

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Chambal Infrastructure Ventures Limited

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

#### **Opinion**

We have audited the accompanying financial statements of Chambal Infrastructure Ventures Limited ("the Company"), which comprise the Balance sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Key Audit Matters**

Reporting of Key audit matters are not applicable being unlisted entity.

#### **Other Information**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management 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 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 Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with in this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The Company has no business activity during the year and has limited transactions. In view of this, in our opinion, the Company has in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, the Company has not paid any remuneration to its directors during the year, therefore the provisions of section 197 of the Act is not applicable to the Company;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Chanderkant Choraria  
Partner  
Membership No. 521263  
UDIN :20521263AAAAAF6992

Date: May 21, 2020  
Place: Noida (Delhi – NCR)

**Annexure A referred to in paragraph 1 of our report of even date on the other legal and regulatory requirements (Re: Chambal Infrastructure Ventures Limited)**

- (i) The Company has no fixed assets. Therefore, the provisions of clause 3 (i) of the Order are not applicable.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) The Company has not granted any loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies' Act, 2013. Therefore, the provisions of clause 3(iii) of the Order are not applicable.
- (iv) The Company has no transaction with respect to loan, investment, guarantee and security covered under section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of clause 3(iv) of the Order are not applicable.
- (v) The Company has not accepted any deposit covered under sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Therefore, provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) As informed to us, the Company is not doing any business activity, the maintenance of cost records under section 148(1) of the Companies' Act, 2013 is not applicable. Therefore, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) a. According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including income-tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, to the appropriate authorities. The provisions relating to provident fund, employees' state insurance are not applicable to the Company. There was no undisputed outstanding statutory dues as at the year end for a period of more than six months from the date they became payable.  
b. According to the records of the Company, there are no dues outstanding of income tax, sales tax, service tax, duty of customs, duty of excise, goods and service tax and value added tax on account of any dispute.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year. Therefore, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Further in our opinion and explanations given to us, term loans raised during the year were applied for the purpose for which loans were raised.

- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers and employees has been noticed or reported during the year.
- (xi) The Company has not paid/provided for managerial remuneration. Therefore, the provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.
- (xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 wherever applicable and details for the same have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Therefore, the provisions of clause 3(xv) of the Order are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

Chanderkant Choraria  
Partner  
Membership No. 521263  
UDIN :20521263AAAAAF6992

Date: May 21, 2020  
Place: Noida (Delhi – NCR)

**Chambal Infrastructure Ventures Limited**  
**Balance Sheet as at March 31, 2020**

(Rs. in Lakhs)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Deferred Tax Assets (Net)	14	1.40	3.43
<b>Total Non-Current Assets</b>		<b>1.40</b>	<b>3.43</b>
<b>Current Assets</b>			
Financial Assets	3		
i. Cash and Cash Equivalents	3A	7.10	3.81
ii. Bank Balances other than (i) above	3B	390.00	369.79
iii. Other Financial Assets	3C	0.45	9.08
Current Tax Assets (Net)		3.61	1.98
<b>Total Current Assets</b>		<b>401.16</b>	<b>384.66</b>
<b>Total Assets</b>		<b>402.56</b>	<b>388.09</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	4	940.00	940.00
Other Equity		(537.74)	(552.21)
<b>Total Equity</b>		<b>402.26</b>	<b>387.79</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Financial Liabilities	5		
Trade Payables	5A		
a) total outstanding dues of micro enterprises and small enterprises; and		-	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		0.30	0.30
<b>Total Current Liabilities</b>		<b>0.30</b>	<b>0.30</b>
<b>Total Liabilities</b>		<b>0.30</b>	<b>0.30</b>
<b>Total Equity and Liabilities</b>		<b>402.56</b>	<b>388.09</b>
<b>Summary of significant accounting policies</b>	2		

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

As per our report of even date.

