

Singhi & Co.

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDIA STEAMSHIP LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of India Steamship Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Page 1 of 4



KOLKATA

MUMBAI

CHENNAI

BENGALURU

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Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

1. 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 Act, we give in the Annexure ,a statements on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. (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 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 written representations received from the directors as on 31st March'2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
(f) The Company has no business activity during the year and has limited transactions. In our opinion, in view of no business activity during the year and limited transactions, the Company has in all material respects ,adequate financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March,2016 and
(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:
 - a. The Company did not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. The Company did not have any amounts required to be transferred to the Investor Education and Protection Fund.

Place: New Delhi
Date: 09.05.2016



For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E

S. N. Sharma
Partner
Membership No. 014781

Annexure referred to in paragraph 1 of our report of even date on the other legal and regulatory requirements (Re: India Steamship Limited)

- (i) The Company has no fixed assets. Therefore, the provisions of clause 3 (i) of the Order are not applicable.
- (ii) The Company has no inventory. Therefore, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies' Act, 2013. Therefore, the provisions of clause 3(iii) of the Order are not applicable.
- (iv) The Company has no transaction with respect to loan, investment, guarantee and security covered under section 185 and 186 of the Companies Act. Therefore, the provisions of clause 3(iv) of the Order are not applicable.
- (v) The Company has not accepted any deposit covered under section 76 of the Companies Act, 2013. Therefore, the provisions of clause 3(v) of the Order are not applicable.
- (vi) As informed to us, the Company is not doing any business activity, the maintenance of cost records under section 148(1) of the Companies' Act, 2013 is not applicable. Therefore, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) a. According to the records of the Company, the Company is regular in depositing amounts in respect of undisputed statutory dues of Income-tax and other applicable statutory dues deducted/accrued in books with the appropriate authority. As informed to us provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise and value added tax were not applicable during the year. There was no undisputed outstanding statutory dues as at the yearend for a period of more than six months from the date they became payable.
b. According to information and explanation given to us, there are no dues outstanding on account of income-tax, sales-tax, service tax, duty of customs, duty of excise or value added tax on account of any dispute. Therefore, the provisions of clause 3(vii) (b) of the Order are not applicable.
- (viii) The Company did not have any loan or borrowing from any financial institution, banks, government or debenture holders during the year. Therefore, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, the provisions of clause 3 (ix) of the Order are not applicable.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statement and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company has not paid/provided for managerial remuneration. Therefore; the provisions of clause 3(xi) of the Order are not applicable.



Singhi & Co.

Chartered Accountants

- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable
- (xiii) The Company has no transactions with related parties. Therefore, the provisions of clause 3 (xiii) of the Order are not applicable.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with directors. Therefore, the provisions of clause 3(xv) of the Order are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Therefore, the provisions of clause 3 (xvi) of the Order are not applicable.

Place: New Delhi
Date: 09.05.2016



For Singhi & Co.
Chartered Accountants
Firm Reg. No. 302049E

S. N. S. _____
S. N. Sharma
Partner
Membership No. 014781

India Steamship Limited
Balance Sheet as at March 31, 2016

	Note No.	As at March 31, 2016	As at March 31, 2015
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
Share Capital	3	2,500,000	2,500,000
Reserve & Surplus	4	519,430	358,892
		<u>3,019,430</u>	<u>2,858,892</u>
(2) Current Liabilities			
Trade payables	5		
- total outstanding dues to other than micro enterprises and small enterprises		13,740	13,483
		<u>13,740</u>	<u>13,483</u>
Total		<u><u>3,033,170</u></u>	<u><u>2,872,375</u></u>
II. ASSETS			
(1) Current Assets			
Cash and Bank Balances	6	2,964,760	2,900,166
Short Term Loans and Advances	7	1,388	378
Other current assets	8	67,024	71,811
		<u>3,033,170</u>	<u>2,872,375</u>
Total		<u><u>3,033,170</u></u>	<u><u>2,872,375</u></u>
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

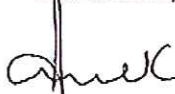
For Singhi & Co.
Chartered Accountants
Firm's Registration No.: 302049E

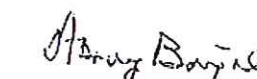
S. N. S. →
S.N.Sharma
Partner
Membership No.. 014781



Place : New Delhi
Date:09.05.2016

For and on behalf of the Board of Directors of
India Steamship Limited


Anil Kapoor
Chairman


Abhay Bajaj
Director

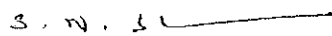
Place : New Delhi
Date:09.05.2016

India Steamship Limited
Statement of Profit and Loss for the year ended March 31, 2016

