

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of CFCL Ventures Limited**

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

### **Opinion**

We have audited the accompanying Standalone financial statements of **CFCL Ventures Limited** ("the Company"), which comprise the Standalone Balance sheet as at March 31, 2025, the Standalone statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash flows for the year ended on that date and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), of the state of affairs of the Company as at March 31, 2025, and its profit and other comprehensive profit, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

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

### **Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the Standalone financial position, Standalone financial performance, Standalone total comprehensive income, Standalone changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally

accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS Financial Statements.

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

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

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### **Other matters**

The Indian Rupee amounts are presented in the accompanying Standalone Ind AS Financial Statements, solely for the convenience of the reader and have been translated on the basis described in note 16 of the Standalone Financial Statements. The translation from US Dollars (USD) to Indian Rupee (INR) is unaudited.

#### **For ASA & Associates LLP**

Chartered Accountants

Firm Registration No: 009571N/N500006

#### **D. Ramprasad**

Partner

Membership No. 028241

Place: Bengaluru

Date: May 05, 2025

UDIN: 25028241BMIJKL9275

**CFCL Ventures Limited**  
**STANDALONE BALANCE SHEET AS AT MARCH 31, 2025**  
(All amounts in US Dollars, except as otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025 Convenience translation into Rupees (Unaudited)
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Financial Assets:	3			
i) Investments	3A	-	-	-
ii) Loans	3B	1,25,000	-	1,06,85,000
<b>Total Non-Current Assets</b>		<b>1,25,000</b>	<b>-</b>	<b>1,06,85,000</b>
<b>Current Assets</b>				
Financial Assets:	4			
i) Cash and Cash Equivalents	4A	8,57,913	10,09,549	7,33,34,403
ii) Other Financial Assets	4B	14,826	-	12,67,326
<b>Total Current Assets</b>		<b>8,72,739</b>	<b>10,09,549</b>	<b>7,46,01,729</b>
<b>Total Assets</b>		<b>9,97,739</b>	<b>10,09,549</b>	<b>8,52,86,729</b>
<b>EQUITY &amp; LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	5	406	406	34,705
Other Equity	5A	(10,57,35,955)	(10,57,44,342)	(9,03,83,09,434)
<b>Total Equity</b>		<b>(10,57,35,549)</b>	<b>(10,57,43,936)</b>	<b>(9,03,82,74,729)</b>
<b>LIABILITIES</b>				
<b>Non-Current Liabilities</b>				
Financial Liabilities	6			
i) Borrowings	6A	10,67,31,751	10,67,31,751	9,12,34,30,075
<b>Total Non-Current Liabilities</b>		<b>10,67,31,751</b>	<b>10,67,31,751</b>	<b>9,12,34,30,075</b>
<b>Current Liabilities</b>				
Financial Liabilities	7			
i) Trade payables	7A			
- Total outstanding dues of micro enterprises and small enterprises		-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,000	17,567	85,480
ii) Other Financial Liabilities	7B	537	537	45,903
Other Current Liabilities	8	-	3,630	-
<b>Total Current Liabilities</b>		<b>1,537</b>	<b>21,734</b>	<b>1,31,383</b>
<b>Total Liabilities</b>		<b>10,67,33,288</b>	<b>10,67,53,485</b>	<b>9,12,35,61,458</b>
<b>Total Equity and Liabilities</b>		<b>9,97,739</b>	<b>10,09,549</b>	<b>8,52,86,729</b>

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date  
**For ASA & Associates LLP**  
Chartered Accountants  
Firm registration number: 009571N/N500006

**For and on behalf of the Board of Directors of**  
**CFCL Ventures Limited**

**D Ramprasad**  
Partner  
Membership number: 028241

**Manoj Bawa**  
Director

Place: Bengaluru  
Date: May 05, 2025

Place: Bengaluru  
Date: May 05, 2025

**CFCL Ventures Limited****STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts in US Dollars, except as otherwise stated)

Particulars	Notes	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2025 Convenience translation into Rupees (Unaudited)
<b>Income</b>				
Other Income	9	38,105	39,794	32,57,215
<b>Total Income</b>		<b>38,105</b>	<b>39,794</b>	<b>32,57,215</b>
<b>Expenses</b>				
Other Expenses	10	29,718	45,827	25,40,295
<b>Total Expenses</b>		<b>29,718</b>	<b>45,827</b>	<b>25,40,295</b>
<b>Profit/(Loss) Before Tax</b>		<b>8,387</b>	<b>(6,033)</b>	<b>7,16,920</b>
Tax Expense		-	-	-
<b>Profit/(Loss) for the Year</b>		<b>8,387</b>	<b>(6,033)</b>	<b>7,16,920</b>
Other Comprehensive Income		-	-	-
<b>Total Comprehensive Income/(Loss) for the Year</b>		<b>8,387</b>	<b>(6,033)</b>	<b>7,16,920</b>
<b>Earning per Equity Share</b>				
Basic and Diluted	11	-	-	-

