on the entire Board. The same was done on the parameters as provided and the same was taken on record.

EXTRACTS OF ANNUAL RETURN

The extracts of the Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies [Management and Administration] Rules, 2014 is furnished in Annexure – 3 to this Report.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had 04 [four] Board meetings during the financial year under review.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134[5] of the Companies Act, 2013 [“the Act”], the Board hereby submit its responsibility Statement:-

[a] in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

[b] the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period.

[c] the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

[d] the directors had prepared the annual accounts on a going concern basis.

[e] the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

[f] the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SUBSIDIARIES & JOINT VENTURES

The Company has a 50% interest in the joint venture company Sical Sattva Rail Terminals Private Limited operating a rail terminal at Melpakkam in Tamil Nadu.

DIRECTORS

The Company has 06 directors consisting of 2 independent directors, 2 non-executive directors and 1 executive director as on 31st March, 2019.

INDEPENDENT DIRECTORS

In terms of the definition of Independence of Directors as prescribed under Section 149[6] of the Companies Act, 2013 and based on the confirmation / disclosures received from the Directors, the following Non-executive directors are Independent Directors.

Mr. Harady Rathnakar Hegde

Mr. S. Ravinarayanan

APPOINTMENT / RESIGNATION OF DIRECTORS / KEY MANAGERIAL PERSONNEL

Mr. Mahesh Hegde was appointed CFO of the Company in place of Mr. Vinod Shenoy effective 01st July, 2018. Mr. Sunil Deshmukh resigned from the directorship effective 02nd August, 2018.

AUDITORS

[a] Statutory Auditors

M/s CNGSN & Associates LLP, Chartered Accountants, retire at the conclusion of the ensuing annual general meeting and are eligible for re-appointment as the statutory auditors of the Company for the current financial year viz. 2019-20. The Company has received the consent from the Auditors and confirmation to the effect that they are not disqualified to be appointed as the Auditors of the Company in terms of the provisions of the Companies Act, 2013 and the rules made thereunder. Accordingly, the Board of Directors have recommended the re-appointment of M/s. CNGSN & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company to hold office from the ensuing AGM till the conclusion of the next AGM on a remuneration to be decided by the Board or Committee thereof to the shareholders for approval.

[b] Secretarial Auditors and Secretarial Audit Report

Pursuant to Section 204 of the Companies Act, 2013, your Company appointed Mr. R. Kannan, Practicing Company Secretary, Chennai as its Secretarial Auditor for the Financial Year 2018-19. The report of the Secretarial Auditor for the FY 2018-19 is annexed to this report as Annexure 1. There are no audit qualifications in the Statutory Auditors Report and in the Secretarial Audit Report as annexed elsewhere in this Annual Report.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

As of 31 Mar 19, the Audit Committee comprises of the following members

Mr. Harady Rathnakar Hegde
Mr. S. Ravinarayanan
Mr. Kush S Desai

The above composition of audit committee consists of Independent Directors viz. Mr. Harady Rathnakar Hegde and Mr. S. Ravinarayanan who form the majority.

The Company has established a vigil mechanism policy to express the genuine concerns expressed by the employees and directors. The Company has provided adequate safeguards against victimization of employees and directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of the Company and its employees.

STATUTORY DISCLOSURE

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

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

No stock options were issued to the Directors of the Company.

ACKNOWLEDGEMENT

The Board places on record its gratitude and sincere thanks to the Port Authorities, Ministry of Shipping, Bankers, Financial Institutions, regulatory authorities and employees at all levels for their co-operation and support.

Date : 16th May, 2019

For and on behalf of the Board

Place : Bengaluru

Director

Whole-time Director

SECRETARIAL AUDIT REPORT

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

To
The Members
Sical Multimodal and Rail Transport Limited
73, Armenian Street
Chennai : 600 001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by Sical Multimodal and Rail Transport Limited (hereinafter called 'the Company') for the audit period covering the financial year ended on March 31, 2019. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has during the audit period generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws frame thereunder;
 - (iv) Secretarial Standards issued by The Institute of Company Secretaries of India
 - (v) The other laws as may be applicable specifically to the company in our opinion
- (a) Contract Labour (Regulation and Abolition) Act

We further report that –

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

We further report that –There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

We further report that during the audit period, the Company has not made any fresh issue of shares/ debentures.

Place : Chennai

Date : 16th May, 2019

R. Kannan
Practicing Company Secretary
FCS 6718 / CP No 3363

The Annual Report on Corporate Social Responsibility [CSR] Activities

A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken

CSR Policy

Pursuant to Section 135 of the Companies Act, 2013, the Company has evolved a CSR Policy which shall be to contribute towards any one or more of the activities as provided in the Schedule VII of the Companies Act, 2013.

Implementation and Monitoring

CSR programmes as decided by the Committee at the beginning of each year would be implemented either directly or through any of the agencies / associations implementing the CSR activities in the Country as per the CSR Policy. The Committee shall monitor the activities and provide a report to the Board.

Composition of CSR Committee

2015-16	2016-17	2017-18	Average profit
109	294	602	334.92
2% of the average net profit		6.70	

The Members of the Committee as on 31st March, 2019 are

- | | | | |
|----|-------------------------|---|----------|
| 1. | Mr. Kush S Desai | - | Chairman |
| 2. | Mr.H. RathnakarHegde | - | Member |
| 3. | Mr. S. Ravi Narayananan | - | Member |

Average net profit of the Company for the last three financial years = Rs. 334.92 lakhs

Prescribed CSR expenditure [2% of the amount as above] = Rs. 6.70 lakhs

Details of CSR spent during the financial year

[a] Total amount to be spent for the financial year Rs. 6.70 lakhs

The company has spent the entire amount of Rs. 6.70 lakhs during the FY 2018-19.

[b] Amount unspent, if any Nil

[c] Manner in which the amount spent during the financial year is detailed below

S.No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs [1] Local area or other [2] specify the State and the district where projects or programs was undertaken	Amount outlay [budget] project or program wise	Amount spent on the projects or programs Subheads [1] Direct Expenditure on project or programs [2] Overheads	Cumulative Expenditure upto the Reporting Period	Amount spent direct or through implementing agency
1	Donation to Shankarakudige Veerappa Gangaiah Hegde Education Trust	Promoting education	Chikkamagaluru, Karnataka	6.70 lakhs	6.70 lakhs	6.70 lakhs	Shankarakudige Veerappa Gangaiah Hegde Education Trust

Sical believes that promoting education through implementing agencies for the upliftment of underprivileged as its social responsibility since education would provide ample opportunity and confidence among them to have a better future in the society. Accordingly contribution of Rs. lakhs being the 2% on the average net profit of the 3 financial years was made to Shankarakudige Veerappa Gangaiah Hegde Education Trust which was set up in 2002 as a non-profit trust with the mission of "Education for All" more specifically for the activities of the Trust for the SVGH Vocational Training College which falls within the ambit of Clause [ii] to Schedule VII of the Companies Act, 2013 which allows contribution / activities relating to promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects. The CSR committee confirms that the implementation and monitoring of CSR policy is in compliance with the CSR objectives and Policy of the Committee.

M. Srinivasan
Whole-time Director

Kush S Desai
Chairman – CSR Committee

FORM NO.:MGT-9

Extract of the Annual Return as on the financial year ended on 31st March, 2019

I. Registration and other details

- [i] CIN : U60232TN2007PLC063378
 [ii] Registration Date : 07th May, 2007
 [iii] Name of the Company : Sical Multimodal and Rail Transport Limited
 [iv] Category / Sub-Category of the Company : Public Company
 [v] Address of the registered office and Contact details : South India House
 73, Armenian Street
 Chennai :: 600 001
 Phone : 044-66157016
 Email : groupsecretarial@sical.com
 [vi] Whether listed company : No
 [vii] Name, Address and Contact : Not applicable
 Details of Registrar and Transfer Agent, if any

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the company shall be stated.

