CHAMBAL FERTILISERS
AND CHEMICALS LIMITED

Annual Report 2015-16

Sowing the Seeds of Fertiliser Security in India

Chambal Setting Up 1.34 Million MT Urea Plant

DIRECTORS

S.K. Poddar
Chairman

Shyam S. Bhartia
Co-Chairman

Anil Kapoor
Managing Director

K.N. Memani

Aditya Narayan

C. S. Nopany

Radha Singh

Marco Wadia

SECRETARY

Rajveer Singh

SENIOR EXECUTIVES

Abhay Baijal
Chief Financial Officer

A.K. Bhargava
Vice President - Works

V.K. Gupta
Vice President - Marketing

K. Satishchandra
Executive President -
India Steamship

AUDITORS

S.R. Batliboi & Co. LLP
Chartered Accountants

BRANCH AUDITORS

Singhi & Co.
Chartered Accountants

COST AUDITORS

K.G. Goyal & Associates

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DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 31st Annual Report on the business and operations of the Company together with audited accounts for the financial year ended March 31, 2016.

1. Financial Results and Appropriations

(Rs. in crore)

Particulars		2015-16	2014-15
(a)	Turnover (excluding excise duty)	**9535.86**	8868.05
(b)	Gross Profit after Finance Cost but before Exceptional Items, Depreciation and Tax	**776.67**	680.46
(c)	Depreciation / Amortization	**160.38**	173.32
(d)	Profit before Exceptional Items and Tax	**616.29**	507.14
(e)	Exceptional Items	**(370.05)**	(107.02)
(f)	Profit before Tax	**246.24**	400.12
(g)	Provision for Current Tax	**188.57**	148.56
(h)	Provision for Deferred Tax Charge / (Credit)	**(28.63)**	14.78
(i)	Profit after Tax	**86.30**	236.78
(j)	Balance of Profit Brought Forward	**1482.89**	1390.86
(k)	Profit available for Appropriation	**1569.19**	1627.64
(l)	Appropriations:		
	• General Reserve	**-**	50.00
	• Proposed Dividend on Equity Shares	**79.08**	79.08
	• Tax on Dividend	**16.10**	16.10
	• Proposed Dividend on Equity Shares held by Trust	**-**	(0.43)
	• Reversal of Dividend on Equity Shares held by Trust related to earlier years	**1.73**	-
	• Saving on payment of Dividend Distribution Tax	**(0.96)**	-
(m)	Balance Carried Forward to Balance Sheet	**1473.24**	1482.89

2. Operations

The Company has two business segments viz. Fertilisers and other Agri-inputs and Shipping. During the year under review, the Company has completed the sale of its textile business i.e. Birla Textile Mills to Sutlej Textiles and Industries Limited as a going concern on slump sale basis with effect from April 1, 2015. The Fertiliser and other Agri-inputs Division registered an increase in the turnover mainly on account of higher sales of products like imported fertilisers and own manufactured Single Super Phosphate. The traded products continued to make significant contribution to the bottom-line of the Company. The Shipping Division has also registered higher turnover mainly on account of better realisations from own vessels and achieved much better performance in comparison to previous year.

During the year under review, your Company has decided to set up new Urea plant at Gadepan for production of 1.34 Million MT of Urea per annum at a cost of approximately USD 900 Million ("Gadepan – III Project"). The Company has awarded contracts to Toyo Engineering Corporation, Japan and Toyo Engineering India Pvt. Limited, India for implementation of Gadepan – III Project. The Company has fully tied up the debt portion of the cost of Gadepan – III Project and the aforesaid contractors have started implementation of Gadepan – III Project. The commercial production of Urea from Gadepan – III Project is scheduled to start in January 2019. This project will be a stepping stone in the journey of growth of your Company as there will be an increase of about 63% in the present Urea production capacity of the Company.

The Approval of the shareholders of the Company was taken during the year for sale of one or more than one or all five ships/ vessels or the entire shipping business of the Company.

During the year under review, the Company has made a provision of Rs. 296.19 Crore on account of impairment in the value of its investment in CFCL Technologies Limited, Cayman Islands, a subsidiary of the Company. In addition to this, the Company has made a provision for impairment loss of Rs. 111.99 Crore as a result of sale transaction of the vessel - Ratna Puja. In view of this, the Profit after Tax during the year under review was much lower in comparison to the previous year.

The detailed information on the business segments of the Company and the respective industries are given in the Management Discussion and Analysis Report attached as Annexure "A" to this report.

3. Dividend

The Board recommends dividend @ Rs. 1.90 per equity share of Rs. 10 each (Previous Year – Rs. 1.90 per equity share) for the financial year ended March 31, 2016. The total outgo on this account will be Rs. 95.18 crore including dividend distribution tax.

4. 'Corporate Governance Report' and Code of Conduct

Your Company is committed to maintain highest standards of Corporate Governance and strives to improve the corporate governance standards and practices. Corporate Governance Report for the Financial Year 2015-16 is attached as Annexure "B". The declaration of the Managing Director confirming compliance with the 'Code of Conduct and Ethics' is enclosed as Annexure "C" and Auditors' Certificate confirming compliance with the conditions of Corporate Governance is enclosed as Annexure "D".

5. Joint Venture : Indo Maroc Phosphore S. A., Morocco (IMACID)

IMACID is a joint venture of your Company with Tata Chemicals Limited and OCP, Morocco with equal stake of each partner. IMACID is engaged in the manufacture of phosphoric acid in Morocco.

During the year 2015, IMACID achieved revenue of Moroccan Dirham (MAD) 2777.42 million (Rs. 18527.70 million) against revenue of MAD 2376.30 million (Rs. 16,686.12 million) achieved during the year 2014. The profit after tax of IMACID was MAD 194.01 million (Rs. 1,294.21 million) during the year as against MAD 90.09 million (Rs. 632.20 million) in the year 2014.

During the quarter ended March 31, 2016, IMACID achieved operating income of MAD 419.22 million (Rs. 2861.75 million).

The financial position of IMACID as at December 31, 2015 was as under:

Share Capital - MAD 620 million (Rs. 4,135.92 million)

Total Assets - MAD 1266.18 million (Rs. 8446.47 million)

Reserves and Surplus - MAD 256.09 million (Rs. 1708.33 million)

Total Liabilities - MAD 1266.18 million (Rs. 8446.47 million)

Investments - NIL

6. Subsidiaries

(i) Chambal Infrastructure Ventures Limited and its Subsidiaries

Chambal Infrastructure Ventures Limited ("CIVL") is a wholly owned subsidiary of your Company which was incorporated to pursue the business opportunities in Power sector. CIVL had established two down-stream wholly owned subsidiaries viz. Chambal Energy (Chhattisgarh) Limited ("CECL") and Chambal Energy (Orissa) Limited ("CEOL"). The Hon'ble High Court of Delhi has granted its sanction to the scheme of amalgamation of CECL and CEOL with CIVL. The order of the Hon'ble High Court has been filed by the aforesaid companies with the concerned Registrar of Companies. Accordingly, CECL and CEOL stand amalgamated with CIVL with effect from the appointed date of April 1, 2015.

The new site for CIVL's power project in Odisha has been approved by the Government of Odisha and the matter is being pursued with the concerned authorities for renewal of Memorandum of Understanding for setting up power project.

(ii) CFCL Technologies Limited, Cayman Islands and its Subsidiaries

CFCL Technologies Limited, a subsidiary of the Company, operates business through its step-down subsidiaries mainly in USA and India. ISGN Corporation, USA is a wholly owned subsidiary of CFCL Technologies Limited. ISGN Solutions Inc., USA is a wholly owned subsidiary of ISGN Corporation, USA. ISGN Corporation is engaged in designing, developing, marketing and distribution of software products for mortgage lending industry in USA. ISGN Solutions Inc. is mainly engaged in providing loan fulfillment solutions in USA such as closing and settlement services, valuation services, mortgage processing services, vendor management solutions for residential mortgage lenders, etc. These businesses are being supported by ISG Novasoft Technologies Limited, India (a downstream subsidiary of CFCL Technologies Limited) through its centres in India.

The decline in the performance of Software Business continued in the Year 2015 due to the mortgage market seeing significant dip in business volumes across the industry. Considering the market scenario, financial condition and future prospects, ISGN Corporation, USA has entered into a stock purchase agreement on January 28, 2016 for sale and transfer of its entire shareholding in ISGN Solutions, Inc., USA to Firstsource Group USA, Inc., USA for a sale consideration of USD 12.56 million (subject to closing and other adjustments). The shareholders of the Company has approved the aforesaid transaction through postal ballot on May 3, 2016. On completion of the transaction, ISGN Solutions, Inc. and its two subsidiaries viz. ISGN Fulfillment Services Inc., USA and ISGN Fulfillment Agency LLC, USA will cease to be subsidiaries of the Company.

Further, ISG Novasoft Technologies Limited has signed an agreement on January 28, 2016 for sale of its Business process outsourcing business to Firstsource Process Management Services Limited, India on slump sale basis at a consideration of Rs. 3 crore.

The aforesaid transactions are expected to be completed by end of May 2016.

(iii) India Steamship Pte. Limited, Singapore

India Steamship Pte. Limited, Singapore is a wholly owned subsidiary of your Company and it has operated during the year by in-chartering the vessels.

(iv) India Steamship International FZE, UAE

India Steamship International FZE, UAE ("ISS, UAE") was a wholly owned subsidiary of India Steamship Pte. Limited, Singapore. During the year, your Company had acquired entire shareholding of ISS, UAE from India Steamship Pte. Limited, Singapore. Consequently, ISS, UAE became direct subsidiary of your Company. ISS, UAE has commenced the in-chartering of ships during second half of the Financial Year 2015-16.

(v) India Steamship Limited, India

India Steamship Limited is a wholly owned subsidiary of your Company. There was no business activity in this subsidiary during the year under review.

The four downstream subsidiaries of the Company, namely Richmond Title Services, LP, USA, Richmond Title Genpar, LLC, USA, Richmond Investors, LLC, USA and ISGN Fulfillment Services Inc., Arizona, USA were dissolved during the year under review.

Save and except as mentioned above, no other subsidiary, associate or joint venture have been acquired/ included or ceased during the year under review.

The performance and financial position of the subsidiaries of the Company is summarized in Form AOC - 1 attached to the Financial Statements of the Company in pursuance of Section 129 of the Companies Act, 2013. The Company shall place the audited financial statements of its subsidiaries on its website in pursuance of Section 136 of the Companies Act, 2013 and shall provide a copy of these statements to any shareholder seeking it. These documents will also be available for inspection by members during business hours at the registered office of the Company at Gadepan, Dist. Kota, Rajasthan.

7. Health, Safety, Quality and Environmental Protection

Your Company gives highest priority to Environment Protection and Safety with a well-defined Environment, Health and Safety ("EHS") policy. The adherence to EHS policy is continuously monitored by senior management through regular reviews.

Your Company has established, on a sustainable basis, an Integrated Management System based on OHSAS-18001:2007, ISO-14001:2004 and ISO-9001:2008. It has also adopted Process Safety Management and guidelines of British Safety Council. Your Company has achieved the mile-stone of Zero reportable accident during the financial year 2015-16.

The details of various activities and achievements of the Company in this regard are as under:

(a) Health & Hygiene

There is a strong focus on health assessment and occupational disease monitoring of employees and associates through periodic medical examinations and hygiene monitoring at work place. Apart from two full time Doctors and trained nursing staff, specialist doctors like child specialist, Eye specialist, dental surgeon, Gynecologist, ENT surgeon, etc. visit the Health Centre at Gadepan regularly. There are three ambulances available on round the clock basis at the plant location of the Company.

The Health Centre at Gadepan provides its services round the clock to employees, their families, contractor work force and villagers in the vicinity of the plants. For enhancing awareness towards health related matters, periodical training and awareness programs are organized through external experts.

(b) Safety Management

A robust occupational health and safety management system is in place in your Company at Gadepan to take care of all the employees, contractor workforce as well as equipment and machinery. Effective implementation of the safety system is ensured through Hazard identification, risk assessment & mitigation procedures, safety work permit system, etc. Before executing any maintenance job in the plant, a cross functional team of senior management members review the jobs on a daily basis from a safety perspective to ensure that all recommended actions to prevent hazards are taken.

The extensive trainings and drills were conducted by internal and external experts on rescue, work at height, working inside confined space, fire-fighting, emergency handling, electrical safety, material handling, road safety, use of Breathing Air sets, etc. To encourage safety awareness and involvement among employees and contractor workforce, scheme of "Near-Miss" & "Make-to Good" reporting is in place in the fertiliser plants.

In order to create more awareness on Safety & Environment, various programmes were organized throughout the year like, National Safety Week, Road Safety Week, Fire Services Day, World Environment Day, etc. involving employees, their families and contractor workforce.

Your Company has a well-defined "Onsite Disaster Management Plan" and MARG (Mutual Aid and Response Group) arrangement with neighboring industry. Regular mock drills, fire drills and table top drills were conducted to verify emergency preparedness. Prompt fire-fighting services were provided to villages surrounding Gadepan plants. As a part of safety improvement initiative, online monitoring and reporting system - Uttam Suraksha Setu is in place.

(c) Environment Management

Your Company is conscious of its responsibility towards environment protection. This has led to an increasing focus over the years on reduction of environmental impact with respect to natural resource consumption (including raw materials, fuels and water), waste generation and emissions to the atmosphere. Your Company has taken concrete steps to achieve zero liquid effluent discharge after implementation of Gadepan – III Project.

Investors, suppliers, customers, local communities as well as government and regulatory agencies are vital stakeholders in our efforts towards green manufacturing. Your Company has a robust mechanism in place to ensure that all environmental parameters are maintained within the permissible limits. A dedicated Environment Management Cell is in place at Gadepan to monitor the environmental compliances.

The Company's Gadepan complex made a positive change in ecology due to development of a dense green belt / forest comprising of variety of fruits and shrubs. This has provided a soothing & healthy environment for people to live and work and habitat to many species of birds. Only treated waste water is used in maintaining the green belt through irrigation network spread all over the Gadepan complex.

(d) Quality Management

Your Company is ISO 9001:2008 certified and maintains high quality of product and processes. The quality assurance is ensured at all stages of manufacturing processes, maintenance and support services. Quality reviews are regularly conducted and feedback from end users (farmers) is accorded utmost importance. Sophisticated instruments are in place for monitoring of critical quality parameters.

(e) Achievements

Your Company regularly participates in national and international benchmarking surveys and awards for independent assessment and opportunity for continual improvement. Your Company has received following awards during the year under review:

- Environmental Protection Award (Winner) in the SSP Fertiliser Plants Category for the year 2014-15 from Fertiliser Association of India.
- "Rajasthan Energy Conservation Award-2015" by Govt. of Rajasthan, Department of Energy, Jaipur.

8. Corporate Social Responsibility ("CSR")

Your Company is conscious of its responsibility towards its stakeholders including the community at large and makes continuous efforts to contribute to their well-being. Your Company has taken several initiatives for sustainable development of rural community in the vicinity of its plants in partnership with local administration at Village, Block and District level.

The Company has made meaningful impact in the areas of education, healthcare, infrastructure development, soil health and skill development through its CSR programmes / projects. The CSR programmes / project of the Company are implemented directly as well as through KK Birla Memorial Society (KKBMS) and other Non-Governmental Organisations which are engaged in specific areas.

The major highlights of the CSR projects/ programmes of the Company during the Financial Year 2015-16 are as under:

a) School Education

The education is a flagship programme of the CSR activities of the Company. The Company is creating an impact in the lives of the children and youths by extending supports from pre-school education to job oriented courses at Industrial Training Institutes.

The Company has adopted 31 Balwadis in 26 villages of District Kota in partnership with Pratham Education Foundation. The Balwadis play an important role in preparing the children for pre-primary education. As a part of its CSR initiative, your Company has adopted 7 more schools during the year taking the total number of adopted schools to 39 Government Primary, Upper Primary, Secondary and Senior Secondary Schools in 26 villages in the vicinity of its plants in Kota and Baran Districts of Rajasthan. The objective of this programme is to improve the education standards in these schools. Pratham Education Foundation, a renowned Non-Governmental Organisation has been engaged to improve the learning level of students from nursery to 8th standard. Kumar Classes – a coaching institute from Kota has been engaged for remedial education for students of secondary and senior secondary classes. A significant improvement has been observed in the learning level of students in these schools post adoption by the Company. The renovation of 6 adopted schools was carried out during the year. Further, girls toilets were constructed in 6 schools in Sultanpur Block. The Company also provided stationery, school bags, note books and winter wears to around 3500 students. Your Company is also imparting basic computer courses to rural students through its 4 Community Information Technology Centre's located in villages contiguous to its urea plants.

CFDAV School is being run in the Gadepan complex for Nursery to Class 10 students in collaboration with DAV Trust and Management Society. Around 64% students in CFDAV School are from adjoining rural areas.

b) Technical Education

The Company had adopted Industrial Training Institute (ITI) at Sangod and Sultanpur in 2011 and 2014 respectively under Public Private Partnership scheme ("PPP"). ITI Sangod has become one of the best institutions of Rajasthan and has received various accolades at state and national level. ASSOCHAM has awarded Gold Trophy to ITI, Sangod adjudging it as best ITI under PPP model category in India. During last 4 years, ITI Sangod has been able to achieve almost 100% placement of students in the Industry. To further strengthen the Company's commitment towards skill education, your Company has adopted Government ITIs at Jhalawar and Baran during the year under review. The renovation work of these ITIs is under progress. The senior employees of the Company are involved in the management of these ITIs and Company's engineers also take extra classes for students therein.

In addition to the above, your Company is running four vocational training centers in the villages near Gadepan. These centers are in operation in partnership with District Adult Education Association (supported by Jan Shikshan Sansthan). During the year, around 255 youths were trained in various skills.

c) Community Health Care

The Company provides free of charge healthcare in adjoining villages of Kota district and villages near Mussoorie (Uttarakhand) in collaboration with Manorama Devi Birla Charitable Trust. During the year under review, the Company has collaborated with the NGO - School Health Annual Report Programme (SHARP) to provide health services in the villages of Kota district.

d) Infrastructure Development

Your Company has continued to contribute towards village rural infrastructure development. During the year under review, the Company has constructed 8 cement concrete roads / pavements in the villages near Gadepan under PPP scheme. Construction of 5 basketball courts and 10 pathways were carried out in the adopted Government Schools.

e) Soil Health

The Company is running two state-of-the-art agriculture development laboratories in Agra and Kota. During the year under review, the Company has started operating a Mobile Soil Testing Van in Varanasi to facilitate farming community. This initiative has received accolades from the Prime Minister of India. Three soil testing vans operated by the Company reach to the farmlands deep into the rural area.

The composition of Corporate Social Responsibility Committee is given in the Corporate Governance Report. The details of the development and implementation of the Corporate Social Responsibility Policy and Annual Report on CSR activities as prescribed under Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 which is annexed herewith as Annexure "E".

For the purpose of Section 135 of the Companies Act, 2013, the amount equivalent to 2% of the average net profits of the Company made during the immediately preceding three financial years works out to Rs. 8.45 crore. As against this, the Company spent Rs. 9.06 crore on CSR projects / programmes.

9. Directors and Key Managerial Personnel

(i) Directors

The Board consists of eight directors - seven non-executive directors including four independent directors and a Managing Director. Mr. Shyam S. Bhartia (DIN: 00010484) is due for retirement at the forthcoming Annual General Meeting and has offered himself for re-appointment.

Mr. Aditya Narayan (DIN 00012084), had been appointed as an Independent Director of the Company at the Annual General Meeting of the Company held on September 15, 2015 to hold office from April 01, 2015 for a term upto the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2018.

The Board of Directors at its meeting held on May 11, 2016 had re-appointed Mr. Anil Kapoor (DIN 00032299) as Managing Director of the Company for a period of 3 years with effect from February 16, 2017 and the Board commends the re-appointment of Mr. Anil Kapoor for approval of the shareholders.

During the year, the Managing Director has not received any commission or remuneration from any subsidiary of the Company.

All the Independent Directors have submitted declarations that they meet the criteria of independence as provided under Section 149 of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Board met six times during the Financial Year 2015-16.

Other information on the Directors and the Board Meetings is provided in the Report on Corporate Governance annexed to this Report as Annexure "B".

(ii) Key Managerial Personnel

Mr. M.S Rathore ceased to be Secretary of the Company with effect from May 01, 2015. The Board of Directors had appointed Mr. Rajveer Singh as Secretary of the Company and designated him as Key Managerial Personnel in such capacity, with effect from May 01, 2015.

10. Internal Financial Controls

The Company has policies and procedures in place for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The details of internal control system are given in the Management Discussion and Analysis Report attached hereto as Annexure "A".

11. Remuneration Policy

The Remuneration Policy of the Company including criterion for determining qualifications, positive attributes, independence of Directors and other matters as prescribed under Section 178 of the Companies Act, 2013 and Listing Regulations is annexed to this Report as Annexure "F"

12. Disclosures under the Companies Act, 2013 and Rules thereunder

a) Your Company has not issued any shares during the Financial Year 2015-16.

b) No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

c) All Related Party Transactions entered during the year were on arm's length basis. No material Related Party Transaction (transaction exceeding ten percent of the annual consolidated turnover of the Company as per last audited financial statements), was entered during the year by the Company.

The Company has sold and transferred its Textile Business i.e. Birla Textile Mills ("BTM") to Sutlej Textiles and Industries Limited ("STIL") as a going concern on slump sale basis with effect from April 1, 2015. The discussions were held with different parties for sale / disposal of BTM but same did not reach any fruitful conclusion. Then, STIL evinced their interest in purchasing BTM from the Company. It was decided to sell and transfer BTM in light of (i) there being limited scope for expansion of BTM at the current location in the State of Himachal Pradesh as the land in the factory premises was fully utilized, (ii) necessity of further capital expenditure of around Rs. 50 -60 Crore in coming years to maintain the productivity and keep the unit cost competitive; and (iii) downward trend in the textile business.

The Company has treated the said transaction as related party transaction and the shareholders of the Company has approved the said transaction at the Annual General Meeting held on September 15, 2015. The details of this transaction are given in Form AOC-2 attached to this report as Annexure "G".

d) The extract of Annual Return is attached to this Report as Annexure "H"

e) The following information is given in the Corporate Governance Report attached to this Report as Annexure "B".

i. The Performance evaluation of the Board, the Committees of the Board, Chairperson and the individual Directors;

ii. The Composition of Audit Committee; and

iii. The details of establishment of Vigil Mechanism.

f) The particulars of loans and guarantees given and investments made under Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

g) During the year, the auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

13. Directors Responsibility Statement

Your Directors hereby state that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed and no material departures have been made from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit and loss of the Company for the year ended March 31, 2016;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

14. Auditors

The Notes to the Financial Statements read with the Auditors' Report are self-explanatory and therefore, do not call for any further comments or explanations.

M/s. S. R. Batliboi & Co. LLP, Auditors (Registration No. 301003E/ E300005) and M/s. Singhi & Co., Chartered Accountants (Registration No. 302049E) Branch Auditors of Shipping Business of the Company are retiring at the ensuing Annual General Meeting ("AGM") of the Company and being eligible, offered themselves for re-appointment. Your Directors are seeking re-appointment of M/s. S.R. Batliboi & Co. LLP, Auditors and M/s. Singhi & Co., Branch Auditors of Shipping Business of the Company from the conclusion of the ensuing 31st AGM of the Company till the conclusion of 32nd AGM of the Company.

The Board of Directors of the Company appointed M/s. K.G. Goyal & Associates, Cost Accountants for conducting audit of cost accounts of the Company, as applicable, for the financial year 2016-17. As required under the Companies Act, 2013 and Rules framed thereunder, your directors are seeking ratification of the members for the remuneration payable to M/s K.G. Goyal & Associates, Cost Accountants.

15. Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed M/s. RMG & Associates, Company Secretaries for conducting secretarial audit of the Company for the financial year 2015-16. The Secretarial Audit Report issued by the aforesaid Secretarial Auditors is annexed herewith as Annexure "I".

There is no qualification, reservation, observation, disclaimer or adverse remark in the Secretarial Audit Report.

16. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The Company continuously endeavors to make its plants energy efficient and reviews various options to conserve energy on regular basis. The energy conservation is of paramount importance for sustainable business and it also results into saving of natural and financial resources. The Company has four double hull Aframax Tankers and these ships are more energy efficient as compared to the old vessels. The requisite information with regard to conservation of energy, technology absorption and foreign exchange earnings and outgo in terms of the Companies (Accounts) Rules, 2014 is set out in Annexure "J" attached hereto.

17. Risk Management

Your Company has developed and implemented a Risk Management Policy. The Company has constituted Risk Management Committee which periodically reviews all risks, finalise the risk document and monitors various risks of the Company including the risks, if any, which may threaten the existence of the Company. The composition and terms of reference of the Risk Management Committee are given in the Corporate Governance Report.

The risk document containing Key and Non-Key risks including way forward for mitigation thereof, as approved by the Risk Management Committee, is also circulated to the Audit Committee and the Board of Directors for their review periodically.

18. Deposits

During the year, the Company has not accepted deposits from the public under Chapter V of the Companies Act, 2013. Your Company has not defaulted in repayment of deposits or payment of interest during the year. There was no public deposit outstanding as on March 31, 2016.

19. Particulars of employees

Your Company recognizes that people are the most valuable resource of the Company. The committed work force has played an important role in the growth of the Company over the years. The Company always strives to keep its human resource motivated and encourages merit and healthy relations. Information required to be disclosed in pursuance of Section 197 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report and is attached hereto as Annexure "K".

20. Employees Stock Option Scheme

The members of the Company had approved CFCL Employees Stock Option Scheme 2010 on August 27, 2010 (as amended on September 13, 2013) for issue and allotment of options exercisable into not more than 41,62,000 equity shares of face value of Rs. 10/- each to eligible employees and Managing Director of the Company. Each option when exercised would be converted into one fully paid up equity share of Rs. 10/- of the Company. Consequent upon promulgation of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("ESOP Regulations"), the shareholders of the Company had approved the revised CFCL Employees Stock Option Scheme, 2010 ("ESOS 2010") on September 15, 2015 in compliance with the ESOP Regulations.

The details of material changes made in CFCL Employees Stock Option Scheme 2010 during the year are as under:

a) Provision has been made for 'CFCL Employees Welfare Trust' ("**Trust**"), to purchase shares from the secondary market.

b) The provision for direct subscription of shares by the employees upon exercise of stock options has been deleted as ESOS 2010 envisaged secondary acquisition of shares and in such case, as per ESOP Regulations, it has to be implemented through Trust only.

c) In order to give more time to the employees for exercise of options, the exercise period has been increased from five years to eight years from the date of vesting.

d) Certain other changes were made mainly to align ESOS 2010 with the requirements under ESOP Regulations

The Company has not granted any stock options during the year.

ESOS 2010 is in compliance with ESOP Regulations and implemented through the Trust. The Trustee of the Trust is holding 22,53,402 equity shares (0.54% of the paid up share capital) of the Company for the purpose of ESOS 2010. The ownership of these shares cannot be attributed to any particular employee till he / she exercises the stock options granted to him / her. Hence, the concerned employees to whom the stock options were granted under ESOS 2010 cannot exercise voting rights in respect of aforesaid shares held by the Trustee of the Trust as such employees are not holders of such shares. The Trustee has not exercised the voting rights in respect of the aforesaid shares in the Annual General Meeting of the Company held during the Financial Year 2015-16.

The disclosures required to be made under ESOP Regulations read with SEBI circular no. CIR/CFD/Policy Cell/2/2015 dated June 16, 2015 are given on the website of the Company at the weblink http://www.chambalfertilisers.com/pdf/esop-2016.pdf. The disclosures in respect of ESOS 2010 are also given in the notes to the Financial Statements.

21. Consolidated Financial Statements

In pursuance of the provisions of the Companies Act, 2013, Rules thereunder, Listing Regulations and the applicable Accounting Standards, the Company has prepared Consolidated Financial Statements. The Audited Consolidated Financial Statement alongwith Auditors' Report and the Statement containing salient features of financial statements of subsidiaries and joint venture **(Form AOC – 1)** forms part of the Annual Report.

22. Investor Service Centre

The In-house Investor Service Centre of your Company located at New Delhi, provides prompt service to the investors. The Company takes various measures for investor satisfaction such as reminders to investors about new corporate benefits, undelivered shares, unclaimed dividend, etc.

The equity shares of your Company are listed at National Stock Exchange of India Limited and BSE Limited. The Company has paid annual listing fees to these Stock Exchanges for the Financial Year 2016-17.

The members are requested to refer to general shareholders' information given in Corporate Governance Report appended hereto.

23. Acknowledgements

Your Directors wish to place on record their appreciation of the support and co-operation received from all stakeholders including the Department of Fertilisers, Government of India, State Governments, Domestic and International Financial Institutions & Banks. Your Directors also convey their sincere appreciation of the commitment, hard work and devotion of every employee of the Company which has enabled the Company to achieve sustained performance.

For and on behalf of Board of Directors

Place: New Delhi **S. K. Poddar**
Date: May 11, 2016 Chairman

Annexure "A" to Directors' Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Company has two business segments – Fertilisers & other Agri-inputs and Shipping. The Management Discussion and Analysis Report covering the aforesaid business segments of the Company is as under:

1.0 FERTILISERS AND OTHER AGRI-INPUTS DIVISION

1.1 Industry Structure and Developments

A) Urea

Urea is a major plant nutrient used by farming community. The demand of Urea in the country is met by domestic production and imports. Urea production in the country remained almost stagnant for many years despite steady increase in consumption. No new capacities were added during last 16 years except revamp of few existing plants. This has resulted into increasing dependence on imports. India imported around 8.47 million MT of Urea during the year 2015-16, constituting about 26.50% of the total urea consumption in the country. Urea production in the country during the year was 24.47 million MT against 22.59 million MT during the previous year. The increase in production was a result of positive changes in the Government policy coupled with pooling of Gas for Urea sector. The prices of imported Urea remained volatile during the year. The international prices (FOB – Arabian Gulf) of Urea were in the range of USD 260-265 per MT in April 2015 which went upto USD 300 – 305 per MT in June 2015 and came down to USD 205-215 per MT in March 2016.

Developments in Government Policies

The Government of India has notified the New Urea Policy, 2015 ("NUP 2015") with effect from June 1, 2015. Under NUP 2015 (i) the energy norms have been revised downwards, resulting into partial mopping up of energy gains; and (ii) for production beyond the re-assessed capacity, the Urea units are now entitled for the variable cost, energy savings and incentive at a uniform rate subject to Import Party Price plus incidental charges. In addition to this, the Government of India has also notified guidelines for pooling of Gas in Fertilizer (Urea) Sector. In pursuance of the aforesaid guidelines, the domestic gas is pooled with Re-gasified Liquified Natural Gas to provide natural gas at uniform delivered price to all natural gas grid connected Urea manufacturing plants for the purpose of manufacturing of Urea. The pooling of Gas gave a level playing field to the players in Urea Industry. The aforesaid policy decisions have augured well for the Urea Industry and enabled the Urea manufacturers to produce upto the maximum level.

B) Other Products

Apart from Urea, the Company also manufactures Single Super Phosphate (SSP) at its manufacturing Unit at Gadepan with an installed capacity of 180,000 MT per annum. The SSP market is very fragmented with many small players. The Company also sourced SSP manufactured by other parties.

The Company also supplies other agri-inputs through its well established marketing network. The Company imports and supplies Di-ammonium Phosphate (DAP), Muriate of Potash (MOP) and NPK Fertilisers in its marketing territory. There are large players in the market who manufacture and / or import DAP. The major consumption of DAP is met through imports in the country. As against total consumption of 9.76 Million MT during the year, around 5.60 million MT of DAP was imported constituting about 57% of total consumption in the country. There was downward trend in the prices of DAP in international market. The prices of imported DAP were in the range of USD 474 - 485 per MT in April 2015 which came down in the range of USD 350 - 360 per MT by March 2016. The demand of MOP in the country is entirely met out of imports. MOP imports in the country during the year were 3.24 million MT as against 4.20 million MT during the previous year.

The Company also deals in other agri-inputs like sulphur, micro-nutrients, insecticides, herbicides, fungicides, seeds, etc. with a large portfolio of products. The Company sources the products from reputed manufacturers and is known for quality products in the market. The insecticides market is dominated by multi-national companies and the products are either manufactured by them or they supply the basic ingredients to domestic manufactures for production of finished products. The seeds and micro-nutrients market is fragmented with many small manufactures. These products are sourced from domestic manufacturers with tight controls on quality parameters.

1.2 Opportunities & Threats

After notification of amended New Investment Policy 2012 (NIP), the Company moved ahead with its plans for setting up new Urea project at Gadepan, Dist. Kota, Rajasthan. The project is under implementation and expected to commence commercial production in January 2019. This is a huge opportunity available to the Company to expand its core business. The new plant will be the most modern and energy efficient plant in the country and it will substantially increase the production capacity of the Company. The economic benefits of the new plant will be available to all the stakeholders and it will serve the national interest by helping the country in moving towards self-sufficiency in Urea production.

The Company has rapidly expanded its business of DAP and MOP Fertilisers during past few years after implementation of Nutrient Based Subsidy Policy by the Government of India. This gave a major boost to the top line and bottom-line of the Company. The Company has established reliable supply channels in the international market to source quality products. It has strengthened its marketing network to seize the opportunities available in DAP and MOP segments. However, demand fluctuation due to monsoon variations, volatility in the global prices of these fertilisers and variation in the foreign exchange rates are the challenges and your Company take these factors into consideration while making its marketing strategy.

1.3 Risks and Concerns

The Fertiliser Industry is highly dependent on the Government policies and changes in such policies may sometimes adversely affect the Company. The subsidy is major component of revenue of the Company and delay in payment of subsidy by the Government creates stress on the working capital and increases the finance cost of the Company. During last few years, the

Government has resorted to under-provisioning of fertilizer subsidy in the union budget. The subsidy provision lasts only for first few months of the Financial Year and the fertiliser companies have to wait for long for release of subsidy thereafter. This is a concern area which is adversely affecting the bottom-line of the fertiliser companies.

The variations in demand of DAP and MOP due to change in monsoon patterns, volatility in foreign exchange rates and prices of the products in international markets and interest burden due to delay in payment of subsidy may impact the profitability of the Company.

1.4 Outlook

The demand of Urea is increasing gradually without matching capacity addition. Subject to risks and concerns mentioned above, the Urea business is unlikely to face any challenge in terms of sales volumes in near future in view of demand-supply gap. There is likelihood of capacity addition of Urea in the country after few years including from the new Urea project of the Company. The Company shall assess the demand – supply scenario emerging thereafter and make appropriate marketing strategy. The Company has registered encouraging growth in sales volumes of traded fertilisers. The Company will keep the momentum and the outlook looks positive in view of Company's strong marketing network and brand loyalty for the products of the Company.

1.5 Operational and Financial Performance

The performance of Fertilisers and other Agri-Inputs Division is summarized below:

Particulars	2015-16	2014-15
Urea Production (MT in lac)	21.25	18.52
Urea Sales (MT in lac)	20.70	18.85
Single Super Phosphate Production (MT in lac)	1.65	1.38
SSP Sales (MT in lac)	1.72	1.65
Sales including other Agri-inputs (Rs. in crore)	8795.41	7762.45
EBIDTA before exceptional item (Rs. in crore)	**703.21**	677.80

The Company's Urea Plants – Gadepan – I & II were operated efficiently during the year and has achieved best ever energy consumption.

The revenue from traded products was Rs. 4394.03 crore during the financial year 2015-16 in comparison to Rs. 3209.71 crore in the previous year. The sales of various products were as under:

Products	2015-16	2014-15
Di- Ammonium Phosphate (MT in lac)	8.98	6.39
Muriate of Potash (MT in lac)	1.87	1.99
Single Super Phosphate (MT in lac)	0.20	0.22
Other Fertilisers (MT in lac)	0.91	0.42
Pesticides (Net) – (Rs. in Crore)	250.67	259.19
Seeds (Net) – (Rs. in Crore)	64.93	61.61

During the year, the Company has set up an additional marketing office at Kolkata to expand its market presence in eastern India.

1.6 Material Developments in Human Resources/ Industrial Relations

The Company operates two sophisticated process plants for production of Urea. The availability and retention of qualified and trained manpower is critical for the Company's operations. Your Company seeks to ensure that appropriate recruitment and retention plans are in place so that there is no gap in talent pool. The Human Resource policies of the Company are aligned to keep the work force motivated with updated skill sets.

The Company reviews its policies and processes for personnel on continuous basis to adopt best market practices and to align them with developments in the industry. The Company has an appropriate performance appraisal system in place to identify and reward the talent. This has resulted in very low attrition rate in the Company. The existing talent pipeline is rejuvenated through recruitment of fresh engineers and professionals on a continuous basis.

The training of manpower is a process in continuum in the Company. The training and development needs are identified as part of the appraisal process and appropriate training programmes are designed based on the training and development needs of the employees. Employees are also nominated for external training programs from time to time. The employee strength of Fertilisers and other Agri-inputs Division was 917 as on March 31, 2016. The Company continues to maintain open and cordial employee relations across all locations.

2.0 INDIA STEAMSHIP- SHIPPING DIVISION

2.1 Industry Structure & Developments

The Shipping is an international business with major segments like dry bulk, containers and tankers. Your Company owns and operates coated Aframax tankers and is engaged in transportation of crude oil / petroleum products. The Company also operates in-chartered ships depending upon its business needs.

The financial year 2015-16 started with a positive note with strengthening of spot earning rates of ships which were significantly higher than the earning rates during previous two years. However, there was a major slide in the spot earning rates in the second quarter of the financial year 2015-16 and the earning rates went down further towards the end of the year. The reduction in earning rates also had its impact on asset prices and the market value of ships also came down.

2.2 Opportunities and Threats

In 2016, total crude tanker deadweight demand is projected to increase by 3.1% compared to 5.3% fleet growth. Although, crude tanker market fundamentals currently remain positive, relatively rapid fleet growth may exert some pressure during the year 2016-17. The earning rates and value of ships seems to have bottomed out and further slide is not expected. Any positive developments in global economy are likely to support the earning rates and asset prices of ships as the downside is limited. The Company however looks for opportunities in the area of in-chartering of ships when charter rates are low. The reduction in bunker rates in line with slide in crude oil prices is a positive development as it has reduced the operating cost of ships.

2.3 Risks and Concerns

The impact of global economic scenario is reflected in the shipping business due to international nature of this business. The movement in demand and supply of petroleum products has a correlation with the demand and supply of oil tankers. The crude trade on the West Africa-Mediterranean /UK continent route is expected to fall by 2% in 2016, partly due to the scheduled closure of refinery capacity in Europe and the likely easing of any demand stimulus in the region due to flat prices of crude oil. The slower rate of expansion is due to expected closures of some Japanese refinery capacity coupled with the reported delay in the completion of the Chinese Strategic Petroleum Reserve. The low earning rates and low value of ships is also an area of concern.

2.4 Outlook

The crude tanker demand is expected to be less than the fleet growth during the year 2016 which will continue to exert pressure on the earning rates and value of ships. US seaborne crude imports are projected to increase 5% in 2016, the first annual rise since 2010, as shale oil production falls. Although, the current scenario seems to be stable, the outlook for shipping business is only seen as moderate in the mid-term and not very positive in the long term.

2.5 Financial and Operational Performance

The summarized performance of Shipping Division during the year was as under;

Particulars	2015-16	2014-15
Sales (Rs. in crore)	760.44	721.44
EBIDTA before exceptional items (Rs. in crore)	213.45	128.24

The Company has sold the ship – Ratna Puja and delivered it to the buyer in April 2016. The Company now owns 4 double hull coated aframax tankers built in 2008 and later.

2.6 Material Developments in Human Resources / Industrial Relations

The Company has a committed on-shore team and experienced and qualified floating staff to ensure effective performance and operational efficiency. Ongoing training programmes for seafarers ensure efficient management of ships without any down time. The Occupational Health and Safety and Protection of environment are high priority areas for shipping business which also keep the employees motivated. The shipping division had 60 employees in its shore office and 130 floating staff on-board as on March 31, 2016. The employee relations continue to be cordial during the year.

INTERNAL CONTROL SYSTEM

The Company has a strong internal control system comprising various levels of authorization, supervision, checks and balances and procedures through documented policy guidelines and manuals. The Internal Audit department regularly monitors the efficacy of internal controls/ and compliances with Standard Operating Procedures and Manuals with an objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance that all transactions are authorized, recorded and reported correctly and compliance with policies and statutes are made.

The managers exercise their control over business processes through operational systems, procedure manuals and financial limits of authority manual. These processes are reviewed and updated on an 'on-going basis' to improve their efficacy and meet the business needs.

During the year, the internal audit was carried out by the internal audit team of the Company and M/s. Deloitte Haskins & Sells, LLP in clearly demarcated areas as per the approved audit plan. Internal Audit develops a risk based annual audit programme which is aligned to the previous year's observations, suggestions from the operating managers and statutory auditors. The Internal audit programme is approved by the Audit Committee.

The audit approach is based on random sample selection and takes into consideration the generally accepted business practices. The internal audit reports are first discussed by the Management Committee and subsequently placed before the Audit Committee of the Board of Directors along with the direction/ action plan recommended by the Management Committee. The directions are implemented by the respective departments and Action Taken Report is placed before the Audit Committee.

The Internal Audit department also assesses opportunities for improvement in business processes, systems and controls, gives recommendations and reviews the implementation of directions issued by the management, Board of Directors or its committees.

CAUTIONARY STATEMENT

The report may contain certain statements that the Company believes are, or may be considered to be "forward looking statements" that describe its objectives, plans or goals. All these forward looking statements are subject to certain risks and uncertainties, including but not limited to Government action, economic developments, risks inherent to the Company's growth strategy and other factors that could cause the actual results to differ materially from those contemplated by the relevant forward looking statements.

For and on behalf of Board of Directors

Place: **New Delhi**
Date: **May 11, 2016**

S. K. Poddar
Chairman

Annexure "B" to Directors' Report

CORPORATE GOVERNANCE REPORT

1. Company's Philosophy

The Company is committed to maintain high standards of corporate conduct towards all its stakeholders including shareholders, customers, employees and society in general. The Company has always focused on good corporate governance practices, which are key driver of sustainable corporate growth and long-term value creation for its shareholders. Corporate Governance aligns the interests of individuals, corporations and society and integrates all the participants involved in a process, which is not only economic but also social. Corporate Governance goes beyond the practices enshrined in the laws and encompasses the basic business ethics and values that need to be adhered to in letter and spirit.

The Company believes that corporate governance is not limited to merely creating checks and balances. It is more about creating organizational excellence leading to increase in employee and customer satisfaction and shareholders' value. The Company believes in leveraging its resources to translate opportunities into reality, create awareness of corporate vision and inculcate dynamism and entrepreneurship at all levels.

Above all, corporate governance must balance individual interest with corporate goals and operate within accepted norms of propriety, equity, fair play and a sense of justice. Accountability, integrity and transparency are key drivers to improve decision-making and the rationale behind such decisions, which in turn creates stakeholder confidence.

2. Board of Directors

As on March 31, 2016, the Board of Directors comprised of eight directors including a Managing Director. Out of the seven non-executive directors of the Company, four are independent directors including one woman director.

The non-executive directors bring an independent and wider perspective in Board deliberations and decisions. They have an objective view of external factors affecting the Company in its business environment. These directors make a constructive contribution to the Company by ensuring fairness and transparency while considering the business plans devised by the management team.

All the independent directors have an in-depth knowledge of business, in addition to the expertise in their area of specialisation and satisfy the criteria of independence as defined under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Mr. Shyam S. Bhartia (DIN: 00010484), Director of the Company is retiring by rotation at the forthcoming Annual General Meeting and is eligible and has offered himself for re-appointment.

The brief particulars of all the Directors are given below:

2.1 Mr. Saroj Kumar Poddar

Mr Saroj Kumar Poddar (DIN: 00008654), Chairman of the Company, a gold medalist in B.Com (Hons.) from Calcutta University, is the Chairman of the Adventz group with a turnover exceeding USD 3 billion. The Adventz group comprises 23 leading companies in various verticals, constituting key drivers of the Indian economy and was repositioned under the Adventz banner by Mr. Poddar, to leverage its exemplary equity in terms of knowledge, best practices and technical excellence. Mr. Poddar, has promoted various seminal projects including joint ventures (JV) with leading international corporations. The most notable of these ventures are Hettich India Private Ltd (a JV with the Hettich Group of Germany) and MCA Phosphates Pte Ltd. (a JV with Mitsubishi Corporation, Japan). Mr. Poddar was also instrumental in promoting Gillette India Limited (a venture with the Gillette Company of USA) and he was founder Chairman since 1984, before relinquishing the position in December 2013.

A recipient of the Rashtriya Samman from the Central Board of Direct Taxes, Mr. Poddar is a keen collector of contemporary Indian art and involved in the promotion and development of art, culture and sports. He is currently involved in setting up a museum in Delhi with the theme 'India through the ages'. The museum will be named as 'K.K. Birla Academy' in the fond memory of Late Dr. K.K. Birla.

Having served as President of Federation of Indian Chambers of Commerce and Industry (FICCI) and International Chamber of Commerce in India, Mr. Poddar has been appointed by Government of India on the Board of Trade - the highest body on trade and on the Court of the Indian Institute of Science, Bangalore. Mr. Poddar has also served for a decade as a member of the Board of Governors of the Indian Institute of Technology, Kharagpur and also on local Board of the Reserve Bank of India. He was also on the Advisory Board of one of the most reputed investment brokers, M/s N M Rothschild & Sons (India) Pvt. Limited.

Mr. Poddar is the Chairman of India-Saudi Arabia Joint Business Council and a Member of the Indo-French CEO Forum.

Names of other Indian public limited companies in which Mr. Saroj Kumar Poddar is Chairman/ Director.

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1.	Lionel India Limited	4.	Texmaco Rail & Engineering Limited
2.	Paradeep Phosphates Limited	5.	Zuari Agro Chemicals Limited
3.	Texmaco Infrastructure & Holdings Limited	6.	Zuari Global Limited

He is not a member of any Committee of any of the aforesaid Companies.

2.2 Mr. Shyam Sunder Bhartia

Mr. Shyam Sunder Bhartia (DIN: 00010484) is founder and Chairman of M/s. Jubilant Bhartia Group headquartered in New Delhi, India. He is also Chairman of major companies of Jubilant Bhartia Group including Chairman and Managing Director of

Jubilant Pharma Limited, Singapore. Mr. Bhartia holds Bachelor's degree from St. Xavier's College, Calcutta University and a fellow member of the Institute of Cost Accountants of India.

Mr. Bhartia has been associated with various institutions and has served as a member of Board of Governors of Indian Institute of Technology, Mumbai and Indian Institute of Management, Ahmedabad. He has also served as member of Executive Committee of FICCI and Confederation of Indian Industry (CII) and was also a member of Task Force on Chemicals appointed by the Government of India. Mr. Bhartia is a regular participant at the World Economic Forum Annual Meeting at Davos. He is a member of the Chemistry & Advanced Material Governors of the World Economic Forum.

Names of other Indian public limited companies in which Mr. Shyam Sunder Bhartia is Chairman/ Director or Chairman / member of Committee(s):

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1.	GeoEnpro Petroleum Limited	3.	Jubilant Life Sciences Limited[$]
2.	Jubilant Foodworks Limited	4.	Vam Holdings Limited[$]

[$] Also member of Stakeholders' Relationship Committee

2.3 Mr. Anil Kapoor

Mr. Anil Kapoor (DIN: 00032299) is B.Tech from Indian Institute of Technology, New Delhi and M.S. in Chemical Engineering from State University of New York, USA. Mr. Kapoor started his career with Hindustan Petroleum Corporation Limited (erstwhile Esso India) in 1980. He was involved in hardcore engineering / plant operations during his tenure of around 7 years with ICI India Limited where he has handled both Explosives and Fertiliser plant operations. As General Manager - Projects, he has successfully set up state of the art world class Brewery of UB Group in India. Mr. Kapoor worked for around 5 years as Vice President – Technical with Cabot India Limited where he was responsible for entire plant operations including maintenance, logistics, etc. He has vast experience in the diverse fields of projects, operations, marketing, finance, strategic planning, logistics, etc. Mr. Kapoor had joined the Company in the Year 2000 as Vice President – Strategic Planning. He has been Managing Director of the Company since 2007.

Mr. Kapoor is on the Board of Indo Maroc Phosphore S.A. (IMACID), Morocco. He is also on the Board of Fertiliser Association of India and member of National Executive Committee of FICCI.

Names of other Indian public limited companies in which Mr. Anil Kapoor is a Director:

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1.	Chambal Energy (Chhattisgarh) Limited*	3.	Chambal Infrastructure Ventures Limited
2.	Chambal Energy (Orissa) Limited*	4.	India Steamship Limited

*Since amalgamated with Chambal Infrastructure Ventures Limited

He is not a member of any Committee of any of the aforesaid Companies.

2.4 Mr. Kashi Nath Memani

Mr. Kashi Nath Memani (DIN: 00020696) is a Chartered Accountant. He was Chairman and Country Managing Partner of Ernst & Young, India until March 31, 2004. He was also member of Ernst & Young Global Council for 10 years. Mr. Memani specialises in Business and Corporate Advisory, Foreign Taxation, Financial Consultancy, etc. and is consulted on the corporate matters by several domestic and foreign companies.

He was member of various Committees of the Institute of Chartered Accountants of India. For two consecutive years, Mr. Memani was on the External Audit Committee (EAC) of the International Monetary Fund and was appointed as the Chairman of EAC for the year 1999-2000, the first Indian so far appointed in the Committee. Mr. Memani is the past Chairman of American Chamber of Commerce in India and former President of Indo- American Chamber of Commerce and PHD Chamber of Commerce. He is also a member of managing committees of various Industry Bodies.

Mr. Memani was Co-Chairman of New Company Law Drafting Committee and first Chairman of Quality Review Board, both set-up by Government of India.