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date

**For ASA & Associates LLP**

Chartered Accountants

Firm registration number: 009571N/N500006

**For and on behalf of the Board of Directors of****CFCL Ventures Limited****D Ramprasad**

Partner

Membership number: 028241

**Manoj Bawa**

Director

Place: Bengaluru

Date: May 05, 2025

Place: Bengaluru

Date: May 05, 2025

**CFCL Ventures Limited**
**STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts in US Dollars, except as otherwise stated)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2025 Convenience translation into Rupees (Unaudited)
<b>A. Cash Flow from Operating Activities:</b>			
<b>Profit/(Loss) Before Tax</b>	<b>8,387</b>	<b>(6,033)</b>	<b>7,16,920</b>
Adjustments for:			
Liability Written Back	-	(2,000)	-
Interest Income	(38,105)	(37,794)	(32,57,215)
<b>Operating Profit/(Loss) Before Working Capital Changes</b>	<b>(29,718)</b>	<b>(45,827)</b>	<b>(25,40,295)</b>
Working Capital Adjustments:			
Decrease/(increase) in other current financial assets	(14,826)	-	(12,67,326)
(Decrease)/increase in trade payables and other financial liabilities	(20,197)	20,196	(17,26,440)
<b>Cash Generated from/(used in) Operations</b>	<b>(64,741)</b>	<b>(25,631)</b>	<b>(55,34,061)</b>
Income Tax Paid (Net of Refunds)	-	-	-
<b>Net Cash Flow from/(used in) Operating Activities</b>	<b>(64,741)</b>	<b>(25,631)</b>	<b>(55,34,061)</b>
<b>B. Cash Flow from Investing Activities</b>			
Interest received	38,105	-	32,57,215
Fixed Deposits (with remaining maturity of less than 3 months)	-	37,794	-
<b>Net Cash Flow from/(used in) Investing Activities</b>	<b>38,105</b>	<b>37,794</b>	<b>32,57,215</b>
<b>C. Cash Flow from Financing Activities</b>			
Non-Current Loans	(1,25,000)	-	(1,06,85,000)
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>(1,25,000)</b>	<b>-</b>	<b>(1,06,85,000)</b>
<b>Net (Decrease)/ Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(1,51,636)</b>	<b>12,163</b>	<b>(1,29,61,846)</b>
Cash and Cash Equivalents at the beginning of the Year	10,09,549	9,97,386	8,62,96,249
<b>Cash and Cash Equivalents at the end of the Year</b>	<b>8,57,913</b>	<b>10,09,549</b>	<b>7,33,34,403</b>
<b>Components of Cash and Cash Equivalents:</b>			
Balances with banks :			
- On Current Accounts	25,934	21,755	22,16,838
- In Term Deposits (With remaining maturity of less than 3 months)	8,31,979	9,87,794	7,11,17,565
<b>Total Cash and Cash Equivalents</b>	<b>8,57,913</b>	<b>10,09,549</b>	<b>7,33,34,403</b>

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date

**For ASA & Associates LLP**

Chartered Accountants

Firm registration number: 009571N/N500006

**For and on behalf of the Board of Directors of**
**CFCL Ventures Limited**
**D Ramprasad**

Partner

Membership number: 028241

**Manoj Bawa**

Director

Place: Bengaluru

Date: May 05, 2025

Place: Bengaluru

Date: May 05, 2025

**CFCL Ventures Limited**

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts in US Dollars, except as otherwise stated)

**a) Equity share capital (refer note 5)**

Ordinary shares of USD 0.0001 each issued, subscribed and fully paid

	Balance as at April 01, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2025	Balance as at March 31, 2025 Convenience translation into Rupees (Unaudited)
As at March 31, 2025						
	406	-	-	-	406	34,705

	Balance as at April 01, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2024
As at March 31, 2024					
	406	-	-	-	406

**b) Other Equity (refer note 5A)**

For the Year Ended March 31, 2025

Particulars	Reserves and Surplus		Total Other Equity	Convenience translation into Rupees (Unaudited)
	Securities premium Reserve	Surplus/(deficit) in the statement of profit and loss		
Balance as at March 31, 2024	3,73,95,980	(14,31,40,322)	(10,57,44,342)	(9,03,90,26,354)
<b>Changes in Other Equity for the Year ended March 31, 2025</b>				
Profit/(Loss) for the Year	-	8,387	8,387	7,16,920
Other Comprehensive Income for the Year	-	-	-	-
<b>Balance as at March 31, 2025</b>	<b>3,73,95,980</b>	<b>(14,31,31,935)</b>	<b>(10,57,35,955)</b>	<b>(9,03,83,09,434)</b>

For the Year Ended March 31, 2024

Particulars	Reserves and Surplus		Total Other Equity
	Securities premium Reserve	Surplus/(deficit) in the statement of profit and loss	
Balance as at March 31, 2023	3,73,95,980	(14,31,34,289)	(10,57,38,309)
<b>Changes in Other Equity for the Year ended March 31, 2024</b>			
Profit/(Loss) for the Year	-	(6,033)	(6,033)
Other Comprehensive Income for the Year	-	-	-
<b>Balance as at March 31, 2024</b>	<b>3,73,95,980</b>	<b>(14,31,40,322)</b>	<b>(10,57,44,342)</b>

The accompanying notes form an integral part of the Standalone Financial Statements.

