

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors
India Steamship Pte Ltd.

Report on the Financial Statements

We have audited the financial statements of India Steamship Pte Ltd., which comprise the balance sheet as at March 31, 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flow and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information presented in United States dollars ("USD") which is the functional currency of the Company. The financial statements have been prepared by management based on the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

We have also verified the accompanying financial statements of India Steamship Pte Ltd., which comprise the balance sheet as at March 31, 2017, and the statement of profit and loss (including other comprehensive income), the statement of cash flow and the statement of changes in equity, and a summary of significant accounting policies and other explanatory information duly converted into Indian Currency (INR) in pursuant to IND Accounting Standards (IND AS) 21 - 'The Effects of Changes in Foreign Exchange Rates'- as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 for the purpose of including the said financials in the financial statements of the holding company (Chambal Fertilisers and Chemicals Ltd) through consolidation and compliance of the applicable provision of the Companies Act 2013 by the holding company.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other Comprehensive income, cash flows and changes in equity 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. The respective board of directors of the Company is also responsible for 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; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent and this includes the design, implementation and maintenance of internal control 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.

The Board of Directors is also responsible for conversion of these financial statements in INR into the relevant format in pursuant to IND Accounting Standards (IND AS) 21 - 'The Effects of Changes in Foreign Exchange Rates'- as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 for the purpose of including the companies financials in the financial statements of the holding company (Chambal Fertilisers and Chemicals Ltd) through consolidation and compliance of the applicable provision of the Companies Act 2013 by the holding company.



Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). 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 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 control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS 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 including the IND AS, of the financial position of the company, as at March 31, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year then ended and has been duly converted as per the IND Accounting Standards (IND AS) 21 - 'The Effects of Changes in Foreign Exchange Rates'- as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 for the purpose of including the said financials in the financial statements of the holding company (Chambal Fertilisers and Chemicals Ltd) through consolidation and compliance of the applicable provision of the Companies Act 2013 by the holding company.

For Singhi & Co
Chartered Accountants
Firm Registration No 302049e


(Aditya Singhi)

Partner

Membership Number 305161

DATE: 15/05/2017



India Steamship Pte Ltd (A wholly owned subsidiary of Chambal Fertilisers and Chemicals Ltd)
Balance Sheet as at 31st March 2017

	Note No.	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
(Rupees)				
ASSETS				
Non-current Assets				
Property, Plant & Equipment	3	-	-	-
Financial Assets				
i Investments	4	-	-	14,30,295.00
Other non-current assets		-	-	-
				<u>14,30,295.00</u>
Current Assets				
Inventories	5	-	-	515,51,583.00
Financial Assets				
i Trade receivables	6	-	104,32,120.00	1648,20,431.00
ii Cash and cash equivalents	7	497,30,695.00	135,14,939.00	323,29,498.00
iii Bank Balances other than above	8	-	994,86,077.00	312,52,500.00
iv Others financial assets	9	-	-	48,28,713.00
Other current assets	10	-	-	-
		<u>497,30,695.00</u>	<u>1234,33,136.00</u>	<u>449,03,552.00</u>
				<u>3296,86,277.00</u>
TOTAL ASSETS		<u>497,30,695.00</u>	<u>1234,33,136.00</u>	<u>3311,16,572.00</u>
EQUITY AND LIABILITIES				
Equity				
Share Capital	11	46,22,475.00	463,82,066.00	437,53,563.00
Reserve and Surplus	12	(5,77,208.00)	421,79,015.00	1817,87,288.00
		<u>40,45,267.00</u>	<u>885,61,081.00</u>	<u>2255,40,851.00</u>
LIABILITIES				
Current Liabilities				
Financial Liabilities				
i Trade Payables	13	6,04,579.00	8,11,168.00	754,08,183.00
ii Other Financial Liabilities	14	450,80,849.00	-	-
Provisions	15	-	340,60,887.00	301,67,538.00
		<u>456,85,428.00</u>	<u>348,72,055.00</u>	<u>1055,75,721.00</u>
TOTAL LIABILITIES		<u>497,30,695.00</u>	<u>1234,33,136.00</u>	<u>3311,16,572.00</u>

