



V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF CFCL OVERSEAS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of CFCL Overseas Limited ("the Company"), which comprise the Balance Sheet as at 24th March, 2015, 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 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. This responsibility also includes maintenance of adequate accounting records 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 conducted our audit in accordance with the Standards on Auditing. 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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.



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Opinion

In our opinion and to the best of our information and knowledge and according to the explanations given to us, the aforesaid financial statements 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 24th March, 2015, and its profit and its cash flows for the period ended on that date.

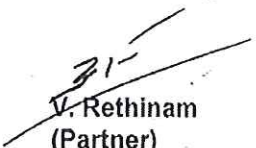
Report in the nature of affirmative statement

1. 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.

Place : New Delhi

Dated: 28-04-2015

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W


V. Rethinam
(Partner)
Membership No. 010412



CFCL OVERSEAS LIMITED (in voluntary liquidation)
Balance Sheet as at March 24, 2015

		(Amount In USD)	(Convenience translation into INR)	(Amount in USD)
		As at March 24, 2015 Audited	As at March 24, 2015 Unaudited	As at March 31, 2014 Audited
I. EQUITY AND LIABILITIES				
(1) Shareholders' Funds				
Share capital	1	105,759,447	6,591,457,534	102,249,447
Reserve & surplus	2	380,717	23,728,187	357,370
		<u>106,140,164</u>	<u>6,615,185,721</u>	<u>102,616,817</u>
(2) Current Liabilities				
Other current liabilities	3	-	-	750
		<u>-</u>	<u>-</u>	<u>750</u>
Total		<u>106,140,164</u>	<u>6,615,185,721</u>	<u>102,617,567</u>
II. ASSETS				
(1) Non-current assets				
Non-current investments	4	102,571,036	6,392,739,818	102,571,036
		<u>102,571,036</u>	<u>6,392,739,818</u>	<u>102,571,036</u>
(2) Current assets				
Cash and cash equivalents	5	32,378	2,017,959	13,730
Short-term loans and advances	6	3,536,750	220,427,944	32,801
		<u>3,569,128</u>	<u>222,445,903</u>	<u>46,531</u>
Total		<u>106,140,164</u>	<u>6,615,185,721</u>	<u>102,617,567</u>

Significant Accounting policies & Notes to Accounts form an integral part of the financial statements.

As per our report of even date

For V. SANKAR AIYAR & CO.
Chartered Accountants
Firm Registration No. 109208W

315
V. Rethinam
Partner
Membership No - 10412

For and on behalf of the liquidator of
CFCL Overseas Limited (in voluntary liquidation)

M.S. Rathore *Lee Kuan Jon Sebastian*
M.S. Rathore Lee Kuan Jon Sebastian

Place: *New Delhi*
Date: *28-04-2015*



CFCL OVERSEAS LIMITED (in voluntary liquidation)
Statement of Profit and Loss for the period ended March 24, 2015

		(Amount in USD)	(Convenience translation into INR)	(Amount in USD)
	Note No.	Period Ended March 24, 2015 Audited	Period Ended March 24, 2015 Unaudited	Year Ended March 31, 2014 Audited
INCOME:				
Other income	7	36,750	2,290,444	105,063
Total Revenue (I)		36,750	2,290,444	105,063
Expenses:				
Finance costs	8	175	10,907	150
Other expenses	9	23,228	1,447,685	12,318
Total Expenses (II)		23,403	1,458,592	12,468
Profit before tax (I-II)		13,347	831,852	92,595
Tax expenses		-	-	-
Profit/(Loss) for the period		13,347	831,852	92,595
Earnings per equity share:				
	10			
Basic Earnings per share (of face value of USD 0.001)		0.00027		0.00185
No. of shares		50,000,000		50,000,000

Significant Accounting policies & Notes to Accounts form an Integral part of the financial statements.

