

INDEPENDENT AUDITOR'S REPORT
INLAND & COASTAL SHIPPING LIMITED

FOR THE PERIOD
29th SEPTEMBER, 2016 TO 31st MARCH, 2017

LIHALA & CO
11, CROOKED LANE, GROUND FLOOR
KOLKATA – 700 069
Ph: 033-22487109/22435095

Independent Auditors' Report**To the Members of****Inland & Coastal Shipping Limited****CIN - U61100WB2016GOI217822****Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of **Inland & Coastal Shipping Limited** which comprise the balance sheet as at 31st March 2017, the statement of profit and loss, the statement of cash flows and the statement of changes in equity for the period then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the preparation of these Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. The Board of Directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements by the Directors, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS 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 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 Ind AS financial statements are free from material misstatement.



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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Board of Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the financial position, as at 31 March 2017 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the period then ended.

Report on Other Legal and Regulatory Requirements

1. As required the Companies (Auditor's Report) Order, 2016 (the order) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 we give in the Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required under sub section (5) of Section 143 of the Act, in case of a Government company, we give the Annexure-B a statement on the matters specified in the directions issued by the Office of the Comptroller and Auditor General of India.

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 of the aforesaid Ind AS financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS financial statements have been kept so far as it appears from our examination of those books.

(c) The balance sheet, the statement of profit and loss, the statement of cash flows and statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Ind AS financial statements.

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.

(e) Sec 164(2) of the Act is not applicable as the company is a Government Company.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in Annexure-C; and

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(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. As represented by the company, the Company does not have any pending litigations which would impact its financial position.
- ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- iii. As represented by the company, there is no amount required to be transferred to Investor Education and Protection Fund by the Company
- iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company.

Place: 11, Crooked Lane,
Kolkata – 700 069

Date: 8th day of May, 2017



For Lihala & Co.
Chartered Accountants
Firm Registration No. 315052E

Priyam Dalmiya

Priyam Dalmiya

Partner

M. No. 303794

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

With reference to the Annexure "A" referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date to the Members of **Inland & Coastal Shipping Limited** on the financial statement for the period ended 31st March, 2017, we report that:

- i. (a) According to the information and explanation given to us , company has no fixed assets during the period. As the company has no fixed assets, clause 3 (i) of the Order is not applicable to the company
- ii. (a) According to the information and explanation given to us , company has no inventory during the period . As the company has no inventory, clause 3 (ii) of the Order is not applicable to the company.
- iii. (a) The company has not granted any loan, secured or unsecured to companies, firms and other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly clause 3(iii)(b) and (c) of the order is not applicable.
- iv. During the period, Company has not made any loans or investments or given any guarantees and hence disclosure under this clause related to compliance with the provisions of Section 185 and 186 of the Act does not arise.
- v. The Company has not accepted any deposits from the public and as such clause 3(v) of the Order is not applicable.
- vi. As explained to us by the management maintenance of cost records under sub section 148(1) of the Companies Act, 2013 is not required.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the period by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other materials statutory dues were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.



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- viii. The Company has not defaulted in repayment of loans or borrowings from any financial institutions, banks, government or debenture holders during the period.
- ix. The company has not raised any money by way of initial public offer or further public offer including debt instruments and term Loans during the period. Accordingly, the provisions of clause 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the period.
- xi. The Company is a government company, and the provisions of section 197 are not applicable to it. Therefore clause (xi) of the Order is not applicable.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly clause 3 (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly, the provisions of clause 3 (xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly paragraph 3 (xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-1A of Reserve Bank of India Act, 1934.

Place: 11, Crooked Lane,
Kolkata – 700 069

Date: 8th day of May, 2017



For Lihala & Co.

Chartered Accountants

Firm Registration No. 315052E

Priyam Dalmiya

Priyam Dalmiya

Partner

M. No. 303794

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

Directions under Section 143(5) of the Companies Act, 2013 on the Accounts of Inland & Coastal Shipping Limited for the period ended 31st March, 2017

Sl. No.	Direction	Comment
1	Whether the company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available?	During the period under review company does not own any freehold and leasehold lands.
2	Whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reasons there for and amount involved.	During the period under review company did not waiver/write off any debts/loans/interests etc.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from the Govt. or other authorities.	During the period under review company does not own any inventory and no inventory is lying with third party also company has not received any asset as gift from the government and other authorities; hence this clause is not applicable.