Names of other Indian public limited companies in which Mr. Kashi Nath Memani is a Director or Chairman/ member of Committee(s):

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1.	Aegon Life Insurance Company Limited*	5.	ICICI Venture Funds Management Company Limited*
2.	DLF Limited*	6.	JK Lakshmi Cement Limited
3.	Emami Limited	7.	National Engineering Industries Limited*
4.	HT Media Limited*		

* Also Chairman/ Member of Audit Committee

2.5 Mr. Aditya Narayan

Mr. Aditya Narayan, (DIN 00012084) is a B.Tech. from Indian Institute of Technology, Kanpur and holds a L.L.B degree from Kanpur University. He did his MS from the University of Rochester, NY, USA and was a Commonwealth Scholar at a senior executive course in strategic management at the Manchester Business School, UK.

Mr. Narayan has over 40 years of diverse experience in Industry. Beginning his career in 1973 with ICI India, he grew through a wide range of functions and businesses before serving as its Managing Director during 1996 - 2003. He then served as the non-executive Chairman of ICI India Limited (now Akzo Nobel India Limited) over 2003 - 2010. He worked as the President and CEO of BHP Billiton India during 2005 – 2009. He has also served on the Boards of a few other companies.

Names of other Indian public limited companies in which Mr. Aditya Narayan is a Director or Chairman/ member of Committee(s):

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1.	Hindustan Unilever Limited*	2.	Linde India Limited*$

* Also Chairman/Member of Audit Committee $ Also Chairman of Stakeholders' Relationship Committee

2.6 Mr. Chandra Shekhar Nopany

Mr. Chandra Shekhar Nopany (DIN: 00014587) is an industrialist having vast industrial experience in diverse fields like sugar, shipping, textiles and fertilisers. He is a Chartered Accountant and Master of Science in Industrial Administration from Carnegie Mellon University, Pittsburgh, U.S.A. He is former President of the Indian Chamber of Commerce, Kolkata and Indian Sugar Mills Association. He is also on the Board of Directors of several companies promoted by late Dr. K.K. Birla, including few subsidiaries and joint venture of the Company. He contributed significantly to the organic and in-organic growth of the K K Birla Group and continues to lead as a new generation entrepreneur with concerted focus on efficiency and growth. He is also the Chairman of Vikas Vidyalaya, Ranchi (Jharkhand), a prestigious co-educational Higher Secondary residential school affiliated to CBSE, New Delhi.

Names of other Indian public limited companies in which Mr. Chandra Shekhar Nopany is Chairman/ Director or Chairman/ member of Committee(s):

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1.	New India Retailing & Investment Ltd	5.	The Oudh Sugar Mills Limited
2.	Ronson Traders Limited $	6.	Upper Ganges Sugar and Industries Ltd.$
3.	SIL Investments Limited$	7.	Uttar Pradesh Trading Co. Limited
4.	Sutlej Textiles and Industries Limited	8.	Yashovardhan Investment & Trading Co. Ltd.

$ Also Chairman/ member of Stakeholders Relationship Committee

2.7 Ms. Radha Singh

Ms. Radha Singh (DIN: 02227854) has a Post Graduate degree in Public Policy/ Administration from Harvard University, USA and a Master's degree in Social & Political Sciences from University of Delhi. She had retired from Indian Administrative Service. Prior to retirement, she was holding the position of Secretary, Agriculture and Cooperation, Government of India. She has 39 years' experience in public service, in several areas including rural and agricultural development, water resources, public finance and institution building. In her capacity as Agriculture and Cooperation Secretary, she headed several national and international organizations as a Board Member/ Chairperson.

In her long career in public service, she has held many high level policy and managerial positions in the Government of India. These include Secretary, Department of Animal Husbandry, Dairying and Fisheries, Additional Secretary/ Joint Secretary in the Ministry of Water Resources, Director General of the National Water Agency and positions in the Economic Affairs Department and field assignments. She had worked with the World Bank in Washington, DC, U.S.A. as an Institutional Specialist and several other capacities for six years (1992-1998).

Presently, Ms. Singh is Agriculture Advisor to FICCI and Non-executive Chairperson of the Board of Directors of Yes Bank Limited. She is also an Independent Director on the Board of Syngenta Foundation for Sustainable Agriculture, Switzerland.

Names of other Indian public limited companies in which Ms. Radha Singh is Chairperson / Director or member of Committee(s):

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1.	Yes Bank Limited	3.	LT Foods Limited*
2.	Cheminova India Limited		

* Also Member of Audit Committee and Stakeholders' Relationship Committee.

2.8 Mr. Marco Philippus Ardeshir Wadia

Mr. Marco Philippus Ardeshir Wadia (DIN: 00244357) is B.A. (Hons.), L.L.B. and practicing Advocate since 1986, specializing in corporate matters. He has been a partner in the firm of M/s. Crawford Bayley & Co. Solicitors & Advocates, Mumbai since 2001. He is on the Boards and Committees of various companies including Indian Register of Shipping.

Names of other Indian public limited companies in which Mr. Marco Philippus Ardeshir Wadia is a Director or Chairman/ member of Committee(s):

Sl. No.	Name of the Company	Sl. No.	Name of the Company
1.	Gobind Sugar Mills Limited	5.	Stovec Industries Limited*
2.	Josts Engineering Company Limited*	6.	Zuari Agro Chemicals Limited*$
3.	Paradeep Phosphates Limited*	7.	Zuari Global Limited*$
4.	Simon India Limited*		

* Also Chairman/ Member of Audit Committee $ Also Member of Stakeholders' Relationship Committee

3. Meetings and Attendance

The Meetings of the Board are generally held at the Corporate Office of the Company at Jasola, New Delhi - 110025. The Board meetings are scheduled within forty five days from the end of the quarter in the manner that it coincides with the announcement of quarterly financial results. In case of urgency, additional board meetings are convened. During the year under review, six Board Meetings were held on April 30, 2015, August 10, 2015, November 3, 2015, December 22, 2015, January 21, 2016 and March 14, 2016. The gap between two board meetings did not exceed one hundred twenty days.

The composition of the Board of Directors, their attendance at the Board Meetings held during the Financial Year 2015-16 and Annual General Meeting, number of other directorships in Indian public limited companies and membership of the Committees of the Boards of such companies are as follows:

Name of Director	Category of Director	Whether Attended Last AGM	No. of Board Meetings attended	Other Directorships	Membership of Committees of other Boards	
					Chairperson	Member
Mr. S. K. Poddar	NED/PG	No	4	6	0	0
Mr. S. S. Bhartia	NED/PG	No	3	4	0	2
Mr. Anil Kapoor	MD	Yes	6	4	0	0
Mr. K.N. Memani	ID	No	5	7	3	2
Mr. Aditya Narayan	ID	Yes	6	2	2	1
Mr. C.S Nopany	NED/PG	No	5	8	3	0
Ms. Radha Singh	ID	No	6	3	0	2
Mr. Marco Ph. A. Wadia	ID	Yes	5	7	2	6

ID - Independent Director, **MD** - Managing Director, **NED** - Non Executive Director, **PG** - Promoter Group

Notes:

(i) Directorship excludes Indian private limited companies, foreign companies and companies registered under section 8 of the Companies Act, 2013.

(ii) Committees mean Audit Committee and Stakeholders Relationship Committee of Indian Public Limited Companies.

(iii) The aforesaid Directors are not relatives of each other (as defined under the Companies Act, 2013 and Rules thereunder).

During the year under review, the Independent Directors held one separate meeting on April 30, 2015 in pursuance of applicable statutory and regulatory provisions.

4. Board Agenda

The calendar of Board meetings is scheduled in the beginning of the year and shared with Board members. Apart from the annual board meeting calendar, the Board members are given a notice of a Board meeting normally more than a month before the meeting date except in case of emergent meetings. The Board members are provided with well-structured and comprehensive agenda papers with background information and analysis to enable them to take informed decisions. Agenda papers are circulated well in advance of the meeting. Additional / supplementary items are taken up with the permission of the Chairperson and requisite consent of the Directors. Where it is not practicable to attach any document to the agenda, the same is circulated in the meeting / placed before the meeting.

5. Committees of the Board

The Board of Directors has constituted various Board committees with specific terms of reference and scope to ensure timely and effective working of the Board and the Company in addition to comply with the provisions of the Listing Regulations , other regulations / guidelines of Securities and Exchange Board of India (SEBI) and other statutory provisions. The committees operate as empowered bodies of the Board. In your Company, there are eight Committees of the Board of Directors, which have been delegated adequate powers to discharge their roles & responsibility and urgent business of the Company. These Committees are - (i) Audit Committee; (ii) Corporate Social Responsibility Committee (iii) Nomination and Remuneration Committee; (iv) Stakeholders Relationship Committee; (v) Banking and Finance Committee; (vi) Project Monitoring Committee; (vii) Risk Management Committee; and (viii) Strategy Committee. The Committees meet as often as required. The terms of reference and composition of these Committees are as follows:

5.1 Audit Committee

(i) Terms of reference:

The terms of reference of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and the Listing Regulations. It also discharges such other functions as may be delegated by the Board from time to time. The role of the Audit Committee includes oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible, recommending the appointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by statutory auditors, reviewing with the management and examination of the annual financial statements before submission to the Board of Directors and auditors report thereon, reviewing with the management the quarterly financial results before submission to the Board of Directors for approval, review and monitor the auditors' independence and performance and effectiveness of audit process, approval or any subsequent modification of transactions with related parties, scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of the Company, wherever necessary, evaluation of internal financial controls and risk management systems, reviewing with the management performance of statutory and internal auditors and adequacy of the internal control systems and review of the functioning of whistle blower mechanism.

The Audit Committee also reviews the management discussion and analysis of financial condition and results of operations, statement of significant related party transactions, internal auditor reports relating to internal control weaknesses and such other matters / information as prescribed.

In addition to the above, the Audit Committee reviews the contracts entered into by the Company related to traded products, valuing more than Rs. 25 Crore, the contracts entered in the register maintained under section 189 of the Companies Act, 2013 and status of material claims filed against the Company.

The minutes of the Audit Committee meetings are circulated to the Board of Directors.

(ii) Composition:

The Committee comprises of four independent Directors. Mr. K. N. Memani being Chartered Accountant is a financial expert. The Company Secretary is the secretary of the Committee. The permanent invitees include Managing Director, Chief Financial Officer, representatives of statutory auditors and internal auditors. Further, the cost auditor and other executives of the Company are invited in the audit committee meetings, as and when required. The Chairman of the Audit Committee was present at the last Annual General Meeting. The Committee met seven times during the year on April 29, 2015, August 10, 2015, November 2, 2015, December 22, 2015, January 20, 2016 March 10, 2016 and March 14, 2016 and the attendance of the members at the meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Mr. Marco Wadia	Chairman	Independent	6
Mr. K.N Memani	Member	Independent	4
Mr. Aditya Narayan	Member	Independent	6*
Ms. Radha Singh	Member	Independent	7

*Appointed as Member of the Committee w.e.f. April 30, 2015.

5.2 Corporate Social Responsibility Committee

(i) Terms of reference:

The terms of reference of the Committee are as prescribed under the Companies Act, 2013 and the Rules framed thereunder and it discharges such other functions as may be delegated by the Board of Directors from time to time. The role of the Committee includes formulating and recommending to the Board a Corporate Social Responsibility ("CSR") Policy indicating the activities to be undertaken by the Company as specified in the Companies Act, 2013, recommending the amount of expenditure to be incurred on such activities and monitoring the CSR Policy of the Company from time to time. The Committee also reviews periodically the progress of CSR projects / programs / activities undertaken by the Company.

(ii) Composition:

The Committee comprises of three Directors. The Committee met twice during the year on November 2, 2015 and March 28, 2016 and the attendance of members at the meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Mr. S.S. Bhartia	Chairman	Non-executive	2
Mr. C. S. Nopany	Member	Non-executive	2
Ms. Radha Singh	Member	Independent	2

5.3 Nomination and Remuneration Committee

(i) Terms of reference:

The terms of reference of the Committee are in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations. It discharges such other functions as may be delegated by the Board from time to time. The role of the Nomination and Remuneration Committee includes formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for directors, key managerial personnel and other employees, identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal, devising a policy on Board diversity, formulating the criteria for evaluation of independent directors and the Board, evaluation of every director's performance and recommend or approve as the case may be, the remuneration including compensation package, increments, incentives, additional perquisites, etc. of Managing Director/ Whole Time Director/ Manager and senior executives (including Key Managerial Personnel) of the Company.

The Committee is also authorized and empowered to superintend and administer the Employees Stock Option Scheme(s) of the Company including CFCL Employees Stock Option Scheme 2010.

(ii) Composition:

The Committee comprises of three Directors. The Committee met twice during the year on April 29, 2015 and August 10, 2015 and the attendance of members at the meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Ms. Radha Singh	Chairperson	Independent	2
Mr. C. S. Nopany	Member	Non-executive	2
Mr. Marco Wadia	Member	Independent	2

The Remuneration Policy of the Company is attached as Annexure "F" to the Directors' Report.

5.4 Stakeholders Relationship Committee

(i) Terms of reference:

The terms of reference of the Committee are in accordance with the provisions of Companies Act, 2013 and the Listing Regulations. It discharges such other functions as may be delegated by the Board from time to time. The role of the Stakeholders Relationship Committee includes review and redressal of grievances of security holders of the Company, allotment of securities, issue of duplicate certificates and deciding the dates of book closure/ record dates in respect of the shares and other securities issued by the Company.

In order to provide quick service to investors and expedite the process of transfers, the Board has delegated sufficient powers to the company executives to deal with various matters including transfer of shares across the counter, transmission of securities, etc.

(ii) Composition:

The Committee comprises of three Directors. The Committee met four times during the year on April 29, 2015, August 10, 2015, November 2, 2015 and January 20, 2016 and the attendance of members at the meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Ms. Radha Singh	Chairperson	Independent	4
Mr. Marco Wadia	Member	Independent	3
Mr. Anil Kapoor	Member	Managing Director	4

(iii) Name, designation and address of Compliance Officer

Mr. Rajveer Singh

Assistant Vice President- Legal & Secretary

Chambal Fertilisers and Chemicals Limited

Corporate One, 1st Floor

5, Commercial Centre, Jasola

New Delhi-110 025

Tel. : 91 11 41697900

Fax. : 91 11 40638679

E-mail: compliance.officer@chambal.in

(iv) Shareholders' grievances received and resolved during the year:

The Company had 1,53,394 investors as on March 31, 2016. During the year under review, the status of requests and complaints received, was as follows:

Particulars	Opening Balance	Received	Total Resolved	Closing Balance
Requests	12	8393	8405	0
Complaints	0	419	419	0

5.5 Banking and Finance Committee

(i) Terms of reference:

The Committee was formed to approve availment of various types of finances and any other specific matter delegated by the Board from time to time.

(ii) Composition:

The Committee comprises of four Directors. The Committee met once during the year on February 13, 2016 and the attendance of members at the meeting was as follows:

Name of the Member	Status	Category	Meeting attended
Mr. S. S. Bhartia	Chairman	Non-executive	Yes
Mr. C. S. Nopany	Member	Non-executive	No
Mr. Anil Kapoor	Member	Managing Director	Yes
Mr. Aditya Narayan*	Member	Non-executive	Yes

*Appointed as Member of the Committee w.e.f. November 03, 2015.

5.6 Project Monitoring Committee

(i) Terms of reference:

The Committee was formed to review progress of various projects of the Company and approve contracts of certain value. It has also been delegated necessary powers to review and monitor the progress of new Urea project of the Company.

(ii) Composition:

The Committee comprises of four Directors. The Committee met once during the year on January 7, 2016 and the attendance of members at the meeting was as follows:

Name of the Member	Status	Category	Meeting attended
Mr. C. S. Nopany	Chairman	Non-executive	No
Mr. Anil Kapoor	Member	Managing Director	Yes
Mr. K. N. Memani	Member	Independent	No
Ms. Radha Singh	Member	Independent	Yes

5.7 Risk Management Committee

(i) Terms of reference:

The composition of the Committee meets the requirements of Listing Regulations although such requirements regarding composition of Risk Management Committee are not applicable to the Company. The terms of reference of the Committee include review and monitor all business risks of the Company, finalise the risk document and to deal with other matters as may be prescribed in the Risk Management Policy of the Company or delegated to the Committee.

(ii) Composition:

The Committee comprises of three Directors, Chief Financial Officer and Company Secretary of the Company. The Committee met twice during the year on April 17, 2015 and November 2, 2015 and the attendance of members at the meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Mr. S.S Bhartia	Chairman	Non-executive	1
Mr. Aditya Narayan	Member	Independent	2
Mr. Anil Kapoor	Member	Managing Director	2
Mr. Abhay Baijal	Member	Chief Financial Officer	2
Mr. Rajveer Singh	Member	Company Secretary	2

5.8 Strategy Committee

(i) Terms of reference:

The terms of reference of the Committee include evaluation of non- core businesses of the Company from time to time, appointment of legal, tax, financial and other consultants and determine the scope of their services and terms of appointment and to recommend to the Board suitable option(s) pertaining to any of these businesses.

(ii) Composition:

The Committee comprises of four Directors. The Committee met twice during the year on August 10, 2015 and December 22, 2015 and the attendance of members at the meetings was as follows:

Name of the Member	Status	Category	Number of Meetings attended
Mr. Marco Wadia	Chairman	Independent	2
Mr. S.S Bhartia	Member	Non-executive	1
Mr. Anil Kapoor	Member	Managing Director	2
Mr. Aditya Narayan*	Member	Independent	Not Applicable

*Appointed as Member of the Committee w.e.f. December 22, 2015.

During the year, the Board of Directors had dissolved the Code of Conduct Committee and Restructuring Committee of the Board.

6. Details of remuneration paid to directors during the Financial Year 2015-16

6.1 Executive Director

Managing Director	Salary (Rs.)	Performance Bonus (Rs.)	Perquisites (Rs.)	Retirement Benefits (Rs.)
Mr. Anil Kapoor	231,44,875	1,00,000,00	15,08, 648	34, 02,000

(i) The shareholders of the Company at the Annual General Meeting held on September 15, 2015 had approved the re-appointment of Mr. Anil Kapoor as Managing Director of the Company for a period of two years with effect from February 16, 2015.

(ii) Subject to the approval of the shareholders, the Board of Directors at its meeting held on May 11, 2016 has re-appointed Mr. Anil Kapoor as Managing Director of the Company for a period of 3 years with effect from February 16, 2017. The term of appointment of Mr. Anil Kapoor is upto February 15, 2020, which can be terminated by either party by giving three months' written notice to other party.

(iii) No sitting fee or severance fee is payable to Managing Director.

(iv) The Performance Bonus payable by the Company to Managing Director is decided by the Board/ Nomination and Remuneration Committee on annual basis based on the performance of the Company and other relevant factors.

The Company had granted 150,000 stock options to the Managing Director during the Financial Year 2010-11. Each option is convertible into one equity share of Rs. 10 of the Company. The stock options were granted at the market price i.e. the latest available closing price on the stock exchanges where the shares of the Company are listed, prior to the date of the meeting of the Committee in which the options were granted. The details of vesting of stock options are under:

Date of Vesting	No. of Options
16.09.2011	22,500
16.09.2012	22,500
16.09.2013	30,000
16.09.2014	37,500
16.09.2015	37, 500
Total	1,50,000

The stock options can be exercised within 8 years from the respective dates of vesting. Mr. Anil Kapoor has exercised 11,000 stock options till March 31, 2016.

6.2 Non - Executive Directors

The Company pays sitting fee for attending the Board and Committee meetings to its Non-Executive Directors @ Rs.50,000 per Board meeting, Rs. 25,000 per Audit Committee meeting and Rs. 15,000 per meeting of other Committees of the Board. The details of sitting fee paid and the commission payable to the Directors are as follows:

Sl. No.	Name of the Director	Sitting Fee Paid (Rs.)	Commission payable for the Financial Year 2015-16 (Rs.)
1.	Mr. S. K. Poddar	200,000	500,000
2.	Mr. K.N. Memani	350,000	500,000
3.	Mr. C. S. Nopany	310,000	500,000
4.	Mr. Aditya Narayan	495,000	500,000
5.	Ms. Radha Singh	610,000	500,000
6.	Mr. Marco Wadia	505,000	500,000

Mr. S.S. Bhartia opted out from receiving any sitting fee and commission w.e.f. April 1, 2015.

The shareholders of the Company, at the annual general meeting held on September 15, 2015, had approved payment of commission to non-executive directors for a period of 5 years with effect from the financial year 2015-16 subject to the aggregate annual limit of one percent of the net profits of the Company and the commission payable to a non-executive director not to exceed Rs. 5,00,000 in any financial year. After considering the time devoted and contribution made by the individual directors in the affairs of the Company, the Board has decided to pay Commission to non-executive directors on uniform basis. There was no other pecuniary relationship or transaction with the non-executive directors.

7. Board Diversity Policy

The Company has a diverse business portfolio serving different customer segments. Having members of the Board from different fields is therefore necessary as well as significant for sustained commercial success of the Company and in maintaining its competitive advantage. The Board of Directors have adopted "Board Diversity Policy" which set out the basic guidelines to constitute a diverse Board that can, *inter alia*, draw upon a range of perspectives, experience and knowledge.

8. Performance Evaluation

In pursuance of the provisions of the Companies Act, 2013 and Listing Regulations, the Performance Evaluation Policy has been laid down for evaluation of performance of the Board of Directors, the Committees thereof and individual Directors including the Chairperson of the Board. The Nomination and Remuneration Committee had finalized the proformas / questionnaires containing different parameters to evaluate the performance of Board and its committee(s), Individual Directors and Chairperson of the Company. The performance evaluation parameters are based on their roles and responsibilities, contribution to the Company's goals, decision making process, flow of information and various other aspects.

The evaluation of performance of the Board as a whole, Committees of the Board, Individual Directors and Chairperson of the Company was carried out for the Financial Year 2015-16. The performance of each director has been evaluated by Nomination and Remuneration Committee. The Independent Directors in their separate meeting carried out the evaluation of the Board of Directors as a whole, Chairperson of the Company and Non-Independent Directors. The Chairperson of Nomination and Remuneration Committee and the Independent Directors have submitted reports of their respective evaluations to the Chairperson of the Company.

Based on the questionnaires received from the Directors and considering the reports of Chairperson of Nomination and Remuneration Committee and Independent Directors, the Board evaluated its own performance and that of its committees and individual directors including independent directors.

9. Vigil Mechanism and Whistle Blower Policy

The Company has a Whistle Blower Policy for establishing vigil mechanism for directors, employees and other stakeholders to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's "Code of Conduct and Ethics". The Directors and Employees are not only encouraged but required to report their genuine concerns and grievances under this policy. The vigil mechanism under the Policy provides adequate safeguard against victimization of the directors and the employees who avail of the mechanism and also provide for direct access to Chairman of the Audit Committee in exceptional cases. No personnel were denied access to the Audit Committee. The Whistle Blower Policy is available on the website of the Company at www.chambalfertilisers.com & intranet site - www.chambal.in

10. Related Party Transactions

During the financial year 2015-16, all transactions entered into with Related Parties, as defined under the Companies Act, 2013 and Listing Regulations, were on an arm's length basis. During the year, the Company has sold and transferred its Textile Business i.e. Birla Textile Mills ("BTM") to Sutlej Textiles and Industries Limited. The Company has treated the said transaction as related party transaction and the shareholders of the Company had approved the said transaction at the Annual General Meeting held on September 15, 2015. This transaction was on arm's length basis and the details of this transaction are given in Form AOC-2 attached as Annexure "G" to the Directors' Report. There were no other materially significant transactions with related parties during the year that may have potential conflict with the interest of the Company at large. The Company has formulated a policy on dealing with related party transactions which has been uploaded on the website of the Company and can be accessed at the weblink - *http://www.chambalfertilisers.com/pdf/Policy-on-Related-Party-Transactions-December-1-2015.pdf*

11. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The commodity price risk of the Company may arise mainly out of imported fertilisers due to fluctuation of prices in the international market. The Company controls such risk through robust sourcing strategy and supply plan including benchmarking with domestic production cost. The Company did not enter into any transaction for hedging the commodity price risk.

The foreign exchange risk of the Company arises mainly out of import of fertilisers and foreign currency borrowings. The revenue of shipping division provides natural hedge against foreign exchange risk to some extent. The Company continuously monitors its foreign exchange exposure and hedges its foreign exchange risk exposure to the extent considered necessary through forward contracts and option structures. The details of foreign currency exposure are given in the Notes to the Financial Statements.

12. Shareholding of Directors as on March 31, 2016

Name	Number of Shares held	Name	Number of Shares held
Mr. S. K. Poddar	7,06,128	Mr. Anil Kapoor	NIL
Mr. C. S. Nopany	3,23,775	Mr. K.N. Memani	NIL
Mr. Marco Wadia	6,000	Mr. Aditya Narayan	NIL
Mr. S. S. Bhartia	110	Ms. Radha Singh	NIL

13. General Body Meetings

13.1 The last three Annual General Meetings of the Company were held as under:

Financial year	Date	Time	Location
2014-15	15.09.2015	1030 hours	Registered Office of the Company at Gadepan, Distt. Kota, Rajasthan
2013-14	18.09.2014	1030 hours	
2012-13	13.09.2013	1030 hours	

13.2 During the last three years, the Company had taken shareholders' approval by way of special resolutions as per the details given below:

Date of Annual General Meeting	Nature of approval
September 15, 2015	1. Approval for payment of commission to Non-executive Directors. 2. Approval for adoption of new Articles of Association of the Company. 3. Approval of revised CFCL Employees Stock Option Scheme 2010 ("ESOS 2010") and implementation of ESOS 2010 through CFCL Employees Welfare Trust. 4. Approval of acquisition of equity shares of the Company by CFCL Employees Welfare Trust ("Trust") from secondary market and grant of loan to the Trust. 5. Approval to make offer or invitation for subscription of non-convertible debentures, on private placement basis.
September 18, 2014	1. Approval of the borrowing powers / limits of the Board of Directors of the Company. 2. Approval to make offer or invitation for subscription of non-convertible debentures on private placement basis.
September 13, 2013	Amendment to 'CFCL Employees Stock Option Scheme 2010'.

13.3 During the year 2015-16, the Company had sought Shareholders' approval by way of special resolutions through postal ballots as per details given below:

Resolution	Date of Postal Ballot Notice	Date of Announcement of Result	Total No. of Valid Votes	No. of Votes with Assent for the Resolution	No. of Votes with Dissent for the Resolution
Special Resolution to authorize the Board of Directors of the Company to sell, assign, transfer and deliver one or more than one or all five (5) ships/vessels of the Company or the entire shipping undertaking/ business of the Company as a going concern on slump sale basis, or some other appropriate structure.	22.12.2015	08.02.2016	30,74,25,426	30,31,19,552 (98.60%)	43,05,874 (1.40%)
Special Resolution to approve the sale, assignment, transfer and delivery by ISGN Corporation, a material subsidiary of the Company, of its entire shareholding in ISGN Solutions, Inc. (a subsidiary of ISGN Corporation and downstream subsidiary of the Company) to Firstsource Group USA, Inc.	14.03.2016	05.05.2016	30,47,68,147	30,43,60,678 (99.87%)	4,07,469 (0.13%)

Mr. Manish Gupta, Partner of RMG & Associates, Company Secretaries in whole time practice was appointed as scrutinizer for conducting the postal ballot exercise (including e-voting) for the aforesaid matters.

There is no immediate proposal for passing a resolution through postal ballot. In case a resolution is proposed to be passed through postal ballot, the procedure of postal ballot and other requisite details shall be provided in the postal ballot notice.

14. Disclosures

14.1 No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority in any matter related to capital markets, for non-compliance by the Company.

14.2 Your Company is fully compliant with the corporate governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations, as applicable and compliance reports on Corporate Governance in the requisite formats signed by the Compliance Officer, have been submitted to the concerned stock exchanges.

14.3 The Company has formulated a "Policy for determining Material Subsidiaries" which has been uploaded on the website of the Company (www.chambalfertilisers.com) and can be accessed at the weblink – *http://www.chambalfertilisers.com/pdf/Policy-on-Material-Subsidiary-December-1-2015.pdf*

14.4 The details of familiarization programmes imparted to Independent Directors are available on the website of the Company and can be accessed at the weblink - http://www.chambalfertilisers.com/pdf/Familiarization-Programme-for-Independent-Directors.pdf

14.5 The Company has adopted the following discretionary requirements relating to:

a) Maintenance of the office of Non-Executive Chairman at the Company's expense

b) Separate posts of Chairman and Managing Director

c) Unmodified audit opinion on Financial statements of the Company.

14.6 During the year, no case was filed with the Company under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

15. Means of Communication

15.1 The Company regularly interacts with the shareholders through multiple channels of communication such as publication of results on quarterly, half-yearly and annual basis, published in the main editions of national and vernacular dailies (such as Mint, Rajasthan Patrika and Dainik Bhaskar), Annual Report, e-mails and the Company's website.

15.2 The quarterly results, shareholding pattern, corporate governance reports, intimation of board meetings, etc. are filed with the Stock Exchanges through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre.

15.3 The results are simultaneously posted on the website of the Company at www.chambalfertilisers.com. The investors can also find on this website the Annual Reports, Quarterly Results, Sustainability Reports, composition of various committees of Board, terms and conditions for appointment of independent directors, details of various services being provided to investors, guidance and procedure to be followed by the investors for transfer, transmission and transposition of the securities, de-materialisation, re-materialisation of shares, etc.

15.4 The transcripts of earning calls with the investors / analysts, record of meetings with analysts / institutional investors and official news releases, if any, are uploaded on the website of the Company.

15.5 Management Discussion and Analysis Report forms part of the Directors' Report.

16. Code of Conduct & Ethics

The Company had adopted Code of Conduct and Ethics which is available on the website of the Company (www.chambalfertilisers.com). The object of the Code is to conduct the Company's business ethically and with responsibility, integrity, fairness, transparency and honesty.

The Code of Conduct also serves as a tool in carrying out the Company's social responsibility in a more effective manner. This Code sets out a broad policy for one's conduct in dealing with the Company, fellow directors and employees and with the external environment in which the Company operates.

The declaration given by Managing Director of the Company affirming compliance of the Code by the Board Members and Senior Management Personnel of the Company during the Financial Year 2015-16 is enclosed as Annexure - "C" to Directors' Report.

17. General Shareholders' Information

17.1 31st Annual General Meeting

Venue : Registered Office at Gadepan, Distt. Kota, Rajasthan - 325208
Time : 1030 hours
Day & Date : Thursday, September 22, 2016

17.2 Financial Year : April to March

17.3 Tentative Financial Calendar

Event	Date
Audited Annual Results (2015-16)	May 11, 2016
Mailing of Annual Report	August 2016
First Quarter Results	Early August 2016
Half Yearly Results	Early November 2016
Third Quarter Results	Late January or early February 2017
Audited Annual Results (2016-17)	Late April or Early May 2017

17.4 Book Closure

The register of members and share transfer books of the Company shall remain closed from September 6, 2016 to September 8, 2016 (both days inclusive).

17.5 Dividend Payment Date: September 27, 2016

17.6 Listing on Stock Exchanges and Stock codes

The names and addresses of the stock exchanges at which the equity shares of the Company are listed and the respective stock codes are as under:

Sl. No	Name of the Stock Exchange	Stock Code
1.	BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001	500085
2.	National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051	CHAMBLFERT

The Company has paid annual listing fees for the Financial Year 2016-17 to BSE and NSE.

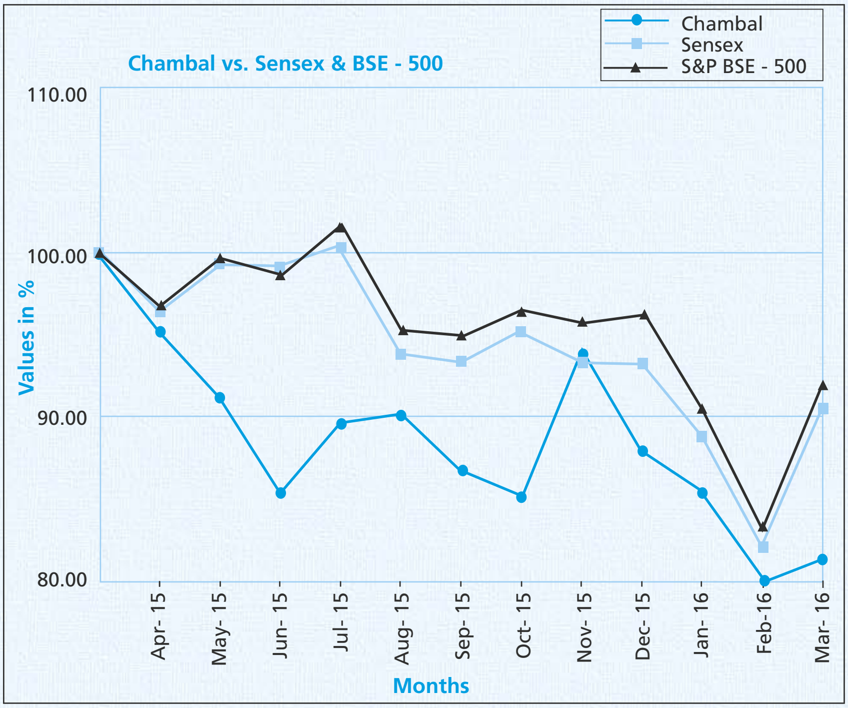
17.7 Market Price Data

High and low of market prices of the Company's equity shares traded on BSE and NSE during the financial year 2015-16 were as follows:

(Amount in Rs.)

Month	BSE		NSE	
	High	Low	High	Low
April, 2015	77.00	60.00	77.00	62.55
May, 2015	66.30	61.00	66.40	61.00
June, 2015	63.60	57.25	62.95	57.30
July, 2015	65.80	57.75	65.90	57.75
August, 2015	72.75	57.20	72.70	56.80
September, 2015	60.95	53.85	65.50	53.90
October, 2015	61.25	57.15	61.25	57.20
November, 2015	64.80	54.10	64.90	53.55
December, 2015	65.20	57.25	65.30	56.30
January, 2016	67.50	53.10	67.50	52.90
February, 2016	59.45	50.85	59.50	50.65
March, 2016	56.65	52.70	57.80	52.80

17.8 Performance of Chambal's equity share in comparison to BSE Sensex and S&P BSE 500 on the basis of closing values:



The base of 100 is taken to be the closing price of shares and values of indices as on March 31, 2015.

17.9 Registrar and Transfer Agents & Share Transfer System

M/s. Zuari Investments Ltd. is your Company's Share Transfer Agent. Share transfers in physical form and other communications regarding shares, dividends, change of address, etc., may be addressed to:

M/s. Zuari Investments Limited

Corporate One, First Floor, 5, Commercial Centre, Jasola

New Delhi - 110 025; Tel : 011 - 41697900, 46581300; Fax : 011 - 40638679; E-mail : isc@chambal.in

The dematerialized shares are directly transferred to the beneficiaries by the Depositories.

The Share Transfer Agents have an online computerized system for transfer of shares in physical form. The designated officials of the Company are authorised to approve transfer of shares after they are processed by the Share Transfer Agents including transfer of shares 'Over the Counter' upto 10,000 shares per request. Average time taken in transfer of shares is around 2 working days from the date of receipt of the request.

17.10 Address for Correspondence

The Investors can personally contact or send their correspondence either to Share Transfer Agents at the aforesaid address or at the Company's Investor Service Centre at the following address:

Chambal Fertilisers and Chemicals Limited

Investor Service Centre

Corporate One, First Floor, 5, Commercial Centre, Jasola

New Delhi - 110 025; Tel : 011 - 41697900, 46581300; Fax : 011 - 40638679; E-mail : compliance.officer@chambal.in
Website : www.chambalfertilisers.com

17.11 Dematerialisation of Shares and Liquidity

The Equity Shares of the Company are compulsorily traded in dematerialised form and the Company has signed agreements with both the Depositories i.e. National Securities Depositories Limited and Central Depository Services (India) Limited. As on March 31, 2016, about 93.30% of the share capital of the Company was held in dematerialised form.

17.12 Transfer of shares in Unclaimed Suspense Account

The Company has transferred to the 'Unclaimed Suspense Account' the unclaimed equity shares which were issued in physical form from time to time. The details of such unclaimed shares are as under:

Particulars	No. of Shareholders	No. of Shares
Aggregate Number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on April 1, 2015	2,615	4,41,006
Number of shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account during the Financial Year 2015-16	3	1,391
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during Financial Year 2015-16	3	1,391
Aggregate Number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on March 31, 2016	2,612	4,39,615

The voting rights on the shares outstanding in the Unclaimed Suspense Account shall remain frozen till the rightful owner of such shares claims the shares.

17.13 Distribution of Shareholding

The distribution of shareholding as on March 31, 2016 was as follows:

Sl. No	No. of Equity Shares held	No. of Share Holders	Percentage of total Shareholders	No. of Shares held	Percentage of total shares
1.	1 to 500	1,32,033	86.07	2,38,66,068	5.74
2.	501 to 1000	12,449	8.12	1,09,52,223	2.63
3.	1001 to 5000	7,459	4.86	1,64,92,526	3.96
4.	5001 to 10000	749	0.49	56,88,718	1.37
5.	10001 to 100000	562	0.37	1,59,96,891	3.84
6.	100001 to 500000	74	0.05	1,77,85,930	4.27
7.	500001 & above	68	0.04	32,54,25,496	78.19
Total		1,53,394	100.00	41,62,07,852	100.00

The shareholding pattern of the Company alongwith top ten shareholders and other details are given in Annexure "H" to the Directors'Report.

17.14 Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity - NIL

17.15 Location of the Plants

a) Fertiliser Plants :

Gadepan, Distt. Kota, Rajasthan, India, PIN – 325 208.

b) India Steamship - Shipping Division

"Birla Building", 9th Floor, 9/1, R.N. Mukherjee Road, Kolkata – 700001.

For and on behalf of Board of Directors

Place : New Delhi
Date : May 11, 2016

S. K. Poddar
Chairman

Annexure "C" to Directors' Report

DECLARATION OF MANAGING DIRECTOR

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Anil Kapoor, Managing Director of Chambal Fertilisers and Chemicals Limited, declare that the members of Board of Directors and senior management personnel of the Company have affirmed their compliance with the Code of Conduct and Ethics during the year 2015-16.

Place : New Delhi
Date : May 11, 2016

Anil Kapoor
Managing Director

Annexure "D" to Directors' Report

AUDITOR'S CERTIFICATE

To,

The Members of Chambal Fertilisers and Chemicals Limited

We have examined the compliance of conditions of Corporate Governance by Chambal Fertilisers and Chemicals Limited ('the Company'), for the year ended March 31, 2016, as stipulated in Clause 49 of the Listing Agreement ("Listing Agreement") of the Company with the stock exchanges and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as applicable.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement / Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921

Place: New Delhi
Date: May 11, 2016

Annexure "E" to Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects or Programs	The Company is engaged in various social initiatives through its intervention in the area of Education, Infrastructure, Healthcare, Women empowerment, etc. The CSR activities are carried out by the Company in partnership with NGOs or Government Agencies. The Company has framed a CSR Policy which includes the details of projects or programs to be undertaken by the Company, in compliance with the provisions of the Companies Act, 2013. The Policy is placed on the Company's website and can be accessed at the web-link: *http://www.chambalfertilisers.com/pdf/ChambalCSRPolicy2014.pdf*
2.	The Composition of the CSR Committee.	Mr. S. S. Bhartia - Chairman Mr. C. S. Nopany - Member Ms. Radha Singh - Member
3.	Average net profit of the company for last three financial years	Rs. 422.70 Crore
4.	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs. 8.45 Crore
5.	Details of CSR spent during the financial year.	
	a) Total amount to be spent for the Financial Year	Rs. 8.45 Crore
	b) Total amount spent for the Financial Year	Rs. 9.06 Crore
	c) Amount unspent, if any	NIL
	d) Manner in which the amount spent during the financial year	As per details given below.

Details of amount spent on CSR Projects and Programs during the Financial Year 2015-16

Sl. No.	CSR Projects or activity identified	Sector in which the project is covered	Projects or programs (1) Local Area or other (2) State or district where the project or program was undertaken	Amount outlay – (budget) Project/ program wise (Rs. In lac)	Amount Spent on the projects or programs (1) Direct expenditure on project or programs (2) Overheads (Rs. in lac)	Cumulative expenditure up to reporting period (Rs. in lac)	Amount Spent : direct or through implementing agency
(i)	**Education initiative**						
(a)	Elementary, Secondary & Technical Education	Education	(1) Local Area (2) Distt. Kota, Rajasthan	307.60	(1) 312.02 (2) 12.08	324.10	Direct and KK Birla Memorial Society (KKBMS)
(b)	CFDAV School, Gadepan			88.93	(1) 66.39 (2) 2.57	68.96	Direct and KKBMS in partnership with DAV Trust and Management Society
(ii)	**Vocational Training Centres**	Skill Enhancement	(1) Local Area (2) Distt. Kota, Rajasthan	27.20	(1) 5.21 (2) 0.20	5.41	KKBMS in partnership with District Adult Education Association and Eklavya Development Society
(iii)	**Infrastructure**	Infrastructure / Swatch Bharat Mission	(1) Local Area (2) Distt. Kota, Rajasthan	162.16	(1)161.09 (2) 6.23	167.32	Direct and KKBMS
(iv)	**Health care Initiatives**						
(a)	at Gadepan	Health	(1) Local Area (2) Distt. Kota, Rajasthan	26.16	(1) 20.63 (2) 0.80	21.43	KKBMS
(b)	In Uttarakhand		(1) Other (2) Distt. Tehri and Dehradun, Uttarakhand	31.39	(1) 30.00 (2) 1.16	31.16	KKBMS in partnership with Manorama Devi Birla Charitable Trust
(v)	**Various other schemes i.e. Self Help Groups, assistance in Government Pension Schemes / LPG connections, veterinary camps, etc.**	Employability and Empowerment	(1) Local Area (2) Distt. Kota, Rajasthan	20.92	(1) 39.81 (2) 1.54	41.35	Direct and KKBMS

(vi)	**Soil Health Initiative**	Maintaining quality of soil	(1) Local Area (2) Dist. Kota, Rajasthan & Agra, U.P.	240.64	(1) 236.96 (2) 9.17	246.13	KKBMS
Grand Total (i to vi)				**905.00**	**905.86**	**905.86**	
6.	In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount				Not Applicable		

The Corporate Social Responsibility Committee confirms that the implementation and monitoring of CSR policy is in compliance with the CSR objectives and Policy of the company.

Anil Kapoor
Managing Director

S.S. Bhartia
Chairman- Corporate Social Responsibility Committee

Place : New Delhi
Date : May 11, 2016

Annexure "F" to Directors' Report

REMUNERATION POLICY

1. PURPOSE

To provide a framework and principles which will guide the remuneration strategy of Chambal Fertilisers and Chemicals Limited ("Company") for its Directors, Key Managerial Personnel and other employees. The Policy shall ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate its Directors and personnel to guide and manage the Company successfully.

2. DEFINITIONS

i. "**Act**" means the Companies Act, 2013 including any modification or re-enactment thereof.

ii. "Listing Regulations" means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended or replaced from time to time.

iii. "**Board**" means the Board of Directors of the Company.

iv. "**Committee" or "Nomination and Remuneration Committee**" means a Committee of the Board, constituted in accordance with the provisions of Section 178 of the Act and the Listing Regulations.

v. "**Employees' Stock Options**" means the options given or to be given by the Company to the Managing Director and employees of the Company in fertiliser and agri-input business which gives them the right to purchase, or to subscribe for, the equity shares of the Company at a future date at a pre-determined price.

vi. "**Independent Director**" means the Independent Director of the Company appointed in pursuance of the Act and Listing Regulations..

vii. "**Key Managerial Personnel**" or "**KMP**" means the person(s) appointed as such in pursuance of Section 203 of the Act.

viii. "**Management Committee**" means a committee of a particular business division of the Company comprising of members of Senior Management of such business division and KMPs.

ix. "**Rules**" means the rules framed under the Act.

x. "**Remuneration**" means any money or its equivalent given or passed on to any person for services rendered by him/ her and includes perquisites and other benefits.

xi. "**Senior Management**" means the employees of the Company holding the position of Vice President or above in Fertiliser and agri-input business of the Company, Company Secretary, Chief Financial Officer and head of Shipping business of the Company.

3. APPOINTMENT AND REMOVAL OF DIRECTORS, KMPs AND SENIOR MANAGEMENT PERSONNEL

3.1 Appointment Criterion and Qualifications

3.1.1 A person proposed to be employed by the Company at Senior Management shall fulfil the following criterion:

a) He / she should be a person of integrity with high level of ethical standards.

b) The person should possess adequate qualification, positive attributes, expertise and experience commensurate with the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / adequate for the concerned position.

c) The person should not have been convicted by a court of law of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for 6 months or more during last 5 years or imprisonment for 7 years or more at any point in time.

d) The person should possess all requisite qualifications (wherever applicable) as may be prescribed under any law, rules, regulations and Listing Regulations.

3.1.2 The persons proposed to be appointed as Directors and Managing Director or Whole Time Director shall fulfil the following criterion:

a) He / she should be person of integrity with high level of ethical standards.

b) The person should have requisite qualification and experience in any of the areas like technical, finance, law, public administration, management, accounting, marketing, production, human resource, etc., as may be required in the context of the business and operations of the Company. The Committee has discretion to decide whether the qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

c) The person should not have been disqualified to be a director as per the provisions of the Act, Rules and any other law and regulation for the time being in force.

d) In case of appointment as Independent Director, the person should fulfil the criterion of independence prescribed under the Act, Rules and the Listing Regulations.

3.2 Recommendation of the Committee

Depending upon the requirement of the Company, the Committee shall identify the persons who fulfil the criterion mentioned above for appointment as Director, KMP or Senior Management Personnel and recommend to the Board for such appointment including the Remuneration and terms of their appointment.

The Committee shall also recommend to the Board the increment and performance incentive of Managing Director and Whole Time Director of the Company.

The Committee shall approve the increment and performance incentive of Senior Management personnel.

Unless it is required to be determined by the Board or Committee in pursuance of any provision of law, rules or regulation, the terms of employment and Remuneration including increment, performance incentive, etc. of the employees (excluding Senior Management) are determined by the Management Committee of the concerned business division of the Company.

3.3 Removal

Due to reasons for any disqualification mentioned in the Act, Rules or under any other law, rules and regulations or Code of Conduct & Ethics of the Company, the Committee may recommend to the Board, removal of a Director, KMP or Senior Management personnel from the services of the Company, with the reasons recorded in writing. The removal of a Director, KMP or Senior Management personnel by the Board shall be subject to the provisions and in compliance of the Act, Rules and any other laws, rules and regulations, as may be applicable.

3.4 Retirement

Unless removed by the competent authority,

a) A Director including Managing Director and Whole Time Director, if any, shall retire as per the terms of his/ her appointment.

b) Senior Management personnel shall retire as per the prevailing retirement policy of the Company.

c) The Board shall have the discretion to retain KMPs or Senior Management personnel on the same or similar position, remuneration or otherwise even after their attaining the age of superannuation, as it may deem fit, for the benefit of the Company.

4. REMUNERATION STRUCTURE & COMPONENTS

4.1 MANAGING DIRECTOR AND WHOLE TIME DIRECTOR

The Managing Director including Whole-Time Director(s) shall be paid both fixed and variable components of Remuneration subject to the provisions of the Act, Rules and other laws, rules and regulations and the Listing Regulations. The variable component of Remuneration shall have a co-relationship with the performance of such a Director against a prescribed benchmark alongwith the factors such as financial performance of the Company. The Committee shall formulate and recommend to the Board from time to time Remuneration packages for Managing Director(s) and Whole-Time Directors keeping a balance between fixed and variable pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals including internal comparison amongst compensation of whole time directors and median employee pay. The Company has granted Employees Stock Options to the Managing Director. The Managing Director(s) and Whole-Time Directors are not entitled to sitting fee for attending Board Meetings.

4.2 NON EXECUTIVE DIRECTORS

Non-Executive Directors shall be paid adequate and reasonable sitting fee for attending meetings of the Board and Committees thereof subject to the maximum amount permissible under the Act and Rules. Subject to the adequacy of the profits and approval of the Shareholders, the Company may pay commission to the Non- Executive Directors of the Company.

The Board shall determine appropriate criterion for payment of commission to Non- Executive Directors which may include the time devoted by the directors for the business of the Company, contribution made by the director in the functioning of the Company, etc.

4.3 OTHER KMPs AND EMPLOYEES

CFCL has two businesses viz. Fertiliser and other Agri-inputs and Shipping. Both these businesses have unique requirement of talent, qualification and skill sets. Accordingly, the payment structure and salary levels are aligned keeping in view the particular industry requirement. Each business division has have its own policies pertaining to perquisites and benefits including retirement benefits which are designed as per the industry practice, business needs or other factors related to such business.

The Human Resource Department undertakes review of the Remuneration through periodic benchmarking exercises, surveys and market trends. The various Remuneration components are combined to ensure an appropriate and balanced Remuneration package depending upon the level of employee, job profile, performance, future potential and other relevant variables.

The Remuneration of Senior Management personnel and other employees are based on the following fundamental principles:

a) Demand-supply relationship of the concerned job expertise.

b) Need of organization to retain and attract talent and its ability to pay.

c) Employees' social aspiration for enhancing standard of living.

d) Compensation trends in the industries in which the Company operates.

The compensation of Senior Management personnel comprises of fixed component as well as performance based incentives apart from perquisites and benefits including retirement benefits. While approving the increment and performance incentive of Senior Management personnel, the Committee shall strike a balance between fixed and variable pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The Remuneration package of other employees depends upon the nature of business, job profile and other factors mentioned above. Apart from fixed component, the package may include one or more variable components such as performance based incentives, annual bonus, production linked bonus, etc., as the case may be.

The Company has also granted Employees Stock Options to the KMPs and employees above a certain level in the Fertiliser & Agri-Inputs division of the Company.

