

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of India Steamship Pte Ltd

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of India Steamship Pte Ltd ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statement including a summary of the significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "the financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date. The financial statements have been adjusted for adjustments pursuant to conversion of the books of account maintained by the Company under Local GAAP and audited by another firm of auditors under Local Laws to Ind AS and conversion from local currency i.e. USD to Indian Rupees as explained under Note 2 under Basis of Preparation. Our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in the financial statements, and our report in terms of sub-section (3) of Section 143 of the Act, is based solely on the reports of such other auditors.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

<b>Key Audit Matter</b>	<b>Auditor's response</b>
None	None

## **Other Matter**

The financial statements of the Company for the year ended March 31, 2018, were audited by another auditor who expressed an unmodified opinion on those statements on May 07, 2018.

## **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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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.

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, based on our audit 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.

For Sanjay Mahavir Agarwal & Co.  
Firm's Registration No.: 023718N  
Chartered Accountants

per Sanjay Agarwal  
Proprietor  
Membership No. 077610

Place: New Delhi  
Date: May 07, 2019

**INDIA STEAMSHIP PTE. LTD.****(A wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited)****BALANCE SHEET AS AT MARCH 31, 2019**

<b>Particulars</b>	<b>Notes</b>	<b>As at March 31, 2019 (In USD)</b>	<b>As at March 31, 2018 (In USD)</b>	<b>As at March 31, 2019 (Rs. in lakhs)</b>	<b>As at March 31, 2018 (Rs. in lakhs)</b>
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, Plant and Equipment	3	-	-	-	-
<b>Total Non-Current Assets</b>		-	-	-	-
<b>Current Assets</b>					
<b>Financial Assets</b>					
Cash and Cash Equivalents	4	30,833	58,835	21.32	38.35
<b>Total Current Assets</b>		30,833	58,835	21.32	38.35
<b>Total Assets</b>		30,833	58,835	21.32	38.35
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
(a) Equity Share Capital	5(i)	71,274	71,274	44.55	44.55
(b) Other Equity					
Reserves and Surplus	5(ii)	(47,505)	(16,801)	(28.12)	(9.04)
<b>Total Equity</b>		23,769	54,473	16.43	35.51
<b>Liabilities</b>					
<b>Current Liabilities</b>					
<b>Financial Liabilities</b>					
Trade Payables	6	7,064	4,362	4.89	2.84
<b>Total Current Liabilities</b>		7,064	4,362	4.89	2.84
<b>Total Liabilities</b>		7,064	4,362	4.89	2.84
<b>Total Equity and Liabilities</b>		30,833	58,835	21.32	38.35

Summary of significant accounting policies 1&2

The accompanying notes and accounting policies form an integral part of the financial statements.

As per our report of even date

**For Sanjay Mahavir Agarwal & Co.**

Chartered Accountants

Firm's Registration No.: 023718N

**For and on behalf of the Board of Directors of**

**India Steamship Pte. Ltd.**

**per Sanjay Agarwal**

Proprietor

Membership No. 077610

**Abhay Baijal**

Director

**Lee Kuan Jen Sebastian**

Director

Place: New Delhi

Date: May 7, 2019

**INDIA STEAMSHIP PTE. LTD.**

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

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	Notes	Year ended March 31, 2019 (In USD)	Year ended March 31, 2018 (In USD)	Year ended March 31, 2019 (Rs. in lakhs)	Year ended March 31, 2018 (Rs. in lakhs)
<b>Continuing operations</b>					
Other Income	7	-	853	-	0.55
<b>Total Income</b>		-	853	-	0.55
<b>Expenses</b>					
Other Expenses	8	30,704	12,332	21.48	7.95
<b>Total Expenses</b>		30,704	12,332	21.48	7.95
<b>(Loss) Before Tax</b>		(30,704)	(11,479)	(21.48)	(7.40)
Income Tax Expenses	9				
Current Tax		-	-	-	-
Taxes for earlier year written back		-	(3,578)	-	(2.31)
<b>Total Tax Expense</b>		-	(3,578)	-	(2.31)
<b>(Loss) for the Year</b>		(30,704)	(7,901)	(21.48)	(5.09)
<b>Other Comprehensive Income</b>					
<i>Items that will be reclassified to profit and loss</i>					
Exchange difference in translating these financial statements		-	-	2.40	1.82
<b>Other Comprehensive Income for the Year, net of tax</b>		-	-	2.40	1.82
<b>Total Comprehensive Income for the Year</b>		(30,704)	(7,901)	(19.08)	(3.27)
<b>Earning per Equity Share</b>	10				
Basic Earning per Equity Share		(0.28)	(0.07)	(19.53)	(4.63)
Diluted Earning per Equity Share		(0.28)	(0.07)	(19.53)	(4.63)