Sl.No.	Name and description of main products / services	NIC Code of the Product / Service	% to Total turnover of the Company
1	To carry on the business of movement of goods through container rail and CFS activities	99651220	100%

III. Particulars of Holding, Subsidiary and Associate Companies

Sl.No.	Name and Address of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1	Sical Infra Assets Limited South India House 73, Armenian Street, Chennai :: 600001	U45203TN2007PLC063432	Holding	100	2[46]

IV. SHAREHOLDING PATTERN [EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY

[i] Category wise share holding

Category Code	Category of Shareholder	Number of shares held as of the								
		beginning of the year as at 01 Apr 18				end of the year as at 31 Mar 19				
		Demat	Physical	Total	% to Total Shares	Demat	Physical	Total	% to Total Shares	% Change during the year
[A]	Shareholding of promoter and promoter group									
[1]	Indian									
[a]	Individuals / Hindu Undivided Family	-	-	-	-	-	-	-	-	-
[b]	Central Government / State Government[s]	-	-	-	-	-	-	-	-	-
[c]	Bodies Corporate	0	72690000	72690000	100	0	72690000	72690000	100	0
[d]	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
[e]	Any other [specify]	-	-	-	-	-	-	-	-	-
	Sub-Total [A][1]	0	72690000	72690000	100	0	72690000	72690000	100	0
[2]	Foreign									
[a]	Individuals [Non-Resident Individuals / Foreign Individuals]	-	-	-	-	-	-	-	-	-
[b]	Bodies Corporate	0	0-	0	0	0	0	0	0	0
[c]	Institutions	-	-	-	-	-	-	-	-	-
[d]	Any other [specify]	-	-	-	-	-	-	-	-	-
	Sub-Total [A][2]	0	0	0	0	00	0	0	0	0
	Total shareholding of Promoter and Promoter Group [A]=[A][1]+[A][2]	0	72690000	72690000	100	0	72690000	72690000	100	0
[B]	Public Shareholding									
[1]	Institutions									
[a]	Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
[b]	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
[c]	Central Government / State Government[s]	-	-	-	-	-	-	-	-	-
[d]	Venture Capital Funds	-	-	-	-	-	-	-	-	-
[e]	Insurance Companies	-	-	-	-	-	-	-	-	-
[f]	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
[g]	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
[h]	Any other	-	-	-	-	-	-	-	-	-
	Sub-Total [B][1]	0	0	0	0	0	0	0	0	0
[2]	Non-institutions									
[a]	Bodies Corporate	-	-	-	-	-	-	-	-	-
[b]	Individuals	-	-	-	-	-	-	-	-	-
[c]	Any other [specify]	-	-	-	-	-	-	-	-	-
	NRI	-	-	-	-	-	-	-	-	-
	Trusts	-	-	-	-	-	-	-	-	-
	Clearing Members	-	-	-	-	-	-	-	-	-
	Foreign National	-	-	-	-	-	-	-	-	-
	Sub-Total [B][2]	0	0	0	0	0	0	0	0	0
	Total Public Shareholding [B] = [B][1]+[B][2]	0	0	0	0	0	0	0	0	0
	TOTAL [A] + [B]	0	72690000	72690000	100	0	72690000	72690000	100	0
[C]	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0	0	0
	GRAND TOTAL [A]+[B]+[C]	0	72690000	72690000	100	0	72690000	72690000	100	0

[ii] Shareholding of Promoters / Promoters Group

Sr. No.	Name of the shareholder	Shareholding at the beginning of the year [as on April 1, 2018]			Shareholding at the end of the year [as on March 31, 2019]		
		No. Of shares	% of total shares of the Company	% of Shares pledged/ encumbered to total shares	No. Of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares
1	Sical Infra Assets Limited	72690000	100	-	72690000	100	-
	TOTAL	72690000	100	-	72690000	100	-

[iii] Change in Promoters / Promoters Group Shareholding**NIL****[iv] Shareholding pattern of top ten shareholders [other than Directors and Promoters]****Not Applicable****[v] Shareholding of Directors and Key Managerial Personnel****NIL****[vi] Indebtedness as at 31 Mar 19***Rs. in lakhs*

Particulars	Secured loans excluding deposits	Unsecured loans	Total indebtedness
Indebtedness at the beginning of the financial year			
[i] Principal amount	17,337	11,477	28,814
[ii] Interest due but not paid			
[iii] Interest accrued but not due			
Total [i] + [ii] + [iii]			
Change in Indebtedness during the financial year			
[a] Addition	1,705	35	1,740
[b] Deletion	-1,705	-35	-1,740
Net change			
Indebtedness at the end the financial year			
[i] Principal amount	15,632	11,442	27,074
[ii] Interest due but not paid			
[iii] Interest accrued but not due			
Total [i] + [ii] + [iii]	15,632	11,442	27,074

vii. Remuneration details to Directors and Key Managerial Personnel - NIL

viii. Penalties / Punishment / Compounding of Offences

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ Court]	Appeal made, if any [give details]
A	COMPANY Penalty Punishment Compounding				
B	DIRECTORS Penalty Punishment Compounding		NONE		
C	OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding				

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

S.No.	Name of the related party	Nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions if any	Value of transactions for FY 18-19 [Rs. In Lakhs]	Date[s] of approval by the Board	Amount paid as advances if any
[a]	[b]	[c]	[d]	[e]	[f]	[g]	[h]	[i]
Services Received								
1	Sical Logistics Limited	Ultimate holding company	Service Charges	-	-	40.51	-	-
2	Sical Logistics Limited	Ultimate holding company	Service Charges	-	-	19.05	-	-
3	Sical Logistics Limited	Ultimate holding company	Warehouse Rent Income	-	-	27.96	-	-
4	Sical Logistics Limited	Ultimate holding company	Overhead allocation	-	-	400.00	-	-
5	Sical Logistics Limited	Ultimate holding company	Warehouse Rent Income	-	-	14.01	-	-
6	Sical Logistics Limited	Ultimate holding company	CG commission	-	-	53.05	-	-
7	Sical Logistics Limited	Ultimate holding company	Interest income	-	-	158.06	-	-
8	Sical Logistics Limited	Ultimate holding company	CHA Services	-	-	67.26	-	-
9	Sical Logistics Limited	Ultimate holding company	Freight Forwarding	-	-	6.39	-	-

[a]	[b]	[c]	[d]	[e]	[f]	[g]	[h]	[i]
10	Sical Logistics Limited	Ultimate holding company	Interest income	-	-	249.98	-	-
11	Sical Logistics Limited	Ultimate holding company	CG commission	-	-	16.90	-	-



CNGSN & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

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V. VIVEK ANAND
B.Com., FCA

CHINNASAMY GANESAN
B.Com., FCA, DISA (ICAI)

D. KALAIALAGAN
B.Com., FCA, DISA (ICAI)

K. PARTHASARATHY
B.Com., FCA

NYAPATHY SRILATHA
M.Com., FCA, PGDFM

E.K. SRIVATSAN
B.Com., ACA

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s SICAL MULTIMODAL AND RAIL TRANSPORT LTD

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of SICAL MULTIMODAL & RAIL TRANSPORT LTD ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.



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

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

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

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

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

Management's Responsibility for the Standalone Financial Statements:

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

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

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



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

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

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

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

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



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

Report on Other Legal and Regulatory Requirements:

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24 to the financial statements (Contingent Liabilities).
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 10 to the standalone financial statements.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



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

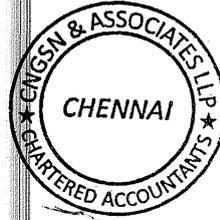
In our opinion and according to the information and explanation given to us, during the current year, no remuneration has been paid by the company to its directors.

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

Place: Chennai
Date: 16 May 2019



S.NEELAKANTAN
Partner
Memb.No.028656



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Annexure 1 to the Auditor's report

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

- i. In respect of Fixed assets :
 - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
 - c) According to the information and explanation given to us, the title deeds of immovable properties of the Company are held in the name of the Company.
- ii. Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on such verification
- iii. The company has not granted any loans to secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, clause (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of Companies (Auditors Report) Order 2016 is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act 2013 in respect of loans, investments, guarantees and securities.
- v. In our opinion and according to the information and explanations given to us the company has not accepted any deposits. Accordingly clause v of paragraph 3 of Companies (Auditors Report) Order 2016 is not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act 2013 for the business activities carried out by the Company. Thus reporting under Clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues
 - a) According to the records of the Company and information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There are no undisputed statutory dues outstanding for more than six months.