As per our report of even date

For V. SANKAR AIYAR & CO.
Chartered Accountants
Firm Registration No. 109208W

V. Rethinam
Partner
Membership No - 10412

Place: *New Delhi*
Date: *28 04 2015*



For and on behalf of the liquidator of
CFCL Overseas Limited (In voluntary liquidation)

M.S. Rathore *Lee Kuan Jen Sebastian*
M.S. Rathore Lee Kuan Jen Sebastian

CFCL OVERSEAS LIMITED (in voluntary liquidation)
Cash Flow Statement for the period ended March 24, 2015

Particulars	(Amount in USD)	(Convenience translation into INR)	(Amount in USD)
	Period ended March 24, 2015 Audited	Period ended March 24, 2015 Unaudited	Year ended March 31, 2014 Audited
A. Cash flow from operating activities :			
Profit after exceptional items and before tax	13,347	831,852	92,595
Adjustments for :			
Interest Income	(36,750)	(2,290,444)	(105,063)
Operating profit before working capital changes	(23,403)	(1,458,592)	(12,468)
Movement in working capital :			
Decrease / (Increase) in other receivables/ current assets	(3,467,199)	(216,093,178)	-
(Decrease) / Increase in other payables	(750)	(46,743)	(78)
Cash generated from operations	(3,491,352)	(217,598,513)	(12,546)
Direct taxes paid (net of refunds)	-	-	-
Net cash flow from operating activities	(3,491,352)	(217,598,513)	(12,546)
B. Cash flow from investing activities			
Purchase of investments	-	-	(3,506,921)
Interest Received on ICD	-	-	-
Net cash flow from / (used) in Investing activities	-	-	(3,506,921)
C. Cash flow from financing activities			
Issue of Preference Shares	3,510,000	218,760,750	3,510,000
Net cash used in financing activities	3,510,000	218,760,750	3,510,000
Net increase/(decrease) in cash and cash equivalents	18,648	1,162,237	(9,467)
Cash and cash equivalents at the beginning of the year	13,730	855,722	23,197
Cash and cash equivalents at the end of the year	32,378	2,017,959	13,730
Components of cash and cash equivalents as at the period end			
Balances with banks :			
- on Current Account	32,378	2,017,959	13,730
Net cash and cash equivalents	32,378	2,017,959	13,730

As per our report of even date

For V.SANKAR AIYAR & CO.
Chartered Accountants
Firm Registration no - 109208W

For and on behalf of the liquidator of
CFCL Overseas Limited (in voluntary liquidation)

31-
V. Rethinam
Partner
Membership No - 10412

M.S. Rathore *Lee Kuan Jon Sebastian*
M.S. Rathore Lee Kuan Jon Sebastian

Place : *New Delhi*
Date : *28 04 2015*



CFCL Overseas Limited (in voluntary liquidation)

Notes to financial statements for the period ended March 24, 2015

A. Corporate Information

The Company is incorporated and domiciled in Cayman Islands. The registered office of the Company is located in Cayman Islands. The principal activities of the Company are to carry on the business of investment holding and to undertake and to transact all kinds of investment business. There have been no significant changes in the nature of these activities during the period ended March 24, 2015.

Holding Company

The company is a subsidiary of "Chambal Fertilisers and Chemicals Limited" a company incorporated in India, which is also the ultimate holding company.

B. Significant Accounting Policies

(a) Statement of Compliance

The financial statements have been prepared in accordance with Accounting Standards applicable in India.

(b) Basis of Preparation

The financial statements of the Company, which are expressed in US dollar (US\$) are prepared on the historical cost convention.

(c) Measurement and Reporting Currency

The measurement currency of the Company is US dollar (US\$).

(d) Investment in Subsidiary

A subsidiary is a company in which the Company holds more than 50% of the issued share capital or controls more than half of the voting power, or controls the composition of the board of directors.

Investment in subsidiary is accounted for at cost less any provision for impairment, other than temporary, in value.

(e) Receivables

Receivables are stated at cost less any allowance for doubtful debts.

(f) Cash at Bank

For the purpose of cash flow statement, cash and cash equivalents consist of cash at Bank.

(g) Other Payables

Other payables are stated at cost.