Summary of significant accounting policies 1 & 2

The notes and accounting policies are an integral part of the financial statements

For SINGHI & Co
Chartered Accountants
ICAI Firm Registration No. 302049E



per Aditya Singhi
Partner
Membership No 305161



Place : Kolkata
Date : 15/5/2017

For and on behalf of the INDIA STEAMSHIP PTE LTD
A wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited



K. Satishchandra
Director



Lee Kuan Jen
Director

India Steamship Pte Ltd (A wholly owned subsidiary of Chambal Fertilisers and Chemicals Ltd)
Statement of Profit & Loss for the Year ended 31st March 2017

	Note No.	Year ended 31st March 2017	Year ended 31st March 2016
(Rupees)			
INCOME			
Revenue From Operations	16	-	12104,58,501.00
Other Income	17	3,22,524.00	21,09,477.00
Total Income		<u>3,22,524.00</u>	<u>12125,67,978.00</u>
EXPENSES			
Freight etc. on Chartered-in ships		19,08,127.00	5660,34,050.00
Bunker		-	2548,19,581.00
Port Dues		-	1694,01,145.00
Brokerage		-	104,66,695.00
Employee Benefit expenses	18	5,48,983.00	12,72,895.00
Finance Cost	19	-	20,94,378.00
Depreciation and amortisation expenses		-	-
Other expenses	20	83,86,347.00	104,64,580.00
Total Expenses		<u>108,43,457.00</u>	<u>10145,53,324.00</u>
Profit before tax		(105,20,933.00)	1980,14,654.00
Tax expenses			
(1) Current Tax		-	325,45,450.00
(2) Provision for taxation for earlier year written back		(7,61,525.00)	-
Profit/(Loss) for the year		(97,59,408.00)	1654,69,204.00
Other Comprehensive Income			
Foreign Currency Translation Reserve		(26,15,627.00)	(64,79,557.00)
		(123,75,035.00)	1589,89,647.00

Significant accounting policies

The notes and accounting policies are an integral part of the financial statements

For SINGHI & Co
Chartered Accountants
ICAI Firm Registration No. 302049E


per Aditya Singhi
Partner
Membership No. 305161



Place : Kolkata
Date : 15/5/2017

For and on behalf of the INDIA STEAMSHIP PTE LTD
A wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited

 
K. Satishchandra
Director

Lee Kuan Jen Sebastian
Director

INDIA STEAMSHIP PTE LTD (A wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited)
CASH FLOW STATEMENT for the year ended March 31, 2017

(Rupees)