Place: 11, Crooked Lane,
Kolkata – 700 069



Date: 8th day of May, 2017

For Lihala & Co.
Chartered Accountants
Firm Registration No. 315052E

Priyam Dalmiya

Priyam Dalmiya
Partner
M. No. 303794

ANNEXURE "C" TO THE INDEPENDENT AUDITORS' REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the Ind AS financial statements of the Company as of and for the period ended 31st March 2017, we have audited the internal financial controls over financial reporting of **Inland & Coastal Shipping Limited**, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company, 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 ("ICAI"). 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 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 Companies Act, 2013.

Auditors' 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 on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



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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 31 March 2017, 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 ICAI.

Place: 11, Crooked Lane,
Kolkata – 700 069

Date: 8th day of May, 2017



For Lihala & Co.
Chartered Accountants
Firm Registration No. 315052E

Priyam Dalmiya

Priyam Dalmiya
Partner
M. No. 303794

INLAND & COASTAL SHIPPING LTD
Standalone Balance Sheet
CIN: U61100WB2016GOI217822
 (All amounts in INR lakhs, unless otherwise stated)

	Notes	As at 31 March 2017
ASSETS		
Non-current assets		
Property, plant and equipment		-
Capital work-in-progress		-
Investment properties		-
Goodwill		-
Other intangible assets		-
Biological assets other than bearer plants		-
Investments accounted for using the equity method		-
Financial assets		-
i. Investments		-
ii. Loans		-
iii. Other financial assets		-
Deferred tax assets (net)		-
Tax assets (net)		-
Other non-current assets		-
Total non-current assets		-
Current assets		
Inventories		-
Financial assets		-
i. Investments		-
ii. Trade receivables	02	5.00
iii. Cash and cash equivalents		-
iv. Bank balances other than (iii) above		-
v. Loans		-
vi. Other financial assets		-
Other current assets		-
Assets classified as held for sale		5.00
Total current assets		5.00
Total assets		
EQUITY AND LIABILITIES		
Equity		5.00
Equity share capital	03	
Other equity		(9.48)
i Reserves and Surplus	04	
ii Other Reserves		(4.48)
Equity attributable to owners		-
Non-controlling interests		(4.48)
Total equity		
LIABILITIES		
Non-current liabilities		
Financial liabilities		-
i. Borrowings		-
ii. Other financial liabilities		-
Provisions		-
Deferred tax liabilities (net)		-
Other non-current liabilities		-
Current liabilities		
Financial liabilities		-
i. Borrowings		-
ii. Trade payables		-
iii. Other financial liabilities		0.15
Provisions	05	-
Current tax liabilities (net)	06	9.33
Other current liabilities		9.48
Total current liabilities		9.48
Total liabilities		5.00
TOTAL EQUITY & LIABILITIES		

The accompanying notes and significant accounting policies are an integral part of these financial statements.

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For and on behalf of the Board of Directors,

As per our report of even date attached hereto.

Narula
 S. Narula
 Director

H. K. Joshi
 Mrs. H. K. Joshi
 Director

Mandal
 S. Mandal
 Director

Priyam Dalmiya
 Priyam Dalmiya
 Partner, M. No. 303794
 M/s Lihala & Co., Chartered Accountants
 Firm Registration No. 315052E



Mumbai dated 28 April, 2017

Kolkata, 8th day of May, 2017

IND & COASTAL SHIPPING LTD

Balance Sheet of profit and loss for the year ended 31 March 2017

U61100WB2016GOI217822

(Amounts in INR lakhs, unless otherwise stated)