As per our report of even date

**For ASA & Associates LLP**

Chartered Accountants

Firm registration number: 009571N/N500006

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

**CFCL Ventures Limited**

**D Ramprasad**

Partner

Membership number: 028241

**Manoj Bawa**

Director

Place: Bengaluru

Date: May 05, 2025

Place: Bengaluru

Date: May 05, 2025

# CFCL Ventures Limited

## Notes to the financial statements for the year ended 31 March 2025

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### 1. Corporate Information

CFCL Ventures Limited, (“the Company”) is a Limited Company incorporated and domiciled in Cayman Islands. The principal activity of the company is to carry on the business of investment holding, and to undertake and transact in investment business.

The Company is a subsidiary of Chambal Fertilisers and Chemicals Limited (“the Holding Company”), a public company domiciled in India and listed on two recognised stock exchanges in India.

The Company has 100% shareholding in ISG Novasoft Technologies Limited, India and ISGN Corporation, USA (collectively, referred as “the Subsidiaries”).

These financial statements of the Company were approved by the Board of Directors on May 05, 2025.

### 2. Material Accounting Policies

#### 2.1 Basis of preparation

The Ind AS financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under Section 133 of the Companies Act, 2013 (“the Act”) and other relevant rules.

During the financial year 2019-20, the Subsidiaries have sold/transferred all their assets/liabilities, as per the agreement entered into with respective buyers. After completion of this transaction, the Subsidiaries were not having any business activities. The Company has certain indemnity obligations under the aforesaid agreement. Further, the Holding Company shall ensure that the Company fulfills its indemnity obligations under the aforesaid agreement. Accordingly, these Ind AS financial statements are prepared on a going concern basis.

#### (a) Functional and presentation currency

These Ind AS financial statements are prepared in US Dollars (“USD”), which is also the Company’s functional currency. All amounts have been rounded off to the nearest dollar, unless otherwise indicated.

#### (b) Basis of measurement

The Ind AS financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value

#### (c) Use of estimates and judgements

In preparing these Ind AS financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an going basis. Revisions to accounting estimates are recognised



## **CFCL Ventures Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

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prospectively. The significant accounting estimates used in the preparation of these Ind AS financial statements are as follows:

#### **i. Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using internal valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

## **2.2 Summary of Material accounting policies**

### **(a) Current / Non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is current when:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### **(b) Measurement of fair values**

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. All assets and liabilities for which fair value is measured or disclosed in the Ind AS financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

## **CFCL Ventures Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

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Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company requires the measurement of fair values for both financial / non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. This includes an independent valuer that performs valuation of all significant fair value measurements, including Level 3 fair values. When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### **(c) Financial Instruments**

##### **i. Recognition and initial measurement**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised when the Company becomes a party to the contract that gives rise to financial assets and liabilities. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

##### **ii. Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **iii. Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **iv. Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in the statement of profit and loss.

## **CFCL Ventures Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

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#### **v. Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### **vi. Derecognition of financial assets and liabilities**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial asset/ liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

#### **vii. Reclassification of financial assets and liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. The changes to the business model are expected to be infrequent.

#### **viii. Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **(d) Impairment of financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in the statement of profit and loss.

### **(e) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash in hand and balance in bank in current accounts. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

## **CFCL Ventures Limited**

### **Notes to the financial statements for the year ended 31 March 2025**

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#### **(f) Provisions**

A provision is recognised if, as a result of a past event, the Company has a present (legal or constructive) obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

#### **(g) Interest income**

Interest income is recognized using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. Interest income is included under the head “other income” in the statement of profit and loss.

#### **(h) Earnings per share**

The basic earnings/(loss) per share is computed by dividing the net profit/(loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings/(loss) per share is computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving base earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share or increase the net loss per share. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

#### **(i) 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.

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**CFCL Ventures Limited****Notes to the Standalone Financial Statements for the year ended March 31, 2025**

(All amounts in US Dollars, except as otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025 Convenience translation into Rupees (Unaudited)
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**Note 3 : Non-Current Financial Assets****Note 3A : Non-Current Investments****Investment carried at Deemed Cost****Equity Instruments (Unquoted)****Subsidiary Companies**

- 8,534 (Previous year: 8,534) Ordinary shares of USD 10 each in ISGN Corporation fully paid up	2,89,92,751	2,89,92,751	2,47,83,00,355
- 6,680,700 (Previous year: 36,230,700) Ordinary shares of Rs. 10 each in ISG Novasoft Technologies Limited, fully paid up *	83,62,601	83,62,601	71,48,35,134
	3,73,55,352	3,73,55,352	3,19,31,35,489
Less: Impairment	3,73,55,352	3,73,55,352	3,19,31,35,489
	-	-	-

**Note 3B : Non-Current Loans**

(Unsecured, Considered Good)

Loan to a Subsidiary	1,25,000	-	1,06,85,000
	<b>1,25,000</b>	<b>-</b>	<b>1,06,85,000</b>

Foreign Currency Loan of USD125,000 (including current maturity of USD Nil) is provided to a subsidiary for working capital and general corporate purposes and carry Nil interest. This Foreign Currency Loan is receivable by way of bullet payment on the expiry of five years from the date of disbursement on January 30, 2030.