	For the year ended March 31, 2017	For the year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	(10,520,933.00)	198,014,654.00
Adjustments for :		
Interest Income from Investment, Deposits etc.	(246,144.00)	(429,881.00)
Interest expense	-	2,094,378.00
Loss on Sale of Investment	-	1,216,119.00
Unrealised Foreign Exchange Fluctuation (Gain) / Loss	705,631.00	(4,337,169.73)
Liability written back	-	(1,308,377.00)
Bad debts/ advances etc. written off	-	6,597,100.00
	<u>459,487.00</u>	<u>3,832,169.27</u>
Operating Profit/(Loss) before working capital changes	(10,061,446.00)	201,846,823.27
Adjustment for :		
(Increase)/Decrease in trade receivables	10,432,120.00	154,388,311.00
(Increase)/Decrease in inventories	-	51,551,583.00
(Increase)/Decrease in current assets	-	44,118,350.00
Increase/(Decrease) in financial liabilities (current)	40,569,500.59	(73,288,638.00)
	<u>51,001,620.59</u>	<u>176,769,606.00</u>
Cash Generated from/(used in) Operations	40,940,174.59	378,616,429.27
Tax (Paid)/Refunds	(33,299,362.00)	(28,652,101.00)
Net Cash from/(used in) Operating Activities	<u>7,640,812.59</u>	<u>349,964,328.27</u>
B. CASHFLOW FROM INVESTING ACTIVITIES		
Purchase of Investment/Fixed Deposits (Note 2 below)	99,390,000.00	(68,137,500.00)
Proceed from Sale of Investment	-	214,176.00
Interest Received	342,221.00	333,804.00
Net Cash from/(used in) Investing Activities	<u>99,732,221.00</u>	<u>(67,589,520.00)</u>
C. CASHFLOW FROM FINANCING ACTIVITIES		
Dividend Paid during the year	(30,381,188.00)	(298,597,920.00)
Proceed from Short Term Borrowing	-	132,520,000.00
Repayment of Short Term Borrowing	-	(132,520,000.00)
Advance to Subsidiary	-	(497,069.27)
Reduction in Capital	(40,776,089.59)	
Interest Paid	-	(2,094,378.00)
Net Cash from/(used in) Financing Activities	<u>(71,157,277.59)</u>	<u>(301,189,367.27)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents(A+B+C)	36,215,756.00	(18,814,559.00)
Cash & Cash Equivalents at the beginning of the year	13,514,939.00	32,329,498.00
Cash & Cash Equivalents at the end of the year *	49,730,695.00	13,514,939.00

Notes :

- Cash & Bank Balances (refer note 7) 49,730,695.00 13,514,939.00
- Fixed Deposit with Banks with maturity over 3 months are considered as investment.

For SINGHI & Co
Chartered Accountants
ICAI Firm Registration No. 302049E


per Aditya Singhi
Partner
Membership No 305161



For and on behalf of the INDIA STEAMSHIP PTE LTD
(A wholly owned subsidiary of Chambal Fertilisers and Chemicals Ltd)


K. Satishchandra
Director


Lee Kuan Jen Sebastian
Director

Kolkata
Date: 15/5/2017

INDIA STEAMSHIP PTE LTD

(A wholly owned subsidiary of Chambal Fertilisers and Chemicals Ltd)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017**

Particulars	(INR)		
	Share Capital	Retained Earnings	Total
Balance at 1st April 2015	43,753,563.00	181,787,288.00	225,540,851.00
Total profit/(Loss) for the year 31.03.2016		165,469,204.00	165,469,204.00
Dividend Paid		(298,597,920.00)	(298,597,920.00)
Total other comprehensive income for the year	2,628,503.00	(6,479,557.00)	(3,851,054.00)
Balance at 31st March 2016	46,382,066.00	42,179,015.00	88,561,081.00
Total profit/(Loss) for the year 31.03.2017		(9,759,408.00)	(9,759,408.00)
Dividend Paid		(30,381,188.00)	(30,381,188.00)
Reduction in Share Capital	(40,776,090.00)		(40,776,090.00)
Total other comprehensive income for the year	(983,501.00)	(2,615,627.00)	(3,599,128.00)
Balance at 31st March 2017	4,622,475.00	(577,208.00)	4,045,267.00

For SINGHI & Co
Chartered Accountants

ICAI Firm Registration No. 302049E

For and on behalf of the INDIA STEAMSHIP PTE LTD
A wholly owned subsidiary of Chambal Fertilisers and Chemicals Limitedper Aditya Singhi
Partner
Membership No. 305161K. Satishchandra
DirectorLee Kuan Jen Sebastian
Director

Place: Kolkata

Date: 15/5/17



INDIA STEAMSHIP PTE LTD

Notes to the Financial Statements for the year ended March 31, 2017

1. Corporate Information

India Steamship Pte Limited – A wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited is engaged in the business of operating ships.

2. Significant Accounting Policies

(a). Basis of Preparation

The separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (India Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) (Amendment) Rules, 2016. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013 ("the Act").