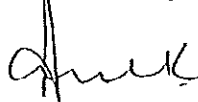
	Note No.	Year Ended March 31, 2016	(Amt. in Rs.) Year Ended March 31, 2015
I Other income	9	2,45,152	88,725
II Total Revenue		<u>2,45,152</u>	<u>88,725</u>
III Expenses:			
Other expenses	10	22,842	41,344
Total Expenses		<u>22,842</u>	<u>41,344</u>
IV Profit before exceptional items and tax (II-III)		<u>2,22,310</u>	<u>47,381</u>
V Exceptional items		-	-
VI Profit before tax (IV-V)		<u>2,22,310</u>	<u>47,381</u>
VII Tax expenses:			
Current tax		61,772	7,471
VIII Profit/(Loss) for the period (VI-VII)		<u>1,60,538</u>	<u>39,910</u>
IX Earning per equity share:			
Basic and Diluted (in Rs.)	11	0.64	0.16
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Singhi & Co.
Chartered Accountants
Firm's Registration No.: 302049E


S.N.Sharma
Partner
Membership No.: 014781

For and on behalf of the Board of Directors of
India Steamship Limited


Anil Kapoor
Chairman


Abhay Bajjal
Director

Place : New Delhi
Date: 09.05.2016



Place : New Delhi
Date: 09.05.2016

India Steamship Limited

Cash Flow Statement for the year ended March 31, 2016

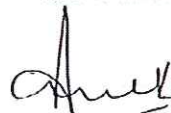
Particulars	Year ended March 31, 2016 (Amount in Rs.)	Year ended March 31, 2015 (Amount in Rs.)
A. Cash flow from operating activities :		
Profit/(Loss) before tax.	₹ 2,22,310	(47,381
Less : Interest on fixed deposit	(2,45,152)	(88,725)
Less : Expenses related to Capital Reduction		
Operating profit/ (loss) before working capital changes	(22,842)	(41,344)
Movement in working capital :		
(Decrease) /Increase in current liabilities	257.00	(1,236)
Cash generated from operations	(22,585)	(42,580)
Direct taxes paid (net of refunds)	62,780	(3,15,415)
Net cash flow from operating activities	(85,365)	2,72,835
B. Cash flow from investing activities		
Interest income on fixed deposit	2,49,939	16,914
Investment in Fixed Deposit with maturity more than 3 months	(29,25,083)	(27,00,000)
Proceeds from deposits matured (with maturity more than 3 months)	27,00,000	-
Net cash flow from / (used) In Investing activities	24,856	(26,83,086)
Net increase/(decrease) in cash and cash equivalents (A+B)	(60,509)	(24,10,251)
Cash and cash equivalents at the beginning of the year	1,00,186	25,10,437
Cash and cash equivalents at the end of the year	39,677	1,00,186
Components of cash and cash equivalents as on 31.03.2016		
Balances with banks :		
- on current account	39,677	1,00,186
- on fixed deposit accounts	29,25,083	27,00,000
Net cash and cash equivalents	29,64,760	28,00,186
Less: Fixed deposit having original maturity more than 3 months but Up to 12 months	29,25,083	27,00,000
Net cash and cash equivalents	39,677	1,00,186

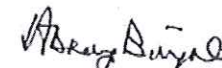
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For and on behalf of the Board of Directors of
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Anil Kapoor
Chairman


Abhay Bajaj
Director

Place : New Delhi
Date: 09.05.2016



Place : New Delhi
Date: 09.05.2016

India Steamship Limited

Notes annexed to and forming part of the Financial Statements as at March 31, 2016

1. Nature of Operations

India Steamship Limited (the Company) was incorporated on April 01, 2011 as a public limited company to carry on shipping business. The Company is a wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited.

2. Statement of Significant Accounting Policies

a) Basis of Preparation

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Classification of Assets and Liabilities as Current and Non Current

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, twelve months has been considered by the Company for the purpose of current/ non-current classification of assets and liabilities.

d) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in the value is made to recognise a decline other than temporary in the value of the investments.

e) Earning per share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of the equity shares outstanding during the period.

f) Provisions

A Provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the



balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best management estimates.

g) **Cash and Cash equivalents**

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

h) **Revenue Recognition**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

3) **Share Capital**

Authorized:

	(Amount in Rs.)	
	As at March 31,2016	As at March 31,2015
45,000,000 equity shares of Rs.10 each	450,000,000	450,000,000
10,000,000 Redeemable Preference shares of Rs.10 each	100,000,000	100,000,000
Total	550,000,000	550,000,000

Issued, Subscribed and Paid up:

	(Amount in Rs.)	
	As at March 31,2016	As at March 31,2015
250,000 equity shares of Rs.10 each (previous year 250,000 equity shares of Rs.10 each)	2,500,000	2,500,000
Total	2,500,000	2,500,000

a) **Terms and Rights of Shares-**

The company has only one class of shares. The equity shares shall rank pari passu inter se in all respects. No member shall be entitled to vote in respect of any shares on which calls or other sums which are payable have not been paid. On a show of hands, every member shall have one vote and upon a poll, voting right of every member shall be in proportion to his/her share of paid-up equity share capital of the Company. All dividends shall be apportioned and paid proportionately to the amount paid on the shares.

b) **Reconciliation of Equity Share Capital**

Particulars	31st March, 2016		31st March, 2015	
	Equity	Amount in Rs	Equity	Amount in Rs.
Shares at the beginning of the year	250,000	2,500,000	250,000	2,500,000
Shares Issued during the year	-	-	-	-
Reduction of share capital	-	-	-	-
Shares outstanding at the end of the year	250,000	2,500,000	250,000	25,00,000



c) Detail of shareholders holding more than 5% shares in the Company:

- 249400 (Previous year 249,400) 99.76%. (Previous year 99.76%) equity shares held by Chambal Fertilisers and Chemicals Limited, the Holding Company
- Further, 600 (Previous year 600) 0.24% (Previous year 0.24%) equity shares held by nominees of the Holding Company.

4) Reserve and Surplus

(Amount in Rs.)

Particulars	As at March 31,2016	As at March 31,2015
Surplus / (Deficit) in Statement of Profit & Loss		
Opening Profit & Loss Balance	358,892	318,982
Add Profit for the year	160,538	39,910
	519,430	358,892
Total	519,430	358,892

5) Trade Payable

(Amount in Rs.)

Particulars	As at March 31,2016	As at March 31,2015
Outstanding dues to creditors other than Micro and Small Enterprises	13,740	13,483
Total	13,740	13,483

6) Cash and Bank Balances

(Amount in Rs.)

Particulars	As at March 31,2016	As at March 31,2015
Balances with Bank on current account	39,677	100,186
Deposit with Bank (Original maturity more than Three months but up to 12 Months)	2,925,083	2,700,000
Total	2,964,760	2,800,186

7) Short Term Loans and Advances

(Amount in Rs.)

Particulars	As at March 31,2016	As at March 31,2015
Advance Tax (net of provision)	1,386	378
Total	1,386	378

8) Other Current Assets

(Amount in Rs.)

Particulars	As at March 31,2016	As at March 31,2015
Interest accrued on Fixed Deposit	67,024	71,811
Total	67,024	71,811



9) Other Income

(Amount in Rs.)

Particulars	Year ended March 31,2016	Year ended March 31,2015
Interest on Deposits	245,152	79,790
Interest on I.T Refund	-	8,935
Total	245,152	88,725

10) Other Expenses

(Amount in Rs.)

Particulars	Year ended March 31,2016	Year ended March 31,2015
Bank Charges	341	300
Rates and taxes	1800	3,199
Legal and professional fee	6,961	24,362
Advertisement Expenses		-
Audit fees- Audit fee	13,740	13,483
Total	22,842	41,344

11) Earning Per Share (EPS)

(Amount in Rs.)

Particulars	Year ended March 31,2016	Year ended March 31,2015
Profit / (Loss) for the year as per Statement of profit and loss after tax	160,538	39,910
Calculation of weighted average number of equity shares		
Number of equity shares at the beginning of the year		
- Fully Paid	250,000	
Number of equity shares issue during the year	Nil	
- Total equity shares outstanding at the end of the year	2,50,000	2,50,000
Weighted average number of equity shares outstanding during the year	2,50,000	2,50,000
Basic and Diluted Earnings Per Share (in Rs.)	0.64	0.16
Nominal Value of Equity Shares (in Rs.)	10	10

12) Related Party Disclosures

In accordance with the requirements of Accounting Standard - 18 on "Related Party Disclosures" notified by (Accounting Standard) Rules, 2006 (as amended) where control exists



and transactions have taken place, the description of the relationship as identified and certified by management are as follows:

Related party relationships:

Holding Company	Chambal Fertilisers and Chemicals Limited
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Transactions with related parties during the year: Nil


- 13) Previous year's figures have been regrouped and/or rearranged wherever necessary to conform to this year's classification.

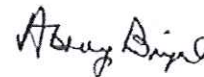
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For and on behalf of the Board of Directors of
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S.N.Sharma
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Place: New Delhi

Place: New Delhi

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