For and on behalf of Board of Directors

Place : New Delhi
Date : May 11, 2016

S. K. Poddar
Chairman

Annexure "G" to Directors' Report

FORM NO. AOC-2

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and* Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

2. Details of material contracts or arrangement or transactions at arm's length basis:

a.	Name(s) of the related party and nature of relationship	Name of the Related Party: Sutlej Textiles and Industries Limited ("STIL"). Nature of Relationship: Mr. Chandra Shekhar Nopany, a director of the Company and member of the promoter group of the Company is also a director and Chairman of STIL but he and his relatives do not hold more than 2% of the paid-up share capital of STIL. Thus, STIL is not a related party of the Company. However, Mr. Chandra Shekhar Nopany holds along with his relatives, more than 2% of the paid-up share capital of the Company. Thus, the Company falls within the ambit of a "related party" of STIL.
b.	Nature of contracts/ arrangements/ transactions	Sale of textiles business of the Company i.e. Birla Textile Mills ("BTM") to STIL as a going concern on slump sale basis in terms of the Business Purchase Agreement dated June 30, 2015 entered between the Company and STIL.
c.	Duration of the contracts/ arrangements/ transactions:	One Time Transaction
d.	Salient terms of the contracts or arrangements or transactions including the value, if any:	The broad terms of the Business Purchase Agreement dated June 30, 2015 between the Company and STIL are as follows: (i) The sale and transfer of BTM is effective from April 1, 2015. (ii) The total consideration for the sale of BTM is Rs. 232.63 crore less term loans from banks outstanding as on April 1, 2015 and transferred as part of BTM (subject to closing and other adjustments). (iii) Appropriate indemnity has been provided by the Company to STIL for claims and litigations (including labour related matters, if any) which may arise on or after April 1, 2015.
e.	Date(s) of approval by the Board, if any:	March 14, 2015
f.	Amount paid as advances, if any:	STIL has paid an advance of Rs. 5 Crore to the Company which has been adjusted against the payment of final sale consideration.

For and on behalf of Board of Directors

Place : New Delhi
Date : May 11, 2016

S. K. Poddar
Chairman

Annexure "H" to Directors' Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2016

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i	CIN	L24124RJ1985PLC003293
ii	Registration Date	May 7, 1985
iii	Name of the Company	Chambal Fertilisers and Chemicals Limited
iv	Category / Sub-Category of the Company	Public Limited
v	Address of the Registered office and contact details	Gadepan, District – Kota, Rajasthan PIN–325 208, Phone No. 0744-2782915
vi	Whether listed company Yes / No	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Zuari Investments Limited, Corporate One, First Floor, 5, Commercial Centre, Jasola, New Delhi – 110025 Phone 011-41697900, 46581300 Fax : 011 – 40638679, Email : isc@chambal.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Urea	20121	44.34%
2.	DAP	20123	34.86%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Chambal Infrastructure Ventures Limited, "Corporate One", First Floor, 5, Commercial Centre, Jasola, New Delhi – 110 025.	U45200DL2007PLC157223	Subsidiary	100	2(87)
2.	India Steamship Pte Limited, 24, Raffles Place, #24-03 Cllford Centre, Singapore 48621	Foreign Company	Subsidiary	100	2(87)
3.	India Steamship International FZE, PO Box 42596, Hamriyah Free Zone, UAE	Foreign Company	Subsidiary	100	2(87)
4.	India Steamship Limited, P.O. Gadepan, District – Kota, Rajasthan, PIN -325 208	U61100RJ2011PLC034702	Subsidiary	100	2(87)
5.	CFCL Technologies Limited, C/o M&C Corporate Services Limited, PO. Box 309 GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands.	Foreign Company	Subsidiary	72.27	2(87)
6.	ISGN Corporation, 2330, Commerce Park Drive, NE, Suite 2, Palm Bay, FL 32905, USA	Foreign Company	Subsidiary	72.27	2(87)
7.	CFCL Ventures Limited, C/o M&C Corporate Services Limited, PO. Box 309 GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands.	Foreign Company	Subsidiary	72.27	2(87)
8.	ISGN Solutions, Inc 2330, Commerce Park Drive, NE, Suite 2, Palm Bay, FL 32905, USA	Foreign Company	Subsidiary	72.27	2(87)
9.	ISGN Fulfillment Services, Inc. (Pennsylvania) 2330, Commerce Park Drive, NE, Suite 2, Palm Bay, FL 32905, USA	Foreign Company	Subsidiary	72.27	2(87)
10.	ISGN Fulfillment Agency, LLC 2330, Commerce Park Drive, NE, Suite 2, Palm Bay, FL 32905, USA	Foreign Company	Subsidiary	72.27	2(87)
11.	ISG Novasoft Technologies Limited, Ground Floor, Vayu Block, Salarpuria GR Tech Park, Whitefield, Bengaluru, PIN – 560 066	U72900KA2003PLC050528	Subsidiary	72.27	2(87)
12.	Inuva Info Management Private Limited, Flat No.3B, 3rd Floor, 208, S.P. Mukherjee Road, PS - Tollygunge, Kolkata – 700 026.	U72900WB2001PTC093549	Subsidiary	51.32	2(87)
13.	Indo Maroc Phosphore S.A, Morocco 2, Rue Al Abtal, Hay Erraha, 20200, Casablanca, Morocco.	Foreign Company	Joint Venture	33.33	2(6)

Note: Chambal Energy (Orissa) Limited (CIN:U40300DL2007PLC171736) and Chambal Energy (Chhattisgarh) Limited (CIN: U40300DL2007PLC171762), wholly owned subsidiaries of Chambal Infrastructure Ventures Limited ("CIVL"), stand amalgamated with CIVL with effect from the appointed date of April 1, 2015, pursuant to the Scheme of Amalgamation approved by Hon'ble High Court of Delhi vide its order dated March 18, 2016.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	24199232	0	24199232	5.82	24539122	0	24539122	5.90	0.08
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	212063771	0	212063771	50.95	213147661	0	213147661	51.21	0.26
e) Banks / FIs	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub–Total (A)(1)	**236263003**	**0**	**236263003**	**56.77**	**237686783**	**0**	**237686783**	**57.11**	**0.34**
(2) Foreign									
a) NRIs – Individuals	NIL	NIL	NIL	NIL	110110	0	110110	0.03	0.03
b) Other – Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Bodies Corporate	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Banks / FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub – Total (A) (2)	**NIL**	**NIL**	**NIL**	**NIL**	**110110**	**0**	**110110**	**0.03**	**0.03**
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	**236263003**	**0**	**236263003**	**56.77**	**237796893**	**0**	**237796893**	**57.13**	**0.36**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	19727428	32400	19759828	4.75	22370348	29400	22399748	5.38	0.63
b) Banks / FIs	1127701	144195	1271896	0.31	1148974	147195	1296169	0.31	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt (s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	34977929	100	34978029	8.40	33056590	100	33056690	7.94	(0.46)
g) FIIs	25640935	14500	25655435	6.16	16058677	13900	16072577	3.86	(2.30)
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):	**81473993**	**191195**	**81665188**	**19.62**	**72634589**	**190595**	**72825184**	**17.50**	**(2.12)**
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	7470919	279283	7750202	1.86	7833461	279183	8112644	1.95	0.09
ii) Overseas	1210120	2000000	3210120	0.77	1210120	2000000	3210120	0.77	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	34599382	21081207	55680589	13.38	33584775	20506215	54090990	13.00	(0.38)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	19795485	4945100	24740585	5.94	19541251	4909300	24450551	5.87	(0.07)
c) Others									
i. Foreign Portfolio Investors	5190091	0	5190091	1.25	14092985	0	14092985	3.39	2.14
ii. HUF	1523674	13600	1537274	0.37	1492575	13600	1506175	0.36	(0.01)
iii. Trust	169800	1000	170800	0.04	121310	1000	122310	0.03	(0.01)
Sub-total (B)(2):	**69959471**	**28320190**	**98279661**	**23.61**	**77876477**	**27709298**	**105585775**	**25.37**	**1.76**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**151433464**	**28511385**	**179944849**	**43.23**	**150511066**	**27899893**	**178410959**	**42.87**	**(0.36)**
C. Shares held by Custodian for GDRs & ADRs	Not Applicable								
Grand Total (A+B+C)	**387696467**	**28511385**	**416207852**	**100**	**388307959**	**27899893**	**416207852**	**100**	**0**

(ii) Shareholding of Promoters

Sl. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	Akshay Poddar	110000	0.03	0	110000	0.03	0	0
2.	Chandra Shekhar Nopany	323775	0.08	0	323775	0.08	0	0
3.	Chandra Shekhar Nopany as Karta of C S Nopany	240100	0.06	0	240100	0.06	0	0
4.	Jyotsna Poddar	3871866	0.93	0	3871866	0.93	0	0
5.	Jyotsna Poddar	125000	0.03	0	125000	0.03	0	0
6.	Nandini Nopany	15809667	3.80	0	15809667	3.80	0	0
7.	Saroj Kumar Poddar	256128	0.06	0	706128	0.17	0	0.11
8.	Shobhana Bhartia	2726686	0.66	0	2726686	0.66	0	0
9.	Shradha Agarwala	325900	0.08	0	325900	0.08	0	0
10.	Shruti Vora	410000	0.10	0	410000	0.10	0	0
11.	Shyam Sunder Bhartia	110	0.00	0	110	0.00	0	0
12.	Adventz Finance Private Limited	265407	0.06	0	265407	0.06	0	0
13.	Adventz Securities Enterprises Limited	20022	0.00	0	20022	0.00	0	0
14.	Deepshika Trading Co. Private Ltd.	200	0.00	0	200	0.00	0	0
15.	Duke Commerce Limited	550200	0.13	0	550200	0.13	0	0
16.	Earthstone Holding (Two) Limited	13656476	3.28	0	13656476	3.28	0	0
17.	Earthstone Investment & Finance Limited	8424515	2.02	0	8424515	2.02	0	0
18.	Govind Sugar Mills Limited	1947	0.00	0	1947	0.00	0	0
19.	La Monde Trading & Investments Private Ltd.	15000	0.00	0	15000	0.00	0	0
20.	Manavata Holdings Limited	3425000	0.82	0	3425000	0.82	0	0
21.	Manbhawani Investment Ltd.	5300000	1.27	0	5300000	1.27	0	0
22.	Master Exchange & Finance Limited	1601600	0.38	0	1601600	0.38	0	0
23.	New India Retailing and Investment Ltd.	581163	0.14	0	581163	0.14	0	0
24.	Nilgiri Plantations Limited	4056740	0.97	0	4056740	0.97	0	0
25.	Pavapuri Trading and Investment Company Ltd.	100000	0.02	0	100000	0.02	0	0
26.	Premium Exchange and Finance Limited	3086500	0.74	0	3086500	0.74	0	0
27.	Ricon Commerce Ltd.	150200	0.04	0	150200	0.04	0	0
28.	Ronson Traders Ltd.	6004000	1.44	0	6004000	1.44	0	0
29.	RTM Investment and Trading Co. Ltd.	1946200	0.47	0	1946200	0.47	0	0
30.	RTM Properties Ltd.	125000	0.03	0	125000	0.03	0	0
31.	SCM Investment & Trading Co. Ltd.	561200	0.13	0	561200	0.13	0	0
32.	Shital Commercial Limited	138318	0.03	0	138318	0.03	0	0
33.	Shree Vihar Properties Limited	700000	0.17	0	700000	0.17	0	0
34.	Sidh Enterprises Limited	153500	0.04	0	153500	0.04	0	0
35.	SIL Investments Limited	31813455	7.64	4.42	31813455	7.64	4.63	0.0
36.	SIL Properties Ltd.	100000	0.02	0	100000	0.02	0	0
37.	Simon India Limited	1200000	0.29	0	2200000	0.53	0	0.24
38.	Sonali Commercial Ltd.	379350	0.09	0	379350	0.09	0	0
39.	Texmaco Infrastructure & Holdings Limited	106864	0.03	0	106864	0.03	0	0
40.	Texmaco Rail & Engineering Ltd.	1000000	0.24	0	1000000	0.24	0	0
41.	The Hindustan Times Limited	51074209	12.27	0	51158209	12.29	0	0.02
42.	Upper Ganges Sugar and Industries Limited	704160	0.17	0.15	704160	0.17	0.15	0
43.	Uttam Commercial Ltd.	6777100	1.63	0	6777100	1.63	0	0
44.	Uttar Pradesh Trading Co. Ltd.	1262635	0.30	0.30	1262635	0.30	0.30	0
45.	Yashovardhan Investment & Trading Co. Ltd.	7364500	1.77	0	7364500	1.77	0	0
46.	Zuari Global Limited	59015360	14.18	0	59015360	14.18	0	0
47.	Zuari Investments Limited	402950	0.10	0	402840	0.10	0	0
	Total	**236263003**	**56.77**	**4.88**	**237796893**	**57.13**	**5.09**	**0.36**

(iii) Change in Promoters' Shareholding

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Saroj Kumar Poddar				
	At the beginning of the year	256128	0.06	256128	0.06
	May 13, 2015 – Market Purchase	4985	0.00	261113	0.06
	May 14, 2015 – Market Purchase	45015	0.01	306128	0.07
	November 16, 2015 – Market Purchase	85381	0.02	391509	0.09
	November 17,2015 – Market Purchase	114619	0.03	506128	0.12
	November 18, 2015 – Market Purchase	28382	0.01	534510	0.13
	November 19, 2015 – Market Purchase	52635	0.01	587145	0.14
	November 20, 2015 – Market Purchase	2780	0.00	589925	0.14
	November 24, 2015 – Market Purchase	84100	0.02	674025	0.16
	November 26, 2015 – Market Purchase	32103	0.01	706128	0.17
	At the end of the year			706128	0.17
2.	Simon India Limited				
	At the beginning of the year	1200000	0.29	1200000	0.29
	March 31, 2016- Market Purchase	1000000	0.24	2200000	0.53
	At the end of the year			2200000	0.53
3.	The Hindustan Times Limited				
	At the beginning of the year	51074209	12.27	51074209	12.27
	March 23, 2016 – Market Purchase	40200	0.01	51114409	12.28
	March 28, 2016 – Market Purchase	30800	0.01	51145209	12.29
	March 29, 2016 – Market Purchase	10000	0.00	51155209	12.29
	March 31, 2016- Market Purchase	3000	0.00	51158209	12.29
	At the end of the year			51158209	12.29
4.	Zuari Investments Limited				
	At the beginning of the year	402950	0.10	402950	0.10
	July 10, 2015 - Transfer	(110)	0.00	402840	0.10
	At the end of the year			402840	0.10

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Life Insurance Corporation of India				
	At the beginning of the year	27910373	6.71	27910373	6.71
	April 10, 2015 – Sale	(576238)	0.14	27334135	6.57
	April 17, 2015 – Sale	(210231)	0.05	27123904	6.52
	April 24, 2015 – Sale	(264531)	0.06	26859373	6.45
	May 1, 2015 – Sale	(124151)	0.03	26735222	6.42
	May 8, 2015 – Sale	(146188)	0.03	26589034	6.39
	At the end of the year			26589034	6.39
2.	Reliance Capital Trustee Co. Ltd – A/c Reliance Small Cap Fund				
	At the beginning of the year	5902381	1.42	5902381	1.42
	April 10, 2015 – Purchase	300000	0.07	6202381	1.49
	July 10, 2015 – Purchase	500000	0.12	6702381	1.61
	At the end of the year			6702381	1.61
3.	DSP Blackrock Micro Cap Fund				
	At the beginning of the year	6996338	1.68	6996338	1.68
	January 22, 2016 – Sale	(396772)	0.09	6599566	1.59
	At the end of the year			6599566	1.59
4.	Government Pension Fund Global				
	At the beginning of the year	5288165	1.27	5288165	1.27
	February 26, 2016 – Sale	(5151)	0.00	5283014	1.27
	March 4, 2016 – Sale	(125559)	0.03	5157455	1.24
	March 11 2016 – Sale	(65658)	0.02	5091797	1.22
	March 18, 2016 – Sale	(95092)	0.02	4996705	1.20
	March 25, 2016 – Sale	(62279)	0.02	4934426	1.18
	March 31, 2016 – Sale	(56550)	0.01	4877876	1.17
	At the end of the year			4877876	1.17

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
5.	The New India Assurance Company Limited				
	At the beginning of the year	3791342	0.91	3791342	0.91
	Date wise Increase (Buy) /Decrease (Sell) in Shareholding during the year.	NIL	NIL	3791342	0.91
	At the end of the year			3791342	0.91
6.	Dimensional Emerging Markets Value Fund				
	At the beginning of the year	2687402	0.65	2687402	0.65
	April 10, 2015 - Purchase	26406	0.00	2713808	0.65
	April 17, 2015 - Purchase	31350	0.01	2745158	0.66
	April 24, 2015 - Purchase	13889	0.00	2759047	0.66
	May 15, 2015 - Purchase	26508	0.01	2785555	0.67
	May 22, 2015 - Purchase	33382	0.01	2818937	0.68
	July 3, 2015 - Purchase	43501	0.01	2862438	0.69
	July 10, 2015 - Purchase	21802	0.00	2884240	0.69
	October 30, 2015 - Sale	(13123)	0.00	2871117	0.69
	November 6, 2015 - Sale	(36098)	0.01	2835019	0.68
	November 13, 2015 - Sale	(17164)	0.00	2817855	0.68
	December 18, 2015 – Sale	(18090)	0.00	2799765	0.67
	February 5, 2016- Purchase	14291	0.00	2814056	0.68
	February 19, 2016 - Purchase	15585	0.00	2829641	0.68
	At the end of the year			2829641	0.68
7.	UTI Balanced Fund (Refer Note 2)				
	At the beginning of the year	1993573	0.48	1993573	0.48
	September 11, 2015 - Purchase	100000	0.02	2093573	0.50
	October 9, 2015 - Purchase	100000	0.03	2193573	0.53
	January 1, 2016 - Purchase	163692	0.04	2357265	0.57
	January 29, 2016 - Purchase	190000	0.04	2547265	0.61
	At the end of the year			2547265	0.61
8.	Davos International Fund				
	At the beginning of the year	3245025	0.78	3245025	0.78
	March 31, 2016 – Sale	(1000000)	0.24	2245025	0.54
	At the end of the year			2245025	0.54
9.	Naveen Kumar Kapoor *				
	At the beginning of the year	2253402	0.54	2253402	0.54
	Date wise Increase / Decrease in Shareholding during the year.	NIL	NIL	2253402	0.54
	At the end of the year			2253402	0.54
	* Trustee of CFCL Employees Welfare Trust				
10.	Sundaram Mutual Fund A/c Sundaram Smile Fund (Refer Note 2)				
	At the beginning of the year	NIL	NIL	NIL	NIL
	April 10, 2015 - Purchase	621575	0.15	621575	0.15
	May 15, 2015 - Purchase	25000	0.01	646575	0.16
	May 22, 2015 - Purchase	289585	0.07	936160	0.22
	May 29, 2015 - Purchase	128465	0.03	1064625	0.26
	August 28, 2015 - Purchase	5000	0.00	1069625	0.26
	October 9, 2015 - Purchase	102426	0.02	1172051	0.28
	November 20, 2015 - Purchase	100000	0.02	1272051	0.31
	November 27, 2015 - Purchase	300000	0.07	1572051	0.38
	December 4, 2015 – Purchase	500000	0.12	2072051	0.50
	February 5, 2016 – Purchase	10000	0.00	2082051	0.50
	At the end of the year			2082051	0.50
11.	M/s Haldor Topsoe A/S				
	At the beginning of the year	2000000	0.48	2000000	0.48
	Date wise Increase / Decrease in Shareholding during the year.	NIL	NIL	2000000	0.48
	At the end of the year			2000000	0.48

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
12.	General Insurance Corporation of India				
	At the beginning of the year	2231470	0.54	2231470	0.54
	September 4, 2015 – Sale	(130691)	0.03	2100779	0.51
	September 11, 2015–Sale	(169346)	0.04	1931433	0.46
	September 18, 2015 –Sale	(101430)	0.02	1830003	0.44
	September 25, 2015 – Sale	(98533)	0.02	1731470	0.42
	February 12, 2016 – Sale	(100000)	0.02	1631470	0.39
	At the end of the year			1631470	0.39

Notes:

1) The details including sale and purchase transaction dates are given above based on beneficiary data received from the depositories as such details are not provided by the shareholders to the Company.
2) These entities were not in the list of top 10 shareholders as on April 1, 2015 but appearing in the list of top 10 shareholders as on March 31, 2016.

(v) Shareholding of Directors and Key Managerial Personnel (KMP)

Name of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Mr. Saroj Kumar Poddar, Chairman				
At the beginning of the year	256128	0.06	256128	0.06
May 13, 2015 – Market Purchase	4985	0.00	261113	0.06
May 14, 2015 – Market Purchase	45015	0.01	306128	0.07
November 16, 2015 – Market Purchase	85381	0.02	391509	0.09
November 17, 2015 – Market Purchase	114619	0.03	506128	0.12
November 18, 2015 – Market Purchase	28382	0.01	534510	0.13
November 19, 2015 – Market Purchase	52635	0.01	587145	0.14
November 20, 2015 – Market Purchase	2780	0.00	589925	0.14
November 24, 2015 – Market Purchase	84100	0.02	674025	0.16
November 26, 2015 – Market Purchase	32103	0.01	706128	0.17
At the end of the year			706128	0.17
Mr. Shyam Sunder Bhartia				
At the beginning of the year	110	0.00	110	0.00
Date wise Increase /Decrease in shareholding during the year	NIL	NIL	110	0.00
At the end of the year			110	0.00
Mr. Chandra Shekar Nopany				
At the beginning of the year	323775	0.08	323775	0.08
Date wise Increase/ Decrease in shareholding during the year	NIL	NIL	323775	0.08
At the end of the year			323775	0.08
Mr. Marco P.A. Wadia				
At the beginning of the year	6000	0.00	6000	0.00
Date wise Increase/ Decrease in shareholding during the year	NIL	NIL	6000	0.00
At the end of the year			6000	0.00
Mr. Rajveer Singh, Assistant Vice President – Legal & Secretary				
At the beginning of the year (As on the date of appointment as Company Secretary i.e. May 1, 2015)	5000	0.00	5000	0.00
Date wise Increase / Decrease in shareholding during the year	NIL	NIL	5000	0.00
At the end of the year			5000	0.00

The remaining Directors and Key Managerial Personnel did not hold any shares during the Financial Year 2015-16.

Note: Mr. M.S. Rathore ceased to be Company Secretary with effect from May 1, 2015. He was holding 9,200 shares at the beginning of the year and on the date of his ceasing to be Company Secretary.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment **(Amount in Rs. Lac)**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	316611.85	78217.60	1.25	394830.70
ii) Interest due but not paid	NIL	NIL	0.47	0.47
iii) Interest accrued but not due	730.72	52.89	NIL	783.61
Total (i+ii+iii)	**317342.57**	**78270.49**	1.72	**395614.78**
Change in Indebtedness during the financial year				
Addition	334196.70	848592.90	NIL	1182789.60
Reduction	259431.03	836770.49	1.72	1096203.24
Net Change	**74765.67**	**11822.41**	(1.72)	**86586.36**
Indebtedness at the end of the financial year				
i) Principal Amount	391415.29	90073.13	NIL	481488.42
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	692.95	19.77	NIL	712.72
Total (i+ii+iii)	**392108.24**	**90092.90**	NIL	**482201.14**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

Sl. No.	Particulars of Remuneration	Name of the Managing Director (In Rs.)	Total Amount (In Rs.)
		Mr. Anil Kapoor	
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	3,31,44, 875	3,31,44,875
	(b) Value of perquisites under Section 17 (2) of the Income Tax Act, 1961	31,67,136	31,67,136
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	NIL	NIL
2.	Stock Options (Refer Note below)	-	-
3.	Sweat Equity	NIL	NIL
4.	Commission	NIL	NIL
5.	Others - Retirement Benefits and Other perquisites	17,43,512	17,43,512
	Total (A)	3,80,55,523	3,80,55,523
	Ceiling as per the Act		**Rs. 3103.60 lac**

Note: Total 1,50,000 stock options were granted to the Managing Director during the Financial Year 2010-11 out of which 1,39,000 stock options were outstanding as on March 31, 2016. These options were granted at the prevailing market price at the time of grant of options.

B. Remuneration to other Directors:

1. Independent Directors

Particulars of Remuneration	Name of Directors				Total Amount in Rupees
	Mr. Marco Wadia	Ms. Radha Singh	Mr. K.N. Memani	Mr. Aditya Narayan	
Fee for attending Board / Committee Meetings	5,05,000	6,10,000	3,50,000	4,95,000	19,60,000
Commission	5,00,000	5,00,000	5,00,000	5,00,000	20,00,000
Others	NIL	NIL	NIL	NIL	NIL
Total (1)	**10,05,000**	**11,10,000**	**8,50,000**	**9,95,000**	**39,60,000**

2. Other Non-Executive Directors

Particulars of Remuneration	Name of Directors			Total Amount in Rupees
	Mr. Saroj Kumar Poddar	Mr. S.S. Bhartia$	Mr. C.S. Nopany	
Fee for attending Board/ Committee Meetings	2,00,000	NIL	3,10,000	5,10,000
Commission	5,00,000	NIL	5,00,000	10,00,000
Others	NIL	NIL	NIL	NIL
Total (2)	**7,00,000**	**NIL**	**8,10,000**	**15,10,000**
Total (B) = (1+2)				**54,70,000**
Total Managerial remuneration				**4,10,55,523***
Overall ceiling as per the Act (6% of net profit)				**Rs.3724.32 lac**

$ Opted for non-payment of sitting fee and commission with effect from April 1, 2015 * Excluding sitting fee

C. **Remuneration to Key Managerial Personnel Other than MD / Manager /WTD**

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Abhay Baijal, Chief Financial Officer	Mr. M.S. Rathore, Company Secretary (Refer Note 1 below)	Mr. Rajveer Singh, Company Secretary (Refer Note 1 Below)	Total Amount (Rs.)
1.	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	78,99,183	6,08,604	33,18,669	1,18,26,456
	(b) Value of perquisites under Section 17 (2) of the Income Tax Act, 1961	9,05,282	70,417	3,63,201	13,38,900
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Options (Refer Note 2 Below)				
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission	NIL	NIL	NIL	NIL
5.	Others - Retirement Benefits and Other perquisites	5,30,570	42,191	3,06,542	8,79,303
	Total	**93,35,035**	**7,21,212**	**39,88,412**	**1,40,44,659**

Notes:

1. Mr. M.S. Rathore ceased to be Company Secretary with effect from May 1, 2015 and Mr. Rajveer Singh has been appointed as Company Secretary with effect from the same date. The remuneration of Mr. M.S. Rathore has been considered for one month and the remuneration of Mr. Rajveer Singh has been considered for eleven months, calculated proportionately based on their remuneration for the Financial Year 2015-16.
2. 90,000 stock options granted to Mr. Abhay Baijal and 54,000 stock options granted to Mr. Rajveer Singh were outstanding as on March 31, 2016. 85,000 stock options granted to Mr. M.S. Rathore were outstanding as on the date of his ceasing to be Company Secretary i.e. May 1, 2015. The aforesaid stock options were granted in the Financial Year 2010-11 at the market price of Rs. 73.50 per share prevailing at the time of grant of stock options.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

For and on behalf of Board of Directors

Place : New Delhi
Date : May 11, 2016

S. K. Poddar
Chairman

Annexure "I" to Directors' Report

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,

The Members

Chambal Fertilisers and Chemicals Limited

CIN : L24124RJ1985PLC003293

Gadepan, District Kota,

Rajasthan - 325208

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Chambal Fertilisers and Chemicals Limited** (hereinafter referred as 'the Company'), having its Registered Office at Gadepan, District Kota, Rajasthan - 325208. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2016**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

I. The Companies Act, 2013 ('the Act') and the rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto May 14, 2015) and Securities **and** Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from May 15, 2015).

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **[Not Applicable as the Company has not issued further share capital during the financial year under review];**

(d) The Securities and Exchange Board of **India** (Share Based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review] ;**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **[Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent.]**;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **[Not Applicable as the Company has not delisted/propose to delist its equity shares from any Stock Exchange during the financial year under review]**;

(h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 **[Not Applicable as the Company has not bought back/propose to buy-back any of its securities during the financial year under review].**

VI. Other Laws specifically applicable to Fertilisers & other Agri-Inputs and Shipping industry are as follows:- :

a) The Essential Commodities Act, 1955

b) The Fertilisers (Control) Order, 1985

c) The Fertiliser (Movement Control) Order, 1973

d) Insecticides (Price, Stock Display and Submission of Report) Order, 1986

e) The Insecticides Act, 1968 and The Insecticides Rules, 1971

f) The Seeds Act, 1966 and Rules framed thereunder

g) The Merchant Shipping Act, 1958

h) The Major Port Trust Act, 1963

i) The Indian Ports Act, 1908

j) Dock Workers (Safety, Health and Welfare) - Act, 1986

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and made effective from July 1, 2015.

2. The Listing Agreement entered by the Company with BSE Limited and National Stock Exchange of India Limited and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

   During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice(s) were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally seven days in advance to **all** Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of **the** minutes.
- As per the records, the Company filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above: -

(i) The members in the Annual General Meeting held on September 15, 2015 approved:

   a. The sale and transfer of textile business of the Company i.e. Birla Textile Mills to Sutlej Textiles and Industries Limited

   b. The revised CFCL Employees Stock Option Scheme 2010 ("ESOS 2010") and implementation of ESOS 2010 through CFCL Employees Welfare Trust

   c. The acquisition of equity shares of the Company by CFCL Employees Welfare Trust ("Trust") from secondary market and grant of loan to the Trust

   d. Thc adoption of new Articles of Association of the Company

   e. The offer or invitation for subscription of Non-Convertible Debentures, on private placement basis

(ii) The members by the way of Postal Ballot authorized the Board of Directors of the Company to sell, assign, transfer and deliver one or more than one or all five (5) ships/vessels of the Company or the entire shipping undertaking/business of the Company as a going concern on slump sale basis, or some other appropriate structure.

For RMG & Associates
Company Secretaries

CS Manish Gupta
Partner
FCS : 5123; C.P. No.: 4095

Place : New Delhi
Date : May 10, 2016

Annexure "J" to Directors' Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

(A) Conservation of Energy:

(i) The steps taken or impact on Conservation of Energy

Installation of Light Emitting Diode (LED) lamps, tubes and lighting fixtures replacing conventional lights in Gadepan complex.

(ii) The steps taken by the Company for utilising alternate sources of energy

None

(iii) The capital investment on energy conservation equipments

The total capital investment on the above mentioned energy saving scheme was Rs. 72.39 Lac during the Financial Year 2015-16.

(B) Technology Absorption:

(i) The efforts made towards technology absorption

Installation of system for on-line monitoring of emissions and effluent discharge at various locations in the plants at Gadepan.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

Environment protection

(iii) Imported technology (imported during the last 3 years reckoned from the beginning of the financial year)

a)	The details of technology imported	: Advanced aero bundles for synthesis gas compressor
b)	The year of import	: 2013-14
c)	Whether the technology been fully absorbed	: Yes
d)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	: Not Applicable

(iv) The expenditure incurred on Research and Development

The Company is a manufacturing organization and is not engaged in any major Research and Development activity. However, continuous efforts are made to improve the quality and efficiency.

(C) Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:-

Foreign Exchange used	:	Rs. 414748.68 lac
Foreign Exchange earned	:	Rs. 39262.20 lac

For and on behalf of Board of Directors

Place : New Delhi
Date : May 11, 2016

S. K. Poddar
Chairman

Annexure "K" to Directors' Report

A) **Information pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

i) The percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer and Company Secretary in the Financial Year 2015-16 and the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2015-16:

Name	Designation	Increase/ Decrease in Remuneration (%)	Ratio of remuneration of each director to the median remuneration of the employees
Mr. S. K. Poddar	Non-Executive Chairman	25.00	0.92
Mr. Anil Kapoor	Managing Director	10.76	49.83
Mr. S. S. Bhartia	Non-Executive Director	(100.00) (Refer Note 1)	-
Mr. K N Memani	Independent Director	31.78	1.11
Mr. C S Nopany	Non-Executive Director	44.00	1.06
Ms. Radha Singh	Independent Director	53.63	1.45
Mr. Marco Wadia	Independent Director	27.22	1.32
Mr. Aditya Narayan	Independent Director	Not Applicable (Refer Note 2)	1.30
Mr. Abhay Baijal	Chief Financial Officer	7.15	Not Applicable
Mr. M.S. Rathore	Company Secretary	Not Comparable (Refer Note 3)	Not Applicable
Mr. Rajveer Singh	Company Secretary	Not Applicable (Refer Note 3)	Not Applicable

Note 1: Mr. S.S. Bhartia has opted out from receiving any commission and sitting fee with effect from April 1, 2015.

Note 2: Mr. Aditya Narayan has been appointed as a Director of the Company with effect from April 1, 2015.

Note 3: Mr. M.S. Rathore ceased to be Company Secretary with effect from May 1, 2015 and Mr. Rajveer Singh has been appointed as Company Secretary with effect from the same date.

The members of the Company at its meeting held on September 15, 2015 approved the payment of commission not exceeding Rs. 5,00,000 per annum to each of the non-executive directors of the Company for a period of 5 Years from the financial year 2015-16.

ii) The percentage increase in the median remuneration of employees in the financial year: 452.80%

The huge variation in the median remuneration of employees is reflected due to sale and transfer of textile division (including its employees) of the Company during the Financial Year 2015-16. The percentage increase in the median remuneration of the employees without taking into account the employees of textile division is 2.24%.

iii) The number of permanent employees on the rolls of Company: 1107

iv) The explanation on the relationship between average increase in remuneration and Company performance:

The remuneration of the employees is normally effected from 1st April of each year. The performance of the Company during the previous year in terms of revenue and profitability is one of the important parameters considered while deciding the increase in the remuneration of the employees. In addition to this, the revision in remuneration of employees is based on the following fundamental principles, which directly impact the Company's Performance:

a) Demand-supply relationship of the concerned job skill / expertise

b) Company's need to retain and attract the Human resources and talent

c) Employee's social aspiration for enhancing standard of living

d) Increase in the cost of living

v) Comparison of the remuneration of the Key Managerial Personnel (KMPs) against the performance of the company:

Total Remuneration of KMPs (Rs. in Lac)			Revenue of the Company 2015-16 (Rs. in Lac)			Profit before Tax and exceptional items of the Company (Rs. in Lac)		
Financial Year		Increase (%)	Financial Year		Increase (%)	Financial Year		Increase (%)
2014-15	2015-16		2015-16	2014-15		2015-16	2014-15	
513.01	521.00 (Note 1)	1.55	968157.99	901720.27	7.37%	61628.89	50714.39	21.52

Note 1:- The remuneration of Mr. M.S. Rathore has been considered for one month and the remuneration of Mr. Rajveer Singh has been considered for eleven months, calculated proportionately based on their remuneration for the Financial Year 2015-16.

vi) Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies:

Market Capitalisation (Rs. in Lac)		Variation in Market capitalisation	Price Earnings Ratio		Percentage increase in the market quotations of the shares of the company in comparison to public offer price
As at March 31, 2016	As at March 31, 2015		As at March 31, 2016	As at March 31, 2015	
228498.11	281148.40	18.73% (decrease)	26.52	11.87	449%

vii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

a) Average increase in salary of employees in the Financial year 2015-16 other than managerial personnel : 8.39%

b) Percentage increase in the remuneration of Managing Director- 10.76%

Average increase in the remuneration of employees other than the Managing Director and that of the Managing Director is in line with the industry practices. Despite the tough market conditions during the Financial Year 2015-16, the Managing Director steered the Company ahead to achieve better profit before tax and exceptional items. The growth in revenue and better operating profit has been achieved despite various challenges.

viii) Comparison of the remuneration of each Key Managerial Personnel (KMP) against the performance of the company:

Remuneration of KMPs (Rs. in Lac)				Increase in Revenue of the Company (%)	Increase in Profit before Tax and exceptional items (%)
Name & Designation	Financial Year		Increase %		
	2014-15	2015-16			
Mr. Anil Kapoor, Managing Director	343.57	380.56	10.76	7.37%	21.52%
Mr. Abhay Baijal, Chief Financial Officer	87.12	93.35	7.15		
Mr. M.S Rathore, Company Secretary (upto April 30, 2015)	82.32	7.21 (Refer Note 1) below	Not Comparable		
Mr. Rajveer Singh, Company Secretary (with effect from May 1, 2015)	Not Applicable	39.88 (Refer Note 1) below	Not Applicable		
Total	**513.01**	**521.00**	**1.55**		

Note: The remuneration of Mr. M.S. Rathore has been considered for one month and the remuneration of Mr. Rajveer Singh has been considered for eleven months calculated proportionately based on their remuneration for the Financial Year 2015-16.

ix) The key parameters for any variable component of remuneration availed by the Directors:

The Performance Bonus payable by the Company to Managing Director is decided by the Board/ Nomination and Remuneration Committee on annual basis. The performance bonus is decided considering the factors like performance of the Company in terms of revenue, profitability, market expansion, overall market scenario, etc.

x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: No such case.

xi) It is hereby affirmed that that the remuneration paid during the year is as per the remuneration policy of the Company.

B) Information pursuant to Section 197 of the Companies Act, 2013 read with the Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sl. No.	Name	Designation of the employee	Qualifications	Age (Years)	Experience (years)	Date of Commencement of Employment	Remunaration Received (Rs.)	Last Employment	
								Employer's Name	Post Held
I. Employees who were employed throughout the financial year 2015-16 and were in receipt of remuneration in aggregate of not less than Rs. 60,00,000 for that financial year:									
1.	Anil Kapoor	Managing Director	B.Tech., M.S.	62	36	11.12.2000	3,80,55,523	Cabot India Limited	Vice President-Technical
2.	Abhay Baijal	Chief Financial Officer	B.E., P.G.D.M.	55	31	01.11.2003	93,35,035	Birla Home Finance Limited	Vice President-Operations
3.	Abhai Kumar Bhargava	Vice President-Works	B.E. (Chemical Engineering)	60	37	21.09.2009	70,28,055	Indian Farmers Fertiliser Cooperative Limited	General Manager
4.	Multan Singh Rathore	Vice President-Legal & CSR	M.A., L.L.B., F.C.S.	61	43	28.09.1992	86,54,543	Rajasthan State Seeds Corporation Limited	Company Secretary
5.	Roop Chand Pareek	Vice President - Commercial	B.Com	66	39	06.03.1978	74,85,685	Bengal Paper Mills	Accounts Manager
6.	Satishchandra, K.	Executive President India Steamship	BE (Mechanical), FICS (London), FICA (Delhi)	61	38	20.10.2011	1,60,00,256	Blue Lines Shipping	Head of Commercial
7.	Virendra Kumar Gupta	Vice President-Marketing	B.Tech (Agricultural Engineering) & PGDM	59	34	24.09.1991	74,11,916	J K B M Limited	Zonal Manager
II. Employees who were employed for a part of the financial year 2015-16 and were in receipt of remuneration in aggregate of not less than Rs. 5,00,000 per month:									
1.	Amardeep Singh Sandhu	Master	Master - F.G.	43	15	Note 1	54,13,093	Dymacom Tanker Management Ltd.	Master
2.	Amit Bhandari	Second Engineer	MEO-Class-II-(M)	34	12	Note 1	39,35,539	Herald Marine Services	Third Engineer
3.	Amit Kumar Sharma	Second Engineer	MEO-Class-II-(M)	31	9	Note 1	42,66,276	Fleet Management Ltd.	Second Engineer
4.	Amit Mohandas Thakre	Chief Officer	Mate - F.G.	31	9	Note 1	23,33,917	Shipping Corporation of India Limited	Chief Officer
5.	Anil Dhas	Chief Officer	Master - F.G.	42	10	Note 1	14,61,049	National Iranian Tanker Corpn.	Chief Officer
6.	Anindam Mandal	Master	Master - F.G.	39	16	Note 1	48,34,850	VR Maritime	Master
7.	Anirban Chatterjee	Master	Master - F.G.	39	20	Note 1	53,47,277	The Great Eastern Shipping Co. Ltd.	Master
8.	Ansuman Patra	Second Engineer	MEO-Class II-(M)	28	6	Note 1	36,82,498	First Employment	Not Applicable
9.	Ashish Suresh Ogale	Chief Engineer	MEO-Class-I-(M)	39	13	Note 1	60,28,221	The Great Eastern Shipping Co. Ltd.	Chief Engineer
10.	Asit Kumar Das	Chief Engineer	MEO-Class-I-(M)	47	21	Note 1	36,38,710	Elegant Ship Management	Chief Engineer
11.	Balendu Dhari Sinha	Chief Officer	First Mate - F.G.	39	10	Note 1	18,03,396	The Great Eastern Shipping Co. Ltd.	Second Officer
12.	Chalapati Rao Bagadi	Second Engineer	MEO-Class II-(M)	31	8	Note 1	16,59,357	Transocean Singapore	Second Engineer
13.	Debasish Banerjee	Chief Engineer	MEO-Class-I-(M)	53	20	Note 1	25,99,122	Thome Ship Management	Chief Engineer
14.	Debdulal Mukherjee	Chief Officer	First Mate - F.G.	37	18	Note 1	45,77,804	First Employment	Not Applicable
15.	Deepesh Kantilal Merchant	Chief Engineer	MEO-Class-I-(M)	34	13	Note 1	42,89,073	Mercator Lines Limited	Second Engineer
16.	Dileep Kumar Verma	Second Engineer	MEO-Class II-(M)	33	11	Note 1	10,72,151	Shipping Corporation of India Limited	Second Engineer
17.	Gautam Biswas	Chief Engineer	MEO-Class-I-(M)	43	19	Note 1	24,45,957	Mitsui O.S.K Lines	Second Engineer
18.	Gautam Giri	Second Engineer	MEO-Class-II-(M)	52	27	Note 1	48,74,451	Five Star Shipping Co. Pvt. Ltd.	Second Engineer
19.	Hardeep Bhatt	Chief Officer	Mate - F.G.	27	9	Note 1	40,00,607	Shipping Corporation of India Limited	Chief Officer
20.	Indranil Bhadury	Chief Engineer	MEO-Class-I-(M)	53	24	Note 1	38,51,717	The Great Eastern Shipping Co. Ltd.	Chief Engineer
21.	Jahur Ahmed	Chief Engineer	MEO-Class-I-(M)	41	17	Note 1	54,16,922	NOS Ship Management Pvt. Ltd.	Chief Engineer
22.	Jawahar Thanumalaya Perumal	Chief Officer	First Mate - F.G.	35	14	Note 1	22,50,040	MMS Co. Ltd.	Chief Officer
23.	Jeetendra Singh	Second Engineer	MEO-Class-II-(M)	41	14	Note 1	10,04,312	Bernard Schulte	Second Engineer
24.	Jumeed Ahmad Malik	Chief Officer	Mate - F.G.	30	12	Note 1	22,55,189	Shipping Corporation of India Limited	Chief Officer
25.	Kaushik Basu	Master	Master - F.G.	40	14	Note 1	46,31,851	V. Ships	Chief Officer
26.	Koushik Dey	Chief Engineer	MEO-Class-I-(M)	42	23	Note 1	58,16,293	Thome Ship Management	Chief Engineer
27.	Manish Kumar	Master	Master - F.G.	35	15	Note 1	56,03,979	Andromedia Shipping	Master
28.	Mayur Diliprao Salunke	Chief Officer	Mate - F.G.	30	14	Note 1	35,06,064	MTM Shipmanagement	Chief Officer
29.	Midhun T Aakkalam	Chief Officer	First Mate - F.G.	32	12	Note 1	28,04,447	First Employment	Not Applicable
30.	Mithilesh Kumar	Master	Master - F.G.	44	27	Note 1	50,50,496	The Great Eastern Shipping Co. Ltd.	Master
31.	Mrinmoy Gangopadhyay	Master	Master - F.G.	45	18	Note 1	60,96,947	The Great Eastern Shipping Co. Ltd.	Master
32.	Nagendra Shukla	Chief Engineer	MEO-Class-I-(M)	39	19	Note 1	7,14,715	Torm Shipping	Chief Engineer
33.	Nitin Shyam Pareek	Second Engineer	MEO-Class-II-(M)	33	10	Note 1	45,31,159	Anglo Eastern Ship Management Pvt. Ltd.	Third Engineer

Sl. No.	Name	Designation of the employee	Qualifications	Age (Years)	Experience (years)	Date of Commencement of Employment	Remunaration Received (Rs.)	Last Employment	
								Employer's Name	Post Held
34.	Pinak Chakrabarti	Second Engineer	MEO-Class-II-(M)	45	25	Note 1	7,10,161	Seateam (Frontline)	Second Engineer
35.	Prabhat Kumar Ratna	Master	Master - F.G.	44	20	Note 1	42,81,817	Executive Ship Management	Chief Officer
36.	Prabir Naiya	Chief Engineer	MEO-Class-I-(M)	41	12	Note 1	52,85,934	Fleet Management Ltd.	Second Engineer
37.	Rahul Singh Baghel	Second Engineer	MEO-Class-II-(M)	32	10	Note 1	27,91,167	Shipping Corporation of India Limited	Second Engineer
38.	Rathindra Roychoudhury	Assistant - Technical	Higher Secondary	60	27	17.07.1989	12,52,109	First Employment	Not Applicable
39.	Ritesh Kumar	Chief Officer	Master - F.G.	37	17	Note 1	17,79,167	Anglo Eastern Ship Management Pvt. Ltd.	Third Officer
40.	Sanjeev Kumar	Second Engineer	MEO-Class-II-(M)	35	14	Note 1	15,07,069	Dymacom Tanker Management Ltd.	Second Engineer
41.	Saroj Kumar De	Chief Engineer	MEO-Class-I-(M)	40	18	Note 1	10,97,908	Marine Solutionz	Chief Engineer
42.	Shaffin Thadathazhath	Chief Officer	Master - F.G.	33	14	Note 1	29,58,567	Dymacom Tanker Management Ltd.	Chief Officer
43.	Shankar Lal Bhattacharjee	Master	Master - F.G.	58	36	Note 1	51,91,995	V.Ships	Master
44.	Shashi Ranjan	Chief Officer	Master - F.G.	34	14	Note 1	42,37,657	Executive Ship Management	Chief Officer
45.	Shekhar Kirtania	Chief Engineer	MEO-Class-I-(M)	44	24	Note 1	51,23,101	Vellas Maritime Canada	Chief Engineer
46.	Sridhar Chandramauli	Second Engineer	MEO-Class-II-(M)	34	10	Note 1	15,22,860	Executive Ship Management	Second Engineer
47.	Stanley Mathews Chackala	Second Engineer	MEO-Class-II-(M)	53	20	Note 1	10,10,206	V Ships	Second Engineer
48.	Subodh Laxman Pawar	Chief Officer	Mate - F.G.	36	11	Note 1	11,06,875	OSM Ship Management	Chief Officer
49.	Sudipta Mandal	Chief Engineer	MEO-Class-I-(M)	41	17	Note 1	32,08,414	Shipping Corporation of India Limited	Chief Engineer
50.	Sukumar Chandra Jana	Second Engineer	MEO-Class-II-(M)	61	36	Note 1	33,50,422	Shipping Corporation of India Limited	Second Engineer
51.	Vinod Mehra	President-Projects	B.Tech. (Hons.)	64	42	01.01.1991	1,61,78,882	Zuari Industries Limited	Process Manager
52.	Yogeshwar Singh	Master	Master - F.G.	41	17	Note 1	72,64,192	The Great Eastern Shipping Co. Ltd.	Chief Officer

NOTES:

1. These persons were employed on contractual basis on various dates during the year.
2. None of the above employees is a relative of any Director of the Company.
3. None of the above employees himself or alongwith his spouse and dependent children holds 2% or more equity shares of the Company.
4. All appointments are/were on contractual basis.
5. None of the employees was in receipt of remuneration in excess of remuneratuion drawn by Managing Director of the Company

For and on behalf of Board of Directors

Place : New Delhi
Date : May 11, 2016

S. K. Poddar
Chairman

INDEPENDENT AUDITOR'S REPORT

To the Members of Chambal Fertilisers and Chemicals Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Chambal Fertilisers and Chemicals Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information, in which are incorporated the returns for the year ended on that date audited by the branch auditors of the Company's Shipping division at Kolkata.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure I 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 and proper returns adequate for the purposes of our audit have been received from branches not visited by us;

   (c) The report on the accounts of the Shipping division of the Company audited under Section 143 (8) of the Act by branch auditor has been sent to us and have been properly dealt by us in preparing this report;

   (d) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us;

   (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   (f) On the basis of the written representations received from the directors as on March 31, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2 to this report".

(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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 32(B) to the financial statements;

ii. The Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Other Matter

The accompanying financial statements include total assets of Rs.139284.67 lacs as at March 31, 2016, total revenues and loss before tax of Rs.77337.53 lacs and Rs.472.12 lacs respectively for the year ended on that date, in respect of Shipping Division, which have been audited by branch auditor, whose financial statements, other financial information and auditor's report have been furnished to us. Our opinion, in so far as it relates to the amounts and disclosures included in respect of such division is based solely on the report of such branch auditor. Our opinion is not modified in respect of this matter.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921

Place: New Delhi
Date: May 11, 2016

ANNEXURE 1 REFERRED TO IN PARAGRAPH 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' OF OUR REPORT OF EVEN DATE

Re: Chambal Fertilisers and Chemicals Limited ('the Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year based on a phased programme of verifying all the assets over a period of two years, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on physical verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company except for one office premises of gross block of Rs. 409.07 lacs, freehold land of gross block of Rs. 0.89 lac and leasehold land of gross block of Rs. 44.14 lacs as at March 31, 2016 for which the title deeds are not in the name of the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) (a) The Company has granted loans to two other parties covered in the register maintained under Section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grants of such loans are not prejudicial to the Company's interest.

(b) In respect of loans granted to other parties covered in the register maintained under Section189 of the Companies Act, 2013, repayment of the principal amount is as stipulated and payment of interest has been regular.