The financial statements of the Company for all periods upto and including the year ended March 31, 2016 were prepared in accordance with accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The financial statements have been prepared on an accrual basis and under the historical cost basis.

The financial statements of the Company are presented in Indian Rupee (Rs.).

(b). Summary of significant Accounting Policies

i) Use of Estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

ii) Classification of Assets and Liabilities as Current and Non-Current

Assets and Liabilities in the balance sheet have been classified as either current or non-current.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.



iii) Property, plant and equipment

On transition to Ind AS i.e. April 01, 2015, the Company has elected to continue with the carrying value of all of its property, plant and equipment (PPE) recognised as at April 01, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.

Depreciation

(i)	Office Equipment	:	10 Years
(ii)	Computer & Peripherals	:	4 Years

iv) Government Grants and Subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

v) Equity Investments

All equity investments are measured at fair value. The Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss account.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Investment in subsidiary are accounted for at cost.

vi) Inventories

Inventories are valued as follows:

Bunkers remaining on board	-	Lower of cost and net realizable value. Cost is determined on weighted average basis.
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vii) Loans and Borrowing Costs

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.



viii) Revenue Recognition

Revenue earnings and direct operating expenses are recognized in respect of all voyages irrespective of completion of voyages.

In case of voyage charter, revenue, brokerage and port expenses are recognized on proportionate number of days of respective voyage. Bunker, is recognized on actual quantity consumed. In case of time charter (including cost plus charter) revenue is recognized on time basis. Dispatch money/demurrage is considered as part of freight.

Insurance claims receivable are accounted for on the basis of claims lodged with the underwriters where recoveries are reasonably certain.

ix) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Debt Instruments-

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, debt instruments are classified in four categories:

- Debt instruments at amortised cost;
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments at fair value through profit or loss (FVTPL).

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

x) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account, if available, and if no such transactions can be identified an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's CGU's to which the individual assets are allocated. These budgets and forecast calculations are generally cover a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.



xi) Provisions

A provision is recognized when the enterprise has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

xii) Cash and Cash equivalents

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

xiii) Income Tax

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authority, using tax rates and tax laws that have been substantively enacted by the reporting date in the country where the company operates and generates taxable income. Current income tax is recognized in profit or loss except to the extent that the tax relates to items recognized outside profit or loss, either in other comprehensive income or directly in equity.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

-When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

-In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and

interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred 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 tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.



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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.



India Steamship Pie Ltd (A wholly owned subsidiary of Chambal Fertilisers and Chemicals Ltd)
Notes to financial statement for the year ended 31st March 2017

PARTICULARS	Gross Block				Depreciation			Net Block			
	At Cost as at 1st April, 2016	Additions during the year 31st March 2017	Sales during the year 31st March 2017	Adjustments during the year 31st March 2017	At Cost as at 31st March 2017	As at 1st April, 2016	on Sales during the year 31st March 2017	Adjustments during the year 31st March 2017	For the Year ended 31st March 2017	As at 31st March 2017	As at 31st March, 2016
Office Equipment	1,93,877.00	-	-	(4,111.00)	1,89,766.00	1,93,877.00	-	-	(4,111.00)	1,89,766.00	-
Year ended 31st March 2017	1,93,877.00	-	-	(4,111.00)	1,89,766.00	1,93,877.00	-	-	(4,111.00)	1,89,766.00	-
Year ended 31st March, 2016	1,82,889.00	-	-	10,988.00	1,93,877.00	1,82,889.00	-	-	10,988.00	1,93,877.00	-



India Steamship Pte Ltd (A wholly owned subsidiary of Chambal Fertilisers and Chemicals Ltd)
Notes to financial statement for the year ended 31st March 2017