	Note	Year ended 31 March 2017
Revenue from operations		-
Income		-
Income		-
Expenses		-
Cost of fuel consumed		-
Operating expenditure		-
Employee benefits expense		-
Office costs		-
Depreciation and amortisation expense		0.17
General, administration and other expenses	07	9.31
Minority expenses	08	9.48
Profit / (Loss) before exceptional items and tax		(9.48)
Exceptional items		(9.48)
Profit / (Loss) before tax		(9.48)
Expense		-
Current tax		-
Deferred tax		-
Profit / (Loss) for the Year		(9.48)
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
remeasurements of post-employment benefit obligations		
Income tax relating to these items		
Items/losses on equity instruments at FVOCI		
Income tax relating to these items		
Other comprehensive income for the year, net of tax		(9.48)
Total comprehensive income for the year		(9.48)
Profit / (Loss) is attributable to:		(9.48)
Owners of I&CSL Limited		
Non-controlling interests		
Other comprehensive income is attributable to:		
Owners of I&CSL Limited		
Non-controlling interests		
Total comprehensive income is attributable to:		
Owners of I&CSL Limited		
Non-controlling interests		
Earnings per equity share		-18.96
Basic earnings per share (Rupees)		-9.48
Adjusted earnings per share (Rupees)		-9.48

Accompanying notes and significant accounting policies are an integral part of these financial statements.

1 to 11

and on behalf of the Board of Directors,

As per our report of even date attached hereto.

Arul

Arul
Director

Mrs. H. K. Joshi
Director

Mandal

S. Mandal
Director



Priyam Dalmiya

Priyam Dalmiya

Partner, M. No. 303794

M/s Lihala & Co., Chartered Accountants

Firm Registration No. 315052E

Kolkata, 8th day of May, 2017

Mumbai dated 28 April, 2017

LAND & COASTAL SHIPPING LTD

Cash Flow Statement for the year ended 31 March 2017

IN: U61100WB2016GOI217822

(All amounts in INR lakhs, unless otherwise stated)

	Note	Year ended 31 March 2017
Cash Flow from operating activities		
Profit / (Loss) before income tax		(9.48)
Adjustments for		
Add:		
Depreciation and amortisation expenses		-
Finance costs		-
Loss on assets sold or discarded		-
Unrealised exchange rate difference		-
Bad debts and irrecoverable balances written off		-
Provision for doubtful debts		-
Provision for diminution of value of investment		-
Less:		
Dividend received		-
Interest received		-
Provisions no longer required		-
Provision for doubtful debt written back		-
Profit on sale of investment		-
Surplus on sale of fixed assets		-
Net exchange differences		-
Unwinding of discount on security deposits		-
Change in operating assets and liabilities		
(Increase)/decrease in trade receivables		-
(Increase)/decrease in other financial assets		-
(Increase)/decrease in other non-current assets		-
(Increase)/decrease in other current assets		-
(Increase)/decrease in inventories		-
Increase/(decrease) in trade payables		-
Increase/(decrease) in other financial liabilities		-
Increase/(decrease) in provisions		0.15
Increase/(decrease) in other non-current liabilities		-
Increase/(decrease) in other current liabilities		9.33
		0.00
Cash generated from operations		
Income taxes paid		0.00
Net cash inflow from operating activities (A)		0.00
Cash flow from investing activities:		
Purchase of property, plant and equipment/ intangible assets		
Capital advances		
Acquisition of non-controlling interests		
Sale proceeds of property, plant and equipment		
Investment in equity shares made by holding company The SCI LTD		5.00
Investment in equity shares of associates		-
Proceeds from sale of investments		-
Purchase of non-current investments		-
Redemption of preference shares		-
Long term deposits		-
Short term deposits		-
Interest received		-
Dividend received		-
Net cash inflow from investing activities (B)		5.00



h flow from financing activities

payment of long term borrowings
 payment of short term borrowings
 payment of unclaimed dividend
 dividend on shares (including dividend distribution tax)
 amounts deposited in bank accounts towards unpaid dividends
 interest paid
 investment in equity shares of a subsidiary

-
-
-
-
-
-

net cash inflow (outflow) from financing activities (C)

-

net increase/(decrease) in cash and cash equivalents (A+B+C)

5.00

Balance: Cash and cash equivalents at the beginning of the financial year

-

Cash and cash equivalents at the end of the year

5.00

on Cash Financing and investing activities

Acquisition of property, plant and equipment by means of finance lease

-

Reconciliation of Cash Flow statements as per the cash flow statement

31 March 2017

Cash Flow statement as per above comprises of the following

Cash and cash equivalents

5.00

Bank overdrafts

-

Balances as per statement of cash flows

5.00

The accompanying notes and significant accounting policies are an integral part of these financial statements.

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and on behalf of the Board of Directors,

As per our report of even date attached hereto.