(c) There is no overdue amount of loans granted to the parties listed in the register maintained under Section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors including entities in which they are interested to which provisions of Section 185 of the Companies Act, 2013 apply. In our opinion and according to the information and explanations given to us, provisions of Section 186 of the Companies Act, 2013 in respect of loans and advances given, investments made, guarantees and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits from the public.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(I) of the Companies Act, 2013, related to the manufacture of Urea and SSP, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is generally regular in depositing with appropriate authorties undisputed statutory dues including provident fund, employees' state insurance income-tax, sales-tax,service tax, custom duty, excise duty, value added tax, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, setvice tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Rajasthan Sales-Tax Act, 1994	Sales tax demand on usage of natural gas other than urea manufacture.	352.34	1996-2001	Rajasthan High Court, Jodhpur
The Income Tax Act, 1961	Demand raised on short deduction of TDS	0.76	A.Y. 2011-12, 2014-15 & 2016-17	Asst. Commissioner of Income Tax, CPC- TDS, Ghaziabad
Service Tax Law, Finance Act, 1994	Demand raised in respect of service tax not paid on tax deducted at source (TDS) portion on services received from foreign parties.	2.43	2008-09	Customs, Excise & Service Tax Appellate Tribunal, New Delhi
Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	2.24	September 2011 to March 2012	Uttar Pradesh Commercial Tax, Tribunal Bench, Agra, Uttar Pradesh
Bihar Value Added Tax Act, 2005	Sales tax	61.89	2013-14	Joint Commissioner, Commercial Tax, Patna, Bihar
Finance Act, 1994	Service Tax	31.22	FY 2008-09 to June 2012	Custom, Excise and Service Tax Appellate Tribunal, Allahabad, Uttar Pradesh
Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Entry tax	0.24	FY 2013-14	Commercial Tax Officer, Special Circle-II, Kota

(The above does not include demands outstanding in relation to Textile division which was sold by the Company with effect from April 01,2015 and any statutory liabilities relating to such business will be borne by the buyer, in accordance with the Business Transfer Agreement signed between the Company and the buyer).

(viii) In our opinion and according to information and explanations given by the management, the Company has not defaulted in repayment of dues to any financial institution or bank. The Company did not have any outstanding debentures and loan from government during the year.

(ix) In our opinion and according to the information and explanations given by the management, the company has utilized the monies raised by the way of term loans for the purposes for which those were raised. The Company has not raised any money by way of intial public offer/ further public offer (including debt instruments)during the year.

(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 by the management, we report that no fraud by the Company and no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company, hence not commented upon.

(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 them as referred to in Section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921

Place: New Delhi
Date: May 11, 2016

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF CHAMBAL FERTILISERS AND CHEMICALS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Chambal Fertilisers and Chemicals Limited

We have audited the internal financial controls over financial reporting of **Chambal Fertilisers and Chemicals Limited** ("the Company") as of March 31,2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the paragraph 'Other Matter' below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company, in so far as it relates to the Shipping division, is based on the corresponding report of the auditor of such division.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921

Place: New Delhi
Date: May 11, 2016

BALANCE SHEET AS AT MARCH 31, 2016

(Rs. in Lacs)

Particulars	Notes	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	41620.79	41395.45
Reserves and surplus	4	190713.25	190159.51
		232334.04	231554.96
Non-Current liabilities			
Long-term borrowings	5	70834.64	78183.62
Deferred tax liabilities (net)	6	39842.54	42705.61
Other long term liabilities	7	497.60	335.71
Long-term provisions	8	376.64	1144.74
		111551.42	122369.68
Current liabilities			
Short-term borrowings	9	377515.82	287913.01
Trade payables:	10		
- Outstanding dues to Micro and Small Enterprises		98.92	22.75
- Outstanding dues to creditors other than Micro and Small Enterprises		46207.10	19896.76
Other current liabilities	11	58190.63	53043.17
Short-term provisions	12	11978.60	12615.35
		493991.07	373491.04
Total		**837876.53**	**727415.68**
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	13	227852.68	254799.43
Intangible assets	14	255.15	289.14
Capital work-in-progress		24373.18	9134.89
Intangible assets under development		71.73	101.21
Non-current investments	15	22495.34	48738.23
Long term loans and advances	16	58543.79	7891.46
Other non-current assets	17	1019.58	1430.24
		334611.45	322384.60
Current assets			
Inventories	18	89793.16	69368.32
Trade receivables	19	385265.55	304943.28
Cash and bank balances	20	3087.68	2136.59
Short-term loans and advances	21	19514.93	20292.21
Other current assets	22	5603.76	8290.68
		503265.08	405031.08
Total		**837876.53**	**727415.68**
Summary of significant accounting policies	2 (a)		

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

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/ E300005

per Anil Gupta
Partner
Membership No - 87921

Place : New Delhi
Date : May 11, 2016

For and on behalf of the Board of Directors of Chambal Fertilisers and Chemicals Limited

Anil Kapoor
Managing Director

S.K. Poddar
Chairman

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Assistant Vice President - Legal & Secretary

Place : New Delhi
Date : May 11, 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(Rs. in Lacs)

Particulars	Notes	Year Ended March 31, 2016	Year Ended March 31 2015
INCOME			
Revenue from operations (gross)		955630.15	890134.13
Less: Excise duty		1999.67	1920.37
Revenue from operations (net)	23	953630.48	888213.76
Other income	24	14527.51	13506.51
Total Revenue (I)		**968157.99**	**901720.27**
EXPENSES:			
Cost of materials consumed	25	203211.20	240004.38
Purchase of traded goods	26	407783.89	289393.51
(Increase) in inventories of finished goods, work-in-progress, traded goods and waste	26	(29849.84)	(5959.40)
Employee benefits expense	27	14738.41	16556.56
Depreciation and amortization expense	13 & 14	16038.28	17331.70
Finance costs	28	14000.03	15748.64
Freight to charter-in ship		35881.75	32199.17
Other expenses	29	244725.38	245731.32
Total Expenses (II)		**906529.10**	**851005.88**
Profit before exceptional items and tax {including profit of Nil (previous year Rs. 1422.73 lacs) from discontinued operation - refer note no. 50} (I - II)		61628.89	50714.39
Exceptional items	30	37004.64	10702.09
Profit before tax {including profit of Rs. 3813.19 lacs (previous year Rs. 1422.73 lacs) from discontinued operation - refer note no. 50}		24624.25	40012.30
Tax expenses :			
Current tax	46 & 47	19178.63	14929.94
Tax related to earlier years	47	(321.06)	(74.18)
Deferred tax charge / (credit) (including Nil (Previous year Rs. 914.52 lacs) for earlier years)		(2863.07)	1478.22
Total tax expense {including tax expense of Rs. 972.23 lacs (previous year Rs. 403.48 lacs) from discontinued operation - refer note no. 50}		15994.50	16333.98
Profit for the year {including profit of Rs. 2840.96 lacs (previous year Rs. 1019.25 lacs) from discontinued operation - refer note no. 50}		8629.75	23678.32
Earnings per equity share {nominal value of share Rs.10 (Previous year Rs.10)}			
Basic and Diluted (in Rs.)	31	2.07	5.69
Summary of significant accounting policies	2 (a)		

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

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/ E300005

per Anil Gupta
Partner
Membership No - 87921

Place : New Delhi
Date : May 11, 2016

For and on behalf of the Board of Directors of Chambal Fertilisers and Chemicals Limited

Anil Kapoor
Managing Director

S.K. Poddar
Chairman

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Assistant Vice President - Legal & Secretary

Place : New Delhi
Date : May 11, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(Rs. in Lacs)

Particulars		Year ended March 31, 2016	Year ended March 31, 2015
A.	Cash flow from operating activities :		
	Profit before tax (including the results of discontinued operations)	24624.25	40012.30
	Adjustments for :		
	Depreciation and amortisation expense	16038.28	17331.70
	(Profit) on sale of current investments	(3641.18)	(1360.25)
	Exceptional items (refer note no. 30)	37004.64	10702.09
	Unrealised foreign exchange fluctuation	4603.54	290.66
	Premium on forward contracts/ options amortised	15349.32	10261.25
	Reversal of provision for (gain) on derivative transaction	(1265.40)	(1398.45)
	Loss on disposal of fixed assets (net)	180.05	209.28
	Provision for doubtful debts	371.52	8.66
	Liabilities no longer required written back	(10.34)	(273.36)
	Catalyst charges written off	630.85	872.55
	Irrecoverable balances written off	17.45	33.23
	Interest expense	13548.90	15349.32
	Interest (income)	(2276.24)	(2369.77)
	Dividend (income)	(5067.65)	(4389.37)
	Operating profit before working capital changes	**100107.99**	**85279.84**
	Movement in working capital :		
	Decrease/ (Increase) in trade receivables	(83286.20)	39097.26
	(Increase) in inventories	(30051.42)	(5762.71)
	Decrease/ (Increase) in other current assets	(196.55)	338.98
	(Increase)/ Decrease in loans and advances	(10353.22)	1207.57
	Increase/ (Decrease) in trade payables, other liabilities and provisions	17445.59	(11388.64)
	Cash generated from/ (used in) operations	(6333.81)	108772.30
	Direct taxes paid (net of refunds)	(12690.10)	(10124.07)
	Net cash flows from/ (used in) operating activities	**(19023.91)**	**98648.23**
B.	Cash flow from investing activities		
	Purchase of fixed assets including capital work-in-progress and capital advances	(64918.79)	(13795.12)
	Proceeds from sale of fixed assets	65.59	107.91
	Purchase of investments	(1214188.10)	(847415.87)
	Proceeds from sale of non trade investments	1216641.18	843160.25
	Net proceeds from sale of Textile Division on slump sale (refer note no. 50)	22757.75	-
	Advance received against slump sale transaction	-	500.00
	Inter Corporate deposits given- repaid	-	6903.60
	Inter Corporate deposits given	-	(903.60)
	Loan given to subsidiaries	(3317.60)	(2187.68)
	Loan repaid by a subsidiary	1329.80	-
	Deposits (with original maturity more than three months)	(617.21)	(584.66)
	Proceeds of deposits matured (with original maturity more than three months)	574.66	540.63
	Interest received	2275.41	2367.29
	Dividend received	5067.65	5746.78
	Net cash flow (used in) investing activities	**(34329.66)**	**(5560.47)**
C.	Cash flow from financing activities		
	Proceeds from long term borrowings	21563.36	-
	Repayment of long term borrowings	(30229.08)	(22093.27)
	Availment of buyers credit	269535.22	189368.69
	Repayment of buyers credit	(212235.78)	(130391.50)

(Rs. in Lacs)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Net proceeds from short term borrowings	28173.48	(105912.89)
Interest paid	(13600.46)	(15216.19)
Dividend paid	(7787.44)	(7791.14)
Tax on dividend paid	(971.62)	(1343.96)
Net cash flow from/ (used in) financing activities	**54447.68**	**(93380.26)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**1094.11**	**(292.50)**
Cash and cash equivalents at the beginning of the year	1553.09	1845.59
Cash and cash equivalents transferred on slump sale of Textile Division	(176.68)	-
Cash and cash equivalents at the end of the year	2470.52	1553.09
Components of cash and cash equivalents as at		
Cash/ Cheque on hand	2.92	181.16
Balances with banks :		
- on unpaid dividend / preference share redemption amount / fixed deposit accounts	1169.25	1091.46
- on current accounts	208.58	215.49
- on cash credit accounts	85.78	61.04
- on saving accounts	3.94	2.93
- on deposits accounts	1617.21	584.66
Cash and bank balances	3087.68	2136.74
Less: Fixed deposits not considered as cash equivalents	617.21	584.66
Cash and cash equivalents as per note no.20	2470.47	1552.08
Add: Foreign Exchange fluctuation on overseas account	0.05	1.01
Net cash and cash equivalents	**2470.52**	**1553.09**

Notes: 1. Bank balances of Rs. 1169.25 lacs (Previous year Rs. 1091.46 lacs) is earmarked for payment of unpaid dividend/ unclaimed preference share redemption amount/ fixed deposit accounts and will not be available for use for any other purposes.

2. Cash flow from operating activities for the year ended March 31, 2016 is after considering CSR expenditure of Rs.905.86 lacs (Previous year Rs. 835.55 lacs).

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/ E300005

per Anil Gupta
Partner
Membership No - 87921

Place : New Delhi
Date : May 11, 2016

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Anil Kapoor
Managing Director

S.K. Poddar
Chairman

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Assistant Vice President - Legal & Secretary

Place : New Delhi
Date : May 11, 2016

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

1. Corporate Information

The Company is one of the largest manufacturer of Urea in private sector in India and also deals in other fertilisers and Agri inputs ('fertiliser division'). Shipping Division of the Company is engaged in the business of running of ships for cargo. During the year, the textile division i.e. Birla Textile Mills has been sold to Sutlej Textiles and Industries Limited and the said business has been shown as discontinued operations in the financial statements. Further the Company is in the process of setting up a new Urea plant under the New Investment Policy 2012 (amended) at its existing plant location at Gadepan, Kota (Rajasthan).

2. Basis of Preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). 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, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention except for derivative financial instruments and assets for which provision for impairment is made.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policies explained below.

2 (a) Summary of significant Accounting Policies

i) Change in Accounting Policies

Long service award and Settlement allowance

Till March 31, 2015, the fertiliser division of the Company was accounting for liabilities in respect of its scheme towards long service award benefits and settlement allowance to its employees on payment basis. The division has, during the year, changed the basis of recognizing such liabilities from payment basis to accrual basis and provided for such liabilities of Rs.291.76 lacs on the basis of year end actuarial valuation. The above change has resulted into profit of the Company being lower by Rs.190.79 lacs (net of tax of Rs.100.97 lacs).

ii) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP 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.

iii) Tangible Fixed Assets

Fixed assets, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred except when significant parts of fixed assets are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied.

The Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with Ministry of Corporate Affairs (MCA) circular dated August 09, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

iv) Depreciation on Tangible Fixed Assets

Depreciation is provided using Straight Line Method as per the useful life of the asset estimated by the management which are equal to the useful life prescribed under Schedule II to the Companies Act, 2013 other than the cases as mentioned in para (i) to (vi) below where the useful lives are different from those prescribed in Schedule II to the

Companies Act, 2013. A major portion of the plant at Fertiliser division of the Company has been considered as continuous process plant.

Sl. No.	Assets	Useful lives
(i)	Leasehold Land Leasehold Improvements Assets under finance lease	Amortised over 99 Years Ranging from 4 to 15 Years Ranging from 3 to 9 Years These assets are amortised over the period of respective leases or useful life of assets, whichever is lower.
(ii)	Insurance/ Machinery Spares	Over the remaining useful lives of mother assets ranging from 1 to 18 years.
(iii)	Ships of Shipping Division	25 years based on the technical evaluation, as the ships are double hull crude oil/ product tankers. The life is estimated to be 25 years, as such kind of ships are allowed for acquisition without technical clearance and further charter-in of such ships are permitted subject to CAP2 (condition assessment program) rating provided the life is below 25 years.
(iv)	Vehicles	Depreciated over 5 years. After the expiry of 5 years, the vehicle gets normally replaced.
(v)	Railway Siding	25 years based on technical evaluation that the railway siding is currently in use.
(vi)	Certain Plant & Machinery of fertiliser division	On technically assessed remaining useful lives of such assets ranging from 1 to 2 years.

Assets costing below Rs.5,000 are depreciated in the year of purchase.

v) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over the estimated useful economic life. The following are the acquired intangible assets:

Software

Cost of software is amortized over their estimated useful life of five years on straight line basis.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS-5, "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies".

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

vi) Impairment of tangible and intangible 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) net selling price 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 net selling price, 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, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

vii) Leases

Finance leases, which effectively transfer to the Company substantially, all the risk and benefits incidental to the ownership of the leased item, are capitalized at inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of Profit and Loss. Lease management fees, legal charges and other initial direct costs are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule II to the Companies Act, 2013, whichever is lower. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule II to the Companies Act, 2013.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

viii) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/ subsidy will be received.

Where the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

ix) Investments

Investments, which are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

x) Inventories

Inventories are valued as follows:

Bunkers remaining on board*	Lower of cost and net realizable value. Cost is determined on weighted average basis.
Spares and Lubricants*	Lower of cost and net realizable value. Cost is determined on weighted average basis.
Raw materials, Packing materials, other stores and spares	Lower of cost and net realizable value. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Catalyst in Use	At depreciated cost on the basis of amortization over their estimated useful lives ranging from three to fifteen years as technically assessed.
Loose Tools	At depreciated cost arrived at on the basis of amortization over a period of three years.
Work in Process and Finished Goods	Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of Finished goods includes excise duty. Cost is determined on a weighted average basis.
Traded products	Lower of cost and net realizable value. Cost includes the cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

* included under the inventory of stores and spares.

Net Realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

xi) Borrowing Costs

Borrowing costs include interest and amortization of ancillary costs incurred in connection with the arrangement of borrowing.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

xii) Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific criteria must also be met before revenue is recognised:

(a) Sale of Goods

Revenue, including subsidy, in respect of sale of products is recognised when the significant risks and rewards of ownership of the goods are passed on to the buyer. Excise Duty deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability accruing during the year. The Company collects Sales Tax and VAT on behalf of Government and therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue.

Subsidy on Urea including freight have been accounted on the basis of notified concession prices as under:

(i) the New Pricing Scheme – Stage III and New Investment Policy 2008 for the period from April 1, 2015 to May 31, 2015;

(ii) New Urea Policy 2015 from June 1, 2015 onwards; and

(iii) Uniform Freight Policy

The concession price and freight is accounted based on notified prices, further adjusted for input price escalation/ de-escalation and as estimated by the management based on the prescribed norms in line with known policy parameters.

Subsidy on Phosphatic and Potassic (P&K) fertilizers is recognized as per concession rates notified by the Government of India in accordance with Nutrient Based Subsidy Policy from time to time and Freight subsidy has been accounted for in line with the policy.

Subsidy on Gypsum is recognized based on district wise concession rates, as notified by the Government of Rajasthan.

(b) Income from operations of Ships

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

(c) Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head 'other income' in the statement of profit and loss. Further, interest on delayed payment from customers are accounted on accrual basis to the extent these are measurable and ultimate collection is reasonably certain.

(d) Dividend

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

(e) Insurance Claims

Claims receivable on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

xiii) Foreign Currency Translation

(a) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are, translated using the exchange rates that existed when such values were determined.

c) Exchange differences

The Company accounts for exchange differences arising on translation / settlement of foreign currency monetary items as below:

i) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

ii) Exchange differences arising on other long-term foreign currency monetary items are accumulated in the 'Foreign Currency Monetary Item Translation Difference Account' and amortized over the remaining life of the concerned monetary item.

iii) All other exchange differences are recognized as income or as expense in the period in which they arise.

For the purpose of i) and ii) above, the Company treats a foreign currency monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated 09 August 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period.

d) Forward exchange contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense / income over the life of the contract. Exchange differences on such contracts, except the contract which are long-term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on calculation or renewal of such forward exchange contract is also recognized as income or as expense for the period. Any gain/loss arising on forward contracts which are long-term foreign currency monetary items is recognized in accordance with paragraph (c) (i) above.

xiv) Retirement and other employee benefits

(a) Retirement benefit in the form of Provident Fund is a defined benefit obligation in case of fertiliser and shipping division of the Company and is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. The difference between the actuarial valuation of the provident fund of employees at the year-end and the balance of own managed fund is provided for as liability in the books. Any excess of plan asset over projected benefit obligation is ignored as such surplus is distributed to the beneficiaries of the trust.

Pension Fund of all divisions of the Company are defined contribution scheme. The division has no obligation, other than the contribution payable to the provident fund. The division recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

(b) Superannuation Fund is a defined contribution scheme. Liability in respect of Superannuation Fund to the concerned employees of Fertiliser and Shipping division is accounted for as per the Company's Scheme and contributed to Life Insurance Corporation of India (LIC) / ICICI Prudential Life Insurance Company Limited (ICICI) every year. The Company does not have any other obligation, other than the contribution payable to the superannuation fund. The divisions recognize contribution payable to the superannuation fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

(c) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. However, in respect of fertiliser division, the Company has taken policies from LIC, ICICI and Birla Sunlife Insurance Company Limited (BSLI) and for Shipping division, the Company has taken a policy from LIC to cover the gratuity liability of the employees. The difference between the actuarial valuation of the gratuity of employees at the year-end and the balance of funds with LIC, ICICI and BSLI is provided for as liability in the books.

(d) Retirement benefit in the form of post-retirement medical benefits is a defined benefit obligation in case of fertiliser division of the Company and is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year.

(e) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

(f) The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(g) Long Service Awards: Long service awards are other long-term benefits accruing to all eligible employees, as per Company's scheme. The cost of providing benefit under long term service awards scheme is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. This is unfunded defined benefit scheme.

(h) Settlement allowance: Settlement allowance are other long-term benefits accruing to the eligible employees, as per Company's scheme. The cost of providing benefit under settlement allowance is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. This is unfunded defined benefit scheme.

Actuarial gain/losses in case of gratuity, leave encashment, post-retirement medical benefits, long service award and settlement allowance are recognized in full in the statement of profit and loss in the reporting period in which they occur and are not deferred.

xv) Income Taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to tax 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 income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income, will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

xvi) Segment Reporting Policies

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products manufactured, traded and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the locations of customers.

Allocation of common costs

Common allocable costs are allocated to each segment in proportion to the relative sales of each segment.

Unallocated items

All the common income, expenses, assets and liabilities, which are not possible to be allocated to different segments, are treated as unallocated items.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

xvii) 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.

xviii) Provisions

A provision is recognized when the Company has a present obligation 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.

xix) 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.

xx) Derivative Instruments

In accordance with the Announcement of the Institute of Chartered Accountants of India (ICAI), derivative contracts, other than foreign currency forward contracts covered under Accounting Standard 11, are marked to market on a portfolio basis, and the net loss, if any, after considering the offsetting effect on the underlying hedge item, is charged to the Statement of Profit and Loss and the net gain, if any, is ignored.

xxi) Employee Stock Option Scheme

Measurement and disclosure of the employee stock option scheme is done in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, issued by ICAI. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

xxii) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

xxiii) Basis of classification of Current and Non Current

Assets and Liabilities in the balance sheet have been classified as either current or non-current based upon the requirements of Schedule III to the Companies Act, 2013.

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.

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

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2016

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
NOTE 3 : SHARE CAPITAL		
Authorised :		
440,000,000 (Previous year 440,000,000) Equity Shares of Rs.10/- each	44000.00	44000.00
210,000,000 (Previous year 210,000,000) Redeemable Preference Shares of Rs.10/- each	21000.00	21000.00
	65000.00	65000.00
Issued, Subscribed and Paid Up :		
416,207,852 (Previous year 416,207,852) Equity Shares of Rs.10/- each, fully paid up	41620.79	41620.79
Less : Nil (Previous year 2,253,402) Equity Shares of Rs.10/- each, fully paid up acquired by CFCL Employees Welfare Trust ("Trust") from the secondary market (refer note no. 49)	-	225.34
	41620.79	41395.45

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

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

b) Terms / rights 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 equity shares will rank pari passu with each other in all respects. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing annual general meeting.

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	March 31, 2016		March 31, 2015	
	No. of Shares	% holding	No. of Shares	% holding
Zuari Global Limited	59015360	14.18	59015360	14.18
The Hindustan Times Limited	51158209	12.29	51074209	12.27
SIL Investments Limited	31813455	7.64	31813455	7.64
Life Insurance Corporation of India	26589034	6.39	27910373	6.71

As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
NOTE 4 : RESERVES AND SURPLUS		
Capital Reserve (arising on forfeiture of shares)		
Balance as per the last financial statements	20.95	20.95
Capital Redemption Reserve		
Balance as per the last financial statements	25.00	25.00
Securities Premium Account		
Balance as per the last financial statements	641.59	641.59
General Reserve		
Balance as per the last financial statements	36907.55	33176.57
Add: Transferred from Statement of Profit and Loss	-	5000.00
Less : Adjustment of carrying amount of fixed assets as per Schedule II of Companies Act, 2013 (net of deferred tax of Rs. 653.42 lacs)	-	1269.02

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Add : Reversal of excess of investment over and above face value of equity shares held by Trust (refer note no. 49)	1518.79	-
	38426.34	36907.55
Balance as per the last financial statements	425.00	425.00
Tonnage Tax Reserve (utilised) Account under Section 115 VT of Income Tax Act,1961		
Balance as per the last financial statements	3850.00	3850.00
Surplus in the statement of profit and loss:		
Balance as per the last financial statements	148289.42	139086.23
Add : Profit for the year	8629.75	23678.32
Less : Reversal of dividend on equity shares held by trust for earlier years (refer note no.49)	172.83	-
Add : Saving of dividend distribution tax on equity dividend	95.97	-
Less: Appropriations		
Transfer to General Reserve	-	5000.00
Proposed Equity Dividend (amount per share Rs.1.90 per share) (Previous year Rs.1.90 per share)	7908.05	7908.05
Add : Proposed dividend on equity shares held by trust	-	42.81
Tax on Proposed Equity Dividend	1609.89	1609.89
Net surplus in the statement of profit and loss	**147324.37**	**148289.42**
	190713.25	**190159.51**

(Rs. in Lacs)

Particulars	March 31, 2016 Non Current	March 31, 2016 Current Maturities	March 31, 2015 Non Current	March 31, 2015 Current Maturities
NOTE 5: LONG-TERM BORROWINGS				
Secured Loans:				
Term loans				
- Rupee loan from banks	-	-	-	1908.60
- Foreign currency loans from banks	62941.13	29304.72	71518.77	23268.66
- Foreign currency loans from financial institution	7786.57	3940.18	6503.91	3716.51
Finance lease obligation	106.94	54.01	160.94	41.21
	70834.64	33298.91	78183.62	28934.98
Less : Current maturities shown under "other current liabilities" (refer note no.11)	-	33298.91	-	28934.98
	70834.64	-	78183.62	-

Notes:

i Rupee term loans for textile business (sold during the year) (refer note no. 50) of Nil (including current maturities of Nil) (Previous year outstanding loan and current maturity of Rs.1908.60 lacs) carried interest in the range of 11.10%-12.75% p.a. These loans were secured by first pari-passu charge by way of mortgage, by deposit of title deeds in respect of immovable properties and hypothecation of the movable fixed assets of the Company, both present and future (save and except assets of shipping division), subject to prior charges created in favour of banks on current assets and other movables for securing working capital borrowings.

ii Foreign currency term loans from banks of USD 66.00 lacs (Rs.4373.16 lacs including current maturities of Rs.4373.16 lacs) (Previous year Rs.14501.16 lacs and Rs.10375.83 lacs respectively) carry interest rate in the range of 3/6 months LIBOR plus 2.75%-4.50% p.a. Out of these, one term loan amounting to USD 16.00 lacs (Rs.1060.16 lacs) is repayable in 4 equal quarterly instalments starting from May 27, 2016. Another term loan amounting to USD 50.00 lacs (Rs.3313.00 lacs) is repayable on May 06, 2016. These loans are secured by first pari-passu charge by way of mortgage, by deposit of title deeds in respect of immovable properties and hypothecation of the movable fixed assets of the Company, both present and future (save and except assets of shipping division), subject to prior charges created in favour of banks on current assets and other movables for securing working capital borrowings.

iii (a) Foreign currency term loan from a bank of USD 200 lacs (Rs.13252.00 lacs including current maturities of Rs.13252.00 lacs) (Previous year Rs.15001.20 lacs and Rs.2500.20 lacs respectively) carries interest @ 3 months LIBOR plus 1.125% p.a. The loan is repayable on June 08, 2016, (since pre-paid on April 04, 2016). The loan was secured by first priority mortgage on the Company's vessel-Ratna Puja and assignment of earnings, insurance and requisition compensation in respect of such vessel.

(b) Foreign currency term loan from a bank of USD 330 lacs (Rs.21865.80 lacs including current maturities of Rs.3313.00 lacs) (Previous year Rs.23126.85 lacs and Rs.2500.20 lacs respectively) carries interest @ 3 months LIBOR plus 0.875% p.a. The loan is repayable in

15 quarterly instalments of USD 10.00 lacs each (Rs. 662.60 lacs) starting from June 09, 2016 and the last instalment of USD 180.00 lacs (Rs.11926.80 lacs) payable on March 09, 2020 (the instalment of USD 10 lacs has been prepaid on April 04, 2016). The loan is secured by first priority mortgage on the Company's vessel-Ratna Shalini and assignment of earnings, insurance and requisition compensation in respect of such vessel and second priority mortgage on the Company's vessel-Ratna Puja and assignment of earnings, insurance and requisition compensation in respect of such vessel. The charge on the vessel Ratna Puja has since been released.

iv Foreign currency term loan from banks of USD 548.21 lacs (Rs.36324.33 lacs including current maturities of Rs.8366.56 lacs) (Previous year Rs.42158.22 lacs and Rs.7892.43 lacs respectively) carry interest @ 3 months LIBOR plus 0.40% p.a. One tranch of the aforesaid term loan amounting to USD 170 lacs (Rs.11264.20 lacs) is repayable in 17 equal quarterly installment starting from April 22, 2016. Another tranch of the aforesaid term loan amounting to USD 170 lacs (Rs.11264.20 lacs) is repayable in 17 equal quarterly instalment starting from June 03, 2016. Another tranch of the aforesaid term loan amounting to USD 208.21 lacs (Rs.13795.93 lacs) is repayable in 18 equal quarterly instalments starting from April 15, 2016.These loans are secured by first priority mortgage on the Company's three vessels i.e. Ratna Shruti, Ratna Shradha and Ratna Namrata and assignment of earnings, insurance and requisition compensation in respect of such vessels.

v (a) Foreign currency term loans from banks of USD 247.97 lacs (Rs.16430.56 lacs including current maturities of Nil) (Previous year Nil and Nil respectively) carry interest @ 3 months LIBOR plus 2.821% p.a. These loans are repayable in 13 half yearly instalments starting from September 30, 2019. These loans are to be secured by first pari-passu charge by way of mortgage, by deposit of title deeds in respect of immovable properties and hypothecation of the movable fixed assets of the Company, both present and future (save and except assets of shipping division), subject to prior charges created in favour of banks on current assets and other movables for securing working capital borrowings.

(b) Foreign currency term loans from financial institution of USD 176.98 lacs (Rs.11726.75 lacs including current maturities of Rs.3940.18 lacs) (Previous year Rs.10220.42 lacs and Rs.3716.51 lacs respectively) carry interest @ of 3/6 months LIBOR plus 3.096%-4.50% p.a. Out of these, one term loan amounting to USD 104.05 lacs (Rs.6894.23 lacs) is repayable in 7 equal quarterly instalments starting from April 01, 2016. Another term loan amounting to USD 72.93 lacs (Rs.4832.52 lacs) is repayable in 17 equal half yearly instalments starting from September 30, 2019. The loans are secured/ to be secured by first pari-passu charge by way of mortgage, by deposit of title deeds in respect of immovable properties and hypothecation of the movable fixed assets of the Company, both present and future (save and except assets of shipping division), subject to prior charges created in favour of banks on current assets and other movables for securing working capital borrowings.

vi Finance lease obligation of Rs.160.95 lacs (including current maturities of Rs.54.01 lacs) (Previous year Rs.202.15 lacs and Rs.41.21 lacs respectively) is repayable in 29 monthly instalments of Rs.6.77 lacs each (i.e. lease obligation including interest) starting from April, 2016 and carry interest rate of around 27.34% p.a. This is secured by assets acquired under the facility.

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
NOTE 6 : DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
Differences in depreciation and other differences in block of fixed assets as per tax and financial books	41413.40	45498.00
Gross Deferred Tax Liabilities	**41413.40**	**45498.00**
Deferred Tax Assets		
Effect of expenditure debited to statement of profit and loss in the current year/ earlier years but allowable for tax purposes in following years	438.84	490.16
Provision for gratuity	52.49	158.70
Provision for leave encashment	787.37	797.00
Provision for doubtful debts	292.16	163.57
Carry forward capital loss	-	1182.96
Gross Deferred Tax Assets	**1570.86**	**2792.39**
Net Deferred Tax Liabilities	**39842.54**	**42705.61**
NOTE 7 : OTHER LONG TERM LIABILITIES		
Trade Payables (other than Micro and Small Enterprises)	316.49	335.31
Earnest money / security deposits	0.30	0.40
Accrued employee liabilities	180.81	-
	497.60	**335.71**
NOTE 8 : LONG TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity (refer note no.36)	117.53	99.49
Provision for post retirement medical benefits (refer note no.36)	259.11	223.97
Other provision:		
Provision for loss on derivative contracts	-	821.28
	376.64	**1144.74**

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
NOTE 9 :SHORT-TERM BORROWINGS		
Secured Loans:		
From Banks:		
- Rupee loans	-	23500.00
- Cash credit facilities	59243.67	41172.98
- Foreign currency loans	228199.02	145022.43
Unsecured Loans:		
Commercial Papers (Short term)	65000.00	30000.00
From Banks:		
- Foreign currency loans	25073.13	46821.73
- Packing credit foreign currency loans	-	1395.87
	377515.82	**287913.01**

i Rupee loans of Nil (Previous year Rs.23500.00 lacs) carried interest in the range of 10.10% - 10.25% p.a., Cash credit facilities carrying interest in the range of 9.65% - 14.95% p.a. and Foreign currency loans of Rs.37165.16 lacs (Previous year Rs.13323.75 lacs) carrying interest in the range of 0.92% - 1.05% p.a., from banks are secured by hypothecation of all the Company's current assets including all stocks and book debts and other movable assets, both present & future (except assets of Shipping Division). These loans are further secured by second charge on all the immovable properties (except assets of Shipping Division) of the Company.

ii Foreign currency loans of Rs.191033.86 lacs (Previous year Rs.131698.68 lacs) carrying interest @ 0.98% - 1.12% p.a. are secured by second charge on the Company's current assets (except assets of Shipping Division).

iii Unsecured foreign currency loans of Rs.25073.13 lacs (Previous year Rs.46821.73 lacs) carry interest in the range of 0.92% - 1.12% p.a. and unsecured packing credit foreign currency loans for textile business (sold during the year) (refer note no. 50) carried interest in the range of 1.14% - 1.33% p.a.

NOTE 10 : TRADE PAYABLES		
Trade payables		
Outstanding dues to Micro and Small Enterprises (refer note no.41)	98.92	22.75
Outstanding dues to creditors other than Micro and Small Enterprises	46207.10	19896.76
	46306.02	**19919.51**

NOTE 11 : OTHER CURRENT LIABILITIES		
Current Maturity of long term borrowings (refer note no.5)	33298.91	28934.98
Interest accrued but not due on borrowings	712.72	783.61
Advance from customers	492.98	1188.25
Advance received against slump sale transaction	-	500.00
Earnest money / security deposits	8653.96	6368.19
Unclaimed statutory liabilities (as referred in Section 205C of the Companies Act, 1956)*:		
- Unpaid dividend	1169.25	1091.46
- Unpaid matured deposit	-	1.34
- Unpaid interest on above	-	0.67
Payable for capital goods {includes Rs.15.18 lacs (Previous year Nil) dues to Micro and Small Enterprises (refer note no. 41)}	489.71	1497.92
Forward contracts payable	8637.26	9050.11
Statutory obligation payable	2776.54	1533.11
Accrued employee liabilities	1845.19	2023.88
Other liabilities	114.11	69.65
	58190.63	**53043.17**

* Amount payable to Investor Education and Protection Fund is Nil (previous year Rs.0.09 lac since paid on due date).

NOTE 12 : SHORT-TERM PROVISIONS

		As at March 31, 2016		As at March 31, 2015
Provision for employee benefits				
Provision for gratuity (refer note no.36)		139.55		323.50
Provision for leave encashment		2275.12		2309.26
Provision for post retirement medical benefits (refer note no.36)		8.85		8.21
Other provisions:				
Provision for wealth tax		-		17.99
Provision for loss on derivative contracts		37.13		481.25
Proposed dividend on equity shares	7908.05		7908.05	
Less : Proposed dividend on equity shares held by trust	-	7908.05	42.81	7865.24
Tax on proposed dividend		1609.90		1609.90
		11978.60		**12615.35**

NOTE 13 : TANGIBLE ASSETS

(Rs in lacs)

Particulars	Land-Freehold	Land-Lease-hold	Buildings	Lease-hold Impro-vements	Leasehold Improve-ments (on Finance Lease)	Railway Siding	Plant and Machinery	Factory Equip-ment	Office Equip-ment	Furniture and Fittings	Vehicles	Ships	Total
Cost At 1 April 2014	743.20	587.28	19809.89	699.43	302.26	2205.11	311153.94	2121.93	2283.95	706.09	950.60	197744.08	539307.76
Additions	-	-	848.89	24.28	-	-	5080.98	79.12	223.11	52.94	247.56	1.10	6557.98
Deletions	-	-	(28.53)	(30.22)	-	-	(2483.27)	(19.03)	(179.93)	(8.44)	(174.18)	-	(2923.60)
Adjustment	-	-	27.67	-	-	-	470.67	(0.74)	-	-	-	4128.74	4626.34
At 31 March 2015	743.20	587.28	20657.92	693.49	302.26	2205.11	314222.32	2181.28	2327.13	750.59	1023.98	201873.92	547568.48
Additions	-	-	239.41	-	-	15.80	719.05	67.06	293.95	26.78	1020.46	144.37	2526.88
Deletions	-	-	(6.14)	-	-	-	(832.55)	(14.32)	(314.17)	(14.77)	(165.93)	-	(1347.88)
Disposal pursuant to sale of Textile division (Discontinued Operation) (refer note no. 50)	(309.93)	(8.93)	(5913.68)	-	-	-	(21797.73)	-	(157.29)	(185.98)	(90.89)	-	(28464.43)
Adjustments	-	-	46.25	-	-	-	3469.18	-	-	-	-	5335.31	8850.74
At 31 March 2016	433.27	578.35	15023.76	693.49	302.26	2220.91	295780.27	2234.02	2149.62	576.62	1787.62	207353.60	529133.79
Depreciation													
At 1 April 2014	-	144.12	5591.11	284.60	149.05	1796.02	212658.07	1156.07	1247.57	549.34	444.96	52211.10	276232.01
Charge for the year	-	5.94	502.96	6.18	34.54	28.55	8620.29	105.55	339.97	87.92	176.06	7347.93	17255.89
Deletions	-	-	(15.64)	(28.71)	-	-	(2279.78)	(6.56)	(167.70)	(7.66)	(135.24)	-	(2641.29)
Transfer to opening retained earnings	-	-	1159.26	-	-	2.64	387.41	128.80	228.16	16.17	-	-	1922.44
At 31 March 2015	-	150.06	7237.69	262.07	183.59	1827.21	219385.99	1383.86	1648.00	645.77	485.78	59559.03	292769.05
Charge for the year	-	5.84	330.55	8.52	34.54	28.40	7083.57	74.24	343.36	81.73	311.81	7639.58	15942.14
Deletions	-	-	(1.57)	-	-	-	(771.77)	(11.99)	(296.43)	(13.97)	(140.57)	-	(1236.30)
Disposal pursuant to sale of Textile division (Discontinued Operation) (refer note no. 50)	-	(1.45)	(1927.19)	-	-	-	(17956.21)	-	(135.62)	(151.63)	(39.40)	-	(20211.50)
Adjustments	-	-	-	-	-	-	2818.55	-	-	-	-	-	(2818.55)
At 31 March 2016	-	154.45	5639.48	270.59	218.13	1855.61	210560.13	1446.11	1559.31	561.90	617.62	67198.61	290081.94
Impairment loss													
At 1 April 2015	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year (refer note no. 52)	-	-	-	-	-	-	-	-	-	-	-	11199.17	11199.17
At 31 March 2016	-	-	-	-	-	-	-	-	-	-	-	11199.17	11199.17
Net Block													
At 31 March 2015	743.20	437.22	13420.23	431.42	118.67	377.90	94836.33	797.42	679.13	104.82	538.20	142314.89	254799.44
At 31 March 2016	433.27	423.90	9384.28	422.90	84.13	365.30	85220.14	787.91	590.31	14.72	1170.00	128955.82	227852.68

Notes :

1. Freehold land having gross block of Rs. 0.89 lac (Previous year Rs. 1.70 lacs), Leasehold land having gross block of Rs. 44.14 lacs (Previous year Rs. 44.14 lacs) and Buildings having gross block of Rs.409.07 lacs (Previous year Rs.409.07 lacs) are yet to be registered in the Company's name.
2. Gross Block and Accumulated Depreciation of Buildings includes Rs.0.71 lac (Previous year Rs.0.71 lac) and Rs.0.59 lac (Previous year Rs.0.58 lac) respectively represent undivided share in assets jointly owned with others.
3. Adjustment to Plant and Machinery includes additions of Rs. 576.00 lacs (Previous year Rs.500.11 lacs), adjustment to Buildings includes additions of Rs.46.25 lacs (Previous year Rs.27.67 lacs) and adjustment to Ships includes additions of Rs.5335.31 lacs (Previous year Rs.4128.74 lacs) being variations in rupee liability in respect of foreign currency.
4. Adjustment to Plant and Machinery includes machinery having a book value of Rs.2966.89 lacs (accumulated depreciation of Rs.2818.55 lacs) transferred from 'Assets held for disposal' during the year.
5. Adjustment from Plant and Machinery and Factory Equipment includes Cenvat credit of Rs. 0.35 lac (Previous year Rs.14.09 lacs) and Nil (Previous year Rs.0.74 lac) respectively related to earlier years but availed during the year.
6. Adjustment from Plant and Machinery includes Rs.73.36 lacs being liabilities written back during the year.
7. Additions to Plant and Machinery includes borrowing costs of Rs.12.65 lacs (Previous year Nil) capitalized during the year.
8. Capital work-in-progress (CWIP) includes capitalisation of expenditure amounting to Rs.10236.89 lacs (Previous year Rs.4843.04 lacs) (refer note no.34). Further, CWIP is after adjusting foreign exchange gain of Rs.98.96 lacs (Previous year foreign exchange loss of Rs.144.73 lacs) being variations in rupee liability in respect of foreign currency borrowings.

(Rs.in lacs)

Particulars	Software	Total
NOTE 14 : INTANGIBLE ASSETS		
GROSS BLOCK		
At 1 April 2014	1191.46	1191.46
Purchase	226.56	226.56
Deletions	(3.65)	(3.65)
At 31 March 2015	1414.37	1414.37
Purchase	66.53	66.53
Deletions	-	-
Disposal pursuant to sale of Textile division (Discontinued Operation) (refer note no. 50)	(150.17)	(150.17)
At 31 March 2016	1330.73	1330.73
Amortization		
At 1 April 2014	1053.07	1053.07
Charge for the year	75.81	75.81
Deletions	(3.65)	(3.65)
At 31 March 2015	1125.23	1125.23
Charge for the year	96.14	96.14
Deletions	-	-
Disposal pursuant to sale of Textile division (Discontinued Operation) (refer note no. 50)	(145.79)	(145.79)
At 31 March 2016	1075.58	1075.58
Net block		
At 31 March 2015	289.14	289.14
At 31 March 2016	255.15	255.15

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
NOTE 15 : NON-CURRENT INVESTMENTS		
Long Term Investments (At cost, unless otherwise stated)		
A Investment in Equity Instruments		
Trade (Unquoted)		
Joint Venture		
- 206,667(Previous year 206,667) shares of Moroccan Dirham 1000 each fully paid up in Indo Maroc Phosphore S.A. (IMACID)	8513.32	8513.32
Subsidiary Companies		
- 1,079,962 (Previous year 1,079,962) equity shares of Singapore $ 1 each fully paid up in India Steamship Pte. Limited, Singapore	286.04	286.04
- 250,000 (Previous year 250,000) equity shares of Rs.10 each fully paid up in India Steamship Limited	25.00	25.00
- 25 (Previous year Nil) ordinary shares of AED 1,000 each fully paid up in India Steamship International FZE, UAE **	3.06	-
Non Trade (Unquoted)		
- 20,000 (Previous year 20,000) equity shares of Rs.10 each fully paid up in Shivalik Solid Waste Management Limited	2.00	2.00
Subsidiary Companies		
- 9,400,000 (Previous year 9,400,000) equity shares of Rs.10/- each fully paid up in Chambal Infrastructure Ventures Limited	940.00	940.00
- 2,932,947 (Previous year 2,932,947) ordinary shares of US$ 0.0001 each fully paid up in CFCL Technologies Limited	0.18	0.18
B Investment in Preference Shares		
Non Trade (Unquoted), fully paid up		
- 30,00,000 (Previous year 30,00,000) 12% Non convertible cumulative redeemable preference shares of Rs. 100 each fully paid up in Upper Ganges Sugar & Industries Ltd. ***	3000.00	3000.00
Subsidiary Company		
- 11,740,459 (Previous year 8,357,574) preference shares of US$ 0.0001 each fully paid up in CFCL Technologies Limited {At cost less provision for other than temporary diminution of Rs.29618.66 lacs (Previous year Nil)}*	9725.23	35971.18
C Investment in Government Securities		
Non Trade (Unquoted)		
- 6 Year National Savings Certificates VIII Issue (lodged with Govt. Authorities.)	0.09	0.09
- Indira Vikas Patra	0.20	0.20

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
D Investment in Bonds & Debentures (Unquoted)		
Non Trade (Unquoted)		
- 218 (Previous year 218) 5% Non Convertible Debentures of Woodlands Hospital and Medical Research Centre Ltd of Rs.100 each fully paid up	0.22	0.22
	22495.34	**48738.23**
Aggregate amount of unquoted investments	22495.34	48738.23
Aggregate provision for diminution in value of investment	29618.66	-

Notes:

1. * During the year ended March 31, 2016, CFCL Technologies Limited, Cayman Islands, a subsidiary of the Company, has issued to the Company preference shares against conversion of convertible notes aggregating to USD 3.67 million (Rs.2442.69 lacs). Further, the Company has made additional investment of Rs.930.02 lacs in CFCL Technologies Limited, Cayman Islands.
   Based on the fair valuation by an independent valuer, the Company has made a provision of Rs.29618.66 lacs on account of diminution in the value of its investment in CFCL Technologies Limited, Cayman Islands, a subsidiary of the Company. The same has been shown under 'Exceptional item' in note no. 30 to the financial statements.
   CFCL Technologies Limited (CTL) has issued ordinary shares, preference shares (series A1,B1,C1,D1,E1,F,G,H & I) and warrants for ordinary shares and preference shares (series G, H & I). Conversion ratio of different series of non cumulative convertible preference shares into ordinary shares of CTL are as follows-Series A1, & B1 will be converted in the ratio of 1:1.22, Series C1, D1, E1 will be converted in the ratio of 1:1.68, Series F1 will be converted in the ratio of 1:1.33 and Series G, H and I will be converted in the ratio of 1:1. This conversion is subject to adjustments set forth, if any, in the Articles of Association of CTL.
   Further, the Company has given corporate guarantee of Rs.14577.20 lacs (Previous year Rs.13751.10 lacs) to a bank on account of loan given by bank to step-down subsidiaries of CTL. The Company has further provided letter of continued financial support to the said company.
2. ** During the year, Company has acquired entire shareholding of its step down subsidiary India Steamship International FZE, UAE (ISS, UAE) from its wholly owned subsidiary - India Steamship Pte. Limited, Singapore. Thus ISS, UAE became a direct subsidiary of the Company.
3. *** During the previous year, Company had made investment of Rs.3000.00 lacs in Upper Ganges Sugar & Industries Limited (UGSIL). As per the latest financial results of UGSIL, their accumulated losses have resulted in erosion of significant portion of the net worth. This being long term strategic investment and also in view of projected profitable operations of the investee company in near future, in the opinion of the management no provision of diminution in the value of investment required to be made as per Accounting Standard 13 "Accounting for Investments".

NOTE 16 : LONG TERM LOANS AND ADVANCES

(Unsecured, except to the extent stated and considered good)		
Capital advances	46751.35	1269.93
Advances recoverable in cash or in kind or for value to be received	0.70	-
Balances with statutory/ government authorities	20.00	20.09
Loans to employees		
a) Secured, considered good	136.02	188.42
b) Unsecured, considered good	25.14	38.28
Advance to CFCL Employees Welfare Trust (refer note no.43)	1572.50	-
Advance fringe benefit tax (Net of Provision for fringe benefit tax)	3.70	3.70
Advance Income Tax (Net of Provision for taxation)	8655.31	4863.95
Prepaid expenses	926.71	1017.99
Deposits - others	452.36	489.10
	58543.79	**7891.46**
Included in Loans to employees		
i. Dues from director of the Company	-	2.15

NOTE 17 : OTHER NON-CURRENT ASSETS

Catalysts in use (valued based on life technically assessed)	1019.58	1430.09
Non current bank balance (refer note no. 20)	-	0.15
	1019.58	**1430.24**

NOTE 18 : INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

Stores and spares {Including in transit Rs.19.79 lacs (Previous year Rs.30.63 lacs)}	10771.61	9805.50
Catalysts in use (valued based on life technically assessed)	411.06	630.80
Naphtha	0.00	526.80
Raw materials {Including in transit Rs.481.82 lacs (Previous year Rs.309.93 lacs)}	1678.39	6613.58
Loose tools	7.01	16.13
Packing materials	172.68	357.40
Waste (at net realisable value)	-	16.36
Work-in-process	740.26	1967.54

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Finished goods {Including in transit Rs.5320.97 lacs (Previous year Rs.2370.63 lacs)}	13592.95	8192.24
Traded goods {Including in transit Rs.10621.25 lacs (Previous year Rs.2592.31 lacs)}	62419.20	41241.97
	89793.16	**69368.32**

NOTE 19 : TRADE RECEIVABLES

Outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good*	142.53	147.95
Unsecured, considered good {(Including subsidy receivable from Government of India Rs. 55718.34 lacs (Previous year Rs.17321.04 lacs)}	56683.33	17942.89
Unsecured, considered doubtful	480.29	108.76
Less: Provision for doubtful receivables	480.29	108.76
	56825.86	18090.84
Other receivables		
Secured, considered good *	6662.98	3289.35
Unsecured, considered good {(Including subsidy receivable from Government of India Rs.253638.34 lacs (Previous year Rs.249943.57 lacs)}	321776.71	283563.09
	328439.69	286852.44
	385265.55	304943.28

*Secured trade receivables includes Nil (Previous year Rs.113.10 lacs) secured against letter of credit.