	(Rupees)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Note 4 : Non-current Financial Assets- Investments			
Investment in equity instrument			
India Steamship International FZE	-	-	14,30,295.00
	-	-	<u>14,30,295.00</u>
Note 5 : Inventories			
Bunker	-	-	515,51,583.00
	-	-	<u>515,51,583.00</u>
Note 6 : Trade receivables			
Other receivables			
Secured, considered good		104,32,120.00	1648,20,431.00
Unsecured, considered good	-	<u>104,32,120.00</u>	<u>1648,20,431.00</u>
Note 7 : Cash and Bank Balance			
Cash and cash equivalents			
Balances with banks:			
On current accounts	497,30,695.00	135,14,939.00	73,27,498.00
Deposit with original maturity of less than three months			250,02,000.00
	<u>497,30,695.00</u>	<u>135,14,939.00</u>	<u>323,29,498.00</u>
Note 8 : Bank Balance other than above			
deposits with remaining maturity for less than twelve month	-	993,90,000.00	312,52,500.00
Interest accrued on fixed deposits	-	96,077.00	-
	-	<u>994,86,077.00</u>	<u>312,52,500.00</u>
Note 9 : Other Current Financial Assets			
Advance to Subsidiary	-	-	48,28,713.00
	-	-	<u>48,28,713.00</u>
Note 10: Other current assets			
Advance recoverable in kind or for value to be received	-	-	449,03,552.00
	-	-	<u>449,03,552.00</u>



India Steamship Pte Ltd (A wholly owned subsidiary of Chambal Fertilisers and Chemicals Ltd)
Notes to financial statement for the year ended 31st March 2017

	(Rupees)		
	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
Note 11 : Equity			
Share Capital			
Authorised:			
1,079,962 Ordinary Shares of Singapore Dollar 1 each (March 31 2016: 1,079,962, March 31 2015: 1,079,962)	453,98,565.00	463,82,066.00	437,53,563.00
Reduction:			
970,000 Ordinary Shares of Singapore 1 each (March 31 2016: NIL, March 31 2015: NIL)	407,76,090.00	-	-
	<u>46,22,475.00</u>	<u>463,82,066.00</u>	<u>437,53,563.00</u>
Issued, Subscribed and Fully Paid up:			
1,079,962 Ordinary Shares of Singapore Dollar 1 each (March 31 2016: 1,079,962, March 31 2015: 1,079,962)	453,98,565.00	463,82,066.00	437,53,563.00
Reduction:			
970,000 Ordinary Shares of Singapore 1 each (March 31 2016: NIL, March 31 2015: NIL)	407,76,090.00	-	-
	<u>46,22,475.00</u>	<u>463,82,066.00</u>	<u>437,53,563.00</u>
Additional Notes			
A) Right, Preferences and restrictions attached to share			
The Company has only one class of shares having a par value of Singapore Dollar 1 per share fully paid up. The holders of ordinary shares are entitled to receive dividend as and when declared by the company. All ordinary shares carry one vote per share without restriction.			
B) There has been change in the number of shares outstanding at the beginning and at the end of the reporting period.			
C) Details of holding company shareholders holding more than 5% of the aggregate shares in the company			
Ordinary Share of Singapore Dollar 1 each fully paid up Chambal Fertilisers and Chemicals Ltd	No. of Shares 1,09,962	% holding 100.00%	No. of Shares 10,79,962
			% holding 100%
			No. of Shares 10,79,962
			% holding 100%
D) On 4 November 2016, the directors of the Company approve to reduce the issued and paid up capital of the Company by USD 628,727 (INR 407,76,090) and that such reduction be effected by cancelling 970,000 shares which have been fully paid up to S\$1 on each shares capital of SGD 970,000 in cash to the shareholder.			
Note 12 : Reserve and Surplus			
Surplus			
As per last financial statements	486,58,572.00	1817,87,288.00	201,81,432.00
Add: Profit/(loss) for the year	(97,59,408.00)	1654,69,204.00	1616,05,856.00
	<u>388,99,164.00</u>	<u>3472,56,492.00</u>	<u>1817,87,288.00</u>
Less: Dividend Paid	(303,81,188.00)	(2985,97,920.00)	-
	<u>85,17,976.00</u>	<u>486,58,572.00</u>	<u>1817,87,288.00</u>
Foreign Currency Translation Reserve			
As per last financial statements	(64,79,557.00)	-	-
Addition on Account of conversion of opening balance	(8,94,378.00)	109,20,906.00	-
Dividend	(20,46,312.00)	(194,50,081.00)	-
Movement during the year	3,25,063.00	20,49,618.00	-
	<u>(90,95,184.00)</u>	<u>(64,79,557.00)</u>	<u>-</u>
	<u>(5,77,208.00)</u>	<u>421,79,015.00</u>	<u>1817,87,288.00</u>
Note 13 : Trade Payables			
Trade payables			
-Outstanding dues to Micro & Small Enterprises	-	-	-
-For goods and services	6,04,579.00	8,11,168.00	754,08,183.00
	<u>6,04,579.00</u>	<u>8,11,168.00</u>	<u>754,08,183.00</u>
Note 14 : Other Financial liabilities			
Amount due to holding Company (Non-Trade)	450,80,849.00	-	-
	<u>450,80,849.00</u>	<u>-</u>	<u>-</u>
Note 15 : Current Provisions			
Provision for employee benefits			
-Provision for taxation	-	340,60,887.00	301,67,538.00
	<u>-</u>	<u>340,60,887.00</u>	<u>301,67,538.00</u>