- b) As at 31st March 2019 according to the records of the Company, the following are the particulars of the disputed dues on account of Service tax. There were no disputed amounts payable in Income Tax, Sales tax, Customs Duty and Value added Tax matters.

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates (Financial year)	Amount involved (Rs.)
Finance Act, 1994	Service Tax demanded	Chief Commissioner	2008-2010	82,38,383
			2010-2011	32,67,035
			2007-2012	4,08,29,565
		CESTAT	2012 - 13	22,83,712
Total				5,46,18,695

- viii. Based on our audit procedures and on the information and explanations given by the management, we are of opinion that the Company has not defaulted in repayment of dues to Financial Institutions or bank or Government or debenture holders.
- ix. The company has not raised any money by way of initial public offer or further public offer. Term loans were applied for the purpose for which it was raised..
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year
- xi. In our opinion, no managerial remuneration has been paid or provided during the year. Accordingly, clause xi of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.
- xii. In our opinion, the Company is not a Nidhi Company. Accordingly, clause xii of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.
- xiii. In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, clause xiv of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.



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- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non - cash transactions with directors or persons connected with the Directors. Accordingly, clause xv of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.
- xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-1A of the Reserve Bank of India Act, 1934. Accordingly, clause xvi of Para 3 of Companies (Auditors Report) Order 2016 is not applicable.

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

Place: Chennai
Date: 16 May 2019



Sneelakanta
S.NEELAKANTAN
Partner
Memb.No.028656

Annexure 2 to the Auditor's report

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

Place: Chennai
Date : 16 May 2019

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



S.NEELAKANTAN
Partner
Memb.No.028656

Sical Multimodal and Rail Transport Limited
Balance sheet

Particulars	Note	Rs. in lakhs	
		As at 31 March 2019	As at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	2	38,725	39,334
Capital work-in-progress	2	1,052	1,052
Other intangible assets	2	1,327	1,477
Financial Assets	3		
- Investments	3.1	345	345
- Other non-current financial assets	3.2	141	142
Other non-current assets	4	363	332
		<u>41,953</u>	<u>42,682</u>
Current assets			
Inventories	5	-	3
Financial Assets	6		
- Trade receivables	6.1	4,043	4,859
- Cash and cash equivalents	6.2	769	586
- Other current financial assets	6.3	2,981	2,747
Current tax assets (Net)	7	1,873	1,599
Other current assets	8	438	379
		<u>10,104</u>	<u>10,173</u>
		<u>52,057</u>	<u>52,855</u>
Total Assets			
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	9	7,269	7,269
Other Equity	9.1	9,150	9,399
		<u>16,419</u>	<u>16,668</u>
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
- Borrowings	10	13,887	15,425
Other non current liabilities	11	11,442	11,477
Provisions	12	77	74
Deferred tax liabilities (net)	13	3,599	3,567
		<u>29,005</u>	<u>30,543</u>
Current liabilities			
Financial Liabilities	14		
- Borrowings	14.1	714	781
- Trade payables	14.2		
(a) Total outstanding dues of Micro and Small Enterprises		-	-
(b) Total outstanding dues of creditors other than Micro and Small Enterprises		1,253	1,392
- Other financial liabilities	14.3	2,141	1,819
Other current liabilities	15	2,507	1,636
Provisions	16	18	16
		<u>6,633</u>	<u>5,644</u>
		<u>52,057</u>	<u>52,855</u>

Significant accounting policies

Notes to the accounts

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

As per our report of even date attached
for CNGSN & Associates LLP

Chartered Accountants

Firm registration number : 004915S

LLP No : S200036

S. Neelakantan
S. Neelakantan
Partner
Membership No. 028656



Chennai

Date: 16 May 2019

for and on behalf of the Board of Directors of
Sical Multimodal and Rail Transport Limited

M. Srinivasan
M. Srinivasan
Wholetime Director

Kush S. Desai
Kush S Desai
Director

Mahesh Hegde
Mahesh Hegde
Chief Financial Officer

V Radhakrishnan
V Radhakrishnan
Company Secretary

Bangalore

Date: 16 May 2019

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2 to 37

Sical Multimodal and Rail Transport Limited
Statement of profit and loss

Particulars	Note	Rs. in lakhs	
		For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from operations	17	14,167	16,773
Other income	18	327	297
Total Income		14,494	17,070
Expenses			
Cost of services	19	9,363	11,120
Employee benefits expense	20	849	873
Finance costs	21	2,243	2,351
Depreciation and amortisation expense	2	847	820
Other expenses	22	1,152	1,023
Total expenses		14,454	16,187
Profit before tax		40	883
Tax expense	23		
Current tax		-	-
Deferred tax		32	335
Profit for the year		8	548

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Sical Multimodal and Rail Transport Limited
Statement of profit and loss

Particulars	Note	<i>Rs. in lakhs</i>	
		For the year ended 31 March 2019	For the year ended 31 March 2018
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plan actuarial gains/ (losses)		-	-
Others		-	-
<hr/>			
Income tax relating to items that will not be reclassified to profit or loss			
Total Comprehensive Income for the period		8	548
Attributable to:			
Owners of Company		8	548
Non- controlling interests		-	-
Earnings per equity share	25		
(1) Basic		0.01	0.75
(2) Diluted		0.01	0.75
Significant accounting policies	1		
Notes to the accounts	2 to 37		

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

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

S. Neelakantan

S. Neelakantan
Partner
Membership No. 028656



Chennai
Date: 16 May 2019

for and on behalf of the Board of Directors of
Sical Multimodal and Rail Transport Limited

M. Srinivasan
M. Srinivasan
Wholetime Director

Kush S. Desai
Kush S Desai
Director

Mahesh Hegde
Mahesh Hegde
Chief Financial Officer
Bangalore
Date: 16 May 2019

V Radhakrishnan
V Radhakrishnan
Company Secretary

Sical Multimodal and Rail Transport Limited
Cash Flows Statement

Particulars	Note	Rs. in lakhs	
		For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Cash flows from operating activities			
Profit before tax		40	883
Adjustments:			
Depreciation		847	820
Loss on sale of fixed assets		4	40
Interest and finance charges		2,164	1,083
Interest income		(320)	(274)
Operating cash flow before working capital changes		2,735	2,552
<i>Changes in</i>			
- Trade receivables		816	344
- Current/Non current financial assets		(210)	(662)
- Current/Non current assets		(90)	419
- Inventories		3	1
- Current/Non current financial liabilities		379	(63)
- Current/Non current liabilities		871	2,330
- Trade payables		(139)	(1,385)
- Provisions		5	(22)
Cash generated from operations		4,370	3,514
Income taxes paid		(274)	(43)
Cash generated from operations [A]		4,096	3,471
Cash flows from investing activities			
Purchase of fixed assets (Including Capital Work in Progress)		(92)	(1,449)
Bank deposits		48	403
Net cash generated used in investing activities [B]		(44)	(1,046)
Cash flows from financing activities			
Repayment of long term borrowings		(1,638)	(580)
Repayment of Short Term Borrowings (net)		(67)	(838)
Finance cost		(2,164)	(988)
Net cash generated from financing activities [C]		(3,869)	(2,406)
Increase in cash and cash equivalents [A+B+C]		183	19
Cash and cash equivalents at the beginning of the year		586	292
Cash and cash equivalents at the end of the year		769	311

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Sical Multimodal and Rail Transport Limited
Cash Flows Statement

Particulars	Note	Rs. in lakhs	
		For the year ended 31 Mar 2019	For the year ended 31 Mar 2018
Components of cash and cash equivalents	6.2		
Cash on hand		1	2
<i>Balances with banks</i>			
- in current accounts		236	149
- in fixed deposits		532	160
Total cash and cash equivalents		769	311
Significant accounting policies	1		
Notes to the accounts	2 to 37		

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

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

S. Neelakantan
Partner
Membership No. 028656



Chennai
Date: 16 May 2019

for and on behalf of the Board of Directors of
Sical Multimodal and Rail Transport Limited

M. Srinivasan
Wholetime Director
Kush S Desai
Director
Mahesh Hegde
Chief Financial Officer
Bangalore
Date: 16 May 2019
V Radhakrishnan
Company Secretary

Sical Multimodal and Rail Transport Limited
Notes to the accounts
for the year ended 31 March 2019

Company overview and Significant Accounting Policies

1 Company overview

Sical Multimodal and Rail Transport Ltd (SMART), is the container and rail logistics initiatives of Sical Logistics Limited. SMART is a 100% subsidiary of Sical Infra Assets Limited (SIAL), which in turn is a subsidiary of Sical Logistics Limited (SLL). SLL had obtained Category I license from the Ministry of Railways for Rs.50 Crores for operating container rail across all sectors throughout India, catering to both EXIM and domestic traffic. The license was transferred to SMART in November, 2007.