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

**For and on behalf of the Board of Directors of**  
**Chambal Infrastructure Ventures Limited**

**Chanderkant Choraria**  
**Partner**  
 Membership No.: 521263

**Abhay Baijal**  
 Director  
 DIN:01588087

**Rajveer Singh**  
 Director  
 DIN:07515336

**Yashika Narula**  
 Company Secretary  
 Membership No.: 41010

Place : Noida (Delhi -NCR)  
 Date : May 21, 2020

Place : New Delhi  
 Date : May 21, 2020

**Chambal Infrastructure Ventures Limited**  
**Statement of Profit and Loss for the year ended March 31, 2020**

(Rs in Lakhs)

Particulars	Notes	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Revenue from Operations			
Other Income	6	28.27	26.51
<b>Total Income</b>		<b>28.27</b>	<b>26.51</b>
<b>EXPENSES</b>			
Employee Benefits Expense	7	8.23	7.13
Other Expenses	8	0.48	0.44
<b>Total Expenses</b>		<b>8.71</b>	<b>7.57</b>
<b>Profit Before Tax</b>		<b>19.56</b>	<b>18.94</b>
<b>Tax Expense:</b>			
- Current Tax	14	3.06	3.65
- Deferred Tax	14	2.03	(3.43)
Income Tax Expense		<b>5.09</b>	<b>0.22</b>
<b>Profit for the year</b>		<b>14.47</b>	<b>18.72</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss (net of tax)		-	-
(ii) Items that will be reclassified to profit and loss (net of tax)		-	-
<b>Total Comprehensive Income for the year</b>		<b>14.47</b>	<b>18.72</b>
Earnings per equity share			
Basic and Diluted (in Rs.)	9	0.15	0.20
Summary of significant accounting policies	2		

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

As per our report of even date.

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

**For and on behalf of the Board of Directors of**  
**Chambal Infrastructure Ventures Limited**

**Chanderkant Choraria**  
Partner  
Membership No.: 521263

Place : Noida (Delhi -NCR)  
Date : May 21, 2020

**Abhay Baijal**  
Director  
DIN:01588087

Place : New Delhi  
Date : May 21, 2020

**Rajveer Singh**  
Director  
DIN:07515336

**Yashika Narula**  
Company Secretary  
Membership No.: 41010



**Chambal Infrastructure Ventures Limited**  
**Statement of Cash Flows for the year ended March 31, 2020**

(Rs in Lakhs)

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
<b>A. Cash flow from Operating Activities :</b>		
Profit Before Tax	19.56	18.94
<b>Adjustment for :</b>		
Interest Income	(28.27)	(26.51)
<b>Operating profit/ (loss) before working capital changes</b>	<b>(8.71)</b>	<b>(7.57)</b>
Movement in Working Capital :		
(Increase)/Decrease in Other Current Financial Assets	0.69	(0.70)
Increase/(Decrease) in Trade Payables and Other Liabilities	-	(0.20)
<b>Cash generated from Operations</b>	<b>(8.02)</b>	<b>(8.47)</b>
Direct taxes paid (Net of refunds)	4.70	4.90
<b>Net Cash flow from Operating Activities</b>	<b>(12.72)</b>	<b>(13.37)</b>
<b>B. Cash flow from Investing Activities</b>		
Movement in Fixed Deposits	(20.21)	(369.79)
Interest received	36.22	18.19
<b>Net Cash flow from Investing Activities</b>	<b>16.01</b>	<b>(351.60)</b>
<b>C. Cash flow from Financing Activities</b>		
<b>Net cash from Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>3.29</b>	<b>(364.97)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>3.81</b>	<b>368.78</b>
<b>Cash and cash equivalents at the end of the year (Refer Note 3A)</b>	<b>7.10</b>	<b>3.81</b>

The Statement of Cash Flows has been prepared in accordance with 'Indirect Method' as set out in Ind AS-7- 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.

**The accompanying notes form an integral part of the financial statements.**

As per our report of even date.