India Steamship Pte Ltd (A wholly owned subsidiary of Chambal Fertilisers and Chemicals Ltd)
Notes to financial statement for the year ended 31st March 2017

	(Rupees)	
	Year ended 31st March 2017	Year ended 31th March 2016
Note 16 : Revenue from operations		
Income from operations	-	12104,58,501.00
	<u>-</u>	<u>12104,58,501.00</u>
Note 17 : Other Income		
Interest on deposits and others	2,46,144.00	1,65,140.00
Liability written back	-	13,08,377.00
Interest Income	-	2,64,741.00
Job Credit	76,380.00	3,71,219.00
	<u>3,22,524.00</u>	<u>21,09,477.00</u>
Note 18 : Employee Benefit expense		
-Salary, Wages, Bonus and Other benefit	5,02,501.00	11,69,134.00
-Contribution to provident and other funds	46,482.00	1,03,761.00
	<u>5,48,983.00</u>	<u>12,72,895.00</u>
Note 19 : Finance Costs		
Interest expense	-	20,94,378.00
	<u>-</u>	<u>20,94,378.00</u>
Note 20 : Other Expenses		
Rent	5,37,669.00	12,50,973.00
Legal and Professional Fees	13,64,160.00	10,01,189.00
Bank charges	40,047.00	3,75,866.00
Gain/(loss) on foreign currency transactions and translation (net)	58,14,236.00	(9,82,965.00)
Advance written off	-	65,97,100.00
Miscellaneous Expenses	62,487.00	2,07,813.00
Auditors' Remuneration		
-Audit Fees	5,38,394.00	7,70,338.00
-Audit Fees Out of Pocket	29,354.00	28,147.00
Loss on sale of investment	-	12,16,119.00
	<u>83,86,347.00</u>	<u>104,64,580.00</u>



INDIA STEAMSHIP PTE LTD

(A wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited)

21 Contingent liabilities (not provided for) in respect of :

		(Rupees)		
S.No	Particulars	2016-17	2015-16	01 April 2016
(A)	NIL	-	-	-

22 Segment Information

Operating Segment

The Company has one identified operating segment i.e Shipping Segment (transportation of crude oil and liquid products through vessels hired by the Company) hence no separate disclosure for the same is necessary.

Information about geographical areas

The following table provides an analysis of the Company sales by geography in which the customer is located, irrespective of the origin of the goods.