**Summary of significant accounting policies****1&2****The accompanying notes and accounting policies form an integral part of the financial statements.**

As per our report of even date

**For Sanjay Mahavir Agarwal & Co.**

Chartered Accountants

Firm's Registration No.: 023718N

**For and on behalf of the Board of Directors of  
India Steamship Pte. Ltd.****per Sanjay Agarwal**

Proprietor

Membership No. 077610

**Abhay Baijal**

Director

**Lee Kuan Jen Sebastian**

Director

Place: New Delhi

Date: May 7, 2019

**INDIA STEAMSHIP PTE. LTD.**

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

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019**

Particulars	Notes	Year ended March 31, 2019 (In USD)	Year ended March 31, 2018 (In USD)	Year ended March 31, 2019 (Rs. in lakhs)	Year ended March 31, 2018 (Rs. in lakhs)
<b>A. Cash Flow from Operating Activities</b>					
(Loss) before Income Tax		(30,704)	(11,479)	(21.48)	(7.40)
Adjustments for:					
Excess provision written back	7	-	(825)	-	(0.53)
Foreign Currency Translation Reserve	5(ii)	-	-	0.06	(2.34)
<b>Changes in Operating Assets and Liabilities</b>					
Increase/(Decrease) in Trade Payables	6	2,702	(4,135)	2.05	(2.68)
(Decrease) in Other Financial Liabilities		-	(695,102)	-	(450.81)
<b>Cash generated from/(used in) operations</b>		<b>(28,002)</b>	<b>(711,541)</b>	<b>(19.37)</b>	<b>(463.76)</b>
Income Tax Refund	9	-	3,578	-	2.31
<b>Net Cash (used in) / generated from Operating Activities</b>		<b>(28,002)</b>	<b>(707,963)</b>	<b>(19.37)</b>	<b>(461.45)</b>
<b>B. Cash Flow from Investing Activities</b>					
<b>Net cash generated from Investing Activities</b>		-	-	-	-
<b>C. Cash Flow from Financing Activities</b>					
<b>Net Cash (used in) Financing Activities</b>		-	-	-	-
<b>Net (decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(28,002)</b>	<b>(707,963)</b>	<b>(19.37)</b>	<b>(461.45)</b>
Cash and Cash Equivalents at the beginning of the financial year		58,835	766,798	38.35	497.31
Effect of exchange rate changes on Cash and Cash equivalents		-	-	2.34	2.49
<b>Cash and Cash Equivalent at end of the Year</b>		<b>30,833</b>	<b>58,835</b>	<b>21.32</b>	<b>38.35</b>
<i>Reconciliation of Cash and Cash Equivalents as per the Cash Flow Statement</i>					
Cash and Cash Equivalents as per above comprise of the following		<b>Year ended March 31, 2019 (In USD)</b>	<b>Year ended March 31, 2018 (In USD)</b>	<b>Year ended March 31, 2019 (Rs. in lakhs)</b>	<b>Year ended March 31, 2018 (Rs. in lakhs)</b>
Cash and Cash Equivalents (note 4)		30,833	58,835	21.32	38.35
<b>Balance per statement of cash flows</b>		<b>30,833</b>	<b>58,835</b>	<b>21.32</b>	<b>38.35</b>

**Summary of significant accounting policies**

**1&2**

The accompanying notes and accounting policies form an integral part of the financial statements.