SMART operates 7 rakes and about 1,030 containers. It operates in sectors such as Chennai-Delhi, Rajasthan-Chennai, Gujarat-Chennai, Vizag - Kapilash Road, Kanpur - JNPT and Raipur-Jamshedpur. The Company operates CFSs at Chennai, Bangalore and Vizag. The Company is developing rail linked Inland Container Depots (ICD) /Container Freight Station (CFS) in Bangalore and Chennai which are under implementation.

Pursuant to the scheme of amalgamation sanctioned by the Honourable High court of Madras vide the Order dated 19 July 2012 and received on 25 September 2012, Sical Distriparks Limited (SDL) (A company engaged in CFS activities), a fellow subsidiary of the company and Sical Hambuja Logistics Private Limited (SHLPL), a wholly owned subsidiary of the Company were merged with SMART with effect from 1 April 2011.

The Bangalore ICD was demerged to Sical Bangalore Logistics Park Limited by a scheme of arrangement huly approved by the Honourable NCLT, Chennai Bench.

The financial statements are approved for issue by the company's Board of Directors on 16 May 2019.

2 Basis of preparation of financial statements

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

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

1.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle
- ▶ Expected to be realised within twelve months after the reporting period, or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

1.4 Use of estimates

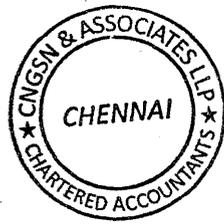
The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

(i) **Income taxes:** Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions. Also refer to Note 1.12.

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

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Sical Multimodal and Rail Transport Limited
Notes to the accounts
For the year ended 31 March 2019

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

1.5 Revenue recognition

In respect of rail operations, revenue is recognised on accrual method on rendering of services. In respect of container freight station, handling revenue is recognised on rendering of such services and storage revenue is recognized based on number of storage days.

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

1.6 Property, plant and equipment

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

Depreciation: The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use except for rakes and containers in Rail division.

For rakes and containers, the management estimates a useful life of 21 years. For these class of assets, based on internal assessment and technical evaluation carried out by experts, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

Intangible assets are amortised over their estimated useful life as follows:

Consideration paid for transfer of License issued by Ministry of Railways in Company's favour to operate container trains pan India, is capitalised as an Intangible asset and is amortised over a period of 20 years from the date of commercial operations.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Asset Class	Dep Rate	Method	Useful Life (Years)
EDP equipment's	33.33%	SLM	3
Furniture and fixture	10.00%	SLM	10
Office equipment's	20.00%	SLM	5
Vehicles	12.50%	SLM	8
Electrical Installations	10.00%	SLM	10
Building	1.67%	SLM	60

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

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

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress.

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Sical Multimodal and Rail Transport Limited
Notes to the accounts
For the year ended 31 March 2019

1.7 Functional and presentation currency

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

1.8 Foreign currency transactions and balances

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

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

1.9 Financial instruments

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

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

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

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

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

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding book overdrafts that are repayable on demand, and are considered part of the Company's cash management system.

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

1.10 Fair value measurement

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

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

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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Sical Multimodal and Rail Transport Limited
Notes to the accounts
For the year ended 31 March 2019

1.11 Impairment

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

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

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

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

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

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

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

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

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

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

1.12 Employee Benefit

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

The Company has the following employee benefit plans:

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Sical Multimodal and Rail Transport Limited
Notes to the accounts
For the year ended 31 March 2019

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

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

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

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

1.13 Provisions

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

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

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

1.14 Inventories

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

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

1.15 Finance income and expense

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

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

1.16 Income tax

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

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

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Sical Multimodal and Rail Transport Limited
Notes to the accounts
For the year ended 31 March 2019

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

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

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

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

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

1.17 Earnings per share

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

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

1.18 Rounding of amounts

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

1.19 Changes in Accounting Standards and other recent accounting pronouncements

Ind AS 116, Leases: The Ministry of Corporate Affairs has notified the Ind AS 116, Leases which will be effective from April 1, 2019. Ind AS 116 would replace the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit and loss. The Company is currently evaluating the requirements of Ind AS 116 on the financial statements. The Company believes that the definition of lease under Ind AS 116 would not significantly change the scope of contracts that meet the definition of a lease.

Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

Amendment to Ind AS 19 'Employee Benefits': On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 'Employee Benefits' in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment will come into force for accounting periods beginning on or after April 1, 2019. The Company is evaluating the effect of the above in the financial statements.

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Sical Multimodal and Rail Transport Limited
Notes to the accounts

2 Property, plant and equipment's

Particulars	Gross Block				Accumulated Depreciation			Net Block	
	As at 1 April 2018	Additions during the year	Deletions during the year	As at 31 March 2019	As at 1 April 2018	Additions during the year	Deletions during the year	As at 31 March 2019	As at 31 March 2018
Tangible assets									
Land	25,186	-	-	25,186	-	-	-	25,186	25,186
Buildings	9,172	9	-	9,181	393	177	-	8,611	8,779
Plant & machinery	4,685	-	1	4,684	1,090	390	-	3,204	3,595
Furniture & fittings	21	2	-	23	1	2	-	20	20
Vehicles	606	-	-	606	188	70	-	348	418
Office equipment	1,486	78	-	1,564	150	58	-	1,356	1,336
Total	41,156	89	1	41,244	1,822	697	-	38,725	39,334
Intangible assets									
Licence fees	2,033	-	-	2,033	556	150	-	1,327	1,477
Total	2,033	-	-	2,033	556	150	-	1,327	1,477
Grand total	43,189	89	1	43,277	2,378	847	-	40,052	40,811
Capital work in progress	1,052	-	-	1,052	-	-	-	1,052	1,052
Total	44,241	89	1	44,329	2,378	847	-	41,104	41,863

Note: Property, plant and equipment amounting to Rs. 25,872 lakhs as at 31 March 2019 (P.Y. Rs. 26,481 lakhs) has been pledged as security by the Company against the financing facilities availed from banks and financial institutions.



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2 Property, plant and equipment's
Previous year 2017-18

Rs. in lakhs

Particulars	Gross Block			Accumulated Depreciation			Net Block		
	As at 1 April 2017	Additions during the year	Deletions during the year	As at 31 March 2018	As at 1 April 2017	Additions during the year	Deletions during the year	As at 31 March 2018	As at 31 March 2017
Tangible assets									
Land	25,040	146	-	25,186	-	-	-	25,186	25,040
Buildings	7,915	1,257	-	9,172	232	161	-	8,779	7,683
Plant & machinery	4,727	-	42	4,685	718	381	9	3,595	4,009
Furniture & fittings	13	8	-	21	-	1	-	20	13
Vehicles	603	3	-	606	119	69	-	418	484
Office equipment	1,381	105	-	1,486	91	59	-	1,336	1,290
Total	39,679	1,519	42	41,156	1,160	671	9	39,334	38,519
Intangible assets									
Licence fees	2,028	5	-	2,033	407	149	-	1,477	1,621
Total	2,028	5	-	2,033	407	149	-	1,477	1,621
Grand total	41,707	1,524	42	43,189	1,567	820	9	40,811	40,140
Capital work in progress	1,134	-	82	1,052	-	-	-	1,052	1,134
Total	42,841	1,524	124	44,241	1,567	820	9	41,863	41,274