The following is the distribution of the Company revenue from operation (net) by geographical markets, regardless of where the goods were produced :

		(Rupees)	
Particulars	2016-17	2015-16	
Revenue from Domestic Market	-	467,74,447.00	
Revenue from Overseas Markets	-	11636,84,054.00	
Total	-	12104,58,501.00	

The Company has common PPE in India for providing services for Domestic market and Overseas markets. Hence, separate figures for PPE / addition to PPE have not been furnished.

23 Contribution to Defined Contribution Plans:

		(Rupees)	
Particulars	2016-17	2015-16	
Provident Fund	46,482.00	1,30,761.00	
Total	46,482.00	1,30,761.00	

24 Related Party Disclosures

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are

Related party name and relationship

(a) Parent Company

Chambal Fertilisers and Chemicals Ltd

(b) Subsidiaries of the company

India Steamship International FZE, UAE

(c) Subsidiaries of the parent company

India Steamship International FZE, UAE

Transaction with the related parties-

(Rupees)

Particulars	2016-17	2015-16	01st April 2016
With Parent Company			
Chambal Fertilisers and Chemicals Ltd (w.e.f 12th Oct 2015)			
Dividend Paid	324,27,500.00	3180,48,000.00	-
Freight /Demurrage Income	-	3310,39,213.00	-
Interest Paid	-	20,94,378.00	-
Loan Taken	-	1325,20,000.00	-
Loan Repaid	-	1325,20,000.00	-
Foreign Exchange on account of Capital Reduction	44,53,091.00	-	-
Investment Sold	-	3,04,796.00	-
Outstanding balances as at the year end			
Trade Receivable	-	-	159,67,477.00
Outstanding balances as at the year end			
Share Capital	450,80,849.00	-	159,67,477.00
With Subsidiary of the Company			
INDIA STEAMSHIP INTERNATIONAL FZE (upto 11th Oct 2016)			
Interest Income	-	2,64,741.00	-
Investment Made	-	19,759.00	10,04,686.00
Loan Given	-	7,65,090.00	-
Loan written off	-	58,11,898.00	-
Outstanding balances as at the year end			
Loan Given	-	-	48,28,713.00
With Subsidiary of the Parent Company			
INDIA STEAMSHIP INTERNATIONAL FZE (w.e.f 12th Oct 2016)			
Reimbursement of expenses (received)	-	650,27,506.00	-



26 Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprise Development Act (MSMED) Act, 2006 :

Particulars	(Rupees)		
	2016-17	2015-16	2014-15
The principal amount due and remaining unpaid to any supplier as at the end of each accounting year (including payable for capital goods).	-	-	-
The interest due on unpaid principal amount remaining as at the end of each accounting year.	-	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year, and	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-	-

26 The disclosures in respect of CSR expenditure are as follows -

Particulars	(Rupees)	
	March 31, 2017	March 31, 2016
a) Gross amount required to be spent by the Division during the year	-	-
b) Amount spent during the year on the following in cash :		
(i) Construction/ acquisition of any asset	-	-
(ii) For purposes other than (i) above	-	-

27 Financial risk management objectives and policies

The main risk arising from the Company's financial instruments are market risk (including foreign exchange risk and interest rate risk), liquidity risk and credit risk. The Board of Director reviews and agrees policies and procedures for the management of each of these risks.

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 comprises three types of risk: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. The sensitivity analysis in the following sections relate to the position as at March 31, 2017 and March 31, 2016.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations, provisions, and other non-financial assets and liabilities.

The following assumptions have been made in calculating the sensitivity analysis:

-The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2017 and March 31, 2016.

a) 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.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of various currencies with USD, with all other variables held constant. The impact on the Division profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives.