NOTE 20 : CASH AND BANK BALANCES

Cash and Cash Equivalents		
Cheques on hand	-	171.83
Balances with banks :		
On unpaid dividend / preference share redemption amount / fixed deposit accounts	1169.25	1091.46
On current accounts	208.58	215.49
On cash credit accounts	85.78	61.04
On saving accounts	3.94	2.93
Deposits with original maturity of less than three months	1000.00	-
Cash on hand	2.92	9.33
	2470.47	1552.08
Other bank balances :		
Deposits with remaining maturity for more than 12 months	-	0.15
Deposits with remaining maturity for less than 12 months	617.21	584.51
	617.21	**584.66**
	3087.68	**2136.74**
Less: Deposit with maturity more than 12 months disclosed under non-current assets (refer note no.17)	-	(0.15)
	3087.68	**2136.59**

NOTE 21 : SHORT-TERM LOANS AND ADVANCES

(Unsecured and considered good, except to the extent stated)		
Loan to a subsidiary (refer note no.37) *	1987.80	2187.68
Advances recoverable in cash or in kind or for value to be received	13195.38	2100.88
(Considered doubtful Rs.62.68 lacs, Previous year Rs.62.68 lacs)		
Balances with statutory/ government authorities	2767.10	3888.52
(Considered doubtful Rs.275.09 lacs, Previous year Rs.275.09 lacs)		
Loans to employees		
a) Secured, considered good	35.70	48.54
b) Unsecured, considered good	12.30	15.72
Deposits - others	90.75	341.94
(Considered doubtful Rs.26.14 lacs, Previous year Rs.26.14 lacs)		
Prepaid Expenses	1789.81	1571.72
Advance Income Tax (Net of Provision for taxation)	-	10501.12
	19878.84	**20656.12**
Less: Provision for doubtful advances	363.91	363.91
	19514.93	**20292.21**

Included in Loans to employees		
i. Dues from director of the Company	**2.15**	**-**
ii. Dues from officer of the Company	**1.15**	**0.29**

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
NOTE 22 : OTHER CURRENT ASSETS		
(Unsecured and considered good)		
Interest receivable on loans, deposits and others	60.37	202.38
Export benefits receivable	-	195.95
Insurance and other claims receivable	379.00	502.95
Unamortised premium on forward contracts	4684.89	6947.99
Receivable from subsidiary companies / Joint Venture (refer note no. 37)	438.10	148.91
Fertilisers Companies Govt. of India bonds (at lower of cost and market value)	0.10	0.10
Assets held for disposal (at lower of net written down value and net realisable value)	10.00	292.40
Others	31.30	-
	5603.76	**8290.68**

NOTES ANNEXED TO AND FORMING PART OF THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(Rs. in Lacs)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
NOTE 23 : REVENUE FROM OPERATIONS		
Sale of Products:		
Sale of own manufactured products (including subsidy on fertilisers)	440167.96	496210.10
Sale of traded products (including subsidy on fertilisers)	439373.03	320370.45
Sale of Services:		
Income from operations of shipping business	76044.32	72144.73
{Including Rs.37665.32 lacs from charter in ship (Previous year Rs.37390.33 lacs)}		
Other Operating Revenues		
Export benefits	-	692.86
Others	44.84	715.99
Revenue from operations (gross)	**955630.15**	**890134.13**
Less : Excise duty #	1999.67	1920.37
Revenue from operations (net)	**953630.48**	**888213.76**

Excise duty on sales amounting to Rs. 1999.67 lacs (Previous year Rs.1920.37 lacs) has been reduced from sales in statement of profit and loss and excise duty on increase/ (decrease) in stock amounting to Rs. 27.26 lacs (Previous year Rs.(38.80) lacs) has been considered as expense / (income) as per note 29 of the financial statements.

Details of products sold		
Manufactured goods sold		
Urea	418075.80	433404.16
Ammonia	6632.98	7650.83
Single Super Phosphate	15459.18	14819.76
Synthetic Man-made Fibers Yarn*	-	20404.25
Synthetic Fiber Yarn Waste*	-	70.29
Cotton Yarn*	-	18593.86
Cotton Waste*	-	1266.95
	440167.96	**496210.10**

* related to Textile division sold during the year.

Traded products sold		
Di-ammonium Phosphate	332420.21	227615.44
Muriate of Potash	46733.95	50354.32
Pesticides	25066.84	25919.39
Seeds	6492.58	6161.28
Single Super Phosphate	983.82	1102.48
Zinc	3184.86	3800.48
Micro Nutrients	4347.77	4143.84
Gypsum	223.57	361.54
Complex (NPK Fertilisers)	19143.35	-
Complex (Water soluble Fertilisers)	776.08	911.68
	439373.03	**320370.45**

(Rs. in Lacs)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
NOTE 24 : OTHER INCOME		
Interest on		
- Fertiliser bonds	0.01	0.01
- Employee loans	9.30	12.41
- Loan to subsidiaries (refer note no.37)	192.65	50.43
- Income Tax refunds	-	890.20
- Deposits (Gross)	135.45	392.56
- Payment from customers	1136.56	917.34
- Current investments	663.51	87.87
- Others	138.76	18.95
Dividend income	-	-
- on non trade non current investment	0.20	-
- on investment in Joint venture and Subsidiary - trade, long term (refer note no.37)	5067.45	4389.37
Rent received	8.27	7.95
Mark to Market gain on derivative transactions	1265.40	1398.45
Insurance claims received	672.98	1013.70
Liabilities no longer required written back	10.34	273.36
Profit on sale of non trade current investments	3641.18	1360.25
Sale of scrap {Net of excise duty Rs.0.05 lac (Previous year Nil)}	135.07	257.02
Miscellaneous income	1450.38	2436.64
	14527.51	13506.51
NOTE 25 : COST OF MATERIALS CONSUMED		
Opening inventories	6613.58	6445.73
Add: Purchases	203058.89	240172.23
Less : Transferred on account of slump sale of Textile division	4782.88	-
Less: Closing inventories	1678.39	6613.58
	203211.20	**240004.38**
Details of materials consumed		
Natural Gas	193067.18	206124.79
Neem Oil	1396.11	486.57
Staple fibre*	-	11902.99
Cotton*	-	13463.57
Dyes and Chemicals*	-	490.56
Rock Phosphate	6529.61	5819.47
Sulphuric Acid	1849.19	1516.12
Gypsum	358.92	190.59
Others	10.19	9.72
	203211.20	**240004.38**

* related to Textile division sold during the year.

NOTE 26 : (INCREASE) IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, TRADED GOODS AND WASTE

(Rs. in Lacs)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015	(Increase) / Decrease
Closing inventories			
- Work-in-process	740.26	1967.54	1227.28
- Finished goods	13592.95	8192.24	(5400.71)
- Traded goods	62419.20	41241.97	(21177.23)
- Waste	-	16.36	16.36
Total (A)	76752.41	51418.11	(25334.30)
Opening inventories			
- Work-in-process	1967.54	2672.02	704.48
- Finished goods	8192.24	18104.89	9912.65
- Traded goods	41241.97	24646.45	(16595.52)
- Waste	16.36	35.35	18.99
Total (B)	51418.11	45458.71	**(5959.40)**
Transferred on account of slump sale of Textile division (C)	(4515.54)	-	(4515.54)
(Increase) in inventories (C+B-A)	**(29849.84)**	**(5959.40)**	

(Rs. in Lacs)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
Details of purchase of traded goods		
Di-ammonium Phosphate	331991.55	189185.42
Muriate of Potash	28414.30	53759.41
Pesticides	22048.43	21216.83
Seeds	5801.73	5293.31
Single Super Phosphate	908.25	1070.25
Zinc	2758.22	3275.10
Micro Nutrients	2524.02	3149.94
Gypsum	105.76	175.69
Complex (NPK Fertilisers)	12761.14	11431.98
Complex (Water soluble Fertilisers)	470.49	835.58
	407783.89	**289393.51**
Details of inventory		
Work in progress		
Ammonia	330.26	571.47
Single Super Phosphate	407.09	497.32
Synthetic Fiber	-	314.20
Synthetic Yarn	-	306.21
Cotton Fiber	-	188.56
Cotton Yarn	-	87.76
Other	2.91	2.02
	740.26	**1967.54**
Finished goods		
Urea	13191.49	3577.66
Single Super Phosphate	401.46	1012.13
Synthetic Man-made Fibers Yarn	-	2994.10
Cotton Yarn	-	608.35
	13592.95	**8192.24**
Traded goods		
Di-ammonium Phosphate	44221.74	6413.19
Muriate of Potash	4266.03	15951.39
Pesticides	5808.89	5361.86
Seeds	44.44	-
Single Super Phosphate	9.61	1.04
Zinc	23.32	22.84
Micro Nutrients	491.00	993.08
Complex (NPK Fertilisers)	7365.85	12152.62
Complex (Water soluble Fertilisers)	188.32	345.95
	62419.20	**41241.97**
Waste		
Synthetic Fiber Yarn Waste	-	0.63
Cotton Waste	-	15.73
	-	**16.36**

NOTE 27 : EMPLOYEE BENEFITS EXPENSE

Salaries, wages and bonus*	13304.23	14706.97
Contribution to provident and other funds*	647.89	870.98
Gratuity expenses (refer note no.36)	174.98	308.55
Post retirement medical benefits (refer note no. 36)	43.45	68.57
Workmen and staff welfare expenses	567.86	601.49
	14738.41	**16556.56**

* Refer note no. 34

NOTE 28 : FINANCE COSTS

Interest (including interest on income tax Rs.20.02 lacs (Previous year Nil))*	13548.90	15349.32
Bank charges and guarantee commission*	451.13	399.32
	14000.03	**15748.64**

* Refer note no. 34

(Rs. in Lacs)

Particulars		Year Ended March 31, 2016		Year Ended March 31, 2015
NOTE 29 : OTHER EXPENSES				
Consumption of stores and spares (refer note no. 44 (b))		3024.75		4567.42
Consumption of packing materials		8014.41		9613.67
Bagging and other services		1373.08		1083.72
Power and fuel		124747.83		137024.69
Catalyst charges written off		630.85		872.55
Rent (refer note no.40)		2822.65		2073.11
Rates and taxes		48.32		67.91
Insurance		3042.24		2829.36
Repairs and maintenance :				
- Plant & Machinery		1797.88		2081.82
- Ships		862.57		819.95
- Buildings		596.38		397.75
- Others		1349.08		1115.39
Ships bunker cost		5037.30		13359.55
Ships port dues		3007.81		4382.31
Ships special survey expenses		1331.60		714.66
Directors' sitting fees		28.14		18.09
Travelling and conveyance*		944.23		957.87
Communication costs		174.92		148.34
Printing and stationery		47.53		59.18
Legal and professional fees*		566.25		540.77
Auditor's remuneration (including Branch Auditors')				
As auditor:				
- Audit fee		45.43		44.78
- Tax audit fee		10.49		10.30
- Limited review fee		25.18		24.78
- Out of pocket expenses		5.73		6.33
In other manner:				
- Certification and other services		34.47		29.04
Excise duty on increase/ (decrease) in inventories		27.26		(38.80)
Freight and forwarding charges		61563.44		45330.59
Cash rebate to customers		559.61		503.67
Commission and brokerage to other than sole selling agents		2651.04		2514.26
Other selling expenses		287.07		453.89
CSR expenditure (refer note no. 48)		905.86		835.55
Depletion of loose tools		14.30		19.66
Green belt development/ horticulture expenses		242.33		249.39
Provision for doubtful debts		371.52		8.66
Loss on foreign exchange variation (net)*		1136.40		366.79
Premium on forward contracts amortised		15349.32		10261.25
Loss on disposal of fixed assets (net)		180.05		209.28
Bank charges and guarantee commission (other than financing)*		131.12		71.40
Irrecoverable balances written off	17.45		80.12	
Less: Provision for doubtful advances adjusted out of above	-	17.45	46.89	33.23
Miscellaneous expenses*		1719.49		2069.16
		244725.38		**245731.32**
* Refer note no. 34				
NOTE 30 : EXCEPTIONAL ITEMS				
Loss on liquidation of non trade long term investments		-		10702.09
(Profit) on sale of Textile division (refer note no. 50)		(3813.19)		-
Provision for diminution in value of investment (refer note 1 of note no.15)		29618.66		-
Impairment loss on tangible fixed assets (refer note no. 52)		11199.17		-
		37004.64		**10702.09**

(Rs. in Lacs)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015
NOTE 31 : EARNINGS PER SHARE (EPS)		
Net profit as per Statement of profit and loss	8629.75	23678.32
Calculation of weighted average number of equity shares		
- Number of share at the beginning of the year	416207852	416207852
- Total equity shares outstanding at the end of the year	416207852	416207852
- Weighted average number of equity shares outstanding during the year	416207852	416207852
Basic and Diluted Earnings Per Share (In Rs.)	2.07	5.69
Nominal Value of Equity Shares (In Rs.)	10.00	10.00

32. Contingent liabilities (not provided for) in respect of :

(Rs. in Lacs)

Sl.No.	Particulars	2015-16	2014-15
A	Outstanding amount against corporate guarantee given to bank on account of loans given by such bank to stepdown subsidiary company	14577.20	13751.10
B i)	Demand raised by Service Tax, Sales Tax and Income Tax (IT) authorities being disputed by the Company*	732.32	624.07
ii)	Penalty levied by FERA Board under appeal before the Calcutta High Court.	1.30	1.30
iii)	Various labour cases	Amount not ascertainable	Amount not ascertainable
iv)	Other claims against the Company not acknowledged as debts.	12.05	402.93

* Brief description of liabilities for (B)(i) above :

(Rs. in Lacs)

Sl.No.	Particulars	2015-16	2014-15
1.	**Income Tax :**		
	Demand raised by IT authorities on account of various disallowances for AY 2003-04 including penalties.	1.28	1.28
	Demand raised by IT authorities on account of various disallowances for AY 2004-05 including penalties.	5.87	5.87
	Demand raised by IT authorities on account of various disallowances for AY 2008-09 including penalties.	123.23	123.23
	Demand raised by IT authorities on account of various disallowances for AY 2009-10.	98.50	98.50
	Demand raised by IT authorities on account of various disallowances for AY 2010-11.	70.33	70.33
	Demand raised by IT authorities on account of various disallowances for AY 2011-12.	104.37	104.37
	Demand raised by IT authorities on account of various disallowances for AY 2012-13.	154.22	154.22
	Demand raised by IT authorities on account of short deduction of TDS and interest thereon for AY 2008-09 to 2016-17.	6.15	1.05
2.	**Sales Tax :**		
	Disallowance of VAT credit on raw materials used in the manufacturing of finished goods and lying in stock on April 1, 2006.	22.18	22.18
	Demand raised by Asstt. Commissioner of Commercial Taxes, Patliputra Circle, Patna for FY 2013-14.	103.15	-
	Miscellaneous Rajasthan Sales Tax and Central Sales Tax demand.	38.47	38.47
3.	**Service Tax :**		
	Service Tax demand received on services from foreign parties in respect of service tax not paid on Tax deducted at source (TDS) portion.	4.57	4.57
Total		**732.32**	**624.07**

(v) The Company had received a demand of Rs. 352.34 lacs (Previous year Rs.352.34 lacs) from Sales Tax Department, Kota in an earlier year towards use of natural gas for ammonia fuel, power and steam generation for the period April, 1996 to May, 2001. The Company has obtained a stay from Hon'ble High Court of Rajasthan, Jodhpur on 11th July, 2001. However, in the event of the Company having to pay the above, it is reimbursable by Fertiliser Industry Coordination Committee (FICC) / Government of India under Subsidy Scheme.

(vi) The Company as well as other users of natural gas under HBJ Gas Pipeline had in earlier years received letters from GAIL (India) Limited, informing about the possibility of levy of excise duty on natural gas (presently not levied) with retrospective effect. The amount of such levy is not ascertainable. However, in the event of its levy, it is reimbursable by FICC under Subsidy Scheme.

(vii) The Company as well as other users of Natural Gas under HBJ Gas Pipeline had received a letter in an earlier year from GAIL (India) Limited, informing about the possibility of levy of Central Sales Tax. The Company has been taking the delivery of Gas in the State of Rajasthan and has been accordingly paying Rajasthan Sales Tax on the supply. Therefore, the Company feels that no Central Sales Tax is payable by it. Further, the amount of such levy is not ascertainable. However, in the event of its levy, it is reimbursable by FICC under Subsidy Scheme.

(viii) Under the Jute Packaging Material (Compulsory use of Packing Commodities) Act, 1987, a specified percentage of fertilisers dispatched were required to be supplied in Jute bags up to 31.8.2001. The provisions of the said Act were challenged in the

Supreme Court, which upheld the constitutional validity of this Act in its judgment in 1996. In spite of making conscious efforts to step up use of jute packaging material, the Company had been unable to adhere to the specified percentage, due to strong customer resistance to use of jute bags. The Company had received show cause notice from the Office of the Jute Commissioner, Kolkata, for levying a penalty of Rs.7380.36 lacs (Previous year Rs.7380.36 lacs) for non compliance of the provisions of the said Act. The Company has obtained a stay order from Delhi High Court against the above show cause notice and has been advised that the said levy is not tenable in law and accordingly no provision has been considered.

Based on favorable decisions in similar cases, legal opinion taken by the Company, discussions with the solicitors, etc., the Company believes that there is fair chance of decisions in its favour in respect of all the items listed in (B) (i) to (viii) above and hence no provision is considered necessary against the same.

33. Capital Commitments

(Rs. in Lacs)

Particulars	2015-16	2014-15
Estimated amount of contracts remaining to be executed on capital account (net of advances)	463926.62	4379.82

34. Capitalisation of expenditure

The Company has capiatlised the following expenses of revenue nature to the cost of Capital Work in progress (CWIP) . Consequently expenses disclosed under the respective notes are net of amounts capitalised by the Company. The break up of expenditure is as follows :

(Rs. in Lacs)

Particulars	2015-16	2014-15
Opening Balance	4843.04	3179.16
Add : Expenditure during the year		
Salaries, wages and bonus	238.25	221.66
Contribution to provident and other funds	9.43	9.27
Travelling and conveyance	16.88	7.58
Legal and professional fees	102.52	1425.37
Interest	90.84	-
Other finance costs	4987.54	-
Bank charges	46.27	-
Foreign Exchange variation	(100.61)	-
Miscellaneous expenses	2.73	-
Capitalisation of expenditure (pending for allocation) *	10236.89	4843.04

* Related to upcoming urea manufacturing plant under the New Investment Policy 2012.

35. Segment Information

Primary Segment : Business Segment

The Company has identified the business segment as its primary reportable segment as the Company's risks and rates of return are affected predominantly by differences in the products and services produced.

The Company's operating businesses are organized and managed separately according to the nature of products manufactured, traded and services provided. The two identifiable reportable segments are viz. Fertilisers and other Agri inputs and Shipping. A description of the types of products and services provided by each reportable segment is as follows:

Fertilisers and other Agri-inputs segment includes manufacture and marketing of Urea, Single Super Phosphate (SSP) and purchase and sale of other fertilisers and Agri-inputs.

Shipping Segment includes transportation of crude oil and liquid products through vessels owned and/ or hired by the Shipping Division.

The following table presents segment revenue, results, assets & liabilities in accordance with Accounting Standard-17 as on March 31, 2016

(Rs. in Lacs)

Particulars	Fertilisers and other Agri-inputs		Shipping		Textile (Discontinued operation)		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Revenue								
External Sales (including other operating revenue)	877586.16	774935.98	76044.32	72144.73	-	41133.05	953630.48	888213.76
Inter Segment Sales	-	-	-	-	-	-	-	-
Total Sales	877586.16	774935.98	76044.32	72144.73	-	41133.05	953630.48	888213.76
Results								
Segment Results	68434.81	63155.66	12275.45	3938.69	-	1541.50	80710.26	68635.85
Unallocated Expenses (net)	-	-	-	-	-	-	12876.36	9331.28

(Rs. in Lacs)

Particulars	Fertilisers and other Agri-inputs		Shipping		Textile (Discontinued operation)		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Operating Profit before Exceptional Items	-	-	-	-	-	-	67833.90	59304.57
Exceptional Items (refer note no.30)	-	-	-	-	-	-	37004.64	10702.09
Interest Expense	-	-	-	-	-	-	13548.90	15349.32
Interest Income	-	-	-	-	-	-	2276.24	2369.77
Dividend Income	-	-	-	-	-	-	5067.65	4389.37
Income Tax	-	-	-	-	-	-	15994.50	16333.98
Net Profit after Exceptional Items	-	-	-	-	-	-	8629.75	23678.32
Other Information								
Segment Assets	653863.80	473217.57	139284.28	154675.63	-	21642.54	793148.08	649535.74
Unallocated Assets	-	-	-	-	-	-	44728.45	77879.94
Total Assets	-	-	-	-	-	-	837876.53	727415.68
Segment Liabilities	48314.33	20624.64	5996.27	5482.97	-	2292.48	54310.60	28400.09
Unallocated Liabilities	-	-	-	-	-	-	551231.89	467460.63
Total Liabilities	-	-	-	-	-	-	605542.49	495860.72
Capital Expenditure	64030.73	11489.12	5521.96	4248.19	-	1082.87	69552.69	16820.18
Unallocated Capital Expenditure	-	-	-	-	-	-	185.86	165.59
Depreciation and amortization expense*	8110.34	9805.76	7779.63	7469.79	-	1834.47	15889.97	19110.02
Unallocated Depreciation/ Amortization	-	-	-	-	-	-	148.31	144.12
Non cash expenses other than Depreciation and amortization	388.32	8.95	0.65	13.39	-	-	388.97	22.34
Unallocated non cash expenses	-	-	-	-	-	-	-	19.55

* includes NIL (Previous year Rs.1922.44 lacs) adjusted from the amount of opening retained earnings.

Secondary Segment : Geographical Segment

The analysis of geographical segment is based on the geographical location i.e., domestic and overseas markets, of the customers.

Secondary Segment Reporting (by Geographical Segments)

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

(Rs. in Lacs)

Particulars	2015-16	2014-15
Revenue from Domestic Market	923204.55	854650.74
Revenue from Overseas Markets	30425.93	33563.02
Total	**953630.48**	**888213.76**

Geographical segment wise receivables :

(Rs. in Lacs)

Particulars	2015-16	2014-15
Trade Receivables from Domestic Market	382685.26	301325.40
Trade Receivables from Overseas Markets	2580.29	3617.88
Total	**385265.55**	**304943.28**

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

36. Gratuity and other Post Employment Benefit Plans :

(a) Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure @ 15 days (15 to 30 days in case of Shipping Division) salary (last drawn salary) for each completed year of service. The Scheme is funded with insurance companies in the form of a qualifying insurance policies except in the case of crew employees of the Shipping division.

(b) Provident Fund

The Company has set up provident fund trusts, which are managed by the Company in respect of Fertiliser and Shipping division of the Company and as per the Guidance Note on implementing AS-15, Employee Benefits (revised 2005) issued by the Accounting Standard Board (ASB), provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. The actuarial valuation of Provident Fund was carried out in accordance with the guidance note issued by Actuarial Society of India and provided the interest shortfall of Provident Fund liability in the books of accounts.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Statement of Profit and Loss

(Rs. in Lacs)

Particulars	Trust Managed Provident Fund		Gratuity	
	2015-16	2014-15	2015-16	2014-15
Current service cost	333.46	341.92	173.66	224.34
Interest cost on benefit obligation	-	-	187.14	181.99
Expected return on plan assets	-	-	(171.26)	(169.76)
Net actuarial (gain)/ loss recognised in the year	-	-	(14.56)	71.98
Past service cost	-	-	-	-
Net expense	333.46	341.92	174.98	308.55
Actual return on plan assets	-	-	133.80	27.82

Balance Sheet

Funding status and amount recognised in Balance Sheet

(Rs. in Lacs)

Particulars	Trust Managed Provident Fund		Gratuity	
	2015-16	2014-15	2015-16	2014-15
Defined benefit obligation	10401.35	9307.97	2495.56	2650.67
Fair value of plan assets	10829.20	9602.50	2238.48	2227.67
Plan asset/ (liability)*	427.85	294.53	(257.08)	(423.00)

* Plan assets of Rs.427.85 lacs (Previous year Rs.294.53 lacs) has not been recognised in the financial statements, as the surplus of the trust, is distributable among the beneficiaries of the provident fund trust.

Changes in the present value of defined benefit obligation are as follows :

(Rs. in Lacs)

Particulars	Trust Managed Provident Fund		Gratuity	
	2015-16	2014-15	2015-16	2014-15
Opening defined benefit obligation	9307.97	8198.18	2650.67	2228.40
Interest cost	744.63	661.42	187.14	181.99
Contribution by plan participant / employees	706.86	704.43	-	-
Current service cost	333.46	341.92	173.66	224.34
Benefits paid out of funds	(724.07)	(692.83)	(141.70)	(167.17)
Contribution by plan participant / employees	62.77	-	-	-
Benefits paid by the Company	(70.07)	-	(11.17)	(29.23)
Actuarial (gains) / losses on obligation	(25.09)	78.72	(60.57)	212.34
Settlement / transfer in	64.88	16.13	0.97	-
Less : Transfer of liability pursuant to slump sale of Textile Division	-	-	(303.44)	-
Closing defined benefit obligation	10401.35	9307.97	2495.56	2650.67

Changes in the fair value of plan assets are as follows :

(Rs. in Lacs)

Particulars	Trust Managed Provident Fund		Gratuity	
	2015-16	2014-15	2015-16	2014-15
Opening fair value of plan assets	9602.50	8479.94	2227.67	1930.77
Expected return	862.26	741.99	171.26	169.76
Contribution by employer	333.46	341.92	237.93	153.95
Plan participants / Employee Contribution	769.63	704.43	-	-
Benefits paid	(794.14)	(692.83)	(141.70)	(167.17)
Actuarial (gains) / losses on plan assets	(9.39)	10.92	(46.03)	140.36
Settlement / transfer in	64.88	16.13	-	-
Less : Transfer of Plan assets pursuant to slump sale of Textile Division	-	-	(210.65)	-
Closing fair value of plan assets	10829.20	9602.50	2238.48	2227.67

The Company expects to contribute Rs.246.80 lacs (Previous year Rs.320.15 lacs (approx.)) and Rs.346.16 lacs (Previous year Rs.425.00 lacs (approx.)) to gratuity trust fund and provident fund trust respectively in the financial year 2016-17.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows :

Particulars	2015-16	2014-15
Investments with insurers/Government securities/Equity shares/Equity oriented mutual funds (%)	100	100

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity and trust managed fund for the Company's plans are shown below :

Particulars	Trust Managed Provident Fund		Gratuity	
	2015-16	2014-15	2015-16	2014-15
Discount rate (%)	8.00	8 to 8.75	8.00	8.00
Expected rate of return (%)	8.80 to 9.00	8.75 to 8.85	8 to 8.50	8.50 to 8.85
Employee turnover rate (%)	2 to 10	2 to 10	2 to10	2 to 10

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amount for the current and previous four periods in respect of gratuity and current year and previous one year in respect of trust managed provident fund are as follows:

(Rs. in Lacs)

Particulars	Trust Managed Provident Fund		Gratuity				
	2015-16	2014-15	2015-16	2014-15	2013-14	2012-13	2011-12
Defined Benefit Obligation	10401.35	9307.97	2495.56	2650.67	2228.20	1928.71	1728.27
Plan assets	10829.20	9602.50	2238.48	2227.67	1930.77	1801.15	1301.98
Surplus / (deficit)	427.85	294.53	(257.08)	(423.00)	(297.63)	(127.56)	(426.29)
Experience adjustment on plan assets - gain / (loss)	-*	-*	46.03	101.88	(39.02)	16.72	(19.78)
Experience adjustment on plan liabilities - gain / (loss)	-*	-*	60.57	(77.28)	(5.26)	(69.79)	(102.06)

* The amount would not be material in the opinion of the management.

(c) Post Retirement Medical Benefits Plan

The fertiliser division of the Company has post retirement benefit schemes in the nature of defined benefit plan which is unfunded. The following table summarises the components of net benefit/ expense recognised in the Statement of Profit and Loss and Balance Sheet for the plan.

Statement of Profit and Loss:

(Rs. in Lacs)

Particulars	Post Retirement Medical Benefits Plan	
	2015-16	2014-15
Current Service Cost	9.81	14.27
Interest Cost on defined benefit obligation	18.57	14.46
Expected return on plan assets	-	-
Expenses related to earlier years	-	-
Net actuarial losses	15.07	39.84
Total Expense	43.45	68.57

Balance Sheet

Net Liability recognised in the Balance Sheet

(Rs. in Lacs)

Particulars	Post Retirement Medical Benefits Plan	
	2015-16	2014-15
Present value of defined benefit obligation	267.96	232.18
Plan assets	-	-
Net Liability	267.96	232.18

Changes in the present value of defined benefit obligation are as follows :

(Rs. in Lacs)

Particulars	Post Retirement Medical Benefits Plan	
	2015-16	2014-15
Obligation in the beginning of the year	232.18	170.12
Current service cost	9.81	14.27
Interest cost	18.57	14.46
Benefit paid by the Company	(7.67)	(6.51)
Actuarial losses	15.07	39.84
Obligation at the end of the year	**267.96**	232.18

Actuarial assumptions:

Particulars	Post Retirement Medical Benefits Plan	
	2015-16	2014-15
Discount rate	8.00%	8.00%
Withdrawal rate	2% to 10%	2% to 10%
Medical cost escalation rate	3.00%	3.00%
Mortality	IALM (2006-08)	LIC Annuitants (1996-98) ultimate

Amount for the current year and previous two years are as follows:

(Rs. in Lacs)

Particulars	Post Retirement Medical Benefits Plan		
	2015-16	2014-15	2013-14
Defined benefit obligation	(267.96)	(232.18)	(170.12)
Plan assets	-	-	-
Surplus/ (deficit)	(267.96)	(232.18)	(170.12)
Experience adjustment on plan liabilities gain/ (loss)	(15.07)	(39.84)	(158.15)
Experience adjustment on plan assets gain/ (loss)	-	-	-

Contribution to Defined Contribution Plans :

(Rs. in Lacs)

Particulars	2015-16	2014-15
Provident Fund / Pension Fund*	166.13	296.24
Superannuation Fund	113.98	118.00
National Pension Scheme**	18.12	17.98

* Provident fund in respect of textile division of the Company Nil (previous year Rs.67.23 lacs) and Pension fund in respect of all divisions of the Company.

** In respect of Fertiliser division of the Company.

37. Related Party Disclosures

During the year, the Company has entered into transactions with the related parties. Those transactions along with related balances as at March 31, 2016 and for the year then ended are presented below.

List of related parties under Accounting Standard- 18 notified under Section 133 of the Companies Act , 2013 along with nature and volume of transactions:

(a) Subsidiaries

CFCL Technologies Limited, Cayman Islands

Chambal Infrastructure Ventures Limited, India

India Steamship Pte. Limited, Singapore

India Steamship International FZE, UAE

India Steamship Limited, India

Subsidiaries of CFCL Technologies Limited, Cayman Islands.

* CFCL Ventures Limited, Cayman Islands
* ISGN Corporation, USA

Subsidiaries and step-down subsidiaries of ISGN Corporation, USA

ISGN Solutions Inc, USA

* Richmond Investors, LLC, USA (till 10.07.2015)
* Richmond Title Genepar, LLC, USA (till 07.04.2015)
* Richmond Title Services, LP , USA (till 08.06.2015)
* ISGN Fulfillment Services, Inc. (Pennsylvania, USA)
* ISGN Fulfillment Services, Inc (AZ, USA) (till 12.01.2016)
* ISGN Fulfillment Agency, LLC (DE, USA)

Subsidiaries of CFCL Ventures Limited

ISG Novasoft Technologies Limited, India

Inuva Info Management Private Limited, India

Subsidiaries of Chambal Infrastructure Ventures Limited

Chambal Energy (Chhattisgarh) Limited (since amalgamated)

Chambal Energy (Orissa) Limited (since amalgamated)

(Rs. in Lacs)

Particulars	2015-16		2014-15	
Dividend Income		3134.50		-
- India Steamship Pte Limited, Singapore	3134.50		-	
Freight /Demurrage expenses		11424.61		3382.75
- India Steamship International FZE, UAE	8177.06			
- India Steamship Pte Limited, Singapore	3247.55		3382.75	
Interest Income		192.65		50.43
- CFCL Technologies Limited	89.10		3.83	
- India Steamship Pte Limited, Singapore	21.16		46.60	
- India Steamship International FZE, UAE	82.39		-	
Guarantee Commission Income		794.96		746.69
ISGN Corporation, USA	794.96		746.69	
Investments purchased		3375.77		2629.80
- CFCL Technologies Limited	3372.71		-	
- India Steamship International FZE, UAE	3.06		-	
- Chambal Infrastructure Ventures Limited	-		450.00	
- CFCL Overseas Limited, Cayman Islands (liquidated w.e.f. 26.06.2015)	-		2179.80	
Loan given		3274.20		903.60
- India Steamship International FZE, UAE	1944.40			
- India Steamship Pte Limited, Singapore	1329.80		903.60	
Loan Repaid		3517.48		903.60
- CFCL Technologies Limited	2187.68			
- India Steamship Pte Limited, Singapore (before adjusting exchange difference)	1329.80		903.60	
Reimbursement of expenses		-		1.00
- Chambal Infrastructure Ventures Limited	-		1.00	
Advances Repaid		-		448.26
- Chambal Infrastructure Ventures Limited	-	-	448.26	
Provision for diminution in value of Investment		29618.66		-
CFCL Technologies Limited	29618.66		-	
Outstanding balances as at the year end				
Trade Payables		2128.89		159.67
- India Steamship International FZE, UAE	2128.89		-	
- India Steamship Pte Limited, Singapore	-		159.67	
Loans and Advances		1987.80		2187.68
- India Steamship International FZE, UAE	1987.80		-	
- CFCL Technologies Limited	-		2187.68	
Corporate Guarantees Outstanding		14577.20		13751.10
- ISGN Corporation, USA	14577.20		13751.10	
Other Current Assets		410.20		115.12
- India Steamship International FZE, UAE	82.40		-	
- ISGN Corporation, USA (Guarantee Commission)	327.80		88.32	
- CFCL Technologies Limited	-		26.80	
Provision for diminution in value of Investment		29618.66		-
CFCL Technologies Limited	29618.66		-	

(b) Joint Venture

Indo Maroc Phosphore S.A. Morocco

(Rs. in Lacs)

Particulars	2015-16		2014-15	
Dividend Income	1932.95	1932.95	4389.37	4389.37
Reimbursement of expenses received	31.90	31.90	43.49	43.49
Outstanding balances as at the year end		27.90		33.79
Other receivables	27.90		33.79	

(c) Key Managerial Personnel

Mr. Anil Kapoor

(Rs. in Lacs)

Nature of Transactions	2015-16		2014-15	
Remuneration paid to Managing Director*		380.55		343.57
Mr. Anil Kapoor	380.55		343.57	
Interest income on loan given to Managing Director		0.12		0.14
Mr. Anil Kapoor	0.12		0.14	
Outstanding balances as at the year end		2.15		2.15
Loan receivable				
Mr. Anil Kapoor	2.15		2.15	

* Managing Director is covered under the Company's Group Gratuity Scheme along with other employees of the Company. The gratuity, leave liability, post retirement medical benefits, long service award scheme and settlement allowance is determined for all the employees on an overall basis, based on the actuarial valuation done by an independent actuary. The specific amount of gratuity, leave liability, post retirement medical benefits, long service award scheme and settlement allowance liability for Managing Director can not be ascertained separately, except for the amount actually paid.

38. Interest in Joint Venture

The Company has 33.33% ownership interest in Indo Maroc Phosphore S.A. Morocco, which is engaged in manufacturing of phosphoric acid.

The Company's share of the assets, liabilities, income and expenses (each without elimination of the effect of transaction between the Company and the Joint Venture) of the jointly controlled entity are as follows :

Sl.No.	Particulars	2015-16	2014-15
1.	Country of Incorporation or Registration	Morocco	Morocco
2.	Accounting Period ended	31.12.2015	31.12.2014
3.	Assets (Rs. in Lacs)	27521.22	33472.82
4.	Liabilities (Rs. in Lacs)	8595.66	15782.93
5.	Income (Rs. in Lacs)	61090.30	59010.87
6.	Expense (Rs. in Lacs)	55839.22	56327.10
7.	Contingent Liabilities (Rs. in Lacs)	-	-
8.	Capital Commitments (Rs. in Lacs)	985.95	351.09

39. Government Grants and Subsidies

(a) Nitrogenous Fertilizers are under the Concession Scheme including freight as per the New Pricing Scheme (NPS– Stage III) and New Investment Policy 2008 (for the period from April 1, 2015 to May 31, 2015), New Urea Policy 2015 (from June 1, 2015 onwards) and Uniform Freight Policy. The concession price and freight has been accounted for on the basis of notified prices, further adjusted for input price escalation/ de-escalation and as estimated by the management based on the prescribed norms in line with known policies parameters.

Contribution from sale of surplus ammonia has been accounted for in accordance with the known policy parameters. Current year's subsidy income of Urea is inclusive of Rs.968.69 lacs (Previous year Rs.628.16 lacs) being the subsidy income, pertaining to earlier years, but determined during the year.

(b) Subsidy on traded fertilisers (other than Gypsum) has been accounted for as per concession rates based on Nutrient Based Subsidy Policy as notified by the Government of India.

(c) Subsidy on Gypsum has been accounted as notified by the Government of Rajasthan.

40. Leases

(a) The lease payment made during the year amounts to Rs. 92.08 Lacs (Previous year Rs.92.08 lacs), out of which Rs.41.21 lacs (Previous year Rs.31.45 lacs) has been adjusted against Principal and Rs.50.87 lacs (Previous year Rs.60.63 lacs) has been shown as Interest expenses . The interest rate on finance leases is around 27.34% p.a. There is no renewal and escalation clause as well as restriction imposed in the lease agreement. There are no sub-leases.

The break up of minimum lease payment outstanding as at March 31, 2016 is as follows:

(Rs. in Lacs)

Period	2015-16			2014-15		
	Minimum lease payments	Present value of minimum lease payments	Finance lease charges	Minimum lease payments	Present value of minimum lease payments	Finance lease charges
Payable within one year	91.92	54.01	37.91	91.97	41.21	50.76
Payable after one year but before 5 years	129.82	106.94	23.43	222.16	160.94	61.22
Payable after 5 years	-	-	-	-	-	-

(b) The Company has entered into Operating Lease Agreements for the premises which are non- cancellable. The lease payments recognized in the Statement of Profit and Loss during the year amounts to Rs. 988.51 lacs (Previous year Rs. 982.44 lacs). The renewal of lease will be as per the mutual understanding of lessee and lessor and there is no escalation clause. There are no restrictions imposed in the lease agreements and there are no sub-leases. The break up of minimum lease payment outstanding as at March 31, 2016 is as follows:

(Rs. in Lacs)

Period	Minimum Lease Payments	
	2015-16	2014-15
Payable within one year	941.79	920.56
Payable after one year but within five years	3176.31	2606.05
Payable after five years	341.83	204.50

(c) The lease payments, other than cases covered in point no. (b) above i.e. non - cancellable leases, recognized in the Statement of Profit and Loss during the year amounts to Rs. 1834.14 lacs (Previous year Rs.1090.67 lacs). The renewal of leases will be as per the mutual understanding of lessee and lessor and there is no escalation clause. There are no restrictions imposed by lease arrangements.

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

(Rs. in Lacs)

Particulars	2015-16	2014-15
The principal amount due and remaining unpaid to any supplier as at the end of each accounting year {including payable for capital goods Rs 15.18 lacs (previous year Nil)}	114.10	22.75
The interest due on unpaid principal amount remaining as at the end of each accounting year.	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year, and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductive expenditure under Section 23 of the MSMED Act, 2006.	-	-

42. Derivative Instruments

(a) Derivative outstanding as on March 31, 2016

Sl.No.	Details of Derivatives	Currency / pair of currency	Amount in foreign currency	Amount (Rs.in lacs)	Purpose
1.	Forward Contracts Buy	INR USD INR EUR	USD 37,32,63,870.55 (30,15,68,482.82) EUR - (84,75,568.46)	247324.64 (188495.38) - (5696.77)	To hedge foreign currency risk under loans from bank.
	Sell	INR USD	90,00,000.00 (-)	5963.40 (-)	To hedge foreign currency risk under receipt.
2.	Interest Swaps Buy	USD	USD 3,78,20,000.00 (7,94,50,000.00)		To hedge the foreign exchange risk pertaining to interest expenses on foreign currency loan
3.	Options Seagull Structure (Buy a Call option, Sell a Call option and Sell a Put option)	USD	USD 5,10,00,000.00 (-)		To hedge foreign currency risk under loans from banks.

(b) Details of foreign currency exposure that are not hedged by a derivative instrument or otherwise

Sl.No.	Exposure in foreign currency	Nature of exposure and amount				
		Bank balances	Trade and other payables	Borrowings and interest accrued	Trade and other receivables	Investments
1.	USD	2,778.00 (1,099.20)	3,69,36,716.71 (86,57,160.20)	15,79,92,145.82 (17,20,33,219.59)	1,39,97,915.30 (1,40,72,289.72)	6,28,26,977.49 (5,77,52,648.49)
2.	SGD	-	1,13,078.00 (2,60,674.00)	- -	53,204.00 15,197.00	10,79,962.00 (10,79,962.00)
3.	JPY	- -	12,92,380.00 (1,34,31,023.74)	- -	- 71,91,239.83	- -
4.	GBP	2,190.94 (2,190.94)	7,239.00 (4,604.00)	- -	- -	- -

Sl.No.	Exposure in foreign currency	Nature of exposure and amount				
		Bank balances	Trade and other payables	Borrowings and interest accrued	Trade and other receivables	Investments
5.	EURO	- -	1,13,640.85 (5,37,032.80)	- -	- (2,042.00)	- -
6.	AED	- -	52,544.00 (1,02,431.00)	- -	- -	- -
7.	MAD	- -	-	- -	- -	20,66,67,000.00 (20,66,67,000.00)
8.	KW	- -	- (1,59,23,726.00)	- -	3,521.00 -	- -
9.	NOK	- -	16,161.00 (57,089.00)	- -	- -	- -
10.	THB	- -	- -	- -	- (3,09,286.00)	- -
11.	AUD	- -	- (495.00)	- -	73,000.00 (4,913.00)	- -
12.	YUAN (CNY)	- -	13,697.00	- -	3,58,410.00 -	- -
13.	DKK	- -	- -	- -	- (10,624.00)	- -
14.	RM (MYR)	- -	26,892.00	- -	6,309.00 (17,345.00)	- -
15.	CNY			- -		
16.	NZD		5,500.00 -	- -	-	-
Exposure Rs. in lacs		3.93 (2.71)	24649.56 (37744.22)	104685.60 (122742.03)	9390.21 (9773.19)	48146.49* (44770.55)

* Before considering provision for impairment loss of Rs.29618.66 lacs (previous year Nil).

Notes :

(a) Unhedged Borrowings of Rs.70727.70 lacs (Previous year Rs.78022.68 lacs) are not payable within next one year.

(b) The hedging of Foreign Currency outflows is decided after considering the extent of natural hedge available from foreign currency inflows from export of goods and shipping activities.

(c) In case of hedged transactions mentioned in (a) above, all losses, wherever applicable, as of March 31, 2016 have been provided for.

(d) Previous year figures have been given in brackets.

43. Employees Stock Option Scheme

The shareholders of the Company had approved CFCL Employees Stock Option Scheme, 2010 on August 27, 2010 which was amended by the shareholders on September 13, 2013. Consequent upon promulgation of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("ESOP Regulations"), the shareholders of the Company had approved the revised CFCL Employees Stock Option Scheme, 2010 on September 15, 2015 in compliance with the ESOP Regulations. As per the Plan, 41,62,000 Stock Options can be issued to Managing Director and other specified categories of employees of the Company. The options are to be granted at market price. As per SEBI Guidelines, the market price is taken as the closing price on the day preceding the date of grant of options, on the stock exchange where the trading volume is the highest. Each option, upon vesting, shall entitle the holder to acquire 1 equity share of Rs.10.

The Company, in its annual general meeting held on September 15, 2015, also modified the exercise period of all the outstanding stock options, by increasing it from 5 years to 8 years, effective from September 15, 2015. The Company has accounted for this change in accordance with the Guidance Note on "Accounting for Employee Share-based Payments" issued by the Institute of Chartered Accountants of India.

The incremental fair value of the stock options, pursuant to the modification, is determined by using Black-Scholes valuation model.

The following table details the movement in the fair value as a result of these modifications :

Particulars	Grant Date	Pre-modification fair value (Rs./ option)	Post-modification fair value (Rs./ option)	Difference in fair value (Rs./ option)
Tranche 1	16-Sep-10	5.67	9.93	4.26
Tranche 2	22-Jan-11	5.77	9.79	4.02
Tranche 3	10-May-11	5.27	9.12	3.85
Tranche 4	17-Oct-11	3.75	7.33	3.58
Tranche 5	11-May-12	10.04	13.54	3.50

Details of the scheme are as under:

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5
Date of grant	16/Sep/10	22/Jan/11	10/May/11	17/Oct/11	11/May/12
Date of Board Approval	08/May/10	08/May/10	08/May/10	08/May/10	08/May/10
Date of Shareholder's approval	27/Aug/10	27/Aug/10	27/Aug/10	27/Aug/10	27/Aug/10
Number of options granted	28,50,000	3,00,000	2,20,000	1,00,000	2,70,000
Method of settlement (cash / equity)	Equity	Equity	Equity	Equity	Equity
Exercise period*	8 years from the date of vesting	8 years from the date of vesting	8 years from the date of vesting	8 years from the date of vesting	8 years from the date of vesting
Vesting conditions	Continued employment and individual performance	Continued employment and individual performance	Continued employment and individual performance	Continued employment and individual performance	Continued employment and individual performance

* In case of death / superannuation of the employee, 3 years from the date of death / superannuation or exercise period whichever is earlier.

Vesting Schedule :

Vesting Date	All tranches
1 year from the date of grant	15%
2 years from the date of grant	15%
3 years from the date of grant	20%
4 years from the date of grant	25%
5 years from the date of grant	25%

Movement in options have been summarized below :

Particulars	FY 2015-16 No. of options	FY 2014-15 No. of options
Outstanding at the beginning of the year	28,02,800	28,75,300
Granted during the year	-	-
Forfeited during the year	76,900	72,500
Exercised during the year	-	-
Expired during the year	48,500	-
Outstanding at the end of the year	26,77,400	28,02,800
Exercisable at the end of the year	25,34,900	19,59,800
Weighted average remaining contractual life (in years)	3.29	2.10
Weighted average Exercise price (in Rs.)	74.76	74.76

The details of exercise price of stock options outstanding at the end of the year are :

Tranche	Weighted Avg. fair value of options (in Rs.)	Range of exercise price (in Rs.)	Number of options outstanding (Qty)	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (in Rs.)
1.	31.38	73.50	20,29,500	3.15	73.50
2.	32.86	76.85	2,47,900	3.37	76.85
3.	38.44	82.90	1,60,000	3.56	82.90
4.	45.06	101.10	50,000	3.84	101.10
5.	34.97	69.40	1,90,000	4.27	69.40

Stock Options granted

The weighted average fair value of stock options granted till date is Rs.32.54 (Previous year Rs.28.40). The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs :

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5
Weighted average share price (Rs.)	73.50	76.85	82.90	101.10	69.40
Exercise Price (Rs.)	73.50	76.85	82.90	101.10	69.40
Expected volatility	37.12%	37.30%	37.46%	38.09%	37.94%
Life of the options granted (vesting and exercise period) in years	3.15	3.37	3.56	3.84	4.27
Average risk-free interest rate	7.71%	7.72%	7.73%	7.76%	7.79%
Expected dividend yield	3.45%	3.45%	3.45%	3.45%	3.45%

The expected volatility was determined based on historical volatility data. For calculating volatility, the Company has considered the daily volatility of the stock prices of the Company on National Stock Exchange over a period prior to the date of grant, corresponding with the expected life of the options.

Since the Company used the intrinsic value method, the impact on the reported net profit and earnings per share by applying the fair value based method.

In March 2005, the ICAI has issued a guidance note on "Accounting for Employees Share Based Payments" applicable to employee based share plan, the grant date in respect of which falls on or after April1, 2005. The said guidance note requires the Proforma disclosures of the impact of the fair value method of accounting of employee stock compensation in the financial statements. Applying the fair value based method defined in the said guidance note, the impact on the reported net profit and earnings per share would be as follows:

(Rs.in Lacs)

Particulars	**2015-16**	**2014-15**
Profit as reported	8629.75	23678.32
Less : Employee stock compensation under fair value method	114.92	49.92
Proforma profit	8514.83	23628.40
Earning per share		
Basic and diluted		
- as reported (In Rs.)	2.07	5.69
- proforma (In Rs.)	2.05	5.68

In FY 2010-11, CFCL Employees Welfare Trust ("Trust") was constituted, inter alia, for the purpose of subscribing or acquiring equity shares of Chambal Fertilisers and Chemicals Limited from the Company or Secondary market , to hold the shares and to allocate or transfer these shares to eligible employees of the Company from time to time on the terms and conditions specified under the Plan. The Board of Directors at its meeting held on May 8, 2010 had approved grant of financial assistance upto Rs.3000 lacs by the Company to Trust in such manner and on such terms as agreed between the trustee(s) of the Trust and Managing Director of the Company for the purpose of subscribing or acquiring shares of the Company. The outstanding loan to the trust as at March 31, 2016 is Rs.1572.50 lacs (Previous year Rs.1615.25 lacs). Trust is holding 2,253,402 equity shares (Previous year 2,253,402 equity shares) of the Company which were purchased from the open market, out of interest free loan provided by the Company till March 31, 2016.