**Note 4 : Current Financial Assets****Note 4A : Cash and Cash Equivalents****Balances with Banks:**

On Current Accounts	25,934	21,755	22,16,838
In Term Deposits (With remaining maturity of less than 3 months)	8,31,979	9,87,794	7,11,17,565
	<b>8,57,913</b>	<b>10,09,549</b>	<b>7,33,34,403</b>

**Note 4B : Other Current Financial Assets**

(Unsecured, Considered Good, except to the extent stated)

Advance to a subsidiary company *	73,44,826	73,30,000	62,78,35,726
Less: Impairment	73,30,000	73,30,000	62,65,68,400
	<b>14,826</b>	<b>-</b>	<b>12,67,326</b>

\* including an advance of USD 73,30,000 towards investment (previous year USD 73,30,000).

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**CFCL Ventures Limited**
**Notes to the Standalone Financial Statements for the year ended March 31, 2025**

(All amounts in US Dollars, except as otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025 Convenience translation into Rupees (Unaudited)
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**Note 5 : Equity Share Capital**
**Authorised :**

Ordinary shares

80,058,546,026 (Previous Year: 80,058,546,026) Ordinary shares of par value USD 0.0001 each

80,05,855	80,05,855	68,43,40,485
<b>80,05,855</b>	<b>80,05,855</b>	<b>68,43,40,485</b>

**Issued, Subscribed and Paid up :**

Ordinary shares

4,058,593 (Previous Year: 4,058,593) Ordinary shares of par value USD 0.0001 each fully paid up

406	406	34,705
<b>406</b>	<b>406</b>	<b>34,705</b>

**a) Reconciliation of the Shares Outstanding as at the beginning and at the end of the Reporting Periods**

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

**b) Rights, preference and restrictions attached to Ordinary Shares**

The Company has a single class of ordinary shares having a par value of USD 0.0001 per share. Each shareholder is eligible for one vote per share held. Subject to the applicable Statute, the Directors may declare dividends and distributions on Shares in issue and authorise payment of the dividends or Distributions out of the funds of the Company lawfully available therefor. No dividend or Distribution shall be paid except out of the realised or unrealised profits of the Company, or out of the share premium account or as otherwise permitted by the Statute. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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

Name of shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding	No. of shares	% holding
Ordinary shares of USD 0.0001 each fully paid				
Chambal Fertilisers and Chemicals Limited, Holding Company	29,32,947	72.27%	29,32,947	72.27%
Fiserv Solutions, Inc.	7,55,646	18.62%	7,55,646	18.62%
William Adamowski	2,40,000	5.91%	2,40,000	5.91%

**d) Details of shares held by the Promoters**
**As at March 31, 2025**

Sr. No.	Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% Change during the year
1	Chambal Fertilisers and Chemicals Limited					
	-Ordinary shares of USD 0.0001 each fully paid	29,32,947	-	29,32,947	72.27%	Nil
	-Series A-1 to K Preference shares	80,01,48,60,459	-	80,01,48,60,459	100.00%	Nil

**As at March 31, 2024**

Sr. No.	Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% Change during the year
1	Chambal Fertilisers and Chemicals Limited					
	-Ordinary shares of USD 0.0001 each fully paid	29,32,947	-	29,32,947	72.27%	Nil
	-Series A-1 to K Preference shares	80,01,48,60,459	-	80,01,48,60,459	100.00%	Nil

**e) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

There has been no issuance of bonus shares, shares issued for consideration other than cash or buy back of shares during the last five years ended March 31, 2025.

**CFCL Ventures Limited****Notes to the Standalone Financial Statements for the year ended March 31, 2025**

(All amounts in US Dollars, except as otherwise stated)

**Note 5 : Equity Share Capital (continued)****f) Shares reserved for issue under options, convertible preference shares and convertible warrant (Nos.):**

Particulars	As at March 31, 2025	As at March 31, 2024
Under Employee Stock Option Scheme 2007 [Refer Note (g) below]	60,81,498	60,81,498
<b><u>Issued preference shares *</u></b>		
Series A-1 Preference shares	21,76,468	21,76,468
Series B Preference shares	3,87,098	3,87,098
Series B-1 Preference shares	7,85,613	7,85,613
Series C Preference shares	70,193	70,193
Series C-1 Preference shares	10,68,964	10,68,964
Series D Preference shares	35,009	35,009
Series D-1 Preference shares	5,33,150	5,33,150
Series E Preference shares	52,514	52,514
Series E-1 Preference shares	7,99,725	7,99,725
Series F Preference shares	44,490	44,490
Series F-1 Preference shares	11,77,543	11,77,543
Series G Preference shares	14,21,319	14,21,319
Series H Preference shares	7,59,059	7,59,059
Series I Preference shares	33,82,885	33,82,885
Series J Preference shares	31,20,000	31,20,000
Series K Preference shares	80,00,00,000	80,00,00,000
Total	80,01,58,14,030	80,01,58,14,030

\* For conversion and other terms and conditions, refer Note 6A.