As per our report of even date

**For Sanjay Mahavir Agarwal & Co.**

Chartered Accountants

Firm's Registration No.: 023718N

**For and on behalf of the Board of Directors of**

**India Steamship Pte. Ltd.**

**per Sanjay Agarwal**

Proprietor

Membership No. 077610

**Abhay Baijal**

Director

**Lee Kuan Jen Sebastian**

Director

Place: New Delhi

Date: May 7, 2019

**INDIA STEAMSHIP PTE. LTD.**

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

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019****A Equity Share Capital**

	Notes	Amount in USD	Amount Rs. in Lakhs
As at April 1, 2017		71,274	46.22
Foreign Currency Translation Reserve	5(i)	-	(1.67)
<b>As at March 31, 2018</b>		<b>71,274</b>	<b>44.55</b>
Changes in Equity Share Capital	5(i)	-	-
<b>As at March 31, 2019</b>		<b>71,274</b>	<b>44.55</b>

**B Other Equity**

(Amount in USD)

Particulars	Reserves and Surplus	Total
	Retained Earnings	
<b>Balance as at April 1, 2017</b>	(8,900)	(8,900)
(Loss) for the Year	(7,901)	(7,901)
Other Comprehensive Income/ Foreign Currency Translation Reserve	-	-
<b>Total Comprehensive Income for the Year</b>	<b>(7,901)</b>	<b>(7,901)</b>
<b>Balance at March 31, 2018</b>	<b>(16,801)</b>	<b>(16,801)</b>
(Loss) for the Year	<b>(30,704)</b>	<b>(30,704)</b>
Other Comprehensive Income/ Foreign Currency Translation Reserve	-	-
<b>Total Comprehensive Income for the Year</b>	<b>(30,704)</b>	<b>(30,704)</b>
<b>Balance at March 31, 2019</b>	<b>(47,505)</b>	<b>(47,505)</b>

(Amount - Rs. in Lakhs)

Particulars	Reserves and Surplus	Items of Other Comprehensive Income	Total
	Retained Earnings	Foreign Currency Translation Reserve	
<b>Balance as at April 1, 2017</b>	85.19	(90.96)	(5.77)
(Loss) for the Year	(5.09)	-	(5.09)
Other Comprehensive Income/ Foreign Currency Translation Reserve	-	1.82	1.82
<b>Total Comprehensive Income for the Year</b>	<b>(5.09)</b>	<b>1.82</b>	<b>(3.27)</b>
<b>Balance at March 31, 2018</b>	<b>80.10</b>	<b>(89.14)</b>	<b>(9.04)</b>
(Loss) for the Year	<b>(21.48)</b>	-	<b>(21.48)</b>
Other Comprehensive Income/ Foreign Currency Translation Reserve	-	<b>2.40</b>	<b>2.40</b>
<b>Total Comprehensive Income for the Year</b>	<b>(21.48)</b>	<b>2.40</b>	<b>(19.08)</b>
<b>Balance at March 31, 2019</b>	<b>58.62</b>	<b>(86.74)</b>	<b>(28.12)</b>

As per our report of even date

**For Sanjay Mahavir Agarwal & Co.**

Chartered Accountants

Firm's Registration No.: 023718N

**For and on behalf of the Board of Directors of****India Steamship Pte. Ltd.****per Sanjay Agarwal**

Proprietor

Membership No. 077610

**Abhay Baijal****Director****Lee Kuan Jen Sebastian****Director**

Place: New Delhi

Date: May 7, 2019

## **INDIA STEAMSHIP PTE. LTD.**

### **Notes to the Financial Statements for the year ended March 31, 2019**

#### **1. Corporate Information**

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

#### **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, 2017. 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 have been prepared on an accrual basis and under the historical cost basis.

The functional currency of the Company is USD. These financial statements have been prepared for compliance under provisions of Section 129(3) of the Act and have been restated to Indian Rupees with following basis:

- Assets and Liabilities except Share Capital has been recognized at exchange rate prevailing at the year-end.
- Share Capital and opening reserves have been recognized at the exchange rate prevailing at the date of transition i.e. April 1, 2015.