Mrs. H. K. Joshi
 Mrs. H. K. Joshi
 Director

S. Mandal
 S. Mandal
 Director



Priyam Dalmiya
 Priyam Dalmiya
 Partner, M. No. 303794

M/s Lihala & Co., Chartered Accountants
 Firm Registration No. 315052E

Kolkata, 8th day of May, 2017

Mumbai dated 28 April, 2017

Standalone Statement of changes in equity
CIN: U61100WB2016GO1217822
(All amounts in INR lakhs, unless otherwise stated)

A. Equity Share Capital (Refer Note 2)													
Balance as at 31 March 2016													
Changes in equity share capital													
Balance as at 31 March 2017													
B. Other Equity													
Attributable to the equity holders of the parent													
Reserves and Surplus													
Reserves representing unrealised gains/losses													
Note	Capital Reserve	Securities Premium Reserve	Debt Redemption Reserve	Share Options Outstanding Account	General Reserve	General Reserve (arisen pursuant to various schemes)	Retained Earnings	Equity instruments through Other Comprehensive Income	Remeasurements of the net defined benefit Plans	Effective portion of Cash Flow Hedges	Total	Non-controlling interests	Total equity
Balance as at 31 March 2016	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year 2017	-	-	-	-	-	-	(9.48)	-	-	-	(9.48)	-	(9.48)
Other Comprehensive Income for the year	-	-	-	-	-	-	(9.48)	-	-	-	(9.48)	-	(9.48)
Total Comprehensive Income for the year	-	-	-	-	-	-	(9.48)	-	-	-	(9.48)	-	(9.48)
Transfer from debt redemption reserve	xx	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to debt redemption reserve	xx	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to general reserve	xx	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid on equity shares	xx	-	-	-	-	-	-	-	-	-	-	-	-
Dividend distribution tax paid	xx	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2017	-	-	-	-	-	-	(9.48)	-	-	-	(9.48)	-	(9.48)

The accompanying notes and significant accounting policies are an integral part of these financial statements.

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For and on behalf of the Board of Directors,

As per our report of even date attached hereto.

Sarveen Narula
S. Narula
Director

Mrs. H.K. Joshi
Director

S. Mandal
Director

Mumbai dated 28 April, 2017

Priyam Dalmiya
Priyam Dalmiya
Partner, M. No. 303794
M/s Lihala & Co., Chartered Accountants
Firm Registration No. 315052E
Kolkata, 8th day of May, 2017



Significant Accounting Policies

General information

Inland & Coastal Shipping Limited (I&CSL) has been formed as a wholly owned subsidiary of The Shipping Corporation of India Limited (SCI) with Corporate Office at Kolkata on 29.09.2016 to harness business potential in the areas of inland and coastal shipping.

These financial statements were authorised for issue by the board of directors on 28 April, 2017.

1. Basis of preparation, measurement and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

1.1 Basis of Preparation

(a) Compliance with Indian Accounting Standards

The financial statements of the company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act") and current practices prevailing within the Shipping Industries in India. These are the company's first Ind AS financial statements and Ind AS 101, 'First-time Adoption of Indian Accounting Standards' has been applied. The policies set out below have been consistently applied during the year presented.

These financial statements for the year ended 31 March 2017 are the first the Company has prepared in accordance with Ind AS.

(b) Historical cost convention

The financial statements have been prepared under the historical cost convention

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis". Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the close of the financial year.

1.2 Cash and cash equivalents

Cash and cash equivalents includes cash at bank and in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less from date of acquisition.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.



INLAND & COASTAL SHIPPING LIMITED**Notes to the Financial Statement for the year ended 31 March 2017****CIN: U61100WB2016GOI217822****1.3 Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

1.4 Earnings per share

Basic and Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.

EARNING PER SHARE (EPS)	As At 31.03.2017
Net Profit /(Loss) after tax as per statement of Profit and Loss attributable to Equity Shareholders (₹)	(9,48,135/-)
Weighted Average Number of Equity Shares used as denominator for calculating Basic EPS	50,000
Weighted Average Number of Equity Shares used as denominator for calculating Diluted EPS	1,00,000
Basic Earning Per Share (₹)	(18.96)
Diluted Earning Per Share (₹)	(9.48)
Face Value per Equity Share (₹)	10.00

Since the company got incorporated in mid of the financial year i.e. 29.09.2016, the diluted EPS has been calculated considering six months period.