44. a) Value of imports calculated on CIF basis

(Rs.in Lacs)

Particulars	**2015-16**	**2014-15**
Raw Materials	1074.10	3086.67
Traded Products	346851.83	239462.06
Stores and spares	473.54	448.25
Capital Goods	1857.70	3020.41
Total	350257.17	246017.39

b) Imported and indigenous raw materials and spare parts consumed

(Rs.in Lacs)

Particulars	**2015-16**		**2014-15**	
	Amount	**%**	**Amount**	**%**
Raw Materials				
Indigenous				
Natural Gas	193067.18	95.01	206124.79	85.89
Neem Oil	1396.11	0.69	486.57	0.20
Rock Phosphate	4625.65	2.28	2550.99	1.07
Sulphuric Acid	1849.19	0.90	1516.12	0.63
Gypsum	358.92	0.18	190.59	0.08
Dyes and Chemicals *	-	-	490.56	0.20
Staple Fiber *	-	-	11902.99	4.96
Cotton *	-	-	13463.57	5.61
Others	10.19	0.01	9.72	-
Total Indigenous	**201307.24**	**99.06**	**236735.90**	**98.64**
Imported				
Rock Phosphate	1903.96	0.94	3268.48	1.36
Total Imported	1903.96	0.94	3268.48	1.36
Total Raw Materials	203211.20	100.00	240004.38	100.00
Spare parts**				
Indigenous	1784.24	87.23	3111.05	86.51
Imported	261.24	12.77	485.28	13.49
Total Spare parts consumed	2045.48	100.00	3596.33	100.00

Note:

* Related to the textile division sold during the year w.e.f. April 1,2015

** It does not include consumption of spares pertaining to Shipping Division of the Company, which have been physically procured outside India.

c) Expenditure in foreign currency (on accrual basis)

(Rs.in Lacs)

Particulars	2015-16	2014-15
Design, Engineering and Supervision fee	5112.59	1357.46
Travelling and conveyance	70.88	84.10
Finance cost	9968.13	4047.64
Freight paid on chartered- in ship	32425.04	26652.91
Voyage expenses	8198.59	16415.79
Salary & Other benefits	3083.57	2849.55
Repair & Maintenance	715.21	830.76
Ship special survey expenses	1331.60	705.62
Stores & Victualling	897.21	895.17
Insurance	873.01	867.64
Bank Charges	45.89	
Others	1624.37	295.34
Total	**64346.09**	**55001.98**

d) Earnings in foreign currency (on accrual basis)

(Rs.in Lacs)

Particulars	2015-16	2014-15
F.O.B. value of exports	-	5919.45
Dispatch money	90.36	159.47
Dividend income	5067.45	4389.37
Interest income	192.65	50.46
Rebate on purchases	2651.97	4647.08
Freight & Charter hire of ships	30425.94	27573.41
Recovery of bank charges	38.86	125.62
Others *	794.97	746.69
Total	**39262.20**	**43611.55**

* Included in other income

e) Net dividend remitted in foreign currencies-

Particulars	2015-16	2014-15
Number of non resident shareholders	260	263
Number of Shares held by them	7653850	7657950
Dividend remitted (Rs. In Lacs)	145.42	145.50
Year to which dividend relates	2014-15	2013-14

45. Pending receipt of appeal effect orders for the assessment years where appeals have been decided in favour of the Company by the Commissioner of Income Tax (Appeals) and/ or Income Tax Appellate Tribunal, interest on income tax refund has not been recognized thereof as the amount is presently not reasonably determinable. Interest income on this refund shall be recognized in the year the appeal effect order is received from Income Tax Department.

46. The current tax is net of tax on dividend received from a foreign subsidiary to the extent of dividend distribution tax on dividend distributed to shareholders of the Company as per the provision of Section 115-O of the Income Tax Act,1961.

47. The Company has, during the year, accounted for income tax credit of Rs.661.14 lacs (including tax credit of Rs.190.48 lacs pertaining to earlier years) against income tax paid on profits by its subsidiary company M/s India Steamship Pte. Ltd. Singapore in proportion to the dividend received from the said subsidiary. The income tax credit is available in line with Article 25(2) of the Double Taxation Avoidance Agreement between India and Singapore.

48. The disclosures in respect of CSR expenditure are as follows:- (Rs. in Lacs)

Particulars	March 31, 2016	March 31, 2015
a) Gross amount required to be spent by the Company during the year	845.39	910.41
b) Amount spent during the year on the following in cash :		
(i) Construction/ acquisition of any asset	-	-
(ii) For purposes other than (i) above	905.86	835.55

49. In pursuance of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the Company has discontinued the consolidation of accounts of CFCL Employees Welfare Trust (Trust) with the accounts of the Company. Accordingly, the Company has not made downward adjustment of Rs.225.34 lacs, on account of the face value of equity shares held by Trust, in the paid up share capital of the Company as at March 31, 2016. Further, the downward adjustment of Rs.1389.91 lacs, earlier appearing in the reserves of the Company, representing the cost of acquisition of shares held by ESOP Trust (net of dividends) in excess of face value of such shares, has been added back to the reserves as at March 31, 2016.

50. Discontinued operation

The Company has completed on September 30, 2015, the sale of its textile business i.e. Birla Textile Mills (non core business) to Sutlej Textiles and Industries Limited as a going concern on slump sale basis with effect from April 1, 2015 at an aggregate consideration of Rs 23263.47 lacs . The net gain arising from the sale of aforesaid discontinued operation has been disclosed as an "exceptional item" under note no.30 and taxes pertaining to aforesaid discontinued operation, have been included in Tax expense.

The following statement shows the revenue and expenditure of the discontinued operation:

(Rs. in lacs)

Particulars	FY 2015-16	FY 2014-15
Total Revenue	-	41367.54
Less: Expenses	-	38176.50
Less: Finance costs	-	252.40
Less: Depreciation and amortisation expense	-	1515.91
Profit Before Tax	-	1422.73
Tax Expense	-	403.48
Profit after Tax	-	1019.25

The carrying amounts of the total assets and liabilities of the discontinued operation are as follows-

Particulars	As at March 31,2016	As at March 31,2015
Total Assets	-	21809.00
Total Liabilities	-	5669.22
Net assets	-	16139.78

Net cash flow attributable to the discontinued operation are as below-

Particulars	March 31,2016	March 31,2015
Operating activities	-	5583.40
Investing activities	-	(935.61)
Financing activities	(1908.60)	(4614.84)
Net cash inflows/ (outflows)	(1908.60)	32.95

51. Disclosure required under Section 186 (4) of the Companies Act 2013

(a) Particulars of Loans given:

(Rs.in Lacs)

Sl. No.	Name of the Loanee	Loan given during the Financial Year		Loan repaid during the Financial Year		Outstanding Balance as at		Purpose
		2015-16	2014-15	2015-16	2014-15	March 31,2016	March 31,2015	
1.	India Steamship International FZE, UAE	1944.40	-	-	-	1987.80	-	Business purpose
2.	India Steamship Pte Limited, Singapore	1329.80	903.60	1329.80	903.60	-	-	Business purpose
3.	CFCL Technologies Limited	-	2187.68	-	-	-	2187.68	Convertible note transferred in pursuance of voluntary liquidation of CFCL Overseas Limited (converted during the financial year 2015-16).

(b) Particulars of Guarantee given:

(Rs.in Lacs)

Sl. No.	Name of the Entity	Guarantee given during the financial year*		Outstanding Balance as at		Purpose
		2015-16	2014-15	March 31, 2016	March 31,2015	
1.	ISGN Corporation, USA	14577.20	13751.10	14577.20	13751.10	To secure the working capital loan availed from JP Morgan Chase bank N.A.

* Tenure of Guarantee extended during the year.

(c) Particulars of Investments made: (Rs.in Lacs)

Sl. No.	Name of the Investee	Investment made during the financial year		Outstanding balance as at	
		2015-16	2014-15	March 31, 2016	March 31,2015
1.	CFCL Technologies Limited ,Cayman Islands	3372.72	-	9725.41	-
2.	India Steamship International FZE, UAE	3.06	-	3.06	-
3.	Chambal Infrastructure Ventures Limited	-	450.00	940.00	940.00
4.	Upper Ganges Sugar & Industries Limited	-	3000.00	3000.00	3000.00
5.	CFCL Overseas Limited	-	2179.80	-	-
6.	Investment made in the corporate bonds	130299.37	32099.88	-	-

The details of Investment of the Company are given in note no. 15.

52. During the year, the Company has obtained the approval of shareholders of the Company for sale or disposal of one or more than one or all 5 ships/ Vessels or entire shipping undertaking/business of the Company. The Company has entered into an agreement for sale of the ship - Ratna Puja in March 2016 and the ship was delivered to the buyer in April 2016. Thus, the Company has made a provision for impairment loss of Rs.11199.17 lacs as a result of sale transaction of the aforesaid ship. Further action regarding sale of other ships shall be taken after considering best available options and market conditions.

53. Previous Year's figures have been regrouped and/or rearranged wherever necessary to conform to this year's classification. However, current year figures are not strictly comparable with those of previous year due to sale of Textile division w.e.f April 1, 2015.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/ E300005

per Anil Gupta
Partner
Membership No - 87921

Place : New Delhi
Date : May 11, 2016

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Anil Kapoor
Managing Director

S.K. Poddar
Chairman

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Assistant Vice President - Legal & Secretary

Place : New Delhi
Date : May 11, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of Chambal Fertilisers and Chemicals Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Chambal Fertilisers and Chemicals Limited ("the Company"), its subsidiaries (collectively referred to as 'the Group') and joint venture, comprising the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summmy of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and of its joint venture in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the respective assets of the Group and for preventing and detecting frauds and other irregularities; the 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 control 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports refered to in paragraph "Other Matter" below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint venture as at March 31, 2016, their consolidated profit, and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the Directors of the Company as on March 31, 2016 and taken on record by the Board of Directors of the Company and the reports of the auditors who are appointed under Section 139 of the

Act, of its subsidiary companies incorporated in India, none of the Directors of the Group's companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Company and its subsidiary companies incorporated in India, refer to our separate report in "Annexure 1" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and joint venture- Refer Note 33(A) and 33(B) to the consolidated financial statements;

ii. The Group and joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiaries incorporated in India.

Other Matter

The accompanying consolidated financial statements include total assets of Rs.196794.31 lacs as at March 31,2016, total revenues and net cash out flows of Rs.177379.10 lacs and Rs.3739.22 lacs respectively for the year ended on that date, in respect of certain subsidiaries, joint venture and Shipping Division, which have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and Shipping division, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and division, is based solely on the report of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and other financial information certified by the Management.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per Anil Gupta
Partner
Membership No.: 87921

Place : New Delhi
Date : May 11, 2016

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CHAMBAL FERTILISERS AND CHEMICALS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Chambal Fertilisers and Chemicals Limited

In conjunction with our audit of the consolidated financial statements of Chambal Fertilisers and Chemicals Limited as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Chambal Fettilisers and Chemicals Limited (hereinafter referred to as the "Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the paragraph "Other Matters" below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (I) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company and its subsidiary companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company and its subsidiary companies incorporated in India considering the essential components of internal control stated in the Guidance Note.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company, in so far as it relates to 2 subsidiary companies, which are companies incorporated in India and Shipping division, is based on the corresponding reports of the auditors of such subsidiaries incorporated in India and Shipping division.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per Anil Gupta
Partner
Membership No.: 87921

Place : New Delhi
Date : May 11, 2016

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

(Rs. in Lacs)

Particulars	Notes	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	41620.79	41395.45
Reserves and surplus	4	195501.02	183715.42
		237121.81	225110.87
Preference Shares (Held by other than Group)		0.33	0.24
Minority Interest		-	5477.28
Non-Current Liabilities			
Long-term borrowings	5	70834.64	78186.52
Deferred tax liabilities (Net)	6 (a)	39842.54	42769.62
Other long term liabilities	7	509.44	340.94
Long term provisions	8	449.45	1171.29
		111636.07	122468.37
Current Liabilities			
Short-term borrowings	9	392071.02	301781.81
Trade payables	10		
– Outstanding dues to Micro and Small Enterprises		98.92	22.75
– Outstanding dues to other than Micro and Small Enterprises		55758.07	35470.96
Other current liabilities	11	62678.98	59566.82
Short-term provisions	12	14120.85	13929.63
		524727.84	410771.97
Total		873486.05	763828.73
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	13	233164.79	259389.41
Intangible assets	14	14914.95	35438.51
Capital work-in-progress		24857.11	11375.95
Intangible assets under development		987.68	539.31
Non-current investments	15	3002.51	3010.75
Deferred tax assets (net)	6 (b)	39.45	-
Long term loans and advances	16	61098.61	9597.50
Other non-current assets	17	1019.58	1430.24
		339084.68	320781.67
Current assets			
Inventories	18	94451.02	73870.88
Trade receivables	19	391382.20	317116.08
Cash and bank balances	20	18949.22	20392.67
Short-term loans and advances	21	23182.70	23117.21
Other current assets	22	6436.23	8550.22
		534401.37	443047.06
Total		873486.05	763828.73
Summary of significant accounting policies	2 (c)		

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

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/ E300005

per Anil Gupta
Partner
Membership No - 87921

Place : New Delhi
Date : May 11, 2016

For and on behalf of the Board of Directors of Chambal Fertilisers and Chemicals Limited

Anil Kapoor
Managing Director

S.K. Poddar
Chairman

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Assistant Vice President - Legal & Secretary

Place : New Delhi
Date : May 11, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(Rs. in Lacs)

Particulars	Notes	Year Ended March 31, 2016	Year Ended March 31, 2015
INCOME			
Revenue from operations (Gross)		1054731.98	975694.80
Less: Excise duty		1999.67	1920.37
Revenue from operations (Net)	23	1052732.31	973774.43
Other income	24	9412.19	10507.94
Total Revenue (I)		**1062144.50**	**984282.37**
EXPENSES:			
Cost of materials consumed	25	246540.28	281210.20
Purchase of traded goods		407783.89	289393.51
(Increase) in inventories of finished goods, work-in-progress, traded goods and waste	26	(30690.55)	(5266.83)
Employee benefits expense	27	32008.42	33779.94
Depreciation and amortization expense	13 & 14	20147.11	21648.71
Finance costs	28	14670.36	16317.66
Freight to charter-in ship		38380.96	31214.86
Other expenses	29	272802.87	270060.76
Total Expenses (II)		**1001643.34**	**938358.81**
Profit before exceptional items and tax {including loss of Rs. 4788.12 lacs (previous year loss of Rs. 2874.98 lacs) from discontinuing/ discontinued operation - refer note no. 52} (I - II)		60501.16	45923.56
Exceptional items	30	27943.34	-
Profit before tax {including loss of Rs. 974.93 lacs (previous year Rs. 2874.98 lacs) from discontinuing/ discontinued operation - refer note no. 52}		32557.82	45923.56
Tax expenses:			
Current tax	49 & 54	21001.07	16351.73
Tax related to earlier years	54	(321.06)	(74.18)
Deferred tax charge / (credit) {including Nil (Previous year Rs. 914.52 lacs) for earlier years}		(2966.90)	1694.26
Total tax expense {including tax expense of Rs. 963.97 lacs (previous year Rs. 433.17 lacs) from discontinuing/ discontinued operation - refer note no. 52}		17713.11	17971.81
Profit for the year (before adjustment for Minority Interest) {including loss of Rs. 1938.90 lacs (previous year Rs.3308.15 lacs) from discontinuing/ discontinued operation - refer note no. 52}:		14844.71	27951.75
Share of Minority interest in current year's losses		6763.99	1509.43
Profit for the year		**21608.70**	**29461.18**
Earnings per equity share {nominal value of share Rs.10 (Previous year Rs.10)}			
Basic and Diluted (in Rs.)	31	5.19	7.08
Summary of significant accounting policies	2 (c)		

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

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/ E300005

per Anil Gupta
Partner
Membership No - 87921

Place : New Delhi
Date : May 11, 2016

For and on behalf of the Board of Directors of Chambal Fertilisers and Chemicals Limited

Anil Kapoor
Managing Director

S.K. Poddar
Chairman

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Assistant Vice President - Legal & Secretary

Place : New Delhi
Date : May 11, 2016

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(Rs. in Lacs)

	Particulars	Year ended March 31, 2016	Year ended March 31, 2015
A.	**Cash flow from operating activities :**		
	Profit before tax (Including results of discontinued operation)	32557.82	45923.56
	Adjustments for :		
	Depreciation and amortization expense	20147.11	21648.71
	Exceptional items (refer note no.30)	27943.34	-
	Loss on disposal of fixed assets (net)	176.96	206.06
	(Profit) from sale of current investments	(3641.18)	(1360.25)
	Premium on forward contracts amortised	15349.32	10261.25
	Unrealised foreign exchange fluctuation	4604.50	295.95
	Provision for (gain) on derivative transaction	(1265.40)	(1483.72)
	Provision for doubtful advances and debts	402.28	-
	Reversal of provision for doubtful advances	-	(22.52)
	Liabilities no longer required written back	(267.77)	(273.36)
	Catalyst charges written off	630.85	872.55
	Irrecoverable balances written off	83.42	33.23
	Employee stock option scheme	538.98	657.43
	Depletion of loose tools	14.30	19.66
	Interest expense	14107.34	15806.12
	Interest (income)	(2327.63)	(3014.31)
	Release of foreign currency translation reserve on liquidation of subsidiary	-	281.12
	Dividend (income)	(0.20)	-
	Operating profit before working capital changes	**109054.04**	**89851.48**
	Movement in working capital :		
	Decrease/ (increase) in trade receivables	(77326.79)	38929.37
	Decrease/ (increase) in other current assets	(1110.28)	872.08
	(Increase)/ decrease in loans and advances	(11088.04)	474.15
	(Increase) in inventories	(30221.02)	(5943.61)
	(Decrease)/ increase in trade creditors, other liabilities and provisions	9364.09	(7097.38)
	Cash generated from/ (used in) operations	**(1328.00)**	**117086.09**
	Direct taxes paid (net of refunds)	(13741.59)	(10708.22)
	Net cash flow from/ (used in) operating activities	**(15069.59)**	**106377.87**
B.	**Cash flow from investing activities**		
	Purchase of fixed assets including capital work-in-progress and capital advances	(67713.50)	(19141.28)
	Proceeds from sale of fixed assets	73.98	111.78
	Inter corporate deposits given	-	(903.60)
	Inter corporate deposits given- repaid	-	6903.60
	Deposits made (with original maturity more than three months)	(13293.06)	(11915.69)
	Proceeds of deposits matured (with original maturity more than three months)	11905.69	9042.12
	Purchase of investments	(1213000.00)	(844800.16)
	Proceeds from sale of non trade investments	1216649.42	843160.25
	Net proceeds from sale of Textile division on slump sale {refer note no. 52 (a)}	22757.75	-
	Advance received against slump sale transaction	-	500.00
	Interest received	2330.41	3015.15
	Dividend received	0.20	-
	Net cash flow (used in) investing activities	(40289.11)	(14027.83)

(Rs. in Lacs)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
C. Cash flow from financing activities		
Proceeds from long term borrowings	21563.36	-
Repayment of long term borrowings	(30260.15)	(22224.72)
Proceeds from issue of shares (including securities premium)	1438.79	-
Proceeds from buyers credit	269535.22	189368.69
Repayment of buyers credit	(212235.78)	(130391.50)
Net proceeds from short term borrowings	28859.88	(105642.29)
Interest paid	(14158.90)	(15672.99)
Dividend paid	(7787.44)	(7791.14)
Tax on dividend paid	(971.62)	(1343.97)
Net cash from/ (used in) financing activities	**55983.36**	**(93697.92)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**624.66**	**(1347.88)**
Foreign currency translation difference	(3268.95)	(897.88)
Cash and cash equivalents at the beginning of the year	8477.13	10722.89
Cash and cash equivalents transferred on slump sale of Textile division	(176.68)	-
Cash and cash equivalents at the end of the year	**5656.16**	**8477.13**
Components of cash and cash equivalents as at:		
Cash/ Cheques on hand	3.50	181.92
Balances with banks :		
- on unpaid dividend / preference share redemption amount / fixed deposit accounts	1169.25	1091.46
- on current account	3301.23	6442.19
- on cash credit account	85.78	61.04
- on saving account	3.94	2.93
- on deposits account	14293.06	12478.24
- on escrow account	92.46	135.04
Cash and bank balances as per note no. 20	18949.22	20392.82
Less: Fixed deposits not considered as cash equivalents	13293.06	11915.69
Net cash and cash equivalents	**5656.16**	**8477.13**
Summary of significant accounting policies 2(c)		

Notes
1. Bank balances of Rs.1169.25 lacs (Previous Year Rs.1091.46 lacs) are earmarked for payment of unpaid dividend / fixed deposit accounts/ unclaimed preference share redemption amount and will not be available for use for any other purposes.
2. Cash flow from operating activities for the year ended March 31, 2016 is after considering CSR expenditure of Rs.905.86 lacs (Previous year Rs.835.55 lacs).

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/ E300005

per Anil Gupta
Partner
Membership No - 87921

Place : New Delhi
Date : May 11, 2016

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Anil Kapoor
Managing Director

S.K. Poddar
Chairman

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Assistant Vice President - Legal & Secretary

Place : New Delhi
Date : May 11, 2016

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

1. Corporate Information

The Group (defined hereunder) is one of the largest manufacturer of Urea in private sector in India and also deals in other fertilisers and Agri inputs ('fertiliser division'). It also has a Joint venture for manufacturing of Phosphoric Acid in Morocco. Apart from that, the Group is also engaged in Shipping business and Software business. During the year, the Textile Division i.e. Birla Textile Mills has been sold to Sutlej Textiles and Industries Limited and the said business has been shown as discontinued operations in the financial statements. Further the Parent Company is in the process of setting up a new Urea plant under the New Investment Policy 2012 (amended) at its existing plant location at Gadepan, Kota (Rajasthan).

2. (a) Basis of Preparation

The Consolidated Financial Statements (CFS) of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Group has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention except for derivative financial instruments which have been measured at fair value.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year; except for the change in accounting policies explained below (refer section 2 (c)(i)).

The CFS relates to Chambal Fertilisers and Chemicals Limited (hereinafter referred as the "Parent Company") and its Subsidiaries (hereinafter referred as the "Group").

(b) Principles of Consolidation

In the preparation of these Consolidated Financial Statements, investment in Subsidiaries and Joint Venture have been accounted for in accordance with Accounting Standard (AS) 21, Consolidated Financial Statements, and Accounting Standard (AS) 27, Financial Reporting of Interests in Joint Ventures. The Consolidated Financial Statements have been prepared on the following basis:

(i) Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating all significant intra-group balances and intra-group transactions and also unrealized profits or losses, except where cost cannot be recovered.

(ii) Interest in the assets, liabilities, income and expenses of the joint venture are consolidated using proportionate consolidation method. Intra group balances, transactions and unrealized profits / losses are eliminated to the extent of Parent Company's proportionate share.

(iii) The difference of the cost to the Parent Company of its investment in subsidiaries and joint venture over its proportionate share in the equity of the investee company as at the date of acquisition of stake is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.

(iv) Minorities' interest in net profit of consolidated subsidiaries for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Parent Company. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the Parent Company.

(v) As far as possible, the CFS have been prepared using uniform accounting policies like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Parent Company's stand alone financial statements. Differences in accounting policies have been disclosed separately.

(vi) The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated Statement of Profit and Loss as the profit or loss on disposal of investment in subsidiary.

(vii) The accounts of all the Group entities are drawn up to the same reporting date as the parent entity (i.e. financial year ended March 31, 2016) except for the following entities where the audited accounts were drawn up as at December 31, 2015:

Sl. No.	Name of the entity	Relationship
(i)	Indo Maroc Phosphore S.A.	Joint Venture
(ii)	CFCL Technologies Limited and its subsidiaries	Subsidiary

Adjustments have been made for the period subsequent to that date for significant transactions, if any.

(c) Summary of significant Accounting Policies

(i) Change in Accounting Policies

Long service award and Settlement allowance

Till March 31, 2015, the fertiliser division of the Parent Company was accounting for liabilities in respect of its scheme towards long service award benefits and settlement allowance to its employee on payment basis. The division has, during the year, changed the basis of recognizing such liabilities from payment basis to accrual basis and provided for such liabilities of Rs.291.76 lacs on the basis of year end actuarial valuation. The above change has resulted into profit of the Group being lower by Rs.190.79 lacs (net of tax of Rs.100.97 lacs).

(ii) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires 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.

(iii) Tangible Fixed Assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred except when significant parts of fixed assets are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied.

The Group adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with Ministry of Corporate Affairs (MCA) circular dated August 09, 2012, exchange differences adjusted to the cost of fixed assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(iv) Depreciation on Tangible Fixed Assets

Depreciation is provided using Straight Line Method as per the useful life of the asset estimated by the management which are equal to the useful life prescribed under Schedule II to the Companies Act, 2013 other than the cases as mentioned in para (i) to (ix) below where the rate of depreciation is higher than those prescribed in Schedule II to the Companies Act, 2013. A major portion of the plant has been considered as continuous process plant.

Sl. No.	Assets	Useful life/rate
(i)	Leasehold Land Leasehold Improvement Assets under finance lease	Amortised over 99 Years Ranging from 4 to 15 Years Ranging from 3 to 9 Years These assets are amortised over the period of respective leases or useful life of assets, whichever is lower.
(ii)	Insurance/ Machinery Spares	Over the remaining useful lives of mother assets ranging from 1 to 18 years.
(iii)	Ships of Shipping Division	25 years based on the technical evaluation as the ships are double hull crude oil/product tankers. The life is estimated to be 25 years, as such kind of ships are allowed for acquisition without technical clearance and further charter-in of such ships are permitted subject to CAP2 (condition assessment program) rating provided the life is below 25 years.
(iv)	Vehicles	Depreciated over 5 years. After the expiry of 5 years, the vehicle gets normally replaced.
(v)	Railway Siding	25 years based on technical evaluation that the railway siding is currently in use.
(vi)	Certain Plant and Machinery of fertiliser division	On technically assessed remaining useful lives of such assets ranging from 1 to 2 years.
(vii)	Fixed Assets of software business	Computer Equipments and accessories– 3 years Office Equipments – 5 years Furniture and fixtures – 5 to 7 years
(viii)	Fixed Assets of IMACID (J.V.)	Office Equipments and Motor Vehicles – 7 to 10 years Plant & Machinery – 15 to 20 years
(ix)	Fixed Assets of India Steamship Pte Limited	Computer Equipment – 3 years Office Equipments – 8 years

Assets costing below Rs.5,000 are depreciated in the year of purchase.

(v) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortised on a straight line basis over the estimated useful economic life. The following are the acquired intangible assets:

Software

Cost of software is amortized over their estimated useful life of five years on straight line basis.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS-5, “Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies”.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

In respect of Subsidiary company

Intangible assets comprise of goodwill, costs relating to intellectual property rights, software development costs and software packages held for use in business.

Goodwill that arises on an amalgamation or on the acquisition of a business is presented as an intangible asset. Goodwill arising from amalgamation is measured at cost less accumulated amortisation and any accumulated impairment loss. Goodwill arising on acquisition of a business is measured at cost less any accumulated impairment loss. Goodwill arising on consolidation or acquisition is not amortized but tested for impairment atleast annually or as circumstances warrant at the reporting unit level. If impairment is indicated, a write-down to its recoverable amount which is higher of fair value or value in use (normally measured by discounting estimated future cash flows) is recorded.

Costs relating to Intellectual property rights, which are acquired, are capitalized and amortized over a period of 1 to 3 years.

(vi) Impairment of tangible and intangible assets

The Group 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 Group estimates the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating unit’s (CGU) net selling price 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 group 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 net selling price, recent market transactions are taken into account, if available, and if no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group’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, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(vii) Goodwill on Consolidation

Goodwill represents the difference between the Group’s share in the net worth of the investee companies and the cost of acquisition at each point of time of making the investment. For this purpose, the Group’s share of equity in the investee companies are determined on the basis of the latest financial statements of the respective companies available as on the date of acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Goodwill is not amortized but tested for impairment almost annually. If impairment is indicated, a write-down to fair value (normally measured by discounting estimated future cash flows) is recorded.

(viii)Leases

Finance leases where the Group is a lessee which effectively transfer to the Group substantially, all the risk and benefits incidental to the ownership of the leased item, are capitalized at inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule II to the Companies Act, 2013, whichever is lower. However, if there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term or the useful life envisaged in Schedule II to the Companies Act, 2013.

Leases, where the lessor effectively retain substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(ix) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Parent Company will comply with the conditions attached to them, and (ii) the grant/ subsidy will be received.

Where the grant or subsidies relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

(x) Investments

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments made, are classified as current investments. All other investments are classified as long-term investment.

On initial recognition, all investments are measured at cost. The cost comprises of purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in the value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(xi) Inventories

Inventories are valued as follows:

Bunkers remaining on board*	Lower of cost and net realizable value. Cost is determined on weighted average basis.
Spares and Lubricants*	Lower of cost and net realizable value. Cost is determined on weighted average basis.
Raw materials, Packing materials, other Stores and spares	Lower of cost and net realizable value. However, materials and other items held for use in the production of finished goods are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Catalyst in Use	At depreciated cost on the basis of amortization over their estimated useful lives ranging from three to fifteen years as technically assessed.
Loose Tools	At depreciated cost arrived at on the basis of amortization over a period of three years.
Work in Process and Finished Goods	Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of Finished goods includes excise duty. Cost is determined on a weighted average basis.
Traded products	Lower of cost and net realizable value. Cost includes the cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

*included under the inventory of stores and spares.

Net Realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(xii) Borrowing Costs

Borrowing costs includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowing.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(xiii) Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific criterias must also be met before revenue is recognized:

(a) Sale of Goods

Revenue, including subsidy, in respect of sale of products is recognised when the significant risks and rewards of ownership of the goods are passed on to the buyer. Excise Duty deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability accruing during the year. The Group collects Sales Tax and VAT on behalf of Government and therefore, these are not economic benefits flowing to the Group. Hence, these are excluded from the revenue.

Subsidy on Urea including freight have been accounted on the basis of notified concession prices as under:

(i) the New Pricing Scheme – Stage III and New Investment Policy 2008 for the period from April 1, 2015 to May 31, 2015;

(ii) New Urea Policy 2015 from June 1, 2015 onwards; and

(iii) Uniform Freight Policy

The concession price and freight is accounted based on notified prices, further adjusted for input price escalation/ de-escalation and as estimated by the management based on the prescribed norms in line with known policy parameters.

Subsidy on Phosphatic and Potassic (P&K) fertilizers is recognized as per concession rates notified by the Government of India in accordance with Nutrient Based Subsidy Policy from time to time and Freight subsidy has been accounted for in line with the policy.

Subsidy on Gypsum is recognized based on district wise concession rates, as notified by the Government of Rajasthan.

(b) Income from operations of Shipping Division

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

(c) Income from operations of Software business

In respect of subsidiaries engaged in software development and business process outsourcing services, revenue is recognized as under :

- Revenue derived from professional services under the time and material contract is recognized as the related services are performed.
- Revenue from title and related operations are primarily transaction based and are recognized as revenue when services are performed, the fee is fixed or determinable, and collection is reasonably assured.
- Revenue from transaction services and other service contracts is recognized based on transactions processed. The subsidiaries also generate upfront non-refundable revenues from process transition activities. Revenue and costs attributable to such process transition activities are deferred where such activities do not represent the culmination of a separate earnings process. Such revenue and related costs are recognized ratably over the period in which the related services are performed. Deferred costs are limited to the amount of deferred revenue and any excess costs are expensed as incurred.
- The Group also derives its revenues from software services and from business process outsourcing /knowledge process outsourcing services, provided either on time and material, fixed-price fixed-time frame and unit-price basis. Revenue with respect to time-and-material contracts is recognized as the related services are rendered and revenue from the end of the last billing to the balance sheet date is recognized as unbilled revenue. The Group's fixed price contracts include application maintenance and support services, on which revenue is recognized ratably over the period in which the services are rendered. Revenue with respect to other fixed price contracts, where there is no uncertainty as to measurement and collectability of consideration, is recognized on a percentage of completion basis. The input (cost expended) method has been used because management considers this to be the best available measure of progress on these contracts as there is a direct relationship between input and productivity. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.
- Revenues from unit-priced contracts are recognized as transactions are processed based on objective measures of output. Cost and earnings in excess of billings are classified as unbilled revenue while billing in excess of cost and earnings is classified as deferred revenue.
- Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the current estimates. When the Group receives advances for its services, such amounts are reflected as advance received from customers until all conditions for revenue recognition are met. The Group presents revenues net of service taxes and value added taxes, but gross of certain reimbursements in its consolidated statement of profit and loss.
- Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license, except in case of multiple element contracts, under which post-contract maintenance and support services are also rendered by the Group. In the case of multiple element contracts, revenue from sale of user licenses is recognized on transfer of the title in the user license after appropriately reducing the fair value of the maintenance services to be recognised as revenues. Revenue from post contract maintenance and support services is recognized ratably over the period in which services are rendered.

(d) Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head 'Other Income' in the statement of profit and loss. Further, interest on delayed payment from customers are accounted on accrual basis to the extent these are measurable & ultimate collection is reasonably certain.

(e) Dividend

Dividend income is recognized when the Group's right to receive dividend is established by the reporting date.

(f) Insurance Claims

Claims receivable on account of insurance are accounted for to the extent the Group is reasonably certain of their ultimate collection.

(xiv) Foreign Currency Translation

(a) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(b) Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are translated using the exchange rates that existed when such values were determined.

(c) Exchange differences

The Group accounts for exchange differences arising on translation / settlement of foreign currency monetary items as below:

(i) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.

Exchange differences arising on other long-term foreign currency monetary items are accumulated in the Foreign Currency Monetary Item Translation Difference Account' and amortized over the remaining life of the concerned monetary item.

(ii) All other exchange differences are recognized as income or as expense in the period in which they occur.

For the purpose of (i) and (ii) above, the Group treats a foreign currency monetary item as "long-term foreign currency monetary item", if it has a term of 12 months or more at the date of its origination. In accordance with MCA circular dated August 09, 2012, exchange differences for this purpose, are total differences arising on long-term foreign currency monetary items for the period.

(d) Forward exchange contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense / income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period. Any gain / loss arising on forward contract which are long-term foreign currency monetary items is recognized in accordance with paragraph (c) (i) above.

(e) Translation of non-integral foreign operation

In translating the financial statements of non-integral foreign operations for incorporation in financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operations are translated at the closing rate, income and expense items of the non-integral foreign operations are translated at average exchange rates prevailing during the year, and all resulting exchange differences are accumulated as a 'Foreign Currency Translation Reserve' until the disposal of the net investment.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognized as income or as expense in the same period in which the gain or loss on disposal is recognized.

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

(xv) Retirement and other employee benefits

(a) Retirement benefit in the form of Provident Fund is a defined benefit obligation in case of fertiliser and shipping division of the Group and is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. The difference between the actuarial valuation of the provident fund of employees at the year-end and the balance of own managed fund is provided for as liability in the books. Any excess of plan asset over projected benefit obligation is ignored as such surplus is distributed to the beneficiaries of the trust.

Provident Fund of Indian subsidiaries of CFCL Technologies Limited (CTL) and Pension Fund of all components of the Group are defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

(b) Superannuation Fund is a defined contribution scheme. Liability in respect of Superannuation Fund to the concerned employees of Fertiliser and Shipping division of the Group is accounted for as per the Group's Scheme and contributed to Life Insurance Corporation of India (LIC) / ICICI Prudential Life Insurance Company Limited (ICICI) every year. The divisions do not have any other obligation, other than the contribution payable to the superannuation fund. The divisions recognize contribution payable to the superannuation fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

(c) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. However, in respect of fertiliser division of the Group, Parent Company has taken policies from LIC, ICICI and Birla Sunlife Insurance Company Limited (BSLI), for Shipping division, Parent Company has taken a policy from LIC and for one of the step down subsidiaries of CTL, such subsidiary has taken a policy from Kotak Mahindra Old Mutual Life Insurance Limited (Kotak) to cover the gratuity liability of the employees. The difference between the actuarial valuation of the gratuity of employees at the year-end and the balance of funds with LIC, ICICI, BSLI and Kotak is provided for as liability in the books.

(d) Retirement benefit in the form of post retirement medical benefit is a defined benefit obligation in case of fertilizer division of the Group and is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year.

(e) Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

(f) The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(g) Long Service Awards: Long service awards are other long-term benefits accruing to all eligible employees of Fertiliser division of the Group, as per Parent Company's scheme. The cost of providing benefit under long term service awards scheme is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. This is unfunded defined benefit scheme.

(h) Settlement allowance: Settlement allowance are other long-term benefits accruing to all eligible employees of Fertiliser division of the Group, as per Parent Company's scheme. The cost of providing benefit under settlement allowance is determined on the basis of actuarial valuation using the projected unit credit method at the reporting date. This is unfunded defined benefit scheme.

Actuarial gain/losses in case of gratuity, leave encashment, post-retirement medical benefits, long service award and settlement allowance are recognized in full in the statement of profit and loss in the reporting period in which they occur and are not deferred.

(xvi) Income Taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax 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 income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Group re-asseses unrecongnized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income, will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

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 tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

(xvii) Segment Reporting Policies

Identification of segments

The Group's operating businesses are organized and managed separately according to the nature of products manufactured, traded and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the locations of customers.

Allocation of common costs

Common allocable costs are allocated to each segment in proportion to the relative sales of each segment.

Unallocated items

All the common income, expenses, assets and liabilities, which are not possible to be allocated to different segments, are treated as unallocated items.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Group as a whole.

(xviii) Earning per share

Basic earning per share is 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.

(xix) Provisions

A provision is recognized when an enterprise has a present obligation 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 obligation. Provisions are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the reporting date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(xx) 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.

(xxi) Derivative Instruments

In accordance with the of Institute of Chartered Accountants of India (ICAI) Announcement, derivative contracts, other than foreign currency forward contract covered under Accounting Standard 11, are marked to market on a portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the Statement of Profit and Loss. Net gains are ignored.

(xxii) Employee Stock Compensation Costs

Parent Company

Measurement and disclosure of the employee stock option scheme is done in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, issued by ICAI. The Parent Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

Subsidiary Company

Employee stock compensation costs for stock options are recognized as employee benefit expenses in accordance with the guidance note on "Accounting for Employee Share-based Payments" issued by the Institute of Chartered Accountants of India, based on the grant date fair value of the options granted to employees. The fair value of the options is estimated on the date of grant using the Black-Scholes-Merton valuation model on the basis of an independent valuation performed and recognized in a graded manner on the basis of weighted period of services over the vesting period. The expected term of an option is estimated based on the vesting term and contractual term of the option, as well as expected exercise behaviour of the employee who receives the option. Expected volatility during the expected term of the option is based on historical volatility, during a period equivalent to the expected term of the option, of the observed market prices of the publicly traded equity shares of comparable listed entities. Expected dividends during the expected term of the option are based on recent dividend activity. Risk-free interest rates are based on the government securities yield in effect at the time of the grant over the expected term.

(xxiii) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

(xxiv) Basis of classification of Current and Non Current

Assets and Liabilities in the balance sheet have been classified as either current or non-current based upon the requirements of Schedule III to the Companies Act, 2013.

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 Group'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 Group'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 Group 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.

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

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
NOTE 3 : SHARE CAPITAL		
Authorised :		
440,000,000 (Previous year 440,000,000) Equity Shares of Rs.10/- each	44000.00	44000.00
210,000,000 (Previous year 210,000,000) Redeemable Preference Shares of Rs.10/- each	21000.00	21000.00
	65000.00	65000.00
Issued, Subscribed and Paid Up :		
416,207,852 (Previous year 416,207,852) Equity Shares of Rs.10/- each, fully paid up	41620.79	41620.79
Less : Nil (Previous year 2,253,402) Equity Shares of Rs.10/- each, fully paid up acquired by CFCL Employees Welfare Trust ("Trust") from the secondary market (refer note no.50)	-	225.34
	41620.79	41395.45

a) **Reconcilation of the shares outstanding at the beginning and at the end of the reporting period**

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

b) **Terms / rights attached to equity shares**

The Parent Company has only one class of shares having a par value of Rs. 10 per shares fully paid up.Each holder of equity shares is entitled to one vote per share and the equity shares will rank pari-passu with each other in all respects. The Company declares and pays dividend in Indian Rupees. The Dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing annual general meeting.

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

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

Name	March 31, 2016		March 31, 2015	
	No. of Shares	% holding	No. of Shares	% holding
Zuari Global Limited	5,90,15,360	14.18	5,90,15,360	14.18
The Hindustan Times Limited	5,11,58,209	12.29	5,10,74,209	12.27
SIL Investments Limited	3,18,13,455	7.64	3,18,13,455	7.64
Life Insurance Corporation of India	2,65,89,034	6.39	2,79,10,373	6.70

As per the records of the Parent Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Particulars	As at March 31, 2016	As at March 31, 2015
NOTE 4 : RESERVES AND SURPLUS		
Capital Reserve (arising on forfeiture of shares)		
Balance as per the last financial statements	20.95	20.95
Securities Premium Account		
Balance as per the last financial statements	5385.13	5385.13
Additions during the year	1438.70	-
Share of Minority interest	(1330.07)	-
	5493.76	5385.13
Capital Redemption Reserve		
Balance as per the last financial statements	25.00	25.00
Foreign Currency Translation Reserve		
Balance as per the last financial statements	17200.83	17152.78
Additions/(Adjustments) during the year	(2855.79)	22.37
Add : Share of Minority interest	323.30	306.80
Less : Charged to statement of Profit and loss on liquidation of subsidiary	-	(281.12)
	14668.34	17200.83
Stock Options Outstanding (refer note no. 42 (ii))	3119.60	2442.83
General Reserve		
Balance as per the last financial statements	37984.45	34153.97
Add: Transferred from Statement of Profit and Loss	49.50	5099.50
Less : Adjustment of carrying amount of fixed assets as per Schedule II of Companies Act, 2013 (net of deferred tax of Rs.653.42 lacs)	-	1269.02
Add : Reversal of excess of investment over and above face value of equity shares held by Trust (refer note no. 50)	1518.79	-
	39552.74	37984.45
Tonnage Tax Reserve under Section 115 VT of Income Tax Act,1961		
Balance as per the last financial statements	425.00	425.00
Tonnage Tax Reserve (utilised) Account under Section 115 VT of Income Tax Act,1961		
Balance as per the last financial statements	3850.00	3850.00
Surplus in the statement of profit and loss:		
Balance as per the last financial statements	116381.23	101494.68
Add : Profit for the year	21608.70	29461.18
Less : Reversal of dividend on equity shares held by trust for earlier years (refer note no. 50)	172.83	-
Add : Saving of dividend distribution tax on equity dividend	95.97	-
Less : Appropriations		
Proposed Equity Dividend {amount per share Rs.1.90 per share (Previous year Rs.1.90 per share)}	7908.05	7908.05
Proposed dividend on equity shares held by Trust	-	(42.81)
Tax on Proposed Equity Dividend	1609.89	1609.89
Transfer to General Reserve	49.50	5099.50
Net surplus in the statement of profit and loss	128345.63	116381.23
	195501.02	183715.42

(Rs. in Lacs)

Particulars	As at March 31, 2016		As at March 31, 2015	
	Non Current	Current Maturities	Non Current	Current Maturities
NOTE 5: LONG-TERM BORROWINGS				
Secured Loans:				
Term loans from banks				
- Rupee term loans	-	-	-	1908.60
- Foreign currency loans from banks	62941.13	29304.72	71518.77	23268.66
- Foreign currency loans from financial institution	7786.57	3940.18	6503.91	3716.51
Finance lease obligation	106.94	57.07	163.84	72.45
	70834.64	33301.97	78186.52	28966.22
Less : Current maturities shown under "other current liabilities" (refer note no. 11)	-	33301.97	-	28966.22
	70834.64	-	78186.52	-

Notes:

i Rupee term loans for textile business (sold during the year) {refer note no. 52(a)} of Nil (including current maturities of Nil) (Previous year outstanding loan and current maturity of Rs.1908.60 lacs) carried interest in the range of 11.10%-12.75% p.a. These loans were secured by first pari-passu charge by way of mortgage, by deposit of title deeds in respect of immovable properties and hypothecation of the movable fixed assets of the Parent Company, both present and future (save and except assets of shipping division), subject to prior charges created in favour of banks on current assets and other movables for securing working capital borrowings

ii Foreign currency term loans from banks of USD 66.00 lacs (Rs.4373.16 lacs including current maturities of Rs.4373.16 lacs) (Previous year Rs.14501.16 lacs and Rs.10375.83 lacs respectively) carry interest rate in the range of 3/6 months LIBOR plus 2.75%-4.50% p.a. Out of these, one term loan amounting to USD 16.00 lacs (Rs.1060.16 lacs) is repayable in 4 equal quarterly instalments starting from May 27, 2016. Another term loan amounting to USD 50.00 lacs (Rs.3313.00 lacs) is repayable on May 06, 2016. These loans are secured by first pari-passu charge by way of mortgage, by deposit of title deeds in respect of immovable properties and hypothecation of the movable fixed assets of the Parent Company, both present and future (save and except assets of shipping division), subject to prior charges created in favour of banks on current assets and other movables for securing working capital borrowings

iii (a) 'Foreign currency term loan from a bank of USD 200 lacs (Rs.13252.00 lacs including current maturities of Rs.13252.00 lacs) (Previous year Rs.15001.20 lacs and Rs.2500.20 lacs respectively) carries interest @ 3 months LIBOR plus 1.125% p.a. The loan is repayable on June 08, 2016, (since pre-paid on April 04, 2016). The loan was secured by first priority mortgage on the Parent Company's vessel-Ratna Puja and assignment of earnings, insurance and requisition compensation in respect of such vessel

(b)' Foreign currency term loan from a bank of USD 330 lacs (Rs.21865.80 lacs including current maturities of Rs.3313.00 lacs) (Previous year Rs.23126.85 lacs and Rs.2500.20 lacs respectively) carries interest @ 3 months LIBOR plus 0.875% p.a. The loan is repayable in 15 quarterly instalments of USD 10.00 lacs each (Rs. 662.60 lacs) starting from June 09, 2016 and the last instalment of USD 180.00 lacs (Rs.11926.80 lacs) payable on March 09, 2020 (the instalment of USD 10 lacs has been prepaid on April 04, 2016). The loan is secured by first priority mortgage on the Parent Company's vessel-Ratna Shalini and assignment of earnings, insurance and requisition compensation in respect of such vessel and second priority mortgage on the Parent Company's vessel-Ratna Puja and assignment of earnings, insurance and requisition compensation in respect of such vessel. The charge on the vessel Ratna Puja has since been released.

iv Foreign currency term loan from banks of USD 548.21 lacs (Rs.36324.33 lacs including current maturities of Rs.8366.56 lacs) (Previous year Rs.42158.22 lacs and Rs.7892.43 lacs respectively) carry interest @ 3 months LIBOR plus 0.40% p.a. One tranch of the aforesaid term loan amounting to USD 170 lacs (Rs.11264.20 lacs) is repayable in 17 equal quarterly installment starting from April 22, 2016. Another tranch of the aforesaid term loan amounting to USD 170 lacs (Rs.11264.20 lacs) is repayable in 17 equal quarterly instalment starting from June 03, 2016. Another tranch of the aforesaid term loan amounting to USD 208.21 lacs (Rs.13795.93 lacs) is repayable in 18 equal quarterly instalments starting from April 15, 2016.These loans are secured by first priority mortgage on the Company's three vessels i.e. Ratna Shruti, Ratna Shradha and Ratna Namrata and assignment of earnings, insurance and requisition compensation in respect of such vessels.

v (a) Foreign currency term loans from banks of USD 247.97 lacs (Rs.16430.56 lacs including current maturities of Nil) (Previous year Nil and Nil respectively) carry interest @ 3 months LIBOR plus 2.821% p.a. These loans are repayable in 13 half yearly instalments starting from September 30, 2019. These loans are to be secured by first pari-passu charge by way of mortgage, by deposit of title deeds in respect of immovable properties and hypothecation of the movable fixed assets of the Parent Company, both present and future (save and except assets of shipping division), subject to prior charges created in favour of banks on current assets and other movables for securing working capital borrowings

(b) Foreign currency term loans from financial institution of USD 176.98 lacs (Rs.11726.75 lacs including current maturities of Rs.3940.18 lacs) (Previous year Rs.10220.42 lacs and Rs.3716.51 lacs respectively) carry interest @ of 3/6 months LIBOR plus

3.096%-4.50% p.a. Out of these, one term loan amounting to USD 104.05 lacs (Rs.6894.23 lacs) is repayable in 7 equal quarterly instalments starting from April 01, 2016. Another term loan amounting to USD 72.93 lacs (Rs.4832.52 lacs) is repayable in 17 equal half yearly instalments starting from September 30, 2019. The loans are secured/ to be secured by first pari-passu charge by way of mortgage, by deposit of title deeds in respect of immovable properties and hypothecation of the movable fixed assets of the Parent Company, both present and future (save and except assets of shipping division), subject to prior charges created in favour of banks on current assets and other movables for securing working capital borrowings

vi Finance lease obligation of Rs.160.95 lacs (including current maturities of Rs.54.01 lacs) (Previous year Rs.202.15 lacs and Rs.41.21 lacs respectively) is repayable in 29 monthly installments of Rs.6.77 lacs each (i.e. lease obligation including interest) starting from April, 2016 and carry interest rate of around 27.34% p.a. This is secured by assets acquired under the facility. In the books of subsidiary, there are various finance lease obligations amounting to Rs.3.06 lacs (including current maturities of Rs.3.06 lacs) (Previous year Rs.34.14 lacs and Rs.31.24 lacs respectively) repayable in 1 year, repayment amount ranging from Rs.0.12 lac to Rs.1.36 lacs and rate of interest ranging from 5.99% to 15.31% p.a.

These are secured by assets acquired under the facility.