The translation of reporting currency from USD to Indian Rupees is included solely for the convenience of readers to financial statements of the Company in India and has been performed by using foreign currency rates of Rs. 69.16 (previous year: Rs. 65.18) for assets and liabilities other than Share Capital and opening reserves and Rs. 69.91 (previous year: Rs. 64.45) for Income and Expenses.

Such translation shall not be construed as representation that the rupee amount represents or have been or could be converted into USD at that or any other rate.

##### **(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

**INDIA STEAMSHIP PTE. LTD.****Notes to the Financial Statements for the year ended March 31, 2019**

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) 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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**v) 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 effective interest rate (EIR) method. Gains and losses are recognised in the statement of 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.

**vi) 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.

**vii) 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.

## **INDIA STEAMSHIP PTE. LTD.**

### **Notes to the Financial Statements for the year ended March 31, 2019**

#### **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 following three 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.

## **INDIA STEAMSHIP PTE. LTD.**

### **Notes to the Financial Statements for the year ended March 31, 2019**

#### **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.

#### **viii) 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.

#### **ix) 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:

## **INDIA STEAMSHIP PTE. LTD.**

### **Notes to the Financial Statements for the year ended March 31, 2019**

-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.

#### **x) 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.

#### **xi) 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.

**INDIA STEAMSHIP PTE. LTD.**

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

Notes to financial statements for the year ended March 31, 2019

**Note 3: Property, Plant and Equipment**

	Office Equipment		Total	
	(In USD)	(Rs. in lakhs)	(In USD)	(Rs. in lakhs)
<b>Gross Carrying Amount</b>				
As at April 1, 2017	2,926	1.90	2,926	1.90
Additions	-	-	-	-
Disposals	-	-	-	-
Foreign Currency Translaion Reserve	-	0.01	-	0.01
<b>Closing as at March 31, 2018</b>	<b>2,926</b>	<b>1.91</b>	<b>2,926</b>	<b>1.91</b>
Additions	-	-	-	-
Disposals	-	-	-	-
Foreign Currency Translaion Reserve	-	0.11	-	0.11
<b>Closing as at March 31, 2019</b>	<b>2,926</b>	<b>2.02</b>	<b>2,926</b>	<b>2.02</b>
<b>Accumulated Depreciation</b>				
As at April 1, 2017	2,926	1.90	2,926	1.90
Depreciation charge during the year	-	-	-	-
Disposals	-	-	-	-
Foreign Currency Translaion Reserve	-	0.01	-	0.01
<b>Closing as at March 31, 2018</b>	<b>2,926</b>	<b>1.91</b>	<b>2,926</b>	<b>1.91</b>
Depreciation charge during the year	-	-	-	-
Disposals	-	-	-	-
Foreign Currency Translaion Reserve	-	0.11	-	0.11
<b>Closing as at March 31, 2019</b>	<b>2,926</b>	<b>2.02</b>	<b>2,926</b>	<b>2.02</b>
Net Carrying Amount as at March 31, 2018	-	-	-	-
<b>Net Carrying Amount as at March 31, 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**INDIA STEAMSHIP PTE. LTD.**

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

**Notes to financial statements for the year ended March 31, 2019**

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**Note 4: Financial Assets**

**Cash and Cash Equivalent**

<b>Particulars</b>	<b>As at March 31, 2019 (In USD)</b>	<b>As at March 31, 2018 (In USD)</b>	<b>As at March 31, 2019 (Rs. in lakhs)</b>	<b>As at March 31, 2018 (Rs. in lakhs)</b>
Balances with banks:				
- in Current Accounts	<b>30,833</b>	58,835	<b>21.32</b>	38.35
<b>Total Cash and Cash Equivalents</b>	<b>30,833</b>	58,835	<b>21.32</b>	38.35

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**INDIA STEAMSHIP PTE. LTD.****(A wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited)****Notes to financial statements for the year ended March 31, 2019****Note 5: Equity Share Capital and Other Equity****5(i) Equity Share Capital****(a) Movements in Equity Share Capital (Ordinary Shares of Singapore Dollar 1 each)**