(h) Revenue Recognition

Interest on deposits is booked on a time proportion basis taking into account the amount invested and the rate of interest.

(i) Convenience Translation

The books of accounts of the Company are maintained in US dollars, being the currency of the primary economic environment in which it is operated. For the purpose of reporting in Indian GAAP, the balance sheet as of March 24, 2015 and the Statement of profit and loss for the period then ended have been translated into INR, using the closing exchange rate as on March 24, 2015 which was 1USD = Rs 62.325. The convenience translation should not be construed as a representation that USD amounts or INR amounts referred to in these financial statements have been, could have been, or could in future be, converted into INR or USD, as the case may be, at this or at any other rate of exchange, or at all.



CFCL OVERSEAS LIMITED (In voluntary liquidation)

Notes annexed to and forming part of financial statements as at March 24, 2015

Particulars	(Amount in USD)	(Convenience translation into INR)	(Amount in USD)
	As at March 24, 2015	As at March 24, 2015	As at March 31, 2014

C. Notes to Accounts

1. Share Capital

The Company has authorised share capital comprising of 50,000,000 Ordinary shares of USD 0.001 each at par and 124,950,000 Non Cumulative Preference Shares of US\$ 1.00 each at par. During the year, the Company has issued 3,510,000 (Previous Year 3,510,000) Non Cumulative Preference Share Capital of 1.00 USD to its parent company, Chambal Fertilisers and Chemicals Limited. The parent company, Chambal Fertilisers and Chemicals Limited holds 50,000,000 Ordinary shares of USD 0.001 each at par and 105,709,447 Non Cumulative Preference Shares of USD 1.00 each at par.

Every holder of ordinary shares shall be entitled to one vote per share held by him and not entitled to dividend.

(a) Authorised

50,000,000 (Previous Year 50,000,000) Ordinary Shares of 0.001 USD	50,000	3,116,250	50,000
124,950,000 (Previous Year 124,950,000) 8% Non Cumulative Preference Share Capital of USD 1.00	124,950,000	7,787,508,750	124,950,000
Total	125,000,000	7,790,625,000	125,000,000

(b) Issued, Subscribed and fully paid up

50,000,000 (Previous Year 50,000,000) Ordinary Shares of 0.001 USD	50,000	3,116,250	50,000
105,709,447 (Previous year 102,199,447) 8% Non Cumulative Preference Share Capital of USD 1.00	105,709,447	6,588,341,284	102,199,447
Total	105,759,447	6,591,457,534	102,249,447

(c) Par value per share

Ordinary Shares : 0.001 USD each
Preference Shares : 1.00 USD each

(d) Reconciliation of number of shares outstanding at beginning and at the end of the reporting period

Particulars	2014-15		2013-14	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year				
Ordinary Shares	50,000,000	50,000	50,000,000	50,000
Preference Shares	102,199,447	102,199,447	98,689,447	98,689,447
Shares Issued during the period				
Ordinary Shares	-	-	-	-
Preference Shares	3,510,000	3,510,000	3,510,000	3,510,000
Shares outstanding at the end of the period				
Ordinary Shares	50,000,000	50,000	50,000,000	50,000
Preference Shares	105,709,447	105,709,447	102,199,447	102,199,447

(e) Shares in the company held by each shareholder holding more than 5% shares

Particulars	2014-15		2013-14	
	% Holding	No. of shares	% Holding	No. of shares
Chambal Fertilisers and Chemicals Limited				
Equity Shares	100%	50,000,000	100%	50,000,000
Preference Shares	100%	105,709,447	100%	102,199,447



CFCL OVERSEAS LIMITED (In voluntary liquidation)

Notes annexed to and forming part of financial statements for the period ended March 24, 2015