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
NOTE 6 (A): DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	41413.40	45646.54
Gross Deferred Tax Liabilities	**41413.40**	**45646.54**
Deferred Tax Assets		
Effect of expenditure debited to statement of profit and loss in the current year/ earlier years but allowable for tax purposes in following years	438.84	574.69
Provision for gratuity	52.49	158.70
Provision for leave encashment	787.37	797.00
Provision for doubtful debts and advances	292.16	163.57
Carry forward capital loss	-	1182.96
Gross Deferred Tax Assets	**1570.86**	**2876.92**
Net Deferred Tax Liabilities	**39842.54**	**42769.62**
NOTE 6 (B): DEFERRED TAX ASSETS (NET) **		
Effect of expenditure debited to statement of profit and loss in the current year/ earlier years but allowable for tax purposes in following years	103.20	-
Differences in depreciation in block of fixed assets as per tax books and financial books	63.75	-
Gross Deferred Tax Assets	**39.45**	-

** Deferred tax assets are calculated with reference to the business losses and unabsorbed depreciation as per tax and other timing differences. However, deferred tax assets have not been recognized as the management believes that there is no virtual certainty that sufficient future taxable income will be available to realize the deferred tax assets for the year ended December 31, 2015, except in case of an Indian step down subsidiary, ISG Novasoft Technologies Limited .

Deferred tax assets and deferred tax liabilities across various countries of operations are not set off against each other as the Group does not have the legal right to do so.

Particulars	As at March 31, 2016	As at March 31, 2015
NOTE 7 : OTHER LONG TERM LIABILITIES		
Trade payables (other than Micro and Small Enterprises)	316.49	335.31
Earnest money / security deposits	12.14	5.63
Accrued employee liabilities	180.81	-
	509.44	**340.94**
NOTE 8 : LONG TERM PROVISIONS		
Provision for gratuity (refer note no. 37)	190.34	126.04
Provision for post retirement medical benefits (refer note no. 37)	259.11	223.97
Provision for loss on derivative contracts	-	821.28
	449.45	**1171.29**

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
NOTE 9 :SHORT-TERM BORROWINGS		
Secured:		
From Banks		
- Rupee loans	-	23500.00
- Cash credit facilities	59243.67	41172.98
- Foreign currency loans	228199.02	145022.43
From Others*	14555.20	13868.80
Unsecured:		
Commercial Papers	65000.00	30000.00
From Banks:		
- Foreign currency loans	25073.13	46821.73
- Packing credit foreign currency loans	-	1395.87
	392071.02	**301781.81**

i Rupee loans of Nil (Previous year Rs.23500.00 lacs) carried interest in the range of 10.10% - 10.25% p.a., Cash credit facilities carrying interest in the range of 9.65% - 14.95% p.a. and Foreign currency loans of Rs.37165.16 lacs (Previous year Rs.13323.75 lacs) carrying interest in the range of 0.92% - 1.05% p.a., from banks are secured by hypothecation of all the Parent Company's current assets including all stocks and book debts and other movable assets, both present & future (except assets of Shipping Division). These loans are further secured by second charge on all the immovable properties (except assets of Shipping Division) of the Parent Company.

ii Foreign currency loans of Rs.191033.86 lacs (Previous year Rs.131698.68 lacs) carrying interest @ 0.98% - 1.12% p.a. are secured by second charge on the Parent Company's current assets (except assets of Shipping Division).

iii * The line of credit facility availed by a subsidiary of the Parent Company is secured by way of pledge and secured by collateral interest in all rights, title, interest in, (i) all accounts; (ii) all general intangibles; (iii) all cash or cash equivalents; (iv)all deposit accounts with any bank or other financial institution; (v) and all accessories to, substitutions for and replacements, proceeds, insurance proceeds and products of the foregoing, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto and any general intangibles at any time evidencing or relating to any of the concerned subsidaries but excluding deposit, escrow or similar accounts of the borrowers held for the benefit of third parties in the ordinary course of business of the borrowers. Line of credit facility carry interest rate in the range of 0.313% to 0.625% (a "Eurodollar loan"), plus 2.75% along with 0.50% as monthly commitment fees of the loan amount.

iv Unsecured foreign currency loans of Rs.25073.13 lacs (Previous year Rs.46821.73 lacs) carry interest in the range of 0.92% - 1.12% p.a. and unsecured packing credit foreign currency loans for textile business (sold during the year) {refer note no. 52(a)} carried interest in the range of 1.14% - 1.33% p.a.

NOTE 10 : TRADE PAYABLES		
Trade payables		
- Outstanding dues to Micro and Small Enterprises (refer note no. 46)	98.92	22.75
- Outstanding dues to other than Micro and Small Enterprises	55758.07	35470.96
	55856.99	**35493.71**

NOTE 11 : OTHER CURRENT LIABILITIES		
Current maturity of long term borrowings (refer note no. 5)	33301.97	28966.22
Interest accrued but not due on loans	712.72	783.61
Advance from customers	3461.67	4330.32
Advance received against slump sale transaction	-	500.00
Earnest money / security deposits	8653.96	6386.35
Unclaimed statutory liabilities (as referred in Section 205C of the Companies Act, 1956):*		
- Unpaid dividend	1169.25	1091.46
- Unpaid matured deposit	-	1.34
- Unpaid interest on above	-	0.67
Escrow liability**	92.46	135.04
Payable for capital goods {includes Rs.15.18 lacs (Previous year Nil) dues to Micro and Small Enterprises (refer note no 46)}	489.71	1497.92
Forward contracts payable	8637.26	9050.11

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Book overdraft from bank	386.59	2120.12
Statutory obligation payable	2843.13	1801.18
Accrued employee liabilities	2732.62	2016.05
Other liabilities	197.64	886.43
	62678.98	59566.82

* Amount payable to Investor Education and Protection Fund is Nil (previous year Rs.0.09 lac, since paid on due date).
** Escrow liability represents gross amount received from lenders, pending disbursements to borrowers.

NOTE 12 : SHORT-TERM PROVISIONS

		As at March 31, 2016		As at March 31, 2015
Provision for employees benefits				
Provision for gratuity (refer note no. 37)		139.55		323.50
Provision for leave encashment		2462.49		2553.21
Provision for post retirement medical benefits (refer note no. 37)		8.85		8.21
Others provisions				
Provision for taxation (net of advance tax payments)		1954.88		772.76
Provision for wealth tax		-		17.99
Provision for loss on derivative contracts		37.13		527.29
Proposed dividend on equity shares	7908.05		7908.05	
Less : Proposed dividend on equity sharesheld by Trust	-	7908.05	42.81	7865.24
Tax on proposed dividend		1609.90		1609.90
Provision for litigations and claims		-		251.53
		14120.85		13929.63
Movement of Provisions as required by Accounting Standard- 29 is as follows- Onerous Contract:				
Balance at the beginning of the year		-		375.98
Provision utilised		-		(375.98)
Balance at the end of the year		-		-
Litigations and claims:				
Balance at the beginning of the year		251.53		822.50
Provision made during the year		-		115.05
Provision utilised		(251.53)		(595.22)
Foreign currency translation reserve		-		(90.80)
Balance at the end of the year		-		251.53

Provisions for litigations and claims: This represents provision made for probable liabilities / claims arising out of pending disputes / litigations pertaining to of commercial transactions with vendor/ others.

NOTE 13 : TANGIBLE ASSETS

(Rs. In lacs)

Particulars	Land-Freehold	Land-Leasehold	Buildings	Leasehold Improvements	Leasehold Improvements (on Finance Lease)	Railway Siding	Plant & Machinery	Factory Equipment	Office Equipment	Office Equipment (On Finance Lease)	Furniture & Fittings	Vehicles	Ships	Total
Gross Block														
At April 01, 2014	743.20	587.28	24777.83	2333.20	302.26	2205.11	357047.52	2320.96	13080.39	486.20	2127.13	1061.91	197744.08	604817.07
Additions	-	-	848.89	137.87	-	-	5567.92	100.17	282.75	-	52.94	250.94	1.10	7242.58
Deletions	-	-	(28.53)	(30.22)	-	-	(2731.49)	(36.20)	(179.93)	-	(8.44)	(189.72)	-	(3204.53)
Adjustment	-	-	27.67	(1.34)	-	-	470.67	(12.84)	2.22	(10.92)	(0.33)	-	4128.74	4603.87
Forex Translation Adjustment	-	-	(298.76)	36.20	-	-	(2764.47)	(12.50)	213.07	9.32	24.67	(3.45)	-	(2795.92)
At March 31, 2015	**743.20**	**587.28**	**25327.10**	**2475.71**	**302.26**	**2205.11**	**357590.15**	**2359.59**	**13398.50**	**484.60**	**2195.97**	**1119.68**	**201873.92**	**610663.07**
Additions	-	-	239.41	-	-	15.80	3115.10	78.51	371.76	-	26.90	1020.46	144.37	5012.31
Deletions	-	-	(6.14)	(15.18)	-	-	(838.62)	(23.71)	(378.45)	(13.28)	(67.97)	(165.93)	-	(1509.28)

(Rs. In lacs)

Particulars	Land-Freehold	Land-Leasehold	Buildings	Leasehold Improvements	Leasehold Improvements (on Finance Lease)	Railway Siding	Plant & Machinery	Factory Equipment	Office Equipment	Office Equipment (On Finance Lease)	Furniture & Fittings	Vehicles	Ships	Total
Disposal pursuant to sale of Textile division (Discontinued Operation) {refer note no. 52 (a)}	(309.93)	(8.93)	(5913.68)	-	-	-	(21797.73)	-	(157.29)	-	(185.98)	(90.89)	-	(28464.43)
Adjustment	-	-	46.25	-	-	-	3469.53	-	-	-	-	-	5335.31	8851.09
Forex Translation Adjustment	-	-	(268.17)	84.90	-	-	(2456.21)	(10.89)	516.95	6.54	64.22	(1.27)	-	(2063.93)
At March 31, 2016	**433.27**	**578.35**	**19424.77**	**2545.43**	**302.26**	**2220.91**	**339082.22**	**2403.50**	**13751.47**	**477.86**	**2033.14**	**1882.05**	**207353.60**	**592488.83**
Depreciation														
At April 01, 2014	-	144.12	9075.54	1820.22	149.05	1796.02	254829.13	1327.83	11816.67	323.60	1986.05	540.98	52211.09	336020.30
Additions	-	5.94	741.18	58.65	34.54	28.55	9567.04	117.48	523.13	78.27	96.40	183.18	7347.93	18782.29
Deletions	-	-	(15.64)	(28.71)	-	-	(2528.01)	(23.07)	(167.70)	-	(7.66)	(150.78)	-	(2921.57)
Transfer to opening retained earnings	-	-	1159.26	-	-	2.64	387.41	128.80	228.16	-	16.17	-	-	1922.44
Adjustment	-	-	-	(3.60)	-	-	-	-	(16.62)	(7.27)	(1.76)	(0.01)	-	(29.26)
Forex Translation Adjustment	-	-	(214.79)	33.34	-	-	(2551.43)	(10.15)	211.66	8.77	24.67	(2.61)	-	(2500.54)
At March 31, 2015	**-**	**150.06**	**10745.55**	**1879.90**	**183.59**	**1827.21**	**259704.14**	**1540.89**	**12595.30**	**403.37**	**2113.87**	**570.76**	**59559.02**	**351273.66**
Additions	-	5.84	547.07	37.93	34.54	28.40	8174.08	84.95	485.52	46.02	83.55	316.90	7639.60	17484.40
Deletions	-	-	(1.57)	(15.18)	-	-	(777.88)	(21.20)	(360.72)	(8.12)	(67.17)	(140.56)	-	(1392.40)
Disposal pursuant to sale of Textile division (Discontinued Operation) {refer note no. 52 (a)}	-	(1.45)	(1927.19)	-	-	-	(17956.19)	-	(135.62)	-	(151.63)	(39.40)	-	(20211.48)
Adjustment	-	-	-	(2.72)	-	-	2818.55	-	-	-	-	-	-	2815.83
Forex Translation Adjustment	-	-	(198.40)	142.51	-	-	(2300.27)	(8.93)	497.59	18.98	3.98	(0.60)	-	(1845.14)
At March 31, 2016	**-**	**154.45**	**9165.46**	**2042.44**	**218.13**	**1855.61**	**249662.43**	**1595.71**	**13082.07**	**460.25**	**1982.60**	**707.10**	**67198.62**	**348124.87**
Impairment loss														
At 1 April 2015	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	-	11199.17	11199.17
At 31 March, 2016	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**11199.17**	**11199.17**
Net Block														
At March 31, 2015	**743.20**	**437.22**	**14581.55**	**595.81**	**118.67**	**377.90**	**97886.01**	**818.70**	**803.20**	**81.23**	**82.10**	**548.92**	**142314.90**	**259389.41**
At March 31, 2016	433.27	423.90	10259.31	502.99	84.13	365.30	89419.79	807.79	669.40	17.61	50.54	1174.95	128955.81	233164.79

Notes :

1. Freehold land having gross block of Rs. 0.89 lac (Previous year Rs. 1.70 lacs), Leasehold land having gross block of Rs. 44.14 lacs (Previous year Rs. 44.14 lacs) and Buildings having gross block of Rs.409.07 lacs (Previous year Rs.409.07 lacs) are yet to be registered in the Parent Company's name.
2. Gross Block and Accumulated Depreciation of Buildings includes Rs.0.71 lac (Previous year Rs.0.71 lac) and Rs.0.59 lac (Previous year Rs.0.58 lac) respectively represent undivided share in assets jointly owned with others.
3. Adjustment to Plant and Machinery includes additions of Rs.576.00 lacs (Previous year Rs.500.11 lacs), adjustment to Buildings includes additions of Rs.46.25 lacs (Previous year Rs.27.67 lacs) and adjustment to Ships includes additions of Rs.5335.31 lacs (Previous year Rs.4128.74 lacs) being variations in rupee liability in respect of foreign currency.
4. Adjustment to Plant and Machinery includes machinery having a book value of Rs.2966.89 lacs (accumulated depreciation of Rs.2818.55 lacs) transferred from 'Assets held for disposal' during the year.
5. Adjustment from Plant and Machinery and Factory Equipment includes Cenvat credit of Rs. 0.35 lac (Previous year Rs.14.09 lacs) and Nil (Previous year Rs.0.74 lac) respectively related to earlier years but availed during the year.
6. Adjustment from Plant and Machinery includes Rs.73.36 lacs being liabilities written back during the year.
7. Additions to Plant and Machinery include borrowing costs of Rs.12.65 lacs (Previous year Nil) capitalized during the year.
8. Capital work-in-progress (CWIP) includes capitalisation of expenditure amounting to Rs.10594.33 lacs (Previous year Rs.5200.48 lacs) (refer note no.35). Further, CWIP is after adjusting foreign exchange gain of Rs.98.96 lacs (Previous year foreign exchange loss of Rs.144.73 lacs) being variations in rupee liability in respect of foreign currency borrowings.

NOTE 14 : INTANGIBLE ASSETS

(Rs.in lacs)

Particulars	Software	Software on Finance Lease	Intellectual Property Rights	Goodwill	Goodwill on Consolidation	Total
At April 01, 2014	17645.90	133.31	2699.47	17536.15	22189.56	60204.39
Purchase during the year	3154.06	-	-	-	-	3154.06
Adjustment	(70.22)	-	-	-	-	(70.22)
Deletion	(3.65)	-	-	-	-	(3.65)
Forex Translation Adjustment	421.27	2.65	53.72	348.96	434.43	1261.03
At March 31, 2015	**21147.36**	**135.96**	2753.19	17885.11	**22623.99**	**64545.61**
Purchase during the year	1652.02	-	-	-	-	1652.02
Deletion	-	-	-	-	-	-
Disposal pursuant to sale of Textile division (Discontinued Operation) {refer note no.52 (a)}	(150.17)	-	-	-	-	(150.17)
Forex Translation Adjustment	976.28	3.33	136.26	885.18	1101.96	3103.01
At March 31, 2016	**23625.49**	**139.29**	**2889.45**	**18770.29**	**23725.95**	**69150.47**
Amortisation						
At April 01, 2014	14233.14	88.75	2699.47	8662.07	-	25683.43
Charge for the year	2462.15	18.91	-	385.36	-	2866.42
Deletion	(3.65)	-	-	-	-	(3.65)
Adjustment	(20.21)	-	-	-	-	(20.21)
Forex Translation Adjustment	340.61	1.77	53.72	185.01	-	581.11
At March 31, 2015	**17012.04**	**109.43**	**2753.19**	**9232.44**	**-**	**29107.10**
Charge for the year	2662.71	-	-	-	-	2662.71
Deletion	-	-	-	-	-	-
Disposal pursuant to sale of Textile division (Discontinued Operation) {refer note no.52 (a)}	(145.79)	-	-	-	-	(145.79)
Forex Translation Adjustment	815.74	1.08	136.26	456.94	-	1410.02
At March 31, 2016	**20344.70**	**110.51**	**2889.45**	**9689.38**	**-**	**33034.04**
Impairment loss						
At 1 April 2015	-	-	-	-	-	-
Charge for the year (refer note 1 below)	-	-	-	-	20557.36	20557.36
Forex Translation Adjustment	-	-	-	-	644.12	644.12
At 31 March. 2016	**-**	**-**	**-**	**-**	**21201.48**	**21201.48**
Net Block						
At March 31, 2015	**4135.32**	**26.53**	**-**	**8652.67**	**22623.99**	**35438.51**
At March 31, 2016	**3280.79**	**28.78**	**-**	**9080.91**	**2524.47**	**14914.95**

Note:

1. Based on the fair valuation done by an independent valuer during the year, the difference between the carrying amount and estimated recoverable amount of goodwill on consolidation has been impaired in these financial statements. The same has been shown under 'Exceptional item' in note no. 30 to the financial statements

(Rs. in Lacs)

	Particulars	As at March 31, 2016	As at March 31, 2015
	NOTE 15 : NON-CURRENT INVESTMENTS		
	(Valued at cost unless otherwise stated)		
A.	**Investment in Equity Instruments**		
	Other than Trade (Unquoted)		
	- 20,000 (Previous year 20,000) equity shares of Rs.10 each fully paid up in Shivalik Solid Waste Management Limited	2.00	2.00
	- 3,000,000 (Previous year 3,000,000) 12% Non convertible cummulative redeemable preference shares of Rs.100 each fully paid up in Upper Ganges Sugar & Industries Limited *	3000.00	3000.00
	Other than Trade (Quoted)		
	- Nil (Previous year 350) ordinary shares in StanCorp Financial Group, Inc., USA	-	8.24

(Rs. in Lacs)

	Particulars	As at March 31, 2016	As at March 31, 2015
B.	**Investment in Government Securities**		
	Other than Trade (Unquoted)		
	- 6 Year National Savings Certificates VIII Issue	0.09	0.09
	(lodged with Govt. Authorities)		
	- Indira Vikas Patra	0.20	0.20
C.	**Investment in Bonds & Debentures**		
	Other than Trade (Unquoted)		
	Debentures		
	- 218 (Previous year 218) 5% Non Convertible Debentures of Woodlands Hospital and Medical Research Centre Ltd of Rs.100 each fully paid up	0.22	0.22
		3002.51	3010.75
	Aggregate amount of unquoted investments	3002.51	3002.51
	Aggregate amount of quoted investments (Market value: Nil (Previous year Rs.7.95 lacs)	-	8.24

* During the previous year, Parent Company had made investment of Rs.3000.00 lacs in Upper Ganges Sugar & Industries Limited (UGSIL). As per the latest financial results of UGSIL, their accumulated losses have resulted in erosion of significant portion of the net worth. This being long term strategic investment and also in view of projected profitable operations of the company in near future, in the opinion of the management no provision for diminution in the value of investment required to be made as per Accounting Standard- 13 "Accounting for Investments".

NOTE 16 : LONG TERM LOANS AND ADVANCES

Particulars	As at March 31, 2016	As at March 31, 2015
(Unsecured and considered good, unless stated otherwise)		
Capital advances	47159.98	1678.56
Advances recoverable in cash or in kind or for value to be received	0.70	-
Balances with statutory/ government authorities	849.15	654.35
Loans to employees:		
a) Secured, considered good	136.02	188.43
b) Unsecured, considered good	25.14	38.28
Advance to CFCL Employees Welfare Trust {refer note no.42 (i)}	1572.50	-
Advance fringe benefit tax (Net of provision for fringe benefit tax)	3.72	3.70
Advance Income Tax (Net of Provision for taxation)	9605.21	5162.75
Prepaid Expenses	926.71	1017.99
Deposits - others	819.48	853.44
	61098.61	9597.50
Considered doubtful:		
Balances with statutory/ government authorities	47.98	47.88
Less: Provision for doubtful advances	(47.98)	(47.88)
	61098.61	9597.50
Included in Loans to employees:		
Dues from director of the Parent Company	-	2.15

NOTE 17 : OTHER NON-CURRENT ASSETS

Particulars	As at March 31, 2016	As at March 31, 2015
Catalysts in use (value based on life technically assessed)	1019.58	1430.09
Non current bank balance (refer note no. 20)	-	0.15
	1019.58	1430.24

NOTE 18 : INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

Particulars	As at March 31, 2016	As at March 31, 2015
Stores and spares {Including in transit Rs.19.79 lacs (Previous year Rs.30.63 lacs)}	12823.20	11594.19
Catalysts in use (valued based on life technically assessed)	411.06	630.80
Naphtha	-	526.80
Raw materials {Including in transit Rs.481.82 lacs (Previous year Rs.309.93 lacs)}	1853.74	7653.00
Loose tools	7.01	16.13

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Packing materials	172.68	357.40
Waste (at net realisable value)	-	16.36
Work-in-process	1740.45	2850.21
Finished goods {Including in transit Rs. 5320.97 lacs (Previous year Rs.2370.63 lacs)}	15023.68	8984.02
Traded goods {Including in transit Rs. 10621.25 lacs (Previous year Rs.2592.31 lacs)}	62419.20	41241.97
	94451.02	73870.88

NOTE 19 : TRADE RECEIVABLES

Outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	142.53	147.95
Unsecured, considered good {Including subsidy receivable from Government of India Rs. 55718.34 lacs (Previous year Rs.17321.04 lacs)}	57004.41	18590.57
Unsecured, considered doubtful	2483.15	2206.70
Less: Provision for doubtful receivables	2483.15	2206.70
	57146.94	18738.52
Other receivables		
Secured, considered good *	6662.98	3289.35
Unsecured, considered good {Including subsidy receivable from Government of India Rs.253638.34 lacs (Previous year Rs.249943.57 lacs)}	327572.28	295088.21
Unsecured, considered doubtful	8.21	13.24
Less: Provision for doubtful receivables	8.21	13.24
	334235.26	298377.56
	391382.20	317116.08

* Secured trade receivables includes Nil (Previous year Rs.113.10 lacs) secured against letter of credit.

NOTE 20 : CASH AND BANK BALANCES

Cash and Cash Equivalents		
Balances with banks:		
On unpaid dividend / preference share capital / fixed deposit accounts	1169.25	1091.46
On current accounts	3301.23	6442.19
On cash credit accounts	85.78	61.04
On saving accounts	3.94	2.93
On fixed deposit accounts	1000.00	562.55
On escrow accounts	92.46	135.04
Cash on hand	3.50	10.09
Cheques on hand	-	171.83
	5656.16	8477.13
Other bank balances:		
Deposits with remaining maturity for more than 12 months	-	0.15
Deposits with remaining maturity for less than 12 months	13293.06	11915.54
	13293.06	11915.69
	18949.22	20392.82
Less: Deposits with remaining maturity for more than 12 months disclosed under non-current assets (refer note no. 17)	-	0.15
	18949.22	20392.67

NOTE 21 : SHORT-TERM LOANS AND ADVANCES

(Unsecured unless to the extent stated and considered good, except to the extent stated)		
Advances recoverable in cash or in kind or for value to be received	15303.78	4988.15
(Considered doubtful Rs.62.68 lacs, Previous year Rs.62.68 lacs)		

(Rs. in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Balances with statutory/ government authorities	5427.90	5523.97
(Considered doubtful Rs.275.09 lacs, Previous year Rs.275.09 lacs)		
Loans to employees:		
a) Secured	35.70	48.54
b) Unsecured	12.30	15.72
Deposits - others	229.61	591.97
{Considered doubtful Rs.26.14 lacs,(Previous Year Rs.26.14 lacs)}		
Prepaid expense	2537.32	1571.72
Advance income tax (Net of provision for taxation)	-	10741.05
	23546.61	23481.12
Less: Provision for doubtful advances	363.91	363.91
	23182.70	23117.21
Included in Loans to employees :		
i. Dues from director of the Parent Company	2.15	-
ii. Dues from officer of the Parent Company	1.15	0.29
NOTE 22 : OTHER CURRENT ASSETS		
(Unsecured and considered good)		
Interest receivable on loans, deposits and others	62.09	207.71
Export benefits receivable	-	195.95
Insurance and other claims receivable	379.00	502.95
Unamortised premium on forward contracts	4684.89	6947.99
Forward contracts receivable	7.26	-
Fertilisers Companies Govt. of India bonds (at lower of cost and market value)	0.10	0.10
Assets held for disposal (at lower of net written down cost and net realisable value)	10.00	292.40
Unbilled Revenue	1243.03	403.12
Receivable from Joint Venture (refer note no 38)	18.60	-
Others	31.26	-
	6436.23	8550.22

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(Rs. in Lacs)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
NOTE 23 : REVENUE FROM OPERATIONS		
Sale of Products:		
Sales of own manufactured products (including subsidy on fertilisers)	500585.87	553081.36
Sales of traded products (including subsidy on fertilisers)	439373.03	320370.45
Sale of Services:		
Income from operations of Shipping business	92125.98	76310.83
{Including Rs.50883.59 lacs from charter in ship (Previous year Rs.37390.33 lacs)}		
Software development, KPO and BPO Services	18491.66	20307.41
Software licence fees	1247.65	1172.11
Maintenance & support services	2862.95	3043.79
Other Operating Revenues		
Export benefits	-	692.86
Others	44.84	715.99

(Rs. in Lacs)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Revenue from operations (gross)	**1054731.98**	**975694.80**
Less: Excise duty #	1999.67	1920.37
Revenue from operations (net)	**1052732.31**	973774.43

Excise duty on sales amounting to Rs.1999.67 lacs (Previous year Rs.1920.37 lacs) has been reduced from sales in statement of profit and loss and excise duty on increase/ (decrease) in stock amounting to Rs.27.26 lacs (Previous year Rs.(38.80) lacs) has been considered as expense / (income) in note 29 of the financial statements.

NOTE 24 : OTHER INCOME

Interest on		
- Fertilisers Bonds	0.01	0.01
- Employees loans	9.30	12.41
- Income Tax refunds	-	890.21
- Deposit (Gross)	379.49	1087.52
- Payment from customers	1136.56	917.34
- Current investments	663.51	87.87
- Others	138.76	18.95
Dividend income on non trade current investments	0.20	-
Rent received	8.27	25.22
Mark to Market gain on derivative transactions	1265.40	1483.72
Insurance claims received	1038.05	1013.70
Liabilities no longer required written back	267.77	273.36
Provision for doubtful debts written back (net)	-	22.52
Profit on sale of non trade current investments	3641.18	1360.25
Sale of scrap {Net of excise duty Rs.0.05 lac (Previous year Nil)}	179.17	257.02
Foreign exchange variation	-	1342.94
Miscellaneous income	684.52	1714.90
	9412.19	10507.94

NOTE 25 : COST OF MATERIALS CONSUMED

Opening inventories	7653.00	7083.36
Add: Purchases*	245523.90	281779.84
Less : Transferred on account of slump sale of Textile division	4782.88	-
Less: Closing inventories	1853.74	7653.00
	246540.28	281210.20
* After adjustment for fluctuations in exchange rate.	(70.96)	(402.67)

(Rs. in Lacs)

Particulars	Year Ended March 31, 2016	Year Ended March 31, 2015	(Increase) / decrease
NOTE 26 : (INCREASE) IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, TRADED GOODS AND WASTE			
Closing inventories			
- Work-in-process	1740.45	2850.21	1109.76
- Finished goods	15023.68	8984.02	(6039.66)
- Traded goods	62419.20	41241.97	(21177.23)
- Waste	-	16.36	16.36
Total (A)	**79183.33**	**53092.56**	**(26090.77)**
Opening inventories			
- Work-in-process	2850.21	3745.70	895.49
- Finished goods	8984.02	19533.56	10549.54
- Traded goods	41241.97	24646.45	(16595.52)
- Waste	16.36	35.35	18.99
Total (B)	**53092.56**	**47961.06**	**(5131.50)**
Transferred on account of slump sale of Textile division (C)	(4515.54)	-	(4515.54)
Adjustment for fluctuation in exchange rate (D)	(84.24)	(135.33)	
(Increase) in inventories (C+B+D-A)	**(30690.55)**	**(5266.83)**	

(Rs. in Lacs)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
NOTE 27 : EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus*	27319.70	28862.62
Contribution to provident and other funds*	1642.18	1903.96
Gratuity expense (refer note no. 37)	221.30	342.66
Post retirement medical benefits (refer note no. 37)	43.45	68.57
Workmen and staff welfare expenses	2242.81	1944.70
Employee stock option scheme expense	538.98	657.43
	32008.42	**33779.94**
* Refer note no. 35		
NOTE 28 : FINANCE COSTS		
Interest {including interest on income tax Rs.20.02 lacs (Previous year Nil)}*	14107.34	15806.12
Bank charges and guarantee commission*	563.02	511.54
	14670.36	**16317.66**
* Refer note no. 35		
NOTE 29 : OTHER EXPENSES		
Consumption of stores and spares	3694.28	5206.57
Consumption of packing materials	8014.41	9613.67
Sub contracting expenses	4624.32	5259.60
Power and fuel	125849.74	138181.17
Catalyst charges written off	630.85	872.55
Rent (refer note no. 41)	4941.52	4016.44
Rates and taxes	531.73	543.21
Insurance	3312.74	3427.86
Repairs and maintenance :		
- Plant & Machinery	3117.84	3381.14
- Ships	862.57	819.95
- Buildings	596.38	397.75
- Others	2170.51	1841.68
Ships bunker cost	9277.37	15601.91
Ships port dues	7008.94	5088.43
Ships special survey expenses	1331.60	714.66
Directors' sitting fees	30.81	23.08
Travelling and conveyance*	1559.93	1696.62
Communication costs	931.15	1046.36
Printing and stationery	82.59	124.63
Legal and professional fees*	1573.86	1219.11
Auditor's remuneration		
As auditor:		
- Audit fee	140.99	139.18
- Tax audit fee	10.49	10.30
- Limited review fee	22.61	24.78
- Out of pocket expenses	5.73	6.33
In other manner:		
- Certification and other services	39.95	29.28
Excise duty on increase/ (decrease) in inventories	27.26	(38.80)
Freight and forwarding charges	67713.13	52118.85
Other selling expenses	398.85	575.50
Cash rebate to customers	559.61	503.67
Commission and brokerage to other than sole selling agents	3522.69	2761.09
CSR expenditure (refer note no. 51)	905.86	835.55
Depletion of loose tools	14.30	19.66
Green belt development/ horticulture expenses	242.33	249.39
Provision for doubtful advances and debts	402.28	-
Loss on foreign exchange variation (net)*	39.66	-
Premium on forward contracts amortised	15349.32	10261.25
Loss on disposal of fixed assets (net)	176.96	206.06
Bank charges and guarantee commission (other than financing)*	146.39	73.15

(Rs. in Lacs)

Particulars		Year ended March 31, 2016		Year ended March 31, 2015
Irrecoverable balances written off	83.42		80.12	
Less: Provision for doubtful debts and advances adjusted out of above	-	83.42	46.89	33.23
Release of foreign currency translation reserve on liquidation of subsidiary		-		281.12
Miscellaneous expenses*		2857.90		2894.78
		272802.87		**270060.76**
* Refer note no. 35				
NOTE 30 : EXCEPTIONAL ITEMS				
Goodwill on consolidation written off (refer note 1 of note no. 14)		20557.36		-
(Profit) on sale of Textile division {refer note no. 52(a)}		(3813.19)		-
Impairment loss on tangible fixed assets (refer note no. 56)		11199.17		-
		27943.34		-
NOTE 31 : EARNINGS PER SHARE (EPS)				
Net profit after tax as per Statement of Profit and Loss		21608.70		29461.18
Calculation of weighted average number of equity share of Rs.10 each				
- Number of shares at the beginning of the year		416207852		416207852
- Total equity shares outstanding at the end of the year		416207852		416207852
- Weighted average number of equity shares outstanding during the year		416207852		416207852
Basic and Diluted Earnings Per Share (in Rs.)		5.19		7.08
Nominal Value of Equity Shares (in Rs.)		10.00		10.00

Notes to Accounts

32. The Group comprises of the following entities :

Name of the Group Company	Country of Incorporation	Percentage of Ownership as at 31.03.2016	Percentage of Ownership as at 31.03.2015
Subsidiaries			
Chambal Infrastructure Ventures Limited (CIVL) **	India	100.00%	100.00%
India Steamship Pte Limited (ISS Pte)	Singapore	100.00%	100.00%
India Steamship Limited	India	100.00%	100.00%
India Steamship International FZE, UAE	UAE	100.00%	-
CFCL Technologies Limited (CTL)	Cayman Islands	72.27%	72.27%
Subsidiaries of CTL			
ISGN Corporation	U.S.A	100.00%	100.00%
CFCL Ventures Limited (CVL)	Cayman Islands	100.00%	100.00%
Step-down Subsidiary of ISGN Corporation			
ISGN Solutions, Inc (ISGN)	U.S.A	100.00%	100.00%
Step-down Subsidiaries of ISGN			
Richmond Title Genpar, LLC (Genpar) (till 07.04.2015)	U.S.A	100.00%	100.00%
Richmond Investors, LLC (till 10.07.2015)	U.S.A	100.00%	100.00%
Richmond Title Services, LP (Richmond LP) (till 08.06.2015)	U.S.A	100.00%	100.00%
ISGN Fulfillment Services, Inc. (Pennsylvania)	U.S.A	100.00%	100.00%
Step-down Subsidiaries of ISGN Fulfillment Services, Inc			
ISGN Fulfillment Services, Inc. # (till 12.01.2016)	U.S.A	100.00%	100.00%
ISGN Fulfillment Agency, LLC #	U.S.A	100.00%	100.00%
Step-down Subsidiaries of CVL			
ISG Novasoft Technologies Limited (ISGNTL)	India	100.00%	100.00%
Inuva Info Management Private Limited (INUVA) * - Subsidiary of ISGNTL	India	71.00%	71.00%
Joint Venture			
Indo Maroc Phosphore S.A, Morocco	Morocco	33.33%	33.33%

* dormant subsidiaries

** The Board of Directors of CIVL at its meeting held on March 30, 2015 approved a scheme of merger and amalgamation ("Scheme") of its wholly owned subsidiaries namely Chambal Energy (Orissa) Limited ("CEOL") and Chambal Energy (Chhattisgarh) Limited ("CECL") with CIVL with effect from the appointed date of April 01, 2015. The Hon'ble Delhi High Court has granted its sanction to the Scheme. The final order of the Hon'ble High Court of Delhi in this regard has been filed with the Registrar of Companies on May 10, 2016. Accordingly, CECL and CEOL stand amalgamated with CIVL with effect from the appointed date of April 01, 2015.

These entities being license companies, there are no assets and liabilities in these entities.

33A. Contingent liabilities (not provided for) in respect of Parent Company:

(a) (Rs. in Lacs)

Sl.No.	Particulars	2015-16	2014-15
i)	Demand raised by Service Tax, Sales Tax and Income Tax (IT) authorities being disputed by the Company*	732.32	624.07
ii)	Penalty levied by FERA Board under appeal before the Calcutta High Court	1.30	1.30
iii)	Various labour cases	Amount not ascertainable	Amount not ascertainable
iv)	Other claims against the Company not acknowledged as debts	12.05	402.93

* Brief description of liabilities for (i) above :

(Rs. in Lacs)

Sl.No.	Particulars	2015-16	2014-15
1.	**Income Tax :**		
	Demand raised by IT authorities on account of various disallowances for AY 2003-04 including penalties.	1.28	1.28
	Demand raised by IT authorities on account of various disallowances for AY 2004-05 including penalties.	5.87	5.87
	Demand raised by IT authorities on account of various disallowances for AY 2008-09 including penalties.	123.23	123.23
	Demand raised by IT authorities on account of various disallowances for AY 2009-10.	98.50	98.50
	Demand raised by IT authorities on account of various disallowances for AY 2010-11.	70.33	70.33
	Demand raised by IT authorities on account of various disallowances for AY 2011-12.	104.37	104.37
	Demand raised by IT authorities on account of various disallowances for AY 2012-13.	154.22	154.22
	Demand raised by IT authorities on account of short deduction of TDS and interest thereon for AY 2008-09 to 2016-17	6.15	1.05
2.	**Sales Tax :**		-
	Disallowance of VAT credit on raw materials used in the manufacturing of finished goods and lying in stock on April 1, 2006.	22.18	22.18
	Demand raised by Asstt. Commissioner of Commercial Taxes, Patliputra Circle, Patna for FY 2013-14	103.15	-
	Miscellaneous Rajasthan Sales Tax and Central Sales Tax demand.	38.47	38.47
3.	**Service Tax :**		
	Service Tax demand received on services from foreign parties in respect of service tax not paid on Tax deducted at source (TDS) portion.	4.57	4.57
	Total	**732.32**	**624.07**

(b) The Parent Company had received a demand of Rs. 352.34 lacs (Previous year Rs.352.34 lacs) from Sales Tax Department, Kota in an earlier year towards use of natural gas for ammonia fuel, power and steam generation for the period April, 1996 to May, 2001. The Parent Company has obtained a stay from Hon'ble High Court of Rajasthan, Jodhpur on 11th July, 2001. However, in the event of the Parent Company having to pay the above, it is reimbursable by Fertiliser Industry Coordination Committee (FICC) / Government of India under Subsidy Scheme.

(c) The Parent Company as well as other users of natural gas under HBJ Gas Pipeline had in earlier years received letters from GAIL (India) Limited, informing about the possibility of levy of excise duty on natural gas (presently not levied) with retrospective effect. The amount of such levy is not ascertainable. However, in the event of its levy, it is reimbursable by FICC under Subsidy Scheme.

(d) The Parent Company as well as other users of Natural Gas under HBJ Gas Pipeline had received a letter in an earlier year from GAIL (India) Limited, informing about the possibility of levy of Central Sales Tax. The Parent Company has been taking the delivery of Gas in the State of Rajasthan and has been accordingly paying Rajasthan Sales Tax on the supply. Therefore, the Parent Company feels that no Central Sales Tax is payable by it. Further, the amount of such levy is not ascertainable. However, in the event of its levy, it is reimbursable by FICC under Subsidy Scheme.

(e) Under the Jute Packaging Material (Compulsory use of Packing Commodities) Act, 1987, a specified percentage of fertilisers dispatched were required to be supplied in Jute bags up to 31.8.2001. The provisions of the said Act were challenged in the Supreme Court, which upheld the constitutional validity of this Act in its judgment in 1996. In spite of making conscious efforts to step up use of jute packaging material, the Parent Company had been unable to adhere to the specified percentage, due to strong customer resistance to use of jute bags. The Parent Company had received show cause notice from the Office of the Jute Commissioner, Kolkata, for levying a penalty of Rs.7380.36 lacs (Previous year Rs. 7380.36 lacs) for non compliance of the provisions of the said Act. The Parent Company has obtained a stay order from Delhi High Court against the above show cause notice and has been advised that the said levy is not tenable in law and accordingly no provision has been considered.

Based on favourable decisions in similar cases, legal opinion taken by the Parent Company, discussions with the solicitors, etc., the Parent Company believes that there is fair chance of decisions in its favour in respect of all the items listed in (a) (i) to (iv) and (b) to (e) above, hence no provision is considered necessary against the same.

33B. Contingent liabilities (not provided for) in respect of Subsidiaries :

Claims lodged / suits filed against the Group by customers are as given below. In addition, the Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations or financial condition.

The details of the cases, the amount of claim (wherever quantifiable) and the subsidiary of the Group involved are as below.

a) Richmond Title Services (RTS)

- Lawsuit by borrowers for fraudulent inducement to purchase 10 properties that were part of an alleged illegal flipping scheme. RTS named as defendant because it performed the title work. Errors and Omissions (E&O) carrier has accepted the claim and the Group's deductible is USD 25,000 (Rs.16.54 lacs). Matter is currently stayed due to the plaintiff and one defendant filing for bankruptcy. The Group's liability for this claim is not expected to be material.

b) ISG Novasoft Technologies Limited.

- Adjustments to taxable income made for the Assessment Year 2007-2008 (Financial Year 2006-07), Assessment Year 2008-09 (Financial Year 2007-08) and Assessment Year 2009-2010 (Financial Year 2008-09) amounting to USD 1.36 million (Rs 899.78 lacs), USD 0.40 million (Rs. 264.60 Lacs) and USD 0.44 million (Rs 291.10 lacs) respectively by the Deputy Commissioner of Income-tax on account of differential transfer pricing margin are contested before the Income-tax Appellate Tribunal Delhi and Bangalore, India. The Company's management considers these additions to gross margin as not tenable against the Company, and therefore no provision for the same has been made.

34. Capital Commitments

(Rs. in Lacs)

Particulars	2015-16	2014-15
Estimated amount of contracts remaining to be executed on Capital account (net of advances)	464912.57	4730.92

35. Capitalization of expenditure

`The Group has capitalized the following expenses of revenue nature to the cost of capital work in progress (CWIP). Consequently expenses disclosed under the respective notes are net of amount capitalised by the Group. The break up of expenditures is as follows :

(Rs. in Lacs)

Particulars	2015-16	2014-15
Opening Balance	5200.48	3536.60
Add : Expenditure during the year :		
Salaries, wages and bonus	238.25	221.66
Contribution to provident and other funds	9.43	9.27
Travelling and conveyance	16.88	7.58
Legal and professional fees	102.52	1425.37
Interest	90.84	-
Other Finance costs	4987.54	-
Foreign Exchange variation	(100.61)	-
Bank Charges	46.27	-
Miscellaneous expenses	2.73	-
Capitalization of expenditure (pending for allocation) *	**10594.33**	**5200.48**

* Related to upcoming urea manufacturing plant under the New Investment Policy 2012 Rs.10236.88 lacs (Previous year Rs.4986.59 lacs) and Power projects Rs.357.45 lacs (Previous Year Rs.357.45 lacs).

36. Segment Information

Primary Segment : Business Segment

The Group has identified the business segment as its primary reportable segment as the Group's risks and rates of return are affected predominantly by differences in the products and services produced.

The Group's operating businesses are organized and managed separately according to the nature of products manufactured, traded and services provided. The four identified reportable segments are Fertilisers and other Agri- Inputs, Own Manufactured Phosphoric Acid, Shipping and Software & others.

Fertilisers and other Agri-inputs segment includes manufacture and marketing of Urea, Single Super Phosphate (SSP) and purchase and sale of other fertilisers and Agri-inputs.

The "Own Manufactured Phosphoric Acid Segment" (P2O5) includes manufacturing and marketing of Phosphoric Acid.

The "Shipping Segment" includes transportation of crude oil and liquid products through vessels owned and/ or hired by the Shipping Division.

The 'Software & Others Segment" includes software business, power & infrastructure activities of the Group.

The following table presents segment revenue, results, assets and liabilities in accordance with Accounting Standard-17 as on March 31, 2016 (Rs. in lacs)

Particulars	Fertilisers and other Agri-inputs		Phosphoric Acid		Shipping		Textile (Discontinued operation)		Software & others (Continuing operation)		Software & others (Discontinuing operation)		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Revenue														
External Sales (including other operating revenue)	877586.16	774935.98	60417.89	56871.25	92125.99	76310.84	-	41133.05	8067.33	8607.32	14534.94	15915.99	1052732.31	973774.43
Inter Segment Sales			-	-	-	-	-	-	-	-	-	-	-	-
Total Sales	877586.16	774935.98	60417.89	56871.25	92125.99	76310.84	-	41133.05	8067.33	8607.32	14534.94	15915.99	1052732.31	973774.43
Results														
Segment Results	68434.81	63155.65	5013.34	2015.29	16694.89	5845.71	-	1541.50	597.12	447.68	(4788.12)	(4297.70)	85952.04	68708.13
Unallocated Expenses (net)	-	-	-	-	-	-	-	-	-	-	-	-	13671.37	9992.76
Operating Profit before Exceptional Items	-	-	-	-	-	-	-	-	-	-	-	-	72280.67	58715.37
Exceptional Items	-	-	-	-	-	-	-	-	-	-	-	-	27943.34	-
Interest Expenses	-	-	-	-	-	-	-	-	-	-	-	-	14107.34	15806.12
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-	2327.63	3014.31
Dividend Income	-	-	-	-	-	-	-	-	-	-	-	-	0.20	-
Income Tax	-	-	-	-	-	-	-	-	-	-	-	-	17713.11	17971.81
Net Profit after Exceptional Items	-	-	-	-	-	-	-	-	-	-	-	-	14844.71	27951.75
Share of Minority Interest in losses	-	-	-	-	-	-	-	-	-	-	-	-	6763.99	1509.43
Net Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	21608.70	29461.18
Other Information														
Segment Assets	653863.80	473217.57	27521.23	21919.68	143288.41	157206.43	-	21642.56	13516.21	31478.01	12426.93	16082.50	850616.58	721546.75
Unallocated Assets	-	-	-	-	-	-	-	-	-	-	-	-	22869.47	42281.98
Total Assets	-	-	-	-	-	-	-	-	-	-	-	-	873486.05	763828.73
Segment Liabilites	48314.33	20652.23	8594.61	14239.57	4558.88	6077.50	-	2292.49	4353.87	2870.53	4751.00	4864.44	70572.69	50996.76
Unallocated Liabilites	-		-	-	-	-	-	-	-	-	-	-	565791.22	482243.58
Total Liabilites	-		-	-	-	-	-	-	-	-	-	-	636363.91	533240.34
Capital Expenditure	64030.73	11489.13	650.72	1918.44	5521.96	4248.19	-	1082.87	2141.28	3394.80	-	-	72344.68	22133.43
Unallocated Capital Expenditure	-		-	-	-	-	-	-	-	-	-		185.86	165.64
Depreciation and amortization expense*	8110.34	9805.77	1324.18	1204.41	7779.62	7469.79	-	1834.49	2470.14	2108.75	314.51	1003.83	19998.79	23427.04
Unallocated Depreciation/ Amortisation	-	-	-	-	-	-	-	-	-	-			148.32	144.12
Non cash expenses other than depreciation and amortization	388.32	0.29	-	-	66.60	13.40	-	-	30.80	-	-	-	485.70	13.68
Unallocated non cash expenses													-	19.55

* includes Nil (Previous year Rs.1922.44 lacs) adjusted from the amount of opening retained earnings.

Secondary Segment : Geographical Segment

The analysis of geographical segment is based on the geographical location i.e., domestic and overseas markets, of the customers.

Secondary Segment Reporting (by Geographical Segments)
The following is the distribution of the group consolidated revenue from operation (net) by geographical markets, regardless of where the goods were produced :

(Rs. in Lacs)

Particulars	2015-16	2014-15
Revenue within India	923684.28	911521.99
Revenue from outside India	129048.03	62252.44
Total	1052732.31	973774.43

Geographical segment wise receivables :

(Rs. in Lacs)

Particulars	2015-16	2014-15
Receivables within India	382685.26	307785.43
Receivables from outside India	8696.94	9330.65
Total	391382.20	317116.08

The Group has common fixed assets for producing goods/ providing services for Domestic market and Overseas markets. Hence, separate figures for fixed assets / additions to fixed assets have not been furnished.

37. Gratuity and other Post Employment Benefit Plans :

(a) Gratuity

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure @ 15 days (15 to 30 days in case of Shipping Division) salary (last drawn) for each completed year of service. The Scheme is funded with insurance companies in the form of qualifying insurance policies except in the case of crew employees of the Shipping division. Further, gratuity details below includes liability of software division of the Group also.

(b) Provident Fund

The Parent Company has set up provident fund trusts, which are managed by the Parent Company in respect of Fertiliser and Shipping division of the Parent Company and as per the Guidance Note on implementing AS-15, Employee Benefits (revised 2005) issued by the Accounting Standard Board (ASB), provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. The actuarial valuation of Provident Fund was carried out in accordance with the guidance note issued by Actuarial Society of India and provided the interest shortfall of Provident Fund liability in the books of accounts.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Statement of Profit and Loss

(Rs. in Lacs)

Particulars	Trust Managed Provident Fund		Gratuity	
	2015-16	2014-15	2015-16	2014-15
Current service cost	333.46	341.92	202.67	254.00
Interest cost on benefit obligation	-	-	197.78	194.06
Expected return on plan assets	-	-	(179.00)	(179.20)
Net actuarial (gain)/ loss recognised in the year	-	-	(0.15)	73.80
Past service cost	-	-	-	-
Net expense	333.46	341.92	221.30	342.66
Actual return on plan assets	-	-	133.80	27.82

Balance Sheet
Funded status and amount recognised in the Balance Sheet

(Rs. in Lacs)

Particulars	Trust Managed Provident Fund		Gratuity	
	2015-16	2014-15	2015-16	2014-15
Defined benefit obligation	10401.35	9307.97	2645.64	2783.64
Fair value of plan assets	10829.20	9602.50	2315.75	2334.10
Plan assets / (liability) *	427.85	294.53	(329.89)	(449.54)

* Plan assets of Rs.427.85 lacs (Previous year Rs.294.53 lacs) has not been recognised in the financial statements, as the surplus of the trust, is distributable among the beneficiaries of the provident fund trust.