	Number of shares	Amount in USD	Amount Rs. in Lakhs
As at April 1, 2017	109,962	71,274	46.22
Foreign Currency Translation Reserve	-	-	(1.67)
<b>As at March 31, 2018</b>	<b>109,962</b>	<b>71,274</b>	<b>44.55</b>
Increase during the year	-	-	-
<b>As at March 31, 2019</b>	<b>109,962</b>	<b>71,274</b>	<b>44.55</b>

**Terms and rights attached to equity shares**

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) Details of Shareholders holding more than 5% shares in the Company**

	March 31, 2019		March 31, 2018	
	Number of shares	% holding	Number of shares	% holding
Chambal Fertilisers and Chemicals Limited	<b>109,962</b>	<b>100.00%</b>	109,962	100.00%

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**INDIA STEAMSHIP PTE. LTD.****(A wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited)****Notes to financial statements for the year ended March 31, 2019****5(ii) Reserves and Surplus**

<b>Particulars</b>	<b>As at March 31, 2019 (In USD)</b>	<b>As at March 31, 2018 (In USD)</b>	<b>As at March 31, 2019 (Rs. in lakhs)</b>	<b>As at March 31, 2018 (Rs. in lakhs)</b>
Retained Earnings	(47,505)	(16,801)	58.62	80.10
Foreign Currency Translation Reserve	-	-	(86.74)	(89.14)
<b>Total Reserves and Surplus</b>	<b>(47,505)</b>	<b>(16,801)</b>	<b>(28.12)</b>	<b>(9.04)</b>

**(a) Retained Earnings**

<b>Particulars</b>	<b>As at March 31, 2019 (In USD)</b>	<b>As at March 31, 2018 (In USD)</b>	<b>As at March 31, 2019 (Rs. in lakhs)</b>	<b>As at March 31, 2018 (Rs. in lakhs)</b>
Opening balance	(16,801)	(8,900)	80.10	85.19
(Loss) for the Year	(30,704)	(7,901)	(21.48)	(5.09)
Items of other comprehensive income recognised directly in retained earnings	-	-	-	-
<b>Closing balance</b>	<b>(47,505)</b>	<b>(16,801)</b>	<b>58.62</b>	<b>80.10</b>

**(b) Foreign Currency Translation Reserve**

<b>Particulars</b>	<b>As at March 31, 2019 (In USD)</b>	<b>As at March 31, 2018 (In USD)</b>	<b>As at March 31, 2019 (Rs. in lakhs)</b>	<b>As at March 31, 2018 (Rs. in lakhs)</b>
Opening Balance	-	-	(89.14)	(90.96)
Add: exchange differences arising during the year	-	-	2.40	1.82
<b>Closing balance</b>	<b>-</b>	<b>-</b>	<b>(86.74)</b>	<b>(89.14)</b>

**INDIA STEAMSHIP PTE. LTD.****(A wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited)****Notes to financial statements for the year ended March 31, 2019**

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**Note 6: Financial Liabilities****Trade Payables**

<b>Particulars</b>	<b>As at March 31, 2019 (In USD)</b>	<b>As at March 31, 2018 (In USD)</b>	<b>As at March 31, 2019 (Rs. in lakhs)</b>	<b>As at March 31, 2018 (Rs. in lakhs)</b>
<b>Current</b>				
Trade Payables	<b>7,064</b>	4,362	<b>4.89</b>	2.84
<b>Total Trade Payables</b>	<b>7,064</b>	4,362	<b>4.89</b>	2.84

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**INDIA STEAMSHIP PTE. LTD.****(A wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited)****Notes to financial statements for the year ended March 31, 2019**

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**Note 7: Other Income**

<b>Particulars</b>	<b>Year ended March 31, 2019 (In USD)</b>	<b>Year ended March 31, 2018 (In USD)</b>	<b>Year ended March 31, 2019 (Rs. in lakhs)</b>	<b>Year ended March 31, 2018 (Rs. in lakhs)</b>
Excess Provisions Written Back	-	825	-	0.53
Miscellaneous Income	-	28	-	0.02
<b>Total Other Income</b>	-	853	-	0.55

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**INDIA STEAMSHIP PTE. LTD.**