**Share warrants \*\***

Particulars	As at March 31, 2025		As at March 31, 2024	
	Exercise price	No. of shares	Exercise price	No. of shares
Series H Preference shares	-	-	0.01	5,14,281
Series I Preference shares	0.01	16,13,333	0.01	16,13,333

\*\* None of the warrants have been exercised by the warrant holders.

**Shareholding of preference shares**

Name of shareholder	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% of share holding	Number of shares	% of share holding
Series A-1 to K Preference shares				
Chambal Fertilisers and Chemicals Limited, Holding Company	80,01,48,60,459	100.00%	80,01,48,60,459	100.00%
New Enterprise Associates-IndoUS Ventures, LLC	9,53,571	0.00%	9,53,571	0.00%

**g) Employee stock options**

The Board of Directors of the Company, approved the 2007 Share Option Plan ('Plan') administered by compensation committee 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 of Directors and to determine the grant date fair value which would be the exercise price for such options.

The fair value of the ordinary shares is 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 using the Black-Scholes-Merton valuation model. The stock options vest equally over the period of 4 years and the exercise period is 10 years from the date of grant.

The Company measures the fair value of stock options at the grant date using Black Scholes option pricing model taking into account the terms and conditions upon which the share options were granted. The inputs used in the option pricing model are as below:

Fair value per share (USD)	0.04
Exercise price (USD)	1.09
Average risk-free interest rate	2.60%
Expected volatility of share price	100%
Expected life of options granted (in years)	6.10
Expected dividend yield	Nil

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

**CFCL Ventures Limited**
**Notes to the Standalone Financial Statements for the year ended March 31, 2025**

(All amounts in US Dollars, except as otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025 Convenience translation into Rupees (Unaudited)
<b>Note 5A : Other Equity</b>			
<b><u>Securities Premium</u></b>			
Balance at the beginning of the Year	3,73,95,980	3,73,95,980	3,19,66,08,370
Additions during the Year	-	-	-
Closing Balance as at Year end	3,73,95,980	3,73,95,980	3,19,66,08,370
<b><u>Surplus / (Deficit) in the Statement of Profit and Loss</u></b>			
Balance at the beginning of the Year	(14,31,40,322)	(14,31,34,289)	(12,23,56,34,724)
Profit/(Loss) for the Year	8,387	(6,033)	7,16,920
Other Comprehensive Income for the Year	-	-	-
Closing Balance as at Year end	(14,31,31,935)	(14,31,40,322)	(12,23,49,17,804)
<b>Total Other Equity</b>	<b>(10,57,35,955)</b>	<b>(10,57,44,342)</b>	<b>(9,03,83,09,434)</b>
<b>Note 6 : Financial Liabilities</b>			
<b>Note 6A : Non-Current Borrowings</b>			
<b><u>Unsecured</u></b>			
Redeemable Preference Shares	10,67,31,751	10,67,31,751	9,12,34,30,075
	10,67,31,751	10,67,31,751	9,12,34,30,075

**Redeemable Preference Shares**

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 the Company, 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 the Company.

Within ninety (90) days after the receipt of a written request from members holding not less than a majority of 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 Company 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 Company and the holders of at least a majority of the preference shares then outstanding, voting together on an as converted basis.

If, on the Redemption Date, the funds of the Company 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 pro-rata 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 Company 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.

Each holder of Preference Shares shall be entitled to convert any or all of its Preference Shares, at any time, without the payment of any additional consideration, into such number of fully paid Ordinary Shares as is determined by multiplying the number of Preference Shares by a fraction (such fraction being the "Conversion Ratio") determined by dividing the Original Purchase Price by the Conversion Price determined in each case, in effect at the time of conversion. Any conversion of Preference Shares made pursuant to these Articles shall be effected by the redemption of the relevant number of Preference Shares and the issuance of an appropriate number of Ordinary Shares.

As the Company has an obligation to deliver a number of its equity instruments which may vary based on the fair value of the preference shares on the date of redemption, the contractual obligation has been construed as financial liability.



**CFCL Ventures Limited**
**Notes to the Standalone Financial Statements for the year ended March 31, 2025**

(All amounts in US Dollars, except as otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025 Convenience translation into Rupees (Unaudited)
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**Note 7 : Financial Liabilities**
**Note 7A : Trade payables \***

Total outstanding dues of micro enterprises and small enterprises

Total outstanding dues of creditors other than micro enterprises and small enterprises

-	-	-
1,000	17,567	85,480
<b>1,000</b>	<b>17,567</b>	<b>85,480</b>

\* Trade payables are non-interest bearing and are normally settled on 30 - 45 days terms.