Changes in the present value of defined benefit obligation are as follows :

(Rs. in Lacs)

Particulars	Trust Managed Provident Fund		Gratuity	
	2015-16	2014-15	2015-16	2014-15
Opening defined benefit obligation	9307.97	8198.18	2783.64	2369.35
Interest cost	744.63	661.42	197.78	194.06
Contribution by plan participant / employees	706.86	704.43	-	-
Current service cost	333.46	341.92	202.67	254.00
Benefits paid out of funds	(724.07)	(692.83)	(175.56)	(167.17)
Contribution by plan participant / employees	62.77	-	-	-
Benefits paid by the Group	(70.07)	-	(11.17)	(86.44)
Actuarial (gains) / losses on obligation	(25.08)	78.72	(51.87)	219.84
Settlement / transfer in	64.88	16.13	0.97	-
Effect of exchange rate changes	-	-	2.62	-
Less: Transfer of liability pursuant to slump sale of Textile division	-	-	(303.44)	-
Closing defined benefit obligation	10401.35	9307.97	2645.64	2783.64

Changes in the fair value of plan assets are as follows :

(Rs. in Lacs)

Particulars	Trust Managed Provident Fund		Gratuity	
	2015-16	2014-15	2015-16	2014-2015
Opening fair value of plan assets	9602.50	8479.94	2334.10	2036.41
Expected return	862.26	741.99	179.00	179.20
Contribution by employer	333.46	341.92	237.93	196.70
Plan participants / Employee Contribution	769.63	704.43	-	-
Benefits paid	(794.14)	(692.83)	(175.56)	(224.36)
Actuarial (gains) / losses on obligation	(9.39)	10.92	(48.93)	146.04
Settlement / transfer in	64.88	16.13	-	-
Effect of exchange rate changes	-	-	(0.14)	0.11
Less: Transfer of Plan assets pursuant to slump sale of Textile division	-	-	(210.65)	-
Closing fair value of plan assets	10829.20	9602.50	2315.75	2334.10

The Company expects to contribute Rs.246.80 lacs (Previous year Rs.320.15 lacs (approx.)) and Rs.346.16 lacs (Previous year Rs.425.00 lacs (approx.)) to gratuity trust fund and provident fund trust respectively in the financial year 2016-17.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows :

Particulars	Trust Managed Provident Fund (%)		Gratuity(%)	
	2015-16	2014-15	2015-16	2014-2015
Investments with insurers/ Government securities	-	-	100	100
Investments with insurers/Government securities/ Equity shares/Equity oriented mutual funds	100	100	-	-

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity and trust managed provident fund for the Company's plans are shown below:

Particulars	Trust Managed Provident Fund		Gratuity	
	2015-16	2014-15	2015-16	2014-15
Discount rate (%)	8.00	8 to 8.75	8.00	8.00
Expected rate of return (%)	8.50 to 9.00	8.75 to 8.85	8 to 8.50	8.50 to 8.85
Employee turnover rate (%)	2 to 10	2 to 10	2 to 35	2 to 35

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the current and previous four periods in respect of gratuity and current year and previous one year in respect of Trust managed provident fund are as follows

(Rs.in lacs)

Particulars	Trust Managed Provident Fund		Gratuity				
	2015-16	2014-15	2015-16	2014-15	2013-14	2012-13	2011-12
Defined Benefit Obligation	10401.35	9307.97	2645.64	2783.64	2369.35	2049.63	1791.22
Plan assets	10829.20	9602.50	2315.75	2334.10	2036.41	1847.72	1301.98
Surplus / (deficit)	427.85	294.53	(329.89)	(449.54)	(332.94)	(201.91)	(489.24)
Experience adjustment on plan assets - gain / (loss)*	-**	-**	48.93	101.88	(39.02)	16.72	(19.78)
Experience adjustment on plan liabilities - gain / (loss)*	-**	-**	51.87	(77.28)	(5.26)	(69.79)	(102.06)

* Experience adjustment on plan assets/liability in case of gratuity does not include details of software division in absense of details in certificate.

** The amount would not be material in the opinion of the management in case of provident fund.

(c) Post Retirement Medical Benefits Plan

The fertiliser division of the Parent Company has post retirement medical benefit scheme in the nature of defined benefit plan which is unfunded. The following table summarises the components of net benefit/ expense recognised in the statement of Profit and Loss and Balance Sheet for the plan.

Statements of Profit and Loss

(Rs.in lacs)

Particulars	2015-16	2014-15
Current Service Cost	9.81	14.27
Interest Cost on defined benefit obligation	18.57	14.46
Expected return on plan assets	-	-
Expenses related to earlier years	-	-
Net actuarial losses	15.07	39.84
Total Expense	**43.45**	**68.57**

Balance Sheet

Net Liability recognised in the Balance Sheet

Particulars	2015-16	2014-15
Present value of defined benefit obligation	267.96	232.18
Plan assets	-	-
Net Liability	**267.96**	**232.18**

Changes in the present value of defined benefit obligation are as follows :

Particulars	2015-16	2014-15
Obligation in the beginning of the year	232.18	170.12
Current service cost	9.81	14.27
Interest cost	18.57	14.46
Benefits paid by the Company	(7.67)	(6.51)
Actuarial losses	15.07	39.84
Obligation at the end of the year	**267.96**	**232.18**

Actuarial assumptions:

Particulars	2015-16	2014-15
Discount rate	8.00%	8.00%
Withdrawal rate	2% to 10%	2% to 10%
Medical cost escalation rate	3.00%	3.00%
Mortality	IALM (2006-08)	LIC Annuitants (1996-98) ultimate

Amount for the current year are as follows:

Particulars	2015-16	2014-15
Defined benefit obligation	(267.96)	(232.18)
Plan assets	-	-
Surplus/ (deficit)	(267.96)	(232.18)
Experience adjustment on plan liabilities gain/ (loss)	(15.07)	(23.09)
Experience adjustment on plan assets gain/ (loss)	-	-

Contribution to Defined Contribution Plans :

Particulars	2015-16	2014-15
Provident Fund / Pension Fund*	297.79	551.83
Superannuation Fund	113.98	118.00
National Pension Scheme**	18.12	17.98

* Provident fund in respect of textile division of the Parent Company Nil (previous year Rs.67.23 lacs) and Pension fund in respect of all divisions of the Parent Company and subsidiaries of the Group.

** in respect of Fertiliser division of the Parent Company.

38. Related Party Disclosures

During the year, the Group entered into transactions with the related parties. Those transactions along with related balances as at March 31, 2016 and for the year then ended are presented in the following table.

List of related parties along with nature and volume of transactions is given below:

(a) Joint Ventures

Indo Maroc Phosphore S.A. Morocco

(Rs.in lacs)

Particulars	2015-16		2014-15	
Reimbursement of expenses		21.27		28.99
	21.27		28.99	
Outstanding balances as at the year end		18.60		22.53
Other receivables	18.60		22.53	

(b) Key Management Personnel and their relatives

Mr. Anil Kapoor

(Rs.in lacs)

Nature of Transactions	2015-16		2014-15	
Remuneration paid to Managing Director*		380.55		343.57
Mr. Anil Kapoor	380.55		343.57	
Interest income on loan given to Managing Director		0.12		0.14
Mr. Anil Kapoor	0.12		0.14	
Outstanding balances as at the year end		2.15		2.15
Loan receivable				
Mr. Anil Kapoor	2.15		2.15	

* Managing Director is covered under the Company's Group Gratuity Scheme along with other employees of the Parent Company. The gratuity, leave liability, post retirement medical benefits, long service award scheme and settlement allowance is determined for all the employees on an overall basis, based on the actuarial valuation done by an independent actuary. The specific amount of gratuity, leave liability, post retirement medical benefits liability, long service award scheme and settlement allowance for Managing Director can not be ascertained separately, except for the amount actually paid.

39. Goodwill in the Balance Sheet as per the details given below represents goodwill of ISGN Corporation, ISGN Solutions Inc and its subsidiaries. Such Goodwill has been tested for impairment using the cash flow projections that are based on most recent financials budgets / forecasts approved by management.

(Rs.in lacs)

Particulars	2015-16	2014-15
ISGN Corporation	2524.47	3666.70
ISGN Solutions Inc.	-	2766.49
Richmond entities	-	2179.23
ISGN Fulfillment Services Inc. and its subsidiaries	-	14011.57
Total	2524.47	22623.99

40. Government Grants and Subsidies

(a) Nitrogenous Fertilizers are under the Concession Scheme including freight as per the New Pricing Scheme (NPS– Stage III) and New Investment Policy 2008 (for the period from April 1, 2015 to May 31, 2015), New Urea Policy 2015 (from June 1, 2015 onwards) and Uniform Freight Policy. The concession price and freight has been accounted for on the basis of notified prices, further adjusted for input price escalation/ de-escalation and as estimated by the management based on the prescribed norms in line with known policies parameters.

Contribution from sale of surplus ammonia has been accounted for in accordance with the known policy parameters.

Current year's subsidy income of Urea is inclusive of Rs.968.69 lacs (Previous year Rs.628.16 lacs) being the subsidy income, pertaining to earlier years, but determined during the year.

(b) Subsidy on traded fertilisers (other than Gypsum) has been accounted for as per concession rates based on Nutrient Based Subsidy Policy as notified by the Government of India.

(c) Subsidy on Gypsum has been accounted as notified by the Government of Rajasthan.

41 Leases

(i) Assets taken on lease

(a) The Group is having certain fixed assets taken on finance lease of Rs.919.41 lacs (Previous year Rs. 922.82 lacs). The lease payment made during the year amounts to Rs.126.07 lacs (Previous year Rs.237.98 lacs), out of which Rs.74.00 lacs (Previous year Rs.162.90 lacs) has been adjusted against Principal and Rs.52.07 lacs (Previous year Rs.75.08 lacs) has been shown as interest expense. The interest rate for various leases varies from 5.99% p.a. to 27.34% p.a. There is no renewal and escalation clause as well as restriction imposed in the lease agreement. There are no sub-leases. The break up of minimum lease payment outstanding as at March 31, 2016 is as follows:

(Rs.in lacs)

Period	2015-16			2014-15		
	Minimum lease payments	Present value of minimum lease payments	Finance lease charges	Minimum lease payments	Present value of minimum lease payments	Finance lease charges
Payable within one year	95.10	57.07	38.04	124.53	72.45	52.08
Payable after one year but before 5 years	130.37	106.94	23.43	225.17	163.84	61.33

(b) The Group has entered into Operating Lease Agreements for the premises which are non- cancellable. The lease payments recognized in the Statement of Profit and Loss during the year amounts to Rs.2455.01 lacs (Previous year Rs.2192.29 lacs). The renewal of lease will be as per the mutual understanding of lessee and lessor and there is no escalation clause. There are no restrictions imposed by lease arrangements and there are no sub-leases. The break up of minimum lease payment outstanding as at March 31, 2016 is as follows:

(Rs.in lacs)

Period	Minimum Lease Payments	
	2015-16	2014-15
Payable within one year	2030.04	1984.46
Payable after one year but within five years	6895.87	6022.96
Payable after five year	1331.22	1844.08

(c) The lease payments, other than cases covered in point no. (b) above i.e. non - cancellable leases, recognized in the Statement of Profit and Loss during the year amounts to Rs.2486.51 lacs (Previous year Rs.1824.15 lacs). The renewal of leases will be as per the mutual understanding of lessee and lessor and there is no escalation clause. There are no restrictions imposed in the lease agreements.

(ii) Assets given on lease

The Group has leased out certain of its office premises under non cancellable operating lease arrangements. The lease terms range from 6 months to three years.

Rental income for such operating leases recognized in the Statement of Profit and Loss for the year is Nil (Previous Year US $ 28,289 (Rs. 17.27 lacs)).

42. Employees Stock Option Scheme

(i) Holding Company

Employee Stock Option Plan

The shareholders of the Parent Company had approved CFCL Employees Stock Option Scheme, 2010 on August 27, 2010 which was amended by the shareholders on September 13, 2013. Consequent upon promulgation of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("ESOP Regulations"), the shareholders of the Parent Company had approved the revised CFCL Employees Stock Option Scheme, 2010 on September 15, 2015 in compliance with the ESOP Regulations. As per the Plan, 41,62,000 Stock Options can be issued to Managing Director and other specified categories of employees of the Parent Company. The options are to be granted at market price. As per SEBI Guidelines, the market price is taken as the closing price on the day preceding the date of grant of options, on the stock exchange where the trading volume is the highest. Each option, upon vesting, shall entitle the holder to acquire 1 equity share of Rs.10.

The Parent Company, in its Annual General Meeting held on September 15, 2015, also modified the exercise period of all the outstanding stock options, by increasing it from 5 years to 8 years, effective from September 15, 2015. The Parent Company has accounted for this change in accordance with the Guidance Note on "Accounting for Employee Share-based Payments" issued by the Institute of Chartered Accountants of India.

The incremental fair value of the stock options, pursuant to the modification, is determined by using Black-Scholes valuation model.

The following table details the movement in the fair value as a result of these modifications :

Particulars	Grant Date	Pre-modification fair value (Rs./ option)	Post-modification fair value (Rs./ option)	Difference in fair value (Rs./ option)
Tranche 1	16/Sep/10	5.67	9.93	4.26
Tranche 2	22/Jan/11	5.77	9.79	4.02
Tranche 3	10/May/11	5.27	9.12	3.85
Tranche 4	17/Oct/11	3.75	7.33	3.58
Tranche 5	11/May/12	10.04	13.54	3.50

Details of the scheme are as under:

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5
Date of grant	16/Sep/10	22/Jan/11	10/May/11	17/Oct/11	11/May/12
Date of Board Approval	08/May/10	08/May/10	08/May/10	08/May/10	08/May/10
Date of Shareholder's approval	27/Aug/10	27/Aug/10	27/Aug/10	27/Aug/10	27/Aug/10
Number of options granted	28,50,000	3,00,000	2,20,000	1,00,000	2,70,000
Method of settlement (cash/equity)	Equity	Equity	Equity	Equity	Equity
Exercise period*	8 years from the date of vesting	8 years from the date of vesting	8 years from the date of vesting	8 years from the date of vesting	8 years from the date of vesting

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5
Vesting conditions	Continued employment and individual performance	Continued employment and individual performance	Continued employment and individual performance	Continued employment and individual performance	Continued employment and individual performance

* In case of death / superannuation of the employee, 3 years from the date of death / superannuation or exercise period whichever is earlier.

Vesting Schedule :

Vesting Date	All tranches
1 year from the date of grant	15%
2 years from the date of grant	15%
3 years from the date of grant	20%
4 years from the date of grant	25%
5 years from the date of grant	25%

Movement in options have been summarized below :

Particulars	FY 2015-16	FY 2014-15
	No. of options	No. of options
Outstanding at the beginning of the year	28,02,800	28,75,300
Granted during the year	-	-
Forfeited during the year	76,900	72,500
Exercised during the year	-	-
Expired during the year	48,500	-
Outstanding at the end of the year	26,77,400	28,02,800
Exercisable at the end of the year	25,34,900	19,59,800
Weighted average remaining contractual life (in years)	3.29	2.10
Weighted average Exercise price (in Rs.)	74.76	74.76

The details of exercise price of stock options outstanding at the end of the year are :

Tranche	Weighted Avg. fair value of options (in Rs.)	Range of exercise price (in Rs.)	Number of options outstanding (Qty)	Weighted average remaining contractual life of options (in years)	Weighted average exercise price (in Rs.)
1.	31.38	73.50	20,29,500	3.15	73.50
2.	32.86	76.85	2,47,900	3.37	76.85
3.	38.44	82.90	1,60,000	3.56	82.90
4.	45.06	101.10	50,000	3.84	101.10
5.	34.97	69.40	1,90,000	4.27	69.40

Stock Options granted

The weighted average fair value of stock options granted till date is Rs.32.54 (Previous year Rs.28.40). The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs :

Particulars	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5
Weighted average share price (Rs.)	73.50	76.85	82.90	101.10	69.40
Exercise Price (Rs.)	73.50	76.85	82.90	101.10	69.40
Expected volatility	37.12%	37.30%	37.46%	38.09%	37.94%
Life of the options granted (vesting and exercise period) in years	3.15	3.37	3.56	3.84	4.27
Average risk-free interest rate	7.71%	7.72%	7.73%	7.76%	7.79%
Expected dividend yield	3.45%	3.45%	3.45%	3.45%	3.45%

The expected volatility was determined based on historical volatility data. For calculating volatility, the Company has considered the daily volatility of the stock prices of the Parent Company on National Stock Exchange over a period prior to the date of grant, corresponding with the expected life of the options.

In FY 2010-11, CFCL Employees Welfare Trust ("Trust") was constituted, inter alia, for the purpose of subscribing or acquiring equity shares of Chambal Fertilisers and Chemicals Limited from the Parent Company or Secondary market, to hold the shares and to allocate or transfer these shares to eligible employees of the Parent Company from time to time on the terms and conditions specified under the Plan. The Board of Directors at its meeting held on May 8, 2010 had approved grant of financial assistance upto Rs.3000 lacs by the Parent Company to Trust in such manner and on such terms as agreed between the trustee(s) of the Trust and Managing Director of the Parent Company for the purpose of subscribing or acquiring shares of the Parent Company. The outstanding loan to the trust as at March 31, 2016 is Rs.1572.50 lacs (Previous year Rs.1615.25 lacs). Trust is holding 2,253,402 equity shares (Previous year 2,253,402 equity shares) of the Parent Company which were purchased from the open market, out of interest free loan provided by the Parent Company till March 31, 2016.

(ii) Subsidiary Company

The Board of Directors of CFCL Technologies Limited (CTL) approved the 2007 Share Option Plan ('Plan') administered by compensation committee of its Board of Directors of CTL for granting stock options to certain employees of its subsidiary companies as per Management's discretion. A committee has been constituted to administer the Plan along with the Board and to determine the grant date fair value which would be the exercise price for such options. A total of 6,081,498 ordinary shares were reserved for issuance under the Plan.

The fair value of the ordinary shares has been determined by the management on the date of the grant of the stock options to the employees pursuant to the Plan. The fair valuation has been done by an independent appraiser using the Black-Scholes valuation model. The stock options vest equally over a period of 4 years and the exercise period is 10 years from the date of grant. The stock compensation cost is a component of the fair value of the stock options and the number of options, which is recognised as employee compensation cost over the vesting period, provided that the stock option holders continue to be in employment of the Company. The employee compensation cost recognised in the consolidated statement of profit and loss is USD 840,189 (Rs.538.98 lacs) (previous year: USD 1,077,124) (Rs.712.62 lacs). The weighted average remaining useful life of the stock options is 7.77 years (previous year: 8.59 years).

The following scheme is in operation.

Particulars	**2015**	**2014**
Date of grant	January 01, 2015 ; June 01, 2015	Mar 3, 2014 ; August 1, 2014
Date of Board Approval	January 01, 2015 ; June 01, 2015	Mar 3, 2014 ; August 1, 2014
Number of options granted	76,500	7,21,454
Options forfeited during the period	61,500	8,12,046
Method of Settlement (Cash / Equity)	Equity	Equity
Vesting Period	48 months	48 months
Exercise Period	Exercisable on vesting	Exercisable on vesting
Vesting Conditions	Service conditions	Service conditions

Note : The options are exercisable from the vesting date upto a maximum period of 10 years from the date of grant.

The details of activity under the plan have been summarized below :

Particulars	**2015**		**2014**	
	Number of options	**Weighted Average Exercise Price (US $)**	**Number of options**	**Weighted Average Exercise Price (US $)**
Outstanding at the beginning of the year	37,99,847	1.12	38,90,439	1.09
Granted during the year	76,500	1.09	7,21,454	1.24
Forfeited during the year	61,500	1.09	8,12,046	1.09
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	38,14,847	1.10	37,99,847	1.12
Exercisable at the end of the year	21,45,919	1.10	12,72,772	1.10
Weighted average remaining contractual life (in year)	7.77	-	8.59	-
Weighted average fair value of options granted on the date of grant	-	1.09	-	1.09

The details of exercise price for stock options outstanding at the year end are as follows :

Exercise prices	**Number of options outstanding**	**Weighted average remaining contractual life of options (in years)**	**Weighted average exercise price**
USD 1.09 to USD 1.26	38,14,847	7.77	US $ 1.09

The weighted average fair value of stock options granted during the year was USD 0.65 to USD 0.75 (previous year USD 0.64 to USD 0.75). The Black Scholes option pricing model has been used for computing the weighted average fair value considering the following inputs :

Particulars	**2015**	**2014**
Weighted average share price (US $)	$1.09	$1.09 to $1.26
Exercise Price (US $)	$1.09	$1.09 to $1.26
Expected volatility (US $)	0.66	0.6585
Historical volatility	Note (b)	Note (b)
Life of options granted (vesting and exercise period)	Note (a)	Note (a)
Expected dividend	NIL	NIL
Average risk-free interest rate	1.25% – 1.47%	0.92% – 1.25 %
Expected dividend rate	NIL	NIL

Notes:

(a) Vesting period is 4 years and exercise period is 10 years from the grant date.

(b) The historical volatility has been calculated based on the share of the comparable companies over the previous 5.38 to 5.64 years.

(c) Risk free rate of return has been calculated using 6 years US Treasury bond yield as on the date of respective grant.

Effect of the employee share based payment plans on the Statement of Profit and Loss and on its financial position:

Particulars	2015	2014
Total Employee Compensation Cost pertaining to share-based payment plans	2442.83	2310.26
Compensation Cost pertaining to equity-settled employee share-based payment plan included above for previous year	(1215.75)	(790.00)
Compensation Cost pertaining to equity-settled employee share-based payment plan included above for current year	538.98	657.43
Liability for employee stock options outstanding as at year end Deferred Compensation Cost	3119.60	2442.83

The estimated weighted average fair value of options granted is USD 0.65 to USD 0.75 (Previous year USD 0.64 to USD 0.75) per share. This was calculated by applying the Black-Scholes option pricing model with the following inputs:

Particulars	2015	2014
Fair value per share (US $)	1.09	1.09
Exercise price (US $)	1.09	1.09
Average risk-free interest rate	1.25% -- 1.47%	0.92% – 1.25 %
Expected volatility of share price	0.66	0.66
Expected life of options granted (in years)	6.00	6.00
Expected dividend yield	NIL	NIL
Fair value of the options (US $)	US$ 0.65 to US$ 0.75	US$ 0.64 to US$ 0.75

Expenses arising from the plan	US $ 840,187 (Rs.538.98 lacs) (Previous year US $ 1,077,124 (Rs.657.43 lacs))
Closing balance of liability for the plan	US $ 4,751,240 (Rs.3119.60 lacs) (Previous year US $ 3,875,051 (Rs.2442.83 lacs))

The following table provides details in respect of range of exercise price and weighted average remaining contractual life for the options outstanding at the year end.

Range of exercise price	Shares *	Weighted average remaining life
USD 1.09 to USD 1.26	38,14,847	7.77 years

* (includes 2,028,667 options (Previous year 2,028,667 options) granted to directors including non-executive director of CFCL Technologies Limited (CTL).

ISGN Corporation has entered into Stock Purchase Agreement (SPA) on January 28, 2016 with Firstsource Group USA, Inc. for sale of its entire shareholding in ISGN Solution Inc. As per the SPA, notice of the termination of employee stock options shall be delivered to option holders and written confirmation from such option holders consenting to the termination will be obtained. Therefore, outstanding options given to employees of knowledge process outsourcing business will be forfeited on execution of this SPA. Since, the employees continue to be on the payroll of the Group as on March 31, 2016 and no notice of termination has yet been issued, the stock compensation expense has been recognized in the consolidated statement of profit and loss and no other adjustment with regard to forfeiture has been done in the consolidated balance sheet.

(iii) Since the Company used the intrinsic value method, the impact on the reported net profit and earnings per share by applying the fair value based method

In March 2005, the ICAI has issued a guidance note on "Accounting for Employees Share Based Payments" applicable to employee based share plan, the grant date in respect of which falls on or after April1, 2005. The said guidance note requires the Proforma disclosures of the impact of the fair value method of accounting of employee stock compensation in the financial statements. Applying the fair value based method defined in the said guidance note, the impact on the reported net profit and earnings per share would be as follows:

(Rs.in lacs)

Particulars	2015-16	2014-15
Profit as reported	21608.70	29461.18
Less : Employee stock compensation under fair value method	114.92	49.92
Proforma profit	21493.78	29411.26
Earning per share		
Basic and Diluted		
- As reported	5.19	7.08
- Proforma	5.16	7.07

43. Rights, preference and restrictions attached to preference shares

Series B and Series F preference shares are convertible into ordinary shares in the ratio of 1.02:1. Series C, Series D and Series E preference shares are convertible into ordinary shares in the ratio of 1.30:1. Series A-1 and Series B-1 preference shares are convertible into ordinary shares in the ratio of 1.98:1.Series H and Series I preference shares are convertible into ordinary shares in the ratio of 1:1. Further Series C-1, Series D-1 and Series E-1 preference shares are convertible into ordinary shares in the ratio of 2.75:1. Series F1 preference shares are convertible in to ordinary shares in the ratio of 2.16:1 and Series G preference shares are convertible into ordinary shares in the ratio of 1.63:1 The above conversion is subject to adjustments set forth in the Articles of Association of CTL

While the holders of preference shares may generally elect to convert into ordinary shares at any time, all preferences shares will automatically stand converted in the above ratio under any of the following two circumstances:

(i) immediately prior to a Qualified IPO (as defined in the Articles of Association of the CTL) or;

(ii) with the vote or written consent of the holders of a majority of the then outstanding preference shares voting separately to convert the respective Series of preference shares based on above conversion ratio.

Preference shareholders carry voting rights on an as converted basis with ordinary shareholders, except for key governance protections outlined in the Articles of Association of CTL, in which case each class votes separately on an as converted basis as per the terms of the preference shareholders agreement. Further preference shareholders carry preferential dividend rights over ordinary shares if declared by the Board of Directors and priority over ordinary shares in the event of any liquidation, dissolution or winding up of the affairs of CTL.

Within ninety (90) days after the receipt of a written request from members holding not less than a majority of the then outstanding preference shares, voting together on an as converted basis, that all preference shares be redeemed (such date within such ninety (90) days period being the "Redemption Date") and concurrently with the surrender by the holders of outstanding preference shares of the certificates representing such preference shares, the CTL shall, to the extent it may lawfully do so, redeem all of the then outstanding preference shares by paying an amount in cash per preference share to be redeemed equal to the greater of (i) the original purchase price per share (subject to adjustment for any Recapitalizations) and (ii) the fair market value of such preference share as of the Redemption Date, as determined by an independent third-party investment bank or similar financial service provider agreed to by the CTL and the holders of at least a majority of the preference shares then outstanding, voting together on an as-converted basis (the "Redemption Price").

If, on the Redemption Date, the funds of the CTL legally available for redemption of preference shares are insufficient to redeem all outstanding preference shares, those funds that are legally available will be used to make payment to the holders of preference shares on a prorata basis in proportion to the number of preference shares then held by such members. Any preference shares not redeemed shall remain outstanding and shall be entitled to all the rights and preferences provided herein. At any time thereafter when additional funds of the CTL are legally available for the redemption of the preference shares, such funds will immediately be used to redeem the balance of the preference shares not redeemed on the Redemption Date in the manner and in the order set forth in the preceding sentence.

In the event of liquidation, preference shareholders have a preferential right over ordinary shareholders to be repaid to the extent of capital paid-up and dividend in arrears on such shares.

44. Interest in Joint Venture of the Group:

The Group has 33.33% ownership interest in Indo Maroc Phosphore S.A. IMACID, which is engaged in manufacturing of phosphoric acid. IMACID is registered in Morocco and follows Accounting period from January to December and accounts are being consolidated on the same basis.

There is no contingent liability in current and previous year. Amount of capital commitment as of March 31, 2016 is Rs.985.95 lacs (Previous year Rs.351.09 lacs).

Particulars	2016	2015
EQUITY AND LIABILITIES		
Shareholders' Funds		
Share capital	-	-
Reserves and surplus	12335.98	9075.59
Total	**12335.98**	**9075.59**
Non-Current Liabilities		
Long-term borrowings		
Deferred tax liabilities (Net)	-	-
Other long term liabilities	-	-
Long term provisions	-	-
Total	-	-
Current Liabilities		
Short-term borrowings	-	-
Trade payables	7420.43	12190.45

Particulars	2016	2015
Other current liabilities	744.02	2050.44
Short-term provisions	431.21	-
Total	**8595.66**	**14240.89**
Grand Total	**20931.64**	**23316.48**
ASSETS		
Non-current assets		
Fixed assets		
Tangible assets	5106.43	4251.73
Intangible assets	-	-
Capital work-in-progress	126.49	1883.62
Intangible assets under development	-	-
Non-current investments	-	-
Deferred tax assets (net)	-	-
Long term loans and advances	-	-
Other non-current assets	-	-
Total	**5232.92**	**6135.35**
Current assets		
Inventories	4036.71	3987.03
Trade receivables	1303.15	6460.03
Cash and cash equivalents	12473.04	13023.22
Short-term loans and advances	4475.40	3867.19
Other current assets	-	-
Total	**22288.30**	**27337.47**
Grand Total	**27521.22**	**33472.82**
INCOME		
Revenue from operations (Net)	60417.90	56871.25
Other income	672.40	2139.62
Total Revenue	**61090.30**	**59010.87**
EXPENSES:		
Cost of materials consumed	43329.07	41205.81
Changes in inventories of finished goods, work-in-progress and traded goods	(840.71)	692.65
Employee benefits expense	2156.50	2049.41
Financial costs	0.31	0.63
Other expenses	9869.87	11174.19
Exceptional item	-	-
Depreciation / Amortization	1324.18	1204.41
Total Expenses	**55839.22**	**56327.10**
Profit after exceptional items and before tax	5251.08	2683.77
Tax expenses:		
Current tax	947.65	574.82
Profit for the year	**4303.43**	**2108.96**

The above figures are after eliminating all intra-group balances and intra-group transactions.

45. Figures pertaining to the Subsidiaries and Joint Venture have been reclassified wherever considered necessary to bring them in line with the Parent Company's financial statements.

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

(Rs.in lacs)

Particulars	2015-16	2014-15
The principal amount due and remaining unpaid to any supplier as at the end of each accounting year. (including payable for capital goods Rs.15.18 lacs (previous year Nil))	114.10	22.75
The interest due on unpaid principal amount remaining as at the end of each accounting year.	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year, and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductive expenditure under Section 23 of the MSMED Act, 2006.	-	-

47. Derivative Instruments

(a) Derivatives outstanding as on March 31, 2016

Sl.No.	Details of Derivatives	Currency / pair of currency	Amount in foreign currency	Amount (Rs.in lacs)	Purpose
1.	**Forward Contracts** Buy	INR USD INR EURO	USD 380,213,870.55 (311,003,482.82) EURO - (8,475,568.46)	 251922.76 (194443.20) - (5696.77)	To hedge foreign currency risk under loans from bank.
	Sell	INR USD	9,000,000.00 (-)	5963.40 (-)	To hedge foreign currency risk under receipt.
2.	**Interest Swaps** Buy	USD	USD 37,820,000.00 (79,450,000.00)		To hedge the foreign exchange risk pertaining to interest expenses on foreign currency loan
3.	**Options** Seagull Structure (Buy a Call option, Sell a Call option and Sell a Put option)	USD	USD 51,000,000.00 (-)		To hedge foreign currency risk under loans from bank

(b) Details of foreign currency exposure that are not hedged by a derivative instrument or otherwise

Sl.No.	Exposure in foreign currency	Bank Balances	Nature of exposure and amount		
			Trade and other payables	Borrowings and interest accrued	Trade and other receivables
1.	USD	2,839,542.00 (1,016,881.20)	40,590,449.71 (9,678,435.00)	157,992,145.82 (172,033,219.59)	19,400,060.30 (5,225,420.14)
2.	SGD	- -	113,078.00 (260,674.00)	- -	53,204.00 (15,197.00)
3.	JPY	- -	1,292,380.00 (13,431,023.74)	- -	- (7,191,239.83)
4.	GBP	2,190.94 (2,190.94)	7,239.00 (4,604.00)	- -	- -
5.	EURO	- -	113,640.85 (537,032.80)	- (427,241.82)	- (4,328,487.58)
6.	AED	- -	52,544.00 (102,431.00)	- -	32,847.00 -
7.	KW	- -	- (15,923,726.00)	- -	3,521.00 -
8.	NOK	- -	16,161.00 (57,089.00)	- -	- -
9.	THB	- -	- (118,899.00)	- -	- -
10.	AUD	- -	- (495.00)	- -	73,000.00 (4,913.00)
11.	NZD	- -	5,500.00 -	- -	1,459.00 -
12.	YUAN (CNY)	- -	13,697.00 -	- -	358,410.00 -
13.	DKK	- -	- -	- -	- (10,624.00)
14.	RM (MYR)	- -	26,892.00 -	- -	6,309.00 (17,345.00)
Exposure Rs. in lacs		**1883.57** (637.62)	**27070.52** (6933.68)	**104685.60** (107535.24)	**12969.67** (12619.97)

Notes :

(a) Unhedged Borrowings of Rs.70727.70 lacs (Previous year Rs.78022.68 lacs) are not payable within next one year.

(b) The hedging of Foreign Currency outflows is decided after considering the extent of natural hedge available from foreign currency inflows from export of goods and shipping activities.

(c) In case of hedged transactions mentioned in (a) above, all losses, wherever applicable, as of March 31, 2016 have been provided for.

(d) Previous year figures have been given in brackets.

48. Pending receipt of appeal effect orders for the assessment years where appeals have been decided in favour of the Parent Company by the Commissioner of Income Tax (Appeals) and/ or Income Tax Appellate Tribunal, interest on income tax refund has not been recognized thereof as the amount is presently not reasonably determinable. Interest income on this refund shall be recognized in the year the appeal effect order is received from Income Tax Department.

49. The current tax is net of tax on dividend received from a foreign subsidiary to the extent of dividend distribution tax on dividend distributed to shareholders of the Parent Company as per the provision of Section 115-O of the Income Tax Act, 1961.

50. In pursuance of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the Parent Company has discontinued the consolidation of accounts of CFCL Employees Welfare Trust (ESOP Trust) with the accounts of the Parent Company. Accordingly, the Parent Company has not made downward adjustment of Rs. 225.34 lacs, on account of the face value of equity shares held by ESOP Trust, in the paid up share capital of the Parent Company as at March 31, 2016. Further, the downward adjustment of Rs.1389.91 lacs earlier appearing in the reserves of the Parent Company, representing the cost of acquisition of shares held by ESOP Trust (net of dividends) in excess of face value of such shares, has been added back to the reserves as at March 31, 2016.

51. The disclosures in respect of CSR expenditure are as follows:

(Rs. in lacs)

Particulars	March 31, 2016	March 31, 2015
a) Gross amount required to be spent by the Group during the year	845.39	910.41
b) Amount spent during the year on the following in cash :		
(i) Construction/ acquisition of any asset	-	-
(ii) For purposes other than (i) above	905.86	835.55

52. (a) Discontinued operation

The Parent Company has completed on September 30, 2015, the sale of its textile business ie. Birla Textile Mills (non core business) to Sutlej Textiles and Industries Limited as a going concern on slump sale basis with effect from April 1, 2015 at an aggregate consideration of Rs. 23263.47 lacs . The net gain arising from the sale of aforesaid discontinued operation has been disclosed as an “exceptional item” under note no.30 and taxes pertaining to aforesaid discontinued operation, have been included in Tax expense.

The following statement shows the revenue and expenditure of the discontinued operation :

(Rs. in lacs)

Particulars	FY 2015-16	FY 2014-15
Total Revenue	-	41367.54
Less: Expenses	-	38176.50
Less: Finance costs	-	252.40
Less: Depreciation and amortisation expense	-	1515.91
Profit Before Tax	-	1422.73
Tax Expense	-	403.48
Profit after Tax	-	1019.25

The carrying amounts of the total assets and liabilities of the discontinued operation are as follows- (Rs. in lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Total Assets	-	21809.00
Total Liabilities	-	5669.22
Net assets	-	16139.78

Net cash flow attributable to the discontinued operation are as below- (Rs. in lacs)

Particulars	March 31, 2016	March 31, 2015
Operating activities	-	5583.40
Investing activities	-	(935.61)
Financing activities	1908.60	(4614.84)
Net cash inflows	1908.60	32.95

(b) Discontinuing operation

During the year, Parent Company’s downstream subsidiary - ISGN Corporation, USA had entered into a stock purchase agreement for sale of its entire shareholding in its subsidiary – ISGN Solutions Inc., USA (along with its step down subsidiaries) carrying on Business Processing Outsourcing (“BPO”) business subject to necessary approvals. Further, ISG Novasoft Technologies Limited, India, another down-stream subsidiary of the Parent Company has entered into a slump sale agreement during the year for sale of its BPO business as a going concern on slump sale basis. Accordingly, the BPO Business of the aforesaid subsidiaries has been shown as discontinuing operation.

The following statement shows the revenue and expenditure of the discontinuing operation:

(Rs. in lacs)

Particulars	FY 2015-16	FY 2014-15
Revenue	14534.94	15915.99
Less: Expenses	18923.12	19107.63
Less: Finance cost	85.42	102.24
Less: Depreciation and amortisation expense	314.51	1003.83
(Loss) Before Tax	(4788.12)	(4297.71)
Tax Expense / (Credit)	(8.26)	29.69
(Loss) after Tax	(4779.86)	(4327.40)

The carrying amounts of the total assets and liabilities are as follows- (Rs. in lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Total Assets	12426.93	16082.50
Total Liabilities	4750.99	4864.44
Net assets	7675.93	11218.06

Net cash flow attributable to the discontinuing operation are as below- (Rs. in lacs)

Particulars	March 31, 2016	March 31, 2015
Operating activities	(9682.15)	(1758.67)
Investing activities	2958.88	(152.04)
Financing activities	6529.33	(63.57)
Net cash (outflows)	(193.93)	(1974.28)

53. As the financial statements of CFCL Technologies Limited (CTL) and its subsidiaries are drawn up as at December 31, 2015, adjustments have been made for significant transactions, if any during the period from January 1, 2016 to March 31, 2016 in accordance with Accounting Standard (AS) 21, Consolidated Financial Statements as notified under Section 133 of the Companies Act, 2013.

54. The Parent Company has, during the year, accounted for income tax credit of Rs.661.14 lacs (including tax credit of Rs.190.48 lacs pertaining to earlier years) against income tax paid on profits by its subsidiary company M/s India Steamship Pte. Ltd. Singapore in proportion to the dividend received from the said subsidiary. The income tax credit is available in line with Article 25(2) of the Double Taxation Avoidance Agreement between India and Singapore.

55. Additional information pursuant to Schedule III of Companies Act 2013, "General instructions for the preparation of consolidated financial statements" for financial year 2015-16 and 2014-15

Sl. No.	Name of the Entity	2015-16			
		Net Assets, i.e., total assets minus total liabilities		Share in Profit or (Loss)	
		As % of consolidated net assets	Amount (Rs. in lacs)	As % of consolidated profit or loss	Amount (Rs. in lacs)
Parent Company					
	Chambal Fertilisers and Chemicals Limited	89.64	212562.84	201.85	43617.90
Indian Subsidiaries					
1.	India Steamship Limited	0.01	30.20	0.01	1.60
2.	Chambal Infrastructure Ventures Limited	0.33	778.88	(0.04)	(7.89)
3.	ISG Novasoft Technologies Limited ('ISGNTL')	0.61	1447.10	(11.88)	(2566.40)
4.	Inuva Info Management Private Limited - Subsidiary of 'ISGNTL'	0.00	2.73	(0.02)	(4.23)
Foreign Subsidiaries					
1.	India Steamship Pte Limited	0.37	885.61	(7.90)	(1707.42)
2.	India Steamship International FZE	1.01	2398.26	(26.01)	(5621.30)
3.	CFCL Technologies Limited	4.89	11584.86	(98.53)	(21290.79)

Sl. No.	Name of the Entity	2015-16			
		Net Assets, i.e., total assets minus total liabilities		Share in Profit or (Loss)	
		As % of consolidated net assets	Amount (Rs. in lacs)	As % of consolidated profit or loss	Amount (Rs. in lacs)
4.	ISGN Corporation	0.54	1283.58	20.13	4350.85
5.	CFCL Ventures Limited	0.00	3.31	(31.56)	(6819.94)
6.	ISGN Solutions, Inc	(5.76)	(13651.25)	(18.15)	(3921.31)
7	Richmond Investors, LLC	-	-	(0.15)	(31.50)
8.	ISGN Fulfillment Services, Inc. (Pennsylvania)	0.37	870.45	21.02	4541.71
9.	ISGN Fulfillment Services, Inc. #	-	-	-	-
10.	ISGN Fulfillment Agency, LLC #	-	-	-	-
Minority Interests in subsidiary					
1.	CFCL Technologies Limited	-	-	31.30	6763.99
Joint Venture					
1.	Indo Maroc Phosphore S.A, Morocco	7.98	18925.57	19.92	4303.43
	Total	**100.00**	**237122.14**	**100.00**	**21608.70**

Sl. No.	Name of the Entity	2014-15			
		Net Assets i.e., total assets minus total liabilities		Share in Profit or Loss	
		As % of consolidated net assets	Amount (Rs. in lacs)	As % of consolidated profit or loss	Amount (Rs. in lacs)
Parent Company					
	Chambal Fertilisers and Chemicals Limited	81.58	183642.31	110.57	32576.58
Indian Subsidiaries					
1.	India Steamship Limited	0.01	28.59	0.00	0.42
2.	Chambal Infrastructure Ventures Limited	0.36	812.06	(0.00)	(0.70)
3.	Chambal Energy (Orissa) Limited	(0.01)	(18.29)	0.00	0.15
4.	Chambal Energy (Chhattisgarh) Limited	(0.00)	(6.91)	0.00	0.15
5.	ISG Novasoft Technologies Limited	1.48	3341.48	1.87	550.83
6.	Inuva Info Management Private Limited - Subsidiary of 'ISGNTL'	(0.02)	(34.95)	(0.01)	(1.66)
Foreign Subsidiaries					
1.	India Steamship Pte Limited	0.90	2033.15	(5.97)	(1758.52)
2.	India Steamship International FZE	0.00	3.44	(0.04)	(11.58)
3.	CFCL Technologies Limited	47.49	106910.04	(1.13)	(332.32)
4.	ISGN Corporation	(16.70)	(37598.24)	(4.79)	(1409.96)
5.	CFCL Ventures Limited	(0.01)	(14.12)	(0.00)	(1.45)
6.	ISGN Solutions, Inc	(12.57)	(28296.69)	(1.07)	(314.38)
7.	Richmond Title Genpar, LLC	(0.42)	(938.37)	(0.06)	(17.50)
8.	Richmond Investors, LLC	-	-	-	-
9.	Richmond Title Services, LP	-	-	-	-
10.	ISGN Fulfillment Services, Inc. (Pennsylvania)	(8.22)	(18507.02)	(11.69)	(3445.42)
11.	ISGN Fulfillment Services, Inc. #	-	-	-	-

Sl. No.	Name of the Entity	2014-15			
		Net Assets i.e., total assets minus total liabilities		Share in Profit or Loss	
		As % of consolidated net assets	Amount (Rs. in lacs)	As % of consolidated profit or loss	Amount (Rs. in lacs)
12.	ISGN Fulfillment Agency, LLC #	-	-	-	-
13.	CFCL Overseas Limited (COL) (liquidated)	-	-	0.03	8.16
Minority Interests in subsidiary					
	CFCL Technologies Limited	(2.43)	(5477.28)	5.12	1509.43
Joint Venture					
1.	Indo Maroc Phosphore S.A, Morocco	8.54	19231.91	7.16	2108.95
	Total	**100.00**	**225111.11**	**100.00**	**29461.18**

These entities being license companies and there are no assets and liabilities in these companies.

Note: Above figures for net assets and share in profit or (loss) of entities are after elimination of all intra group transactions.

56. During the year, the Parent Company has obtained the approval of its shareholders for sale or disposal of one or more than one or all 5 ships/ Vessels or entire shipping undertaking/business of the Parent Company. The Parent Company has entered into an agreement for sale of the ship - Ratna Puja in March 2016 and the ship was delivered to the buyer in April 2016. Thus, the Parent Company has made a provision for impairment loss of Rs.11199.17 lacs as a result of sale transaction of the aforesaid ship. Further action regarding sale of other ships shall be taken after considering best available options and market conditions.

57. Disclosure required under Section 186 (4) of the Companies Act 2013

Particulars of Investments made: (Rs. in lacs)

Sl. No.	Name of the Investee	Investment made during the Financial Year		Outstanding Balance as at	
		2015-16	2014-15	March 31, 2016	March 31, 2015
1.	Upper Ganges Sugar & Industries Limited	-	3000.00	3000.00	3000.00
2.	Investment made in the corporate bonds	130299.37	32099.88	-	-

Details of investments are given in note no.15.

58. Previous Year's figures have been regrouped and/or rearranged wherever necessary to conform to this year's classification. However current year figures are not strictly comparable with those of previous year due to sale of Textile division w.e.f. April 1, 2015.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/ E300005

per Anil Gupta
Partner
Membership No - 87921

Place : New Delhi
Date : May 11, 2016

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Anil Kapoor
Managing Director

S.K. Poddar
Chairman

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Assistant Vice President - Legal & Secretary

Place : New Delhi
Date : May 11, 2016

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement Containing salient features of the financial statements of Subsidiaries/Joint Venture

Part A : Subsidiaries

(Rs. in Lacs)

Sl. No.	Name of the Subsidiary	Reporting Period	Reporting Currency and Exchange Rate as on the last date of the relevant Financial year in the case of foreign subsidiaries		Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Invest-ments	Turnover	Profit/ (Loss) before Taxation	Provi-sion for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Share-holding
			Balance sheet	Statement of profit and loss											
1.	Chambal Infrastructure Ventures Ltd., India	01.04.2015 - 31.03.2016	-	-	940.00	(161.02)	779.50	0.52	-	1.12	(7.87)	-	(7.87)	-	100.00
2.	CFCL Technologies Limited, Cayman Islands	01.01.2015 - 31.12.2015	US $ = Rs. 66.16	US $ = Rs. 66.16	1.51	23481.39	24718.11	1235.21	-	-	(87068.90)	-	(87068.90)	-	72.27
3.	CFCL Ventures Limited, Cayman Islands (2)	01.01.2015 - 31.12.2015	US $ = Rs. 66.16	US $ = Rs. 66.16	33.08	5488.91	5535.59	13.59	-	4.33	1.22	-	1.22	-	72.27
4.	ISGN Corporation, USA (2)	01.01.2015 - 31.12.2015	US $ = Rs. 66.16	US $ = Rs. 66.16	56.46	(1305.59)	32033.03	33282.16	-	14717.23	(66665.67)	72.61	(66738.28)	-	72.27
5.	ISGN Solutions Inc., USA (2)	01.01.2015 - 31.12.2015	US $ = Rs. 66.16	US $ = Rs. 66.16	48.43	34084.87	43350.49	9217.19	-	3259.78	(7222.30)	-	(7222.30)	-	72.27
6.	ISGN Fulfillment Services, Inc., Pennsylvania, USA (2)	01.01.2015 - 31.12.2015	US $ = Rs. 66.16	US $ = Rs. 66.16	0.00	(993.90)	12428.58	13422.48	-	13570.23	(818.98)	(8.52)	(810.46)	-	72.27
7.	ISGN Fulfillment Services, Inc., AZ, USA (1)(2)	01.01.2015 - 31.12.2015	-	-	-	-	-	-	-	-	-	-	-	-	72.27
8.	ISGN Fulfillment Agency, LLC, DE, USA (1)(2)	01.01.2015 - 31.12.2015	-	-	-	-	-	-	-	-	-	-	-	-	72.27
9.	ISG Novasoft Technologies Limited, India (2)	01.01.2015 - 31.12.2015	-	-	3623.00	3616.00	8913.00	1674.00	-	8374.00	1066.00	384.00	682.00	-	72.27
10.	Inuva Info Management Pvt. Ltd., India (3)	01.01.2015 - 31.12.2015	-	-	2.38	28.90	31.28	-	-	0.14	(4.08)	-	(4.08)	-	51.32
11.	India Steamship Pte. Limited, Singapore	01.04.2015 - 31.03.2016	US $ = Rs. 66.26	US $ = Rs. 65.45	463.82	421.79	1234.33	348.72	-	12417.38	1988.22	325.46	1662.76	-	100.00
12.	India Steamship International FZE, UAE	01.04.2015 - 31.03.2016	US $ = Rs. 66.26	US $ = Rs. 65.45	4.51	2442.14	4859.50	2412.85	-	15310.74	2466.12	-	2466.12	-	100.00
13.	India Steamship Limited, India	01.04.2015 - 31.03.2016	-	-	25.00	5.19	30.33	0.14	-	2.45	2.22	0.61	1.61	-	100.00

Notes:

(1) These entities being license companies, there are no assets & liabilities and no financial transactios were carried out during the financial year.

(2) Wholly owned subsidiaries of CFCL Technologies Limited, Cayman Islands.

(3) ISG Novasoft Technologies Limited, India holds 71% shares in Inuva Info Management Pvt. Ltd., India.

(4) Chambal Energy (Orissa) Limited and Chambal Energy (Chhattisgarh) Limited have been amalgamated with Chambal Infrastructure Ventures Limited with effect from the appointed date of April 1, 2015 in accordance with the terms of Scheme of Amalgamation sanctioned by the Hon'ble High Court of Delhi vide its order dated March 18, 2016.

(5) During the financial year, the following step down subsidiaries of the Company have been dissolved :-
(a) Richmond Investors, LLC, USA (b) Richmond Title Genpar, LLC, USA (c) Richmond Title Services, LP , USA (d) ISGN Fulfillment Services, Inc., AZ, USA

(6) Investments exclude Investments in Subsidiaries

Part B: Joint Venture

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Joint Venture

Name of Joint Venture	Latest Audited Balance Sheet Date	Shares of joint venture held by the company on the year end			How there is significant influence	Reason why joint venture is not consolidated	Networth attributable to the shareholding as per latest audited balance sheet (Rs in lac)	Profit/(Loss) for the year (Rs in lac)	
		No. of shares	Amount of Investment in Joint Venture (Rs. in lac)	Extent of holding (%)				Considered in consolidation	Not considered in consolidation
Indo Maroc Phosphore S.A. Morocco	31.12.2015	206667	8513.32	33.33	Holding more than 20% shares	Not Applicable	19,328.25	4,220.42	8,440.84

For and on behalf of the Board of Directors of
Chambal Fertilisers and Chemicals Limited

Anil Kapoor
Managing Director

S.K. Poddar
Chairman

Abhay Baijal
Chief Financial Officer

Rajveer Singh
Assistant Vice President - Legal & Secretary

Place: New Delhi
Date: May 11, 2016

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