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

Notes to financial statements for the year ended March 31, 2019

**Note 8: Other Expenses**

Particulars	Year ended	Year ended	Year ended	Year ended
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(In USD)	(In USD)	(Rs. in lakhs)	(Rs. in lakhs)
Communication Expenses	1,155	-	0.81	-
Payment to Auditors (refer note 8(i) below)	3,745	4,295	2.62	2.77
Legal and Professional Fees	25,504	7,961	17.84	5.13
Net Foreign Exchange Losses/(gains)	-	(823)	-	(0.53)
Bank Charges	300	899	0.21	0.58
<b>Total Other Expenses</b>	<b>30,704</b>	<b>12,332</b>	<b>21.48</b>	<b>7.95</b>

**Note 8(i): Details of Payments to Auditors**

Particulars	Year ended	Year ended	Year ended	Year ended
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(In USD)	(In USD)	(Rs. in lakhs)	(Rs. in lakhs)
<b>Payment to Auditors</b>				
<b>As auditor:</b>				
Audit Fee	3,745	4,295	2.62	2.77
<b>Total Payments to Auditors</b>	<b>3,745</b>	<b>4,295</b>	<b>2.62</b>	<b>2.77</b>

**Note 9: Income Tax**

Particulars	Year ended	Year ended	Year ended	Year ended
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(In USD)	(In USD)	(Rs. in lakhs)	(Rs. in lakhs)
Current Tax	-	-	-	-
Taxes for earlier year written back	-	(3,578)	-	(2.31)
<b>Total Income Tax</b>	<b>-</b>	<b>(3,578)</b>	<b>-</b>	<b>(2.31)</b>

The reconciliation of the income tax expense and the product of accounting loss multiplied by applicable rate is as follows:

Particulars	Year ended	Year ended	Year ended	Year ended
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(In USD)	(In USD)	(Rs. in lakhs)	(Rs. in lakhs)
(Loss) before taxes	(30,704)	(11,479)	(21.48)	(7.40)
Tax at statutory rate of 17% (March 31, 2018: 17%)	(5,220)	(1,951)	(3.65)	(1.26)
Income not subject to tax	-	(140)	-	(0.09)
Over provisions in previous years	-	(3,578)	-	(2.31)
Expenses not deductible for tax purposes	5,220	2,091	3.65	1.35
Tax credit	-	(3,578)	-	(2.31)
Income tax credit reported in the statement of profit and loss	-	(3,578)	-	(2.31)

**Note 10: Earnings Per Equity Share**
**(i) Basic and Diluted Earnings Per Share**

Particulars	Year ended	Year ended	Year ended	Year ended
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(In USD)	(In USD)	(Rs. in lakhs)	(Rs. in lakhs)
Basic and Diluted Earnings Per Share				
From continuing operations attributable to the equity holders of the company	(0.28)	(0.07)	(19.53)	(4.63)

**(ii) Reconciliations of earnings used in calculating earnings per share**

Particulars	Year ended	Year ended	Year ended	Year ended
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	(In USD)	(In USD)	(Rs. in lakhs)	(Rs. in lakhs)
<b>Basic and diluted earnings</b>				
(Loss) attributable to the equity holders of the company used in calculating basic earnings per share:				
From continuing operations	(30,704)	(7,901)	(21.48)	(5.09)
	<b>(30,704)</b>	<b>(7,901)</b>	<b>(21.48)</b>	<b>(5.09)</b>

**(iii) Weighted average number of shares used as the denominator**

Particulars	Year ended	Year ended	Year ended	Year ended
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	No. of Shares	No. of Shares	No. of Shares	No. of Shares
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	109,962	109,962	109,962	109,962
Adjustments for calculation of diluted earnings per share:				
Options	-	-	-	-
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	109,962	109,962	109,962	109,962

**INDIA STEAMSHIP PTE. LTD.****(A wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited)****Notes to financial statements for the year ended March 31, 2019**

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**Note 11: Contingent Liabilities (not provided for) in respect of :**

<b>Particulars</b>	<b>As at March 31, 2019 (In USD)</b>	<b>As at March 31, 2018 (In USD)</b>	<b>As at March 31, 2019 (Rs. in lakhs)</b>	<b>As at March 31, 2018 (Rs. in lakhs)</b>
Claims against the Company not acknowledged as debts	-	-	-	-
	-	-	-	-

**Note 12: 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:

**(i) Related party name and relationship****(a) Parent company**

Chambal Fertilisers and Chemicals Limited

**(b) Fellow subsidiary company**

India Steamship International FZE, UAE (Upto February 28, 2019)

**(ii) Transaction with the related parties-**

There are no transaction with related party during the year.