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Sical Multimodal and Rail Transport Limited
Notes to the accounts

PART I - BALANCE SHEET

		<i>Rs. in lakhs</i>	
3	Financial assets	As at	As at
3.1	Investments	31 March 2019	31 March 2018
	Investments in equity instruments		
	Joint ventures (unquoted)		
	- Sical Sattva Rail Terminal Private Limited- 17,25,000 Shares (PY - 17,25,000 Shares) of Rs. 10/- each fully paid up	345	345
		345	345
	Aggregate value of unquoted investments	345	345

		<i>Rs. in lakhs</i>	
3.2	Other non current financial assets	As at	As at
		31 March 2019	31 March 2018
	Secured, considered good	-	-
	Unsecured, considered good		
	Security deposits	141	142
	Receivables which have significant increase in Credit Risk	-	-
	Receivables-credit impaired	-	-
		141	142

		<i>Rs. in lakhs</i>	
4	Other non-current assets	As at	As at
		31 March 2019	31 March 2018
	Secured, considered good	-	-
	Unsecured, considered good		
	Other advances		
	- LIC fund for gratuity (refer note 26)	111	80
	- Capital advances	252	252
	Receivables which have significant increase in Credit Risk	-	-
	Receivables-credit impaired	-	-
		363	332

Current assets

		<i>Rs. in lakhs</i>	
5	Inventories	As at	As at
		31 March 2019	31 March 2018
	Diesel	-	3
		-	3

6 Financial assets

		<i>Rs. in lakhs</i>	
6.1	Trade receivables	As at	As at
		31 March 2019	31 March 2018
	Secured, considered good	-	-
	Unsecured, considered good	4,043	4,859
	Trade Receivables-credit impaired	544	661
	Less: Allowances for credit losses	(544)	(661)
	Trade Receivables which have significant increase in Credit Risk	-	-
		4,043	4,859

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Sical Multimodal and Rail Transport Limited
Notes to the accounts

PART I - BALANCE SHEET

		<i>Rs. in lakhs</i>	
		As at	As at
6.2	Cash and cash equivalents	31 March 2019	31 March 2018
	Balances with Banks (of the nature of cash and cash equivalents)		
	- in current accounts	236	149
	Cash on hand	1	2
	Other bank balances		
	- in margin money deposit with banks* (Refer note below)	532	435
		769	586

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

*includes Rs. 293 lakhs (Previous year: Rs. 275 lakhs) given as security for loan availed by the Company.

		<i>Rs. in lakhs</i>	
		As at	As at
6.3	Other current financial assets	31 March 2019	31 March 2018
	Interest accrued on fixed deposits	56	34
	Secured, considered good	-	-
	<i>Unsecured, considered good</i>		
	- Advances to related parties (refer note 27)	2,723	2,511
	- Balance with Government Authorities	181	180
	- Insurance claims	12	18
	- staff advances	9	4
	Receivables which have significant increase in Credit Risk	-	-
	Receivables-credit impaired	-	-
		2,981	2,747

		<i>Rs. in lakhs</i>	
		As at	As at
7	Current tax assets (Net)	31 March 2019	31 March 2018
	Advance income tax, net of provision for tax	747	472
	Minimum Alternate Tax credit	1,126	1,127
		1,873	1,599

		<i>Rs. in lakhs</i>	
		As at	As at
8	Other current assets	31 March 2019	31 March 2018
	Secured, considered good	-	-
	<i>Unsecured, considered good</i>		
	Other advances		
	- prepaid expenses	299	335
	- advances for supply of goods and rendering of services	139	44
	Receivables which have significant increase in Credit Risk	-	-
	Receivables-credit impaired	-	-
		438	379

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Sical Multimodal and Rail Transport Limited
Notes to the accounts

PART I - BALANCE SHEET

9 Share capital

Particulars	Authorised			Issued		Subscribed		Paid-up	
	Number of share	Face value (Rs. In Lakhs)	Total value (Rs. In Lakhs)	Number of share	Total value (Rs. In Lakhs)	Number of share	Total value (Rs. In Lakhs)	Number of share	Total value (Rs. In Lakhs)
Previous Year 2017-18									
Equity shares		10							
Opening balance as on 1 Apr 2017	9,00,00,000		9,000	7,26,90,000	7,269	7,26,90,000	7,269	7,26,90,000	7,269
Increase during the year	-		-	-	-	-	-	-	-
Closing balance as on 31 Mar 2018	9,00,00,000		9,000	7,26,90,000	7,269	7,26,90,000	7,269	7,26,90,000	7,269
Total			9,000		7,269		7,269		7,269
Current Year 2018-19									
Equity shares		10							
Opening balance as on 1 Apr 2018	9,00,00,000		9,000	7,26,90,000	7,269	7,26,90,000	7,269	7,26,90,000	7,269
Increase during the year	-		-	-	-	-	-	-	-
Closing balance as on 31 Mar 2019	9,00,00,000		9,000	7,26,90,000	7,269	7,26,90,000	7,269	7,26,90,000	7,269
Total			9,000		7,269		7,269		7,269

Notes :

- (a) The authorised share capital stands increased pursuant to the scheme of Amalgamation as sanctioned by High Court of Madras vide their order dated 19 July 2012 and received on 25 September 2012 upto the year 2016.
- (b) During FY 2012-13, the Company issued 1,00,00,000 no of shares of Rs. 10 each at par as fully paid up against the share application money received in an earlier year. Further, it also issued 5,00,00,000 no of shares of Rs. 10 each at par as fully paid up, for consideration other than cash, being the consideration towards transfer of license issued by Ministry of Railways to operate container trains pan India, originally issued to Sical Logistics Limited (Ultimate Holding Company) and transferred to company through Sical Infra Assets Limited during the year 2007-08. The said issue of shares were adjusted against the share application money outstanding as at 31 March 2012.
- (c) During FY 2012-13, the company issued 80,00,000 Equity Shares of Rs.10 each to the shareholders of erstwhile amalgamating Company, Sical Distriparks Limited pursuant to the Scheme of Amalgamation as approved by the Honble High Court of Madras vide its order dated 19 July 2012, without consideration being received in cash.
- (d) Pursuant to scheme of arrangement between Sical Multimodal and Rail Transport Limited and Sical Bangalore Logistics Park Limited and their respective shareholders and creditors, approved by National Company Law Tribunal (NCLT), Chennai Bench on 12 December 2017, the authorised share capital of the Company stands reduced by Rs. 5,000 lakhs.



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Sical Multimodal and Rail Transport Limited
Notes to the accounts

PART I - BALANCE SHEET
Note 9 Share capital (contd.)

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

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

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

Particulars	Equity shares with voting rights
	Number of shares
As at 31 March 2019:	
Sical Infra Assets Limited (Holding	7,26,90,000
As at 31 March 2018:	
Sical Infra Assets Limited (Holding	7,26,90,000

(iii) Details of shareholders holding more than 5% shares in the Company:

Class of shares / Name of shareholder	As at 31 March 2019		As at 31 March 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Sical Infra Assets Limited (Holding company and its nominees)	7,26,90,000	100%	7,26,90,000	100%

(iv) The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date. The details of shares issued for a consideration other than cash are disclosed under note 9(b) and 9(c).