Particulars	(Amount in USD)	(Convenience translation into INR)	(Amount in USD)
	As at March 24, 2015	As at March 24, 2015	As at March 31, 2014
2. Reserve and Surplus			
Opening Profit and Loss Balance	367,370	22,896,335	274,775
Surplus as per the Statement of Profit & Loss for the period	13,347	831,852	92,595
Total	380,717	23,728,187	367,370
3. Other Current Liabilities			
Other payables	-	-	750
Total	-	-	750
4. Non-Current Investments			
Long Term Investments (At Cost)			
Trade (Unquoted)			
Investment in CFCL Technologies Limited, Cayman Island (subsidiary)			
2,932,947 (Previous Year 2,932,947) Ordinary shares of par value of US\$ 0.0001 each	293	18,261	293
Securities Premium on Ordinary Shares (I)	22,444,707	1,398,866,364	22,444,707
	22,445,000	1,398,884,625	22,445,000
2,176,468 (Previous Year 2,176,468) Series A-1 Preference Shares of US\$ 0.0001 each	218	13,587	218
Securities Premium on Series A-1 Preference Shares (II)	19,999,782	1,246,486,413	19,999,782
	20,000,000	1,246,500,000	20,000,000
568,096 (Previous Year 568,096) Series B-1 Preference Shares of US\$ 0.0001 each	57	3,553	57
Securities Premium on Series B-1 Preference Shares (III)	5,220,291	325,354,637	5,220,291
	5,220,348	325,358,190	5,220,348
1,029,521 (Previous Year 1,029,521) Series C-1 Preference Shares of US\$ 0.0001 each	103	6,419	103
Securities Premium on Series C-1 Preference Shares (IV)	13,083,359	815,420,350	13,083,359
	13,083,462	815,426,769	13,083,462
513,478 (Previous Year 513,478) Series D-1 Preference Shares of US\$ 0.0001 each	51	3,178	51
Securities Premium on Series D-1 Preference Shares (V)	6,525,381	406,694,371	6,525,381
	6,525,432	406,697,549	6,525,432
770,217 (Previous Year 770,217) Series E-1 Preference Shares of US\$ 0.0001 each	77	4,799	77
Securities Premium on Series E-1 Preference Shares (VI)	9,788,084	610,042,335	9,788,084
	9,788,161	610,047,134	9,788,161
11,52,543 (Previous Year 11,52,543) Series F-1 Preference Shares of US\$ 0.0001 each	115	7,167	115
Securities Premium on Series F-1 Preference Shares (VII)	11,525,315	718,315,257	11,525,315
	11,525,430	718,322,424	11,525,430
1,388,192 (Previous Year 1,388,192) Series G Preference Shares of US\$ 0.0001 each	139	8,652	139
Securities Premium on Series G Preference Shares (VIII)	10,476,143	652,925,624	10,476,143
	10,476,282	652,934,276	10,476,282
759,059 (Previous Year 759,059) Series H Preference Shares of US\$ 0.0001 each	76	4,731	76
Securities Premium on Series H Preference Shares (IX)	3,506,845	218,564,120	3,506,845
	3,506,921	218,568,851	3,506,921
(I+II+III+IV+V+VI+VII+VIII+IX)	102,571,036	6,392,739,818	102,571,036

CFCL Technologies Limited, a subsidiary of the Company, has issued warrant coverage with conversion option into 93,450 ordinary shares, 35,210 Series G preference shares and 2,076,852 Series H preference shares to CFCL Overseas Limited (in voluntary liquidation).



CFCL OVERSEAS LIMITED (in voluntary liquidation)

Notes annexed to and forming part of financial statements for the period ended March 24, 2015

Particulars	(Amount in USD)	(Convenience translation into INR)	(Amount in USD)
	As at March 24, 2015	As at March 24, 2015	As at March 31, 2014
4. Cash and cash equivalents			
Balance with banks			
On current accounts	32,378	2,017,959	13,730
Total	32,378	2,017,959	13,730
5. Short term loans and advances (unsecured, considered good)			
9% Convertible Notes*	3,500,000	218,137,500	-
Receivable from subsidiaries	36,750	2,290,444	32,801
Total	3,536,750	220,427,944	32,801