**INDIA STEAMSHIP PTE. LTD.**

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Notes to financial statements for the year ended March 31, 2019

**Note 13: Fair value measurements**

Financial instruments by category	At Amortisation Cost			
	As at March 31, 2019 (In USD)	As at March 31, 2018 (In USD)	As at March 31, 2019 (Rs. in lakhs)	As at March 31, 2018 (Rs. in lakhs)
<b>Financial assets</b>				
Cash and cash equivalents	30,833	58,835	21.32	38.35
<b>Total financial assets</b>	<b>30,833</b>	<b>58,835</b>	<b>21.32</b>	<b>38.35</b>
<b>Financial liabilities</b>				
(i) Trade payables	7,064	4,362	4.89	2.84
(ii) Other financial liabilities	-	-	-	-
<b>Total financial liabilities</b>	<b>7,064</b>	<b>4,362</b>	<b>4.89</b>	<b>2.84</b>

The carrying amounts of cash and cash equivalents, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature. Hence, other disclosure applicable as per Ind AS 113 are not applicable to the Company.

**Note 14: 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.

**(a) 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 cash and cash equivalents, trade receivables, trade payables and other financial liabilities. The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

The sensitivity analysis have been prepared on the basis that proportion of financial instruments in foreign currencies are all constant.

**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**

As the Company transacted mainly in USD, the Company has minimum insignificant exposure in Singapore dollars for the overhead expenses incurred in the office located in Singapore. Consequently, sensitivity analysis in foreign exchange risk is not necessary.

**b) Credit risk****Financial instruments and cash deposits**

The Company does not maintain the significant amount of cash and deposits other than those required for its day to day operations.

**c) Liquidity risk**

The table below analyses the Company's financial liabilities into relevant maturing groups based on the remaining period at the balance sheet to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	Period	(In USD)		
		Less than 1 year	More than 1 year	Total
<b>Trade payable</b>	<b>Mar 31, 2019</b>	<b>7,064</b>	-	<b>7,064</b>
	Mar 31, 2018	4,362	-	4,362
<b>Total liabilities</b>	<b>Mar 31, 2019</b>	<b>7,064</b>	-	<b>7,064</b>
	Mar 31, 2018	4,362	-	4,362

**INDIA STEAMSHIP PTE. LTD.****(A wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited)****Notes to financial statements for the year ended March 31, 2019**

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(Rs. in Lakhs)

Particulars	Period	Less than 1 year	More than 1 year	Total
<b>Trade payable</b>	<b>Mar 31, 2019</b>	<b>4.89</b>	-	<b>4.89</b>
	Mar 31, 2018	2.84	-	2.84
<b>Total liabilities</b>	<b>Mar 31, 2019</b>	<b>4.89</b>	-	<b>4.89</b>
	Mar 31, 2018	2.84	-	2.84

**Note 15: Capital management**

The Company does not have formal policies and procedures for capital risk management. The capital of the Company as defined by the management as March 31, 2019 and March 31, 2018 consists of only equity share capital as reflected in the note 5(i) to the financial statements.

**Note 16: Previous year**

(a) Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

(b) Figures for the previous year have been audited by firm of chartered accountants other than Sanjay Mahavir Agarwal & Co.

**For Sanjay Mahavir Agarwal & Co.**

Chartered Accountants

Firm's Registration No.: 023718N

**For and on behalf of the Board of Directors of  
India Steamship Pte. Ltd.****per Sanjay Agarwal**

Proprietor

Membership No. 077610

**Abhay Baijal****Director****Lee Kuan Jen Sebastian****Director**

Place: New Delhi

Date: May 7, 2019