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

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Sical Multimodal and Rail Transport Limited
Statement of changes in equity

9.1 Other Equity

Rs. in lakhs

Particulars	Other reserves			Retained earnings	Other items of other comprehensive income	Equity attributable to owners of the company
	Securities premium	Debenture redemption reserve	Corporate guarantee interest			
Balance as at 1 April 2017	400	-	162	8,194	-	8,756
Total comprehensive income for the year	-	-	-	548	-	548
Corporate guarantee interest (refer note below)	-	-	95	-	-	95
Transferred to Debenture Redemption Reserve (DRR)*	-	500	-	(500)	-	-
Balance as on 31 March 2018	400	500	257	8,242	-	9,399
Balance as at 1 April 2018	400	500	257	8,242	-	9,399
Total comprehensive income for the year	-	-	-	8	-	8
Corporate guarantee interest (refer note below)	-	-	(257)	-	-	(257)
Transferred to Debenture Redemption Reserve (DRR)*	-	500	-	(500)	-	-
Balance as on 31 March 2019	400	1,000	-	7,750	-	9,150

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

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Sical Multimodal and Rail Transport Limited
Notes to the accounts

PART I - BALANCE SHEET

Non-current liabilities

		<i>Rs. in lakhs</i>	
10	Financial Liabilities	As at 31 March 2019	As at 31 March 2018
	Borrowings		
	Secured		
	Debentures		
	800 (Previous year: 900) 11% Secured listed NCD of Rs. 10 lakhs each issued to RBL Bank Limited (refer note i)	8,000	9,000
	Term loans		
	from banks		
	- Bank of Baroda (refer note ii)	4,749	5,545
	from other parties		
	- Sundaram Finance Limited (refer note iii)	87	244
	Others		
	Derivative liability (refer note iv)	1,051	636
		13,887	15,425

Notes:

(i) **RBL Bank Limited**

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

- (a) Exclusive first ranking mortgage on 0.60 acres of land situated at Anupampattu Village, Ponneri Taluk, Thiruvallur District, Tamil Nadu;
 - (b) Exclusive first mortgage charge on land (admeasuring 19.5 acres) & Building situated there on at Minjur, Chennai;
 - (c) First Pari passu mortgage charge along with existing charge holder on land (admeasuring around 2.248 acres) owned by SMART covering access road to above mentioned land & building;
 - (d) Exclusive first charge over specific plant & machinery/ movable fixed assets (i.e 2 rakes & 1,030 Containers) and
 - (e) Unconditional and irrevocable Corporate Guarantee of SICAL Logistics Limited.
- The NCDs were allotted on 31 March 2017 after duly receiving the funds. The NCDs are listed on NSE effective 20 April 2017. Interest on NCDs is payable semi-annually.

(ii) **Bank of Baroda**

The Company has taken term loan of Rs 9,405 lakhs against (1) security of equitable mortgage of land and building situated at CFS Minjur comprising of 35.50 acres of land and charge on assets created out of term loan, (2) 7.93 acres of land at Anupampattu Village, Ponneri Taluk, Thiruvallur District, (3) extension of second charge on land area of 17.19 acres at Melavittan village, Tuticorin belonging to Sical Logistics Ltd, with a moratorium period of 12 months. Loan is repayable in step up 24 quarterly instalments. The interest rate as on 31 March 2019 is 11.40% (Previous year: 11.40%) which is linked to MCLR.

(iii) **Sundaram Finance Limited**

The loan is secured by a charge on the purchased assets - trailers. The interest rate as on 31 March 2019 is 10.75% (Previous year: 10.75%).

(iv) **Currency swap and interest rate swap**

The Company has entered into a currency swap and interest rate swap wherein the Rupee borrowing is converted into foreign currency borrowing i.e. Euro and Company receives the fixed interest in INR and pays a fixed interest in Euro, to obtain a marginally lower interest rate than would have been possible without the swap. Specific valuation techniques used to value the above financial instruments include:

- 1) the use of quoted market prices
 - 2) the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- As of 31 March 2019, every percentage point increase / decrease in the exchange rate will affect our obligation by approximately Rs. 145 lakhs.

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

Particulars	Convertible into	Conversion/ maturity	Earliest date of redemption
Non convertible redeemable debentures issued to RBL Bank	None	Redemption	30 September 2019

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

(viii) The aggregate amount of long-term borrowings secured by corporate guarantee of promoters amounts to Rs. 14,674 lakhs (Previous year: Rs. 16,170 lakhs)

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Sical Multimodal and Rail Transport Limited
Notes to the accounts

PART I - BALANCE SHEET

		<i>Rs. in lakhs</i>	
		As at	As at
		31 March 2019	31 March 2018
11	Other non current liabilities		
	Dues to related parties		
	- Sical Infra Assets Limited (refer note 27)	11,442	11,477
		11,442	11,477
		<i>Rs. in lakhs</i>	
12	Provisions	As at	As at
		31 March 2019	31 March 2018
	Provision for employee benefits		
	National Pension Scheme	-	3
	Gratuity (refer note 26)	77	71
		77	74
		<i>Rs. in lakhs</i>	
13	Deferred tax liabilities (net)	As at	As at
		31 March 2019	31 March 2018
	Deferred tax liability		
	Excess of depreciation allowed under Income Tax Act, 1961 over depreciation as per books	5,775	5,611
	Deferred tax assets		
	Expenditure covered under 43 B of Income-tax Act, 1961	(41)	(47)
	Unabsorbed losses	(1,947)	(1,764)
	Provision for doubtful trade receivables	(188)	(233)
		3,599	3,567

Current liabilities

		<i>Rs. in lakhs</i>	
		As at	As at
		31 March 2019	31 March 2018
14	Financial Liabilities		
14.1	Borrowings		
	Secured		
	Loans repayable on demand		
	Working capital loan		
	- Bank of Baroda (refer note i)	714	781
		714	781

Note:

(i) Bank of Baroda

Working capital facility is secured by composite hypothecation agreement for hypothecation of entire raw materials, stock-in-process, stores & spares, packing materials, finished goods, etc and Book-debts & trade advance of the company, both present & future. Refer note 10 (ii) for additional securities offered. The interest rate as on 31 March 2019 is 11.40% (Previous year: 11.40%) linked to MCLR.

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

(iii) The aggregate amount of short-term borrowings secured by corporate guarantee of promoters amounts to Rs. 714 lakhs (Previous year: Rs. 781 lakhs).

		<i>Rs. in lakhs</i>	
		As at	As at
		31 March 2019	31 March 2018
14.2	Trade payables		
	-Total outstanding dues of Micro and Small Enterprises (refer note below)	-	-
	- Total outstanding dues of creditors other than Micro and Small Enterprises	1,253	1,392
		1,253	1,392

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

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Sical Multimodal and Rail Transport Limited
Notes to the accounts

PART I - BALANCE SHEET

		<i>Rs. in lakhs</i>	
		As at	As at
14.3	Other financial liabilities	31 March 2019	31 March 2018
	Current maturities of long-term debt*		
	Debtures		
	100 (Previous year: 100) 11% Secured listed NCD of Rs. 10 lakhs each issued to RBL Bank Limited	1,000	1,000
	Term loans		
	from banks		
	- Bank of Baroda	925	625
	from other parties		
	- Sundaram Finance Limited	157	142
	Others		
	- Accrued salaries and benefits	59	51
	- Creditors for capital goods	-	1
		2,141	1,819

*The details of interest rate, repayment terms, nature and value of securities furnished are disclosed under note 10.

		<i>Rs. in lakhs</i>	
		As at	As at
15	Other current liabilities	31 March 2019	31 March 2018
	Dues to related parties		
	- Sical Infra Assets Limited (refer note 27)	720	513
	- Sical Sattva Rail Terminal Private Limited (refer note 27)	225	236
	Others		
	Statutory dues	21	108
	Creditors for expenses	1,541	779
		2,507	1,636

		<i>Rs. in lakhs</i>	
		As at	As at
16	Provisions	31 March 2019	31 March 2018
	Provision for employee benefits		
	- Compensated absence	16	12
	- Gratuity (refer note 26)	2	4
		18	16

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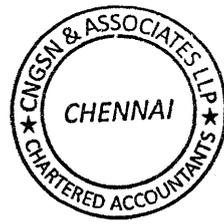
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Sical Multimodal and Rail Transport Limited
Notes to the accounts