***Terms of Conversion-**

a) In the event the CFCL Technologies Limited (CTL) consummates, prior to July 31, 2015, an equity financing pursuant to which it sells its preference shares or ordinary shares (the "Additional Shares") with an aggregate sales price of not less than \$25,000,000, (including any and all indebtedness (other than the Notes) that is converted into Additional Shares) and with the principal purpose of raising capital (a "Qualified Financing"), then each Investor will have the option to either (i) convert all principal, together with all accrued and unpaid interest, if any, under the Note into the Additional Shares, or (ii) receive payment of all principal and accrued interest under the Note.

b) In the event CTL fails to consummate a Qualified Financing prior to July 31, 2015, then all principal, together with all accrued and unpaid interest, if any, under the Note shall automatically convert into Series I Preference Shares at a price of \$1.50 per Series I Preference Share, and on terms mutually agreed to by the Investors at such time.

Particulars	(Amount in USD)	(Convenience translation into INR)	(Amount in USD)
	Period Ended March 24, 2015	Period Ended March 24, 2015	Year Ended March 31, 2014
7. Other Income			
Interest On			
- Inter-corporate deposits	-	-	105,063
- Convertible Notes	36,750	2,290,444	-
Total	36,750	2,290,444	105,063
8. Finance costs			
Bank charges	175	10,907	150
Total	175	10,907	150
9. Other expenses			
Legal and professional fee	16,500	1,028,363	11,568
Audit Fee	-	-	750
Other expense	6,728	419,322	-
Total	23,228	1,447,685	12,318
10. Earnings Per Share (EPS)			
Net Profit as per Statement of profit and loss	13,347		92,595
Calculation of weighted average number of equity shares			
- Number of shares at the beginning of the year	50,000,000		50,000,000
- Total equity shares outstanding at the end of the period	50,000,000		50,000,000
- Weighted average number of equity shares outstanding during the period	50,000,000		50,000,000
Basic and diluted earnings per share (in USD)	0.00027		0.00185
Nominal value of equity shares (in USD)	0.0010		0.0010



11. Related Party Disclosures

During the year, the Company entered into transactions with the related parties. Those transactions along with related balances as at 24th March 2015 and for the period then ended are presented in the following table :

(a) Parent Company : Chambal Fertilisers and Chemicals Limited

(Amt In USD)

Particulars	2014-15	2013-14
Issue of 3,510,000 (Previous year 3,510,000) Non Cumulative Preference Shares @ USD 1	3,510,000	3,510,000

(b) Subsidiaries - CFCL Technologies Limited, Cayman Islands

(Amt In USD)

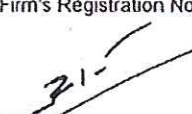
Particulars	2014-15	2013-14
Interest Income	36,750	105,063
Investments made	-	6,816,659
Outstanding balances as at the period end		
Receivables	36,750	32,801
Loan given	3,500,000	-

12. During the year, the Company has made the investment of USD 3,500,000 in its subsidiary CFCL Technologies Limited, Cayman Island in the form of Convertible notes.
13. The Shareholders of CFCL Overseas Limited (in voluntary liquidation), Cayman Islands ("COL") has approved voluntary liquidation of COL on Feb 25, 2015. In pursuance of the voluntary liquidation, all the assets of COL (including the shares, warrants and convertible notes held by COL in CFCL Technologies Limited) have been transferred in favour of Chambal fertilisers and Chemicals Limited (sole shareholder of COL) on March 25, 2015. Accordingly, COL did not have any assets or liabilities as on March 31, 2015. As per the Certificate of Dissolution dated March 26, 2015 issued by the Registrar of Companies, Cayman Islands, COL will be deemed to be dissolved on June 26, 2015.

As per our report of even date

For V.SANKAR AIYAR & CO.
Chartered Accountants
Firm's Registration No.109208W

For and on behalf of the liquidators of
CFCL Overseas Limited (in voluntary liquidation)


V. Rethinam
Partner
Membership No - 10412

 
M.S. Rathore Lee Kuan Jen Sebastian

Place: New Delhi
Date: 28.04.2015