For the year ended March 31, 2017

Particulars	(Rupees)	
	Change in USD rate	Effect on profit before tax
SGD	+5%	(28,739.00)
	-5%	28,739.00

For the year ended March 31, 2016

Particulars	(Rupees)	
	Change in USD rate	Effect on profit before tax
SGD	+5%	(51,542.00)
	-5%	51,542.00

For the year ended April 01, 2016

Particulars	(Rupees)	
	Change in USD rate	Effect on profit before tax
SGD	+5%	(4,351.00)
	-5%	4,351.00

a) Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are primarily from oil industries which is well capitalized world wide.

b) Financial Instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the treasury department in accordance with the guidelines framed by the management. The company does not maintain the significant amount of cash and deposits other than those required for its day to day operations.



Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds and the current committed lines of credit are sufficient to meet its short to medium/ long term needs. The Company monitors rolling forecasts of its liquidity requirements in close co-operations with treasury department to ensure it has sufficient cash to meet operational needs at all times so that the Company

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(Rupees)						
Particulars	Less than 1 Year	1-2 Year	2-3 Years	3-5 years	> 5 years	Total
Year ended 31 March 2017						
Other financial liabilities	450,80,849.00					450,80,849.00
Trade and other payables	6,04,576.00					6,04,576.00
Year ended 31 March 2016						
Trade and other payables	8,11,165.00					8,11,165.00
	8,11,165.00	-	-	-	-	8,11,165.00
Year ended 1 April 2015						
Trade and other payables	754,08,184.00	-	-	-	-	754,08,184.00
	754,08,184.00	-	-	-	-	754,08,184.00

28 Advance to subsidiaries

Above financial statement are prepared for consolidation, necessary adjustment required w.r.t. advance to subsidiary has not been carried out as per IND AS as the same will be knocked off at consolidation

29 First - time adoption of Ind AS

These are the Company's first financial statement prepared in accordance with Ind AS. The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31,2017, the comparative information presented in these financial statements for the year ended March 31,2016 and in the preparation of an opening Ind AS balance sheet as at April 01, 2015 (the date of transition). In preparing its opening Ind AS balance sheet, the Division has adjusted the amount reported previously in financial statement prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP on Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Division's financial position, financial performance and cash flows is set out in the following tables and notes

(a) Reconciliation of total equity as at the March 31, 2016 and April 01,2015

(Rupees)				
Particulars	Footnote	March 31, 2016	April 01, 2015	
Total equity as per previous GAAP		885,61,084.00	2247,70,157.00	
Adjustments :-				
Fair Value of Loan from parent company		7,70,694.00	7,70,694.00	
FCTR		36,300.00	-	
Loss on Investment		(10,71,738.00)	-	
Interest Income		2,64,741.00	-	
Total Adjustment		885,61,081.00	2255,40,861.00	
Total Equity as per Ind AS		885,61,081.00	2255,40,861.00	

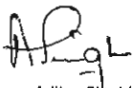
(b) Reconciliation of the total comprehensive income for the year ended March 31,2016

(Rupees)			
Particulars	Footnote	March 31, 2016	
Profit / (Loss) before tax as per previous GAAP		1662,76,201.00	
Adjustments :-			
Loss on Investment		(10,71,738.00)	
Interest Income		2,64,741.00	
Total Adjustment		(8,06,997.00)	
Net Profit / (loss) under Ind AS (after tax) for continuing operations		1654,69,204.00	
Profit after tax from discontinued operation as per Ind AS		-	
Profit after tax as per Ind AS		1654,69,204.00	
Other comprehensive Income		(64,79,557.00)	
Total comprehensive income as per Ind AS		(64,79,557.00)	

The Company had given a non interest bearing loan to its subsidiary. Accordingly in IND AS the same has been carried out on fair value due to which the company incurred a loss on investment of Rs 10,71,738 and interest income of Rs 264,741

As per our report of even date

For SINGHI & Co
Chartered Accountants
ICAI Firm Registration No. 302049E



per Aditya Singhi
Partner
Membership No. 305161



Place : Kolkata
Date : 15/5/2017

For and on behalf of the INDIA STEAMSHIP PTE LTD
A wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited



K. Satishchandra
Director



Lee Kuan Jen Sebastian
Director