PART II - STATEMENT OF PROFIT AND LOSS

		<i>Rs. in lakhs</i>	
		For the year ended 31 March 2019	For the year ended 31 March 2018
17	Revenue from operations		
	Sale of services		
	Income from integrated logistics services	16,469	19,360
	Taxes and deductions		
	Less: Goods and Service tax/Service tax	(2,302)	(2,587)
		14,167	16,773
		<i>Rs. in lakhs</i>	
18	Other income	For the year ended 31 March 2019	For the year ended 31 March 2018
	Interest income		
	Interest income on deposits with banks	70	43
	Interest income on inter-corporate deposit (refer note 27)	250	231
	Interest on IT Refund	-	21
	Provision no Longer required written back	6	-
	Others	1	2
		327	297
		<i>Rs. in lakhs</i>	
19	Cost of services	For the year ended 31 March 2019	For the year ended 31 March 2018
	Cargo handling charges	817	1,193
	Rail freight	411	1,884
	Terminal expenses	194	358
	Containers related charges	553	519
	Road transportation charges	433	1,338
	Equipment, vehicle running and hire expenses	2,974	2,843
	Repairs and maintenance		
	- plant and machinery	257	267
	Power	987	889
	Stores consumed	4	5
	Rake hire charges	3	9
	Incentives to business associates	2,484	1,682
	Other direct expenses	246	133
		9,363	11,120
		<i>Rs. in lakhs</i>	
20	Employee benefits expense	For the year ended 31 March 2019	For the year ended 31 March 2018
	Salaries and wages	748	777
	Contribution to provident and other funds	44	42
	Staff welfare expenses	57	54
		849	873
		<i>Rs. in lakhs</i>	
21	Finance costs	For the year ended 31 March 2019	For the year ended 31 March 2018
	Interest expense		
	- debentures	1,144	1,209
	- term loan	950	988
	Other borrowing costs	79	59
	Interest on inter-corporate guarantee (refer note 27)	70	95
		2,243	2,351

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Sical Multimodal and Rail Transport Limited
Notes to the accounts

PART II - STATEMENT OF PROFIT AND LOSS

	<i>Rs. in lakhs</i>	
	For the year ended 31 March 2019	For the year ended 31 March 2018
22 Other expenses		
Rent (refer note 28)	145	121
Security charges	144	172
Payment to auditor's		
a. for audit	8	8
b. for tax audit	2	2
c. for reimbursement of expenses	1	1
Travelling and conveyance	134	144
Legal, professional and consultancy	452	457
Rates and taxes	33	31
Repairs and maintenance		
- buildings	13	15
- vehicles	4	4
- others	33	26
Communication expenses	35	40
Insurance	101	97
Provision for doubtful debts	(132)	(281)
Corporate social responsibility (refer note 29)	7	11
Loss on sale of assets	4	40
Miscellaneous expenses	168	135
	1,152	1,023

	<i>Rs. in lakhs</i>	
	For the year ended 31 March 2019	For the year ended 31 March 2018
23 Income tax		
Current income tax:		
In respect of the current period	-	100
Deferred tax:		
In respect of the current period	32	335
Minimum alternate tax credit entitlement	-	(100)
Income tax expense reported in the statement of profit and loss	32	335

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

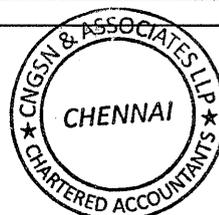
Particulars	<i>Rs. in lakhs</i>	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit before income taxes	40	883
Enacted tax rates in India	34.61%	34.61%
Computed expected tax expense	14	306
Tax impact on carried forward losses	14	-
Tax rate difference	-	25
Expenses disallowed for tax purpose	4	4
Total income tax expense	32	335

The tax rates under Indian Income Tax Act, for the year ended 31 March 2019 and 31 March 2018 is 34.61%.

Deferred tax

Deferred tax relates to the following:

Particulars	<i>Rs. in lakhs</i>	
	For the year ended 31 March 2019	For the year ended 31 March 2018
Property, plant and equipment	164	244
Expenditure covered under 43 B of Income-tax Act, 1961	6	-
Unabsorbed losses	(183)	(72)
Provision for doubtful trade receivables	45	163
Net deferred tax expense/ (gain)	32	335



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Sical Multimodal and Rail Transport Limited
Notes to the accounts

24 **Commitments and contingent liabilities** *Rs. in lakhs*

Particulars	As at	
	31 March 2019	31 March 2018
Contingent liabilities		
Claims against the Company, not acknowledged as debt (other than those where in the possibility of any economic outflow in settlement is remote)		
- Direct tax matters	-	-
- Indirect tax matters	547	546
- Legal matters	479	474
Guarantees given by bankers/letter of credit for performance of contracts & others	732	1,073

25 **Earnings per share (EPS)**
The following table sets forth the computation of basic and diluted earnings per share:

(Figures in rupees except number of shares)

Particulars	As at	
	31 March 2019	31 March 2018
Profit after taxation as per statement of profit and loss	8	548
Less: Dividends on shares and tax thereon	-	-
Net profit adjusted for the effects of dilutive potential equity shares for calculation of diluted EPS	8	548

Particulars	As at	
	31 March 2019	31 March 2018
Number of equity shares at the beginning of the year	7,26,90,000	7,26,90,000
Add: Weighted average number of equity shares issued during the year	-	-
Number of weighted average shares considered for calculation of diluted earnings per share	7,26,90,000	7,26,90,000

Earnings / (loss) per share:

Basic	0.01	0.75
Diluted	0.01	0.75

26 **Gratuity plan**
The following table sets out the status of the unfunded gratuity plan as required under Ind AS 19 'Employee benefits'.
Reconciliation of the projected benefit obligations *Rs. in lakhs*

Particulars	As at	
	31 March 2019	31 March 2018
Change in projected benefit obligation		
Present value of obligation as at beginning of the year	75	93
Current service cost	12	11
Interest cost	6	7
Past service cost	-	3
Benefits paid	(5)	(14)
Actuarial loss/ (gain) on obligation	(9)	(25)
Obligations at year end	79	75

Change in plan assets *Rs. in lakhs*

Particulars	As at	
	31 March 2019	31 March 2018
Fair value of plan assets as at beginning of the year	80	79
Expected return on plan assets	6	6
Contributions	30	9
Benefits paid	(5)	(14)
Plans assets at year end, at fair value	111	80

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Sical Multimodal and Rail Transport Limited
Notes to the accounts

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Reconciliation of present value of the obligation and the fair value of the plan assets:			
Particulars	Rs. in lakhs		
	As at 31 March 2019	As at 31 March 2018	
Closing obligations	(79)	(75)	
Closing fair value of plan assets	111	80	
Asset / (liability) recognised in the balance sheet	32	5	

Gratuity cost for the year			
Particulars	Rs. in lakhs		
	As at 31 March 2019	As at 31 March 2018	
Service cost	12	11	
Interest cost	6	7	
Past service cost	-	3	
Expected return on plan assets	(6)	(6)	
Actuarial loss/(gain)	(25)	(25)	
Net gratuity cost	(13)	(10)	

Assumptions			
Particulars	As at		
	31 March 2019	31 March 2018	
Discount rate	7.75%	7.80%	
Estimated rate of return on plan assets	7.50%	7.50%	
Salary increase	10.00%	10.00%	
Attrition rate			
Up to 30 years	0.01%	0.01%	
31 - 44 years	0.00%	0.00%	
Above 44 years	0.00%	0.00%	

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

Information of plan assets, defined benefit obligation and experience adjustments:					
Particulars	Rs. in lakhs				
	As at and for the year ended 31 March				
	2015	2016	2017	2018	2019
Present value of the defined benefit obligations	(87)	(90)	(93)	(75)	(79)
Fair value of plan assets surplus/ (deficit)	63	71	79	80	111
Experience adjustment on plan assets [gain / (loss)]	24	(19)	(14)	5	33
Experience adjustment on plan liabilities [(gain) / loss]	-	-	-	-	-
	(18)	(13)	(16)	-	-

Sensitivity analysis					
Particulars	Rs. in lakhs				
	31-Mar-19		31-Mar-18		
Defined Benefit Obligation (Base)	78		75		
	Decrease	Increase	Decrease	Increase	
Discount Rate (- / + 1%)	90	69	87	66	
(% change compared to base due to sensitivity)	14.8%	-12.4%	15.1%	-12.6%	
Salary Growth Rate (- / + 1%)	69	89	66	85	
(% change compared to base due to sensitivity)	-11.8%	13.2%	-12.4%	13.5%	
Attrition Rate (- / + 50% of attrition rates)	79	79	75	75	
(% change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%	
Mortality Rate (- / + 10% of mortality rates)	79	79	75	75	
(% change compared to base due to sensitivity)	0.1%	-0.1%	0.1%	-0.1%	