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

**For and on behalf of the Board of Directors of**  
**Chambal Infrastructure Ventures Limited**

**Chanderkant Choraria**  
Partner  
Membership No.:521263

**Abhay Baijal**  
Director  
DIN:01588087

**Rajveer Singh**  
Director  
DIN:07515336

**Yashika Narula**  
Company Secretary  
Membership No.: 41010

Place : Noida (Delhi -NCR)  
Date : May 21, 2020

Place : New Delhi  
Date : May 21, 2020

**Chambal Infrastructure Ventures Limited**  
**Statement of Changes in Equity for the year ended March 31, 2020**

**A : Equity Share Capital**

Equity shares of Rs.10 each issued, subscribed and fully paid (Refer Note 4)

	(Rs. in Lakhs)
As at March 31, 2019	940.00
Changes during the year	-
<b>As at March 31, 2020</b>	<b>940.00</b>

**B : Other Equity**

For the year ended March 31, 2020

(Rs. in Lakhs)

Particulars	Reserves and Surplus	Total
	Retained Earnings	
As at April 01, 2019	(552.21)	(552.21)
Profit for the year	14.47	14.47
Other Comprehensive Income	-	-
<b>Total Comprehensive Income for the year</b>	<b>14.47</b>	<b>14.47</b>
<b>As at March 31, 2020</b>	<b>(537.74)</b>	<b>(537.74)</b>

For the year ended March 31, 2019

(Rs. in Lakhs)

Particulars	Reserves and Surplus	Total
	Retained Earnings	
As at April 01, 2018	(570.93)	(570.93)
Profit for the year	18.72	18.72
Other Comprehensive Income	-	-
<b>Total Comprehensive Income for the year</b>	<b>18.72</b>	<b>18.72</b>
<b>As at March 31, 2019</b>	<b>(552.21)</b>	<b>(552.21)</b>

**Retained earnings** - Retained earnings are profits earned by the Company after transfer to general reserve and payment of dividend to shareholders, if any.

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

As per our report of even date.

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

**For and on behalf of the Board of Directors of**  
**Chambal Infrastructure Ventures Limited**

**Chanderkant Choraria**  
**Partner**  
 Membership No.: 521263

**Abhay Bajjal**  
 Director  
 DIN:01588087

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**Yashika Narula**  
 Company Secretary  
 Membership No.: 41010

Place : Noida (Delhi -NCR)  
 Date : May 21, 2020

Place : New Delhi  
 Date : May 21, 2020

## Chambal Infrastructure Ventures Limited

### Notes to the Financial Statements for the year ended March 31, 2020

#### 1. Corporate Information

Chambal Infrastructure Ventures Limited (“the Company”) was incorporated on January 2, 2007 as a public limited company. The registered office of the Company is located at Corporate One, 1<sup>st</sup> Floor, 5, Commercial Centre, Jasola, New Delhi - 110025. The Company is a wholly owned subsidiary of Chambal Fertilisers and Chemicals Limited. The Company was incorporated to set up power and infrastructure projects. There are no commercial operations in the Company.

These financial statements were approved by the Board of Directors of the Company at its meeting held on May 21, 2020.

#### 2. Significant Accounting Policies

##### 2 (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, 2019. 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 financial statements of the Company are presented in Indian Rupee (Rs.) and all values are presented in Lakhs (Rs. 00,000), except when otherwise indicated.

##### 2 (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.

## **Chambal Infrastructure Ventures Limited**

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

### **iii) 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.

#### **a) 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 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 amortized cost. 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.

## Chambal Infrastructure Ventures Limited

### b) 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 and loss.

### iv) Earnings per share

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

For the purpose of calculating diluted earning per share, net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares.

### v) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting period and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

## **Chambal Infrastructure Ventures Limited**

### **vi) Cash and Cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### **vii) Income Tax**

#### **Current Tax**

Tax expense comprises current income tax and deferred tax. Current income-tax expense is measured at the amount expected to be paid to the taxation authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

#### **Deferred Tax**

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. Carrying amount of Deferred Tax is reviewed at each reporting period.

Deferred tax assets include Minimum Alternate Tax ('MAT') paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability and is considered as an asset if it is probable that future taxable profit will be available against which these tax credit can be utilised. Accordingly, MAT is recognised as deferred tax asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company. MAT credit is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

### **Standards issued but not yet effective**

#### **- Recent Accounting Pronouncements**

There are no pronouncements which will impact the financial statements of the Company.