**Trade Payables Ageing Schedule**
**As at March 31, 2025**

Particulars	Unbilled payables	Not due	Outstanding for following periods from due date of payment				Total	Convenience translation into Rupees (Unaudited)
			Less than 1 year	1-2 years	2-3 years	More than 3 years		
<u>(i) Dues to Micro, Small and Medium Enterprises (MSME)</u>								
- Disputed dues	-	-	-	-	-	-	-	-
- Undisputed dues	-	-	-	-	-	-	-	-
<u>(ii) Dues to Others</u>								
- Disputed dues	-	-	-	-	-	-	-	-
- Undisputed dues	1,000	-	-	-	-	-	1,000	85,480
<b>Total (i + ii)</b>	<b>1,000</b>	-	-	-	-	-	<b>1,000</b>	<b>85,480</b>

**As at March 31, 2024**

Particulars	Unbilled payables	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<u>(i) Dues to Micro, Small and Medium Enterprises (MSME)</u>							
- Disputed dues	-	-	-	-	-	-	-
- Undisputed dues	-	-	-	-	-	-	-
<u>(ii) Dues to Others</u>							
- Disputed dues	-	-	-	-	-	-	-
- Undisputed dues	1,000	-	16,567	-	-	-	17,567
<b>Total (i + ii)</b>	<b>1,000</b>	-	<b>16,567</b>	-	-	-	<b>17,567</b>

**Note 7B : Other Current Financial Liabilities**

Share warrants

537	537	45,903
<b>537</b>	<b>537</b>	<b>45,903</b>

**Note 8 : Other current liabilities**

Other payable (Dues to related parties, refer note 15)

-	3,630	-
-	<b>3,630</b>	-

**CFCL Ventures Limited****Notes to the Standalone Financial Statements for the year ended March 31, 2025**

(All amounts in US Dollars, except as otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025 Convenience translation into Rupees (Unaudited)
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**Note 9 : Other Income**

Interest Income	38,105	37,794	32,57,215
Liability Written Back	-	2,000	-
	<u>38,105</u>	<u>39,794</u>	<u>32,57,215</u>

**Note 10 : Other expenses**

Consultancy, Legal and Professional Charges	11,468	29,692	9,80,285
Director's Remuneration	15,300	13,785	13,07,844
Payments to the Auditors (refer details below)	1,020	1,000	87,190
Miscellaneous Expenses	1,930	1,350	1,64,976
	<u>29,718</u>	<u>45,827</u>	<u>25,40,295</u>

**Payment to the Auditors (excluding applicable taxes)**

Audit fee	1,000	1,000	85,480
Reimbursement of Expenses	20	-	1,710
	<u>1,020</u>	<u>1,000</u>	<u>87,190</u>

**Note 11 : Earnings Per Share**

Net Profit/(Loss) as per Statement of Profit and Loss	8,387	(6,033)	7,16,920
Calculation of Weighted Average Number of Equity Shares			
-Number of Equity Shares at the beginning of the Year	40,58,593	40,58,593	
-Number of Equity Shares Outstanding at the end of the Year	<u>40,58,593</u>	<u>40,58,593</u>	
-Weighted Average Number of Equity Shares Outstanding during the Year	<u>40,58,593</u>	<u>40,58,593</u>	
Basic and Diluted Earnings Per Share *	0.00	0.00	0.00
Nominal value of equity shares	0.0001	0.0001	

\* In computing the diluted Earnings Per Share, potential equity shares that are dilutive and which increase loss per share are included. Since, the Company's preference shares are anti-dilutive and would reduce the loss per share, no dilution has been considered for the year ended March 31, 2025 and March 31, 2024.

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**CFCL Ventures Limited**
**Notes to the Standalone Financial Statements for the year ended March 31, 2025**

(All amounts in US Dollars, except as otherwise stated)

**12. Financial instruments by category**

The carrying value and fair value of financial instruments by categories as at March 31, 2025 were as follows:

Particulars	Amortised cost	Fair value through profit or loss	Total carrying value	Total fair value	Convenience translation into Rupees (Unaudited)
<b>Assets:</b>					
Loans	1,25,000	-	1,25,000	1,25,000	1,06,85,000
Cash and cash equivalents	8,57,913	-	8,57,913	8,57,913	7,33,34,403
<b>Total</b>	<b>9,82,913</b>	<b>-</b>	<b>9,82,913</b>	<b>9,82,913</b>	<b>8,40,19,403</b>
<b>Liabilities:</b>					
Borrowings	-	10,67,31,751	10,67,31,751	10,67,31,751	9,12,34,30,075
Trade payables	1,000	-	1,000	1,000	85,480
Other financial liabilities	-	537	537	537	45,903
<b>Total</b>	<b>1,000</b>	<b>10,67,32,288</b>	<b>10,67,33,288</b>	<b>10,67,33,288</b>	<b>9,12,35,61,458</b>

The carrying value and fair value of financial instruments by categories as at March 31, 2024 were as follows:

Particulars	Amortised cost	Fair value through profit or loss	Total carrying value	Total fair value
<b>Assets:</b>				
Cash and cash equivalents	10,09,549	-	10,09,549	10,09,549
<b>Total</b>	<b>10,09,549</b>	<b>-</b>	<b>10,09,549</b>	<b>10,09,549</b>
<b>Liabilities:</b>				
Borrowings	-	10,67,31,751	10,67,31,751	10,67,31,751
Trade payables	17,567	-	17,567	17,567
Other financial liabilities	-	537	537	537
Other current liabilities	3,630	-	3,630	3,630
<b>Total</b>	<b>21,197</b>	<b>10,67,32,288</b>	<b>10,67,53,485</b>	<b>10,67,53,485</b>

**Fair value hierarchy**

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2025:

Particulars	As at March 31, 2025	Fair value measurement at end of the reporting year			Convenience translation into Rupees (Unaudited)
		Level 1	Level 2	Level 3	
<b>Liabilities</b>					
Preference shares	10,67,31,751	-	-	10,67,31,751	9,12,34,30,075
Share warrants	537	-	-	537	45,903

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at March 31, 2024:

Particulars	As at March 31, 2024	Fair value measurement at end of the reporting year		
		Level 1	Level 2	Level 3
<b>Liabilities</b>				
Preference shares	10,67,31,751	-	-	10,67,31,751
Share warrants	537	-	-	537

Redeemable preference shares are valued at greater of original purchase price and fair value, which is determined to be fair value at which these preference shares are redeemable, as determined by the management as per the terms of these preference shares. Also refer note 6A.

**CFCL Ventures Limited****Notes to the Standalone Financial Statements for the year ended March 31, 2025**

(All amounts in US Dollars, except as otherwise stated)

**13. Financial risk management**

As the Company is not carrying on any business activities, there is limited exposure to the variety of financial risks: market, credit and liquidity risks. All risks are managed in accordance with the Company's policies and risk objectives. The Board of Directors of the Company reviews and approves policies for managing each of these risks, which are summarised below:

**a) Market risk**i. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company was not having any borrowing with floating interest rates, hence no interest rate risk is perceived.

ii. Foreign Currency Risk

The Company operates in United States of America and India and there is exposure to the foreign exchange risk. However, as the Company was not having any business activities and there has been no foreign currency transactions during the year, no foreign currency risk is perceived.

**b) Credit risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. Credit risk on cash and cash equivalents is limited as the Company generally invest in banks with high credit ratings assigned by international and domestic credit rating agencies. Further, as the Company was not having any business activities, there was no exposure to the credit risk and accordingly no credit risk is perceived.

**c) Liquidity risk**

The Company's principal sources of liquidity are borrowings and cash and cash equivalents. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

**14. Capital Management**

The Company's objective is to maintain a capital base to ensure sustained growth in business and to maximise the shareholders value. The capital management focusses to maintain an optional structure that balances growth and maximizes the shareholders values.

Particulars	As at March 31, 2025	As at March 31, 2024	Convenience translation into Rupees (Unaudited)
Total equity attributable to the equity shareholders of the Company (A)	(10,57,35,549)	(10,57,43,936)	(9,03,82,74,729)
Total loans and borrowings (B)	10,67,31,751	10,67,31,751	9,12,34,30,075
<b>Total Capital (A+B)</b>	<b>9,96,202</b>	<b>9,87,815</b>	<b>8,51,55,346</b>

The Company is mainly funded by Redeemable Preference shares.

**15. Related party disclosures****I. Related Party Name and Relationship**

Holding Company	Chambal Fertilisers and Chemicals Limited
Entities/individuals which exercise significant influence	NEA Indo US Ventures, LLC Fiserve Solutions, Inc William Adamowski
Fellow Subsidiaries	Chambal Infrastructure Ventures Limited
Subsidiaries	ISGN Corporation * ISG Novasoft Technologies Limited
Key Management Personnel	Mr. Manoj Bawa, Director Mr. Lee Kuan Jen Sebastian, Independent Director

\* Audit Committee of the Holding Company at its meeting held on August 05, 2024 has approved the liquidation of ISGN Corporation on or before March 31, 2026.

**CFCL Ventures Limited****Notes to the Standalone Financial Statements for the year ended March 31, 2025**

(All amounts in US Dollars, except as otherwise stated)

**15. Related party disclosures (continued)****II. Transaction with the Related Parties:**

Particulars	As at March 31, 2025	As at March 31, 2024	Convenience translation into Rupees (Unaudited)
<b><u>Subsidiaries</u></b>			
<b>ISGN Corporation</b>			
-Expenses Paid	14,826	-	12,67,326
<b>ISG Novasoft Technologies Limited</b>			
-Non-Current Loans	1,25,000	-	1,06,85,000
<b><u>Key Management Personnel</u></b>			
<b><u>Director's Remuneration</u></b>			
Mr. Lee Kuan Jen Sebastian	5,700	5,700	4,87,236
Mr. Manoj Bawa	9,600	8,085	8,20,608