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Sical Multimodal and Rail Transport Limited
Notes to the accounts

27 Related parties disclosures

(i) List of related parties:

Name of Company	Relationship
Holding Company & Group	
Sical Logistics Limited	Ultimate Holding Company
Sical Infra Assets Limited ('SIAL')	Holding Company
Sical Bangalore Logistics Parks Limited ('SBLPL')	Fellow subsidiary
Sical Satva Rail Terminal Private Limited ('SSRTPL')	Joint Venture

(ii) Details of key managerial personnel:

Name of personnel	Designation
Mr. M. Srinivasan	Whole time director
Mr. Mahesh Hegde	Chief Financial Officer
Mr V Radhakrishnan	Company Secretary

(iii) Details of directors of the Company:

Name of personnel	Designation
Mr. M. Srinivasan	Whole time director
Mr. Sunil Deshmukh	Director (resigned w.e.f 2 Aug 2018)
Mr. Kush S Desai	Director
Mr. Prasanna Kasturi	Director
Mr. Rathnakara Hegde	Independent director
Mr. S. Ravinarayanan	Independent director
Mr V Radhakrishnan	Company secretary

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

Particulars	Rs. in lakhs		
	Joint venture Companies	Holding Company & group	Key management personnel
	For the year ended 31 March 2019		
Receiving of services			
SSRTPL	1	-	-
SLL	-	488	-
SIAL	-	1,082	-
Rent paid			
SLL	-	14	-
Rendering of services			
SLL	-	74	-
Loans and advance given			
SBLPL	-	160	-
Loans and advance given, net			
SLL	-	52	-
Loans and advance repaid, net			
SIAL	-	78	-
Interest on inter-corporate guarantee			
SIAL	-	17	-
SLL	-	53	-
Interest income on inter-corporate deposit			
SLL	-	250	-
Managerial remuneration	-	-	-

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Sical Multimodal and Rail Transport Limited
Notes to the accounts

Particulars	Joint venture	Holding Company	Key management
	Companies	& group	personnel
	For the year ended 31 March 2018		
Receiving of services			
SSRTPL	35	-	-
SLL	-	615	-
SIAL	-	1,233	-
Rent paid			
SLL	-	14	-
Rendering of services			
SLL	-	67	-
Loans and advance given			
SBLPL	-	49	-
Loans and advance received, net			
SLL	-	675	-
Loans and advance repaid			
SIAL	-	19	-
Interest on inter-corporate guarantee			
SIAL	-	22	-
SLL	-	73	-
Interest income on inter-corporate deposit			
SLL	-	231	-
Managerial remuneration	-	-	-

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

Rs. in lakhs

Particulars	Joint venture	Holding Company	Key management
	Companies	& group	personnel
	As at 31 March 2019		
Other non current liabilities			
SIAL	-	11,442	-
Other current liabilities			
SIAL	-	720	-
SSRTPL	-	225	-
Other current financial assets			
SLL	-	2,497	-
SBLPL	-	226	-
Creditors for expenses			
SIAL	-	34	-

Particulars	Joint venture	Holding Company	Key management
	Companies	& group	personnel
	As at 31 March 2018		
Other non current liabilities			
SIAL	-	11,477	-
Other current liabilities			
SIAL	-	513	-
SSRTPL	-	236	-
Other current financial assets			
SLL	-	2,445	-
SBLPL	-	66	-
Creditors for expenses			
SIAL	-	52	-

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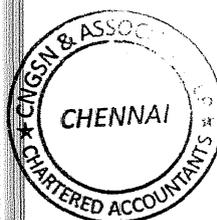
Leases

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

Rs. in lakhs

Particulars	As at	As at
	31 March 2019	31 March 2018
Rent	145	121

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Sical Multimodal and Rail Transport Limited
Notes to the accounts

29 Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the company. The areas for CSR activity is promoting education. The funds were utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

30 Financial risk management

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

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

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The expected credit loss model takes into account available external and internal credit risk factors and the Company's historical experience for customers.

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

Particulars	For the year ended	For the year ended
	31 Mar 2019	31 Mar 2018
Revenue from top customer	10.90%	29.40%
Revenue from top five customers	27.79%	39.03%

One customer accounted for more than 10% of the revenue and trade receivables for the year ended 31 March 2019.

Credit risk exposure

The allowance for lifetime expected credit loss on customer balances for the year ended 31 March 2019 was Rs. 544 lakhs.

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

Liquidity risk

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

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

Particulars	Note	As at 31 March 2019		
		Less than 1 year	1 - 2 years	More than 2 years
Borrowings	10, 13.1 and 13.3	2,796	3,130	9,706
Trade payable	14.2	1,253	-	-

Rs. in lakhs

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Sical Multimodal and Rail Transport Limited
Notes to the accounts

Market risk

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

Interest rate risk

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

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exchange risk arises from its foreign currency payable (in Euro). The following tables present foreign currency risk:

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

Particulars	Foreign currency	Rs. in lakhs			
		As at 31 Mar 2019		As at 31 Mar 2018	
		Foreign currency	INR	Foreign currency	INR
Borrowings	EUR	129	10,000	124	10,000

31 **Joint ventures**

The Company has a 50% interest in Sical Sattva Rail Terminals Private Limited ('SSRTPL'), a joint venture involved in handling container rail terminal at Madipakkam. The Company's interest in SSRTPL is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint venture, based on its Ind AS financial statements are set out below:

Particulars	Rs. in lakhs	
	As at 31 March 2019	As at 31 March 2018
Assets		
Non-current assets	182	206
Current assets	232	225
Liabilities		
Non current liabilities	43	43
Current liabilities	281	280
Income	70	45
Expenses (including taxes)	88	145

32 **Contract balances**

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

Particulars	Note	Rs. in lakhs	
		As at 31 March 2019	As at 31 March 2018
Receivables which are included in trade receivables	6.1	4,043	4,859
Contract assets (included in trade receivables)		183	157
Contract liabilities		-	-

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Sical Multimodal and Rail Transport Limited
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33 Financial instruments

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

Particulars	Note	Rs. in lakhs			
		Carrying value		Fair value	
		As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Financial Assets					
Amortised cost					
Investments in equity instruments of joint venture	3.1	345	345	345	345
Other non-current financial assets	3.2	141	142	141	142
Trade receivables	6.1	4,043	4,859	4,043	4,859
Cash and cash equivalents	6.2	769	586	769	586
Other current financial assets	6.3	2,981	2,747	2,981	2,747
Total financial assets		8,279	8,679	8,279	8,679
Financial liabilities					
Amortised cost					
Borrowings	10, 13.1 and 13.3	16,742	18,025	16,742	18,025
Trade payables	14.2	1,253	1,392	1,253	1,392
Total financial liabilities		17,995	19,417	17,995	19,417

The management assessed that cash and cash equivalents, Other current and non-current financial assets, trade receivables and payables and borrowings approximate their carrying amounts largely due to the short-term maturities of these instruments.

34 The Company is primarily engaged in providing integrated logistics services which is considered as 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.

35 Fair value hierarchy

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

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

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

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

36 The Board of Directors of the Company had proposed a Scheme of Arrangement [Demerger] on 15 October 2016 for hiving off the Bangalore ICD to a separate SPV - Sical Bangalore Logistics Park Limited. The order approving the demerger scheme was received from the National Company Law Tribunal [NCLT], Chennai on 12 December 2017 and the required regulatory procedures to give effect of the NCLT order were completed on 22 June 2018. The appointed date of the scheme is 1 June 2016. Accordingly, the previous year numbers have been restated to give effect to the NCLT order.

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

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

S. Neelakantan

S. Neelakantan
Partner
Membership No. 028656
Chennai
Date: 16 May 2019



for and on behalf of the Board of Directors of
Sical Multimodal and Rail Transport Limited

M. Srinivasan
M. Srinivasan
Wholtime Director

Kush S. Desai
Kush S Desai
Director

Mahesh Hegde
Mahesh Hegde
Chief Financial Officer
Bangalore
Date: 16 May 2019

V Radhakrishnan
V Radhakrishnan
Company Secretary