**Chambal Infrastructure Ventures Limited**  
**Notes annexed to and forming part of the financial statements as at March 31, 2020**

Particulars	(Rs. in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
<b>Note 3 : Financial Assets</b>		
<b>Note 3A : Cash and Cash Equivalents</b>		
Balances with Banks :		
On current accounts	7.10	3.81
	<b>7.10</b>	<b>3.81</b>
<b>Note 3B : Bank Balances other than 3A above</b>		
Deposits with remaining maturity for more than 3 months but less than 12 months	390.00	369.79
	<b>390.00</b>	<b>369.79</b>
<b>Note 3C : Other Current Financial Assets</b>		
Interest receivable on deposits	0.45	8.39
Other receivable	-	0.69
	<b>0.45</b>	<b>9.08</b>
<b>Note 4 : Equity Share Capital</b>		
<b>Authorised :</b>		
25,200,000 (Previous Year: 25,200,000) Equity Shares of Rs.10/- each	2,520.00	2,520.00
	<b>2,520.00</b>	<b>2,520.00</b>
<b>Issued, Subscribed and Paid Up :</b>		
9,400,000 (Previous Year: 9,400,000) Equity Shares of Rs.10/- each	940.00	940.00
	<b>940.00</b>	<b>940.00</b>

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

There is no movement in the shares outstanding at the beginning and at the end of the reporting year.

**b) Terms / rights and preferences attached to equity shares-**

The Company has only one class of shares having a par value of Rs.10 per share fully paid up. Each holder of equity shares is entitled to one vote per share and the shares will rank pari passu with each other in all respects.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities.

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

Name	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of shareholding	No. of Shares	% of shareholding
Chambal Fertilisers and Chemicals Limited (Holding Company) *	94,00,000	100	94,00,000	100

\* Includes 600 equity shares jointly held by six Individuals

**Note 5 : Financial Liabilities**

**Note 5A : Trade Payables**

- a) total outstanding dues of micro enterprises and small enterprises; and  
b) total outstanding dues of creditors other than micro enterprises and small enterprises

	As at March 31, 2020	As at March 31, 2019
	-	-
	0.30	0.30
	<b>0.30</b>	<b>0.30</b>

**Chambal Infrastructure Ventures Limited**  
**Notes annexed to and forming part of the financial statements as at March 31, 2020**

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
<b>Note 6 : Other Income</b>		
Interest on		
- Deposits (Gross)	28.22	26.51
- Income Tax Refund	0.05	-
	<b>28.27</b>	<b>26.51</b>
<b>Note 7 : Employee Benefits Expense</b>		
Salaries, Bonus and Others	8.23	7.13
	<b>8.23</b>	<b>7.13</b>
<b>Note 8 : Other Expenses</b>		
Rates and Taxes	0.12	0.02
Legal and Professional Fees	0.03	0.10
Payment to Auditors:		
- Statutory Audit	0.30	0.30
Bank Charges	0.03	0.02
	<b>0.48</b>	<b>0.44</b>
<b>Note 9: Earnings Per Equity Share</b>		
Continuing Operations		
Net profit for the year	14.47	18.72
Calculation of weighted average number of Equity Shares		
- Number of share at the beginning of the year	94,00,000	94,00,000
- Total equity shares outstanding at the end of the year	94,00,000	94,00,000
- Weighted average number of equity shares outstanding during the year	94,00,000	94,00,000
Basic and Diluted Earnings Per Equity Share (in Rs.)	0.15	0.20
Nominal Value of Equity Shares (in Rs.)	10.00	10.00

**Note 10 : Related Party Disclosures**

Disclosures of the related party information as per Ind AS - 24 'Related Party Disclosures', are as follows-

**I Related Party Name and Relationship**

**(A) Holding Company**

Chambal Fertilisers and Chemicals Limited

**(B) Fellow Subsidiaries**

CFCL Ventures Limited

India Steamship Pte. Ltd. (Dissolved on April 06, 2020)

India Steamship Limited (Under Liquidation)

ISGN Corporation #

ISG Novasoft Technologies Limited #

Inuva Info Management Private Limited (Under Liquidation) #

# Subsidiaries of CFCL Ventures Limited

**(C) Key Management Personnel**

Name	Designation
ANIL KAPOOR	Director
ABHAY BAIJAL	Director
RAJVEER SINGH	Director
YASHIKA NARULA ^	Company Secretary

^ under the Companies Act, 2013

**II Transactions with related parties during the year**

**(A) Key Management Personnel**

(Rs. in Lakhs)

Particulars	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
<b>Compensation</b>		
<b>Short Term Employee Benefits</b>		
Yashika Narula	8.23	7.13



**Chambal Infrastructure Ventures Limited**  
**Notes annexed to and forming part of the financial statements as at March 31, 2020**

**Note 11 : Fair Values**

The management assessed that cash and cash equivalents, other current financial assets, trade payables and other current financial liabilities approximate their fair value largely due to the short-term maturities of these instruments.