**III. Outstanding Balances of Related Parties:**

Particulars	As at March 31, 2025	As at March 31, 2024	Convenience translation into Rupees (Unaudited)
<b><u>Subsidiary Company</u></b>			
<b>ISGN Corporation</b>			
Other Current Financial Assets	73,44,826	73,30,000	62,78,35,726
<b>ISG Novasoft Technologies Limited</b>			
Non-Current Loans	1,25,000	-	1,06,85,000
<b><u>Key Management Personnel</u></b>			
<b><u>Other Current Financial Liabilities</u></b>			
Mr. Lee Kuan Jen Sebastian	-	1,425	-
Mr. Manoj Bawa	-	2,205	-

**16. Convenience translation**

The books of accounts of the Company are maintained in USD, being the currency of primary economic environment in which it operates. Supplementary information in Indian Rupees (INR) for the year ended March 31, 2025 is provided for convenience only. The Balance sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash flows and related notes have been translated at the rate of USD 1 = INR 85.48. These numbers are based on information from the management and have not been audited by ASA & Associates LLP.

**17. Other Regulatory Information****(i) Title deeds of Immovable Properties not held:**

The Company does not have any Immovable Property whose title deeds are not held in the name of the Company.

**(ii) Valuation of property, plant and equipment, intangible asset and investment property:**

The Company is not having any property, plant and equipment (including right-of-use assets) or intangible assets or both and investment property.

**(iii) Capital work in progress and Intangible assets under development:**

The Company is not having any Capital work in progress and Intangible assets under development.

**(iv) Loans or Advances in the nature of loans:**

The Company has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, directors, Key Management Personnel and related parties, which are repayable on demand or where the agreement does not specify any terms or period of repayment.

**(v) Details of Benami Property held:**

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

**(vi) Borrowing secured against current assets:**

The Company has not obtained any borrowings from banks or financial institutions on the basis of security of current assets.

**(vii) Wilful defaulter:**

The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved.

**CFCL Ventures Limited**
**Notes to the Standalone Financial Statements for the year ended March 31, 2025**

(All amounts in US Dollars, except as otherwise stated)

**17. Other Regulatory Information (continued)**
**(viii) Relationship with struck off companies:**

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**(ix) Registration of charges or satisfaction:**

The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies beyond the statutory period.

**(x) Compliance with number of layers of companies:**

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

**(xi) Compliance with approved scheme(s) of arrangements:**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**(xii) Ratios**

Particulars	Formula	March 31, 2025			March 31, 2024	% Variance	Reason for variance
		Numerator	Denominator	Ratio	Ratio		
Current ratio	Current assets/ Current liabilities	8,72,739	1,537	567.82	46.45	1122%	Reduction in Current assets due to loan to subsidiary and reduction in current liabilities due to payment.
Debt-equity ratio	Total debt/ Shareholder's Equity	10,67,31,751	(10,57,35,549)	(1.01)	(1.01)	0%	-
Debt service coverage ratio	Earnings available for debt service/ Debt Service	Not applicable.					-
Return on equity ratio	[Net Profits after taxes – Preference Dividend (if any)]/ Average Shareholder's Equity	8,387	(10,57,39,743)	(0.01%)	0.01%	(239%)	Profit in current year due to reduction in expenses as against loss in previous year.
Inventory turnover ratio	Cost of goods sold OR sales/ Average Inventory	Not applicable.					-
Trade receivables turnover ratio	Net Credit Sales/ Average Accounts Receivable	Not applicable.					-
Trade payables turnover ratio	Net Credit Purchases/ Average Trade Payables	Not applicable.					-
Net capital turnover ratio	Net Sales/ Working Capital	Not applicable.					-
Return on capital employed	Earning before interest and taxes/ Capital Employed	8,387	9,96,202	0.84%	(0.61%)	238%	Profit in current year due to reduction in expenses as against loss in previous year.
Return on investment	Earning before interest and taxes/ Average Total Assets	Not applicable.					-

**(xiii) Utilisation of Borrowed funds and share premium:**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**(xiv) Utilisation of Borrowings:**

The Company has, during the year, not raised any funds from the issue of securities or borrowings from banks and financial institutions and hence this clause is not

**(xv) Undisclosed income:**

The Company is not registered under Indian jurisdiction and thus not assessable under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Hence this clause is not applicable.

**CFCL Ventures Limited**

**Notes to the Standalone Financial Statements for the year ended March 31, 2025**

(All amounts in US Dollars, except as otherwise stated)

**17. Other Regulatory Information (continued)**

**(xvi) Details of crypto currency or virtual currency:**

The Company has not traded or invested in Crypto currency or Virtual Currency during the current or previous year.

**(xvii) Corporate Social Responsibility (CSR):**

The provisions of Corporate Social Responsibility under Section 135 of the Companies Act, 2013 are not applicable to the Company.

As per our report of even date

**For ASA & Associates LLP**

Chartered Accountants

Firm registration number: 009571N/N500006

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

**CFCL Ventures Limited**

**D Ramprasad**

Partner

Membership number: 028241

**Manoj Bawa**

Director

Place: Bengaluru

Date: May 05, 2025

Place: Bengaluru

Date: May 05, 2025