**Note 12 A : Liquidity Risk**

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

(Rs. in Lakhs)				
Particulars	Less than 1 Year	1-2 Years	2-3 Years	3-5 years
<b>Year ended March 31, 2020</b>				
Trade Payables	0.30	-	-	-
<b>Total</b>	<b>0.30</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Year ended March 31, 2019</b>				
Trade Payables	0.30	-	-	-
<b>Total</b>	<b>0.30</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note 12 B : Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to the risk of changes in market interest rates as the Company's fixed deposits are at fixed interest rates.

**Note 13 : Capital Management**

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions.

**The Capital Structure of the Company is as follows:**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Equity Share Capital	940.00	940.00
Other Equity	(537.74)	(552.21)
<b>Total</b>	<b>402.26</b>	<b>387.79</b>

**Note 14: Income Tax**

The major components of Income Tax Expense are:

Profit or Loss Section:

(Rs. in Lakhs)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
<b>Current Income Tax</b>		
-Current Income Tax charge	3.06	3.65
<b>Deferred Tax</b>		
-MAT credit Entitlement	-	(3.43)
-MAT credit Utilisation	2.03	-
Income tax Expense reported in the Statement of Profit and Loss	<b>5.09</b>	<b>0.22</b>

(Rs. in Lakhs)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019:	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Accounting Profit Before tax	19.56	18.94
Applicable tax rate	26.00%	26.00%
Computed Tax Expense	5.09	4.92
Effect on tax due to setting off brought forward Losses	-	(3.16)
Deferred Tax asset recognised - MAT of Earlier Years	-	(1.54)
<b>Income tax reported in the statement of profit and loss</b>	<b>5.09</b>	<b>0.22</b>

(Rs. in Lakhs)

Deferred Tax relates to the following:	Balance sheet		Statement of Profit and Loss	
	As at March 31, 2020	As at March 31, 2019	For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Deferred tax assets				
MAT Credit Entitlement	1.40	3.43	2.03	(3.43)
Total Deferred Tax Assets	<b>1.40</b>	<b>3.43</b>		
Deferred Tax Credit			<b>2.03</b>	<b>(3.43)</b>

Reconciliation of Deferred Tax Assets (Net):

Particulars	(Rs. in Lakhs)
Opening balance as at April 1, 2019	(3.43)
Tax expense during the year recognised in profit or loss	-
MAT credit entitlement	-
MAT credit Utilisation	2.03
<b>Closing balance as at March 31, 2020</b>	<b>(1.40)</b>

Particulars	(Rs. in Lakhs)
Opening balance as at April 1, 2018	-
Tax expense during the year recognised in profit or loss	-
MAT credit entitlement	(3.43)
<b>Closing balance as at March 31, 2019</b>	<b>(3.43)</b>

**Note 15 : Contingent Assets and Liabilities**

There are no Contingent Assets and Liabilities as on the reporting date.

**Note 16 : Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

**Taxes:**

Deferred tax assets are recognised for minimum alternate tax to the extent that it is probable that taxable profit under normal tax provisions will be available against which the minimum alternate tax credit can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

As per our report of even date

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

**For and on behalf of the Board of Directors of  
Chambal Infrastructure Ventures Limited**

**Chanderkant Choraria**  
Partner  
Membership No.: 521263

**Abhay Baijal**  
Director  
DIN:01588087

**Rajveer Singh**  
Director  
DIN:07515336

**Yashika Narula**  
Company Secretary  
Membership No.: 41010

Place : Noida (Delhi -NCR)  
Date : May 21, 2020

Place : New Delhi  
Date : May 21, 2020