1.5 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.6 Preliminary Expenses

The preliminary expenses incurred during the financial year 2016-17 for setting up of the company has been charged off to Profit & Loss account fully as expenditure for the year.



INLAND & COASTAL SHIPPING LTD**Notes to Standalone Financial Statements****CIN: U61100WB2016GOI217822****(All amounts in INR lakhs, unless otherwise stated)****2. Cash and Bank Balances**

	Particulars	As at 31 March 2017
	Cash and cash equivalents	
1	Bank Balances	
	Current Account	5.00
	Inter Bank Transfers	-
	Term Deposit maturing within 3 months	-
2	Cash Balances, including imprest	-
3	Margin Money for Bank Guarantee	-
	Total	5.00

An amount of Rs. 5,00,000 (Rupees Five Lakhs) deposited by holding company The SCI Ltd. as against paid up equity share capital (50,000 equity shares of Rs. 10 each).



3. Equity Share capital**As at
31 March 2017****Authorised**

xx [31 March 2017: 1,00,00,000 Equity Shares of INR 10 each

1,000.00

Issued, subscribed and fully paid up

XX [31 March 2017: 50,000 Equity Shares of INR 10 each

5.00

5.00**Reconciliation of number of shares****As at 31 March 2017**
**Number of
shares** **Amount****Equity Shares :**

Balance as at the beginning of the year

Add: Equity Shares of Rs. 10 each

50,000

5.00

Balance as at the end of the year

50,000**5.00**

INLAND & COASTAL SHIPPING LTD
Notes to Standalone financial statements
CIN: U61100WB2016GOI217822
 (All amounts in INR lakhs, unless otherwise stated)

04. Reserves and surplus

31 March 2017

Capital reserve	-
Securities premium reserve	-
General reserve	-
General reserve (arisen pursuant to composite scheme of arrangement)	-
Debenture redemption reserve	-
Retained Earnings	(9.48)
Total reserves and surplus	(9.48)

Surplus in the Statement of Profit and Loss

31 March 2017

Opening balance	-
Add: Profit / (Loss) for the year	(9.48)
Add: Other comprehensive income for the year	
<i>Adjustments:</i>	
Add: Transfer from debenture redemption reserve	
Less: Dividend paid on equity shares	
Less: Dividend distribution tax paid	
Less: Adjustment in the value of fixed assets	
Less: Transfer to general reserve	
Less: Transfer to Debenture redemption reserve	
Closing Balance	(9.48)



INLAND & COASTAL SHIPPING LTD**Notes to Standalone Financial Statements****CIN: U61100WB2016GOI217822**

(All amounts in INR lakhs, unless otherwise stated)

5. Provisions

	31 March 2017	
	Current	Non-Current
Other Provisions		
Provision for statutory audit fees	0.10	-
Provision for Profession Tax Registration	0.025	-
Provision for Trade License Registration	0.025	-
Total Provisions made	0.15	-

(a) Provision for statutory audit fees amounting to Rs. 10,000 (Rupees Ten Thousand) payable to M/s Lihala & Co is made in books of M/s I&CSL for the FY

2016-17 as per appointment order received from C&AG.

(b) Provision for Trade License application and Profession Tax registration amounting to Rs. 2,500 (Rupees Two Thousand Five Hundred) each has been made as per requirement of respective Acts.



INLAND & COASTAL SHIPPING LTD**Notes to Standalone Financial Statements****CIN: U61100WB2016GOI217822**

(All amounts in INR lakhs, unless otherwise stated)

6. Other Current Liabilities

	31 March 2017	
	Current	Non-Current
Other Liabilities		
Payable to M/s SCI Ltd	9.33	-
Total Other Current Liabilities	9.33	-

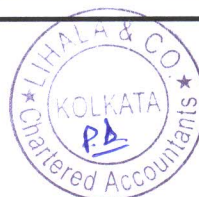
Preliminary expenses along with filing fees for cessation of Director incurred by M/s SCI Ltd. as Holding Company for setting up of M/s I&CSL during the FY 2016-17 has been absorbed in the books of M/s I&CSL and is being shown as payable to M/s SCI Ltd. The list of expenses are as follows:

Particulars	Amount(Rs.)
Fee for Form INC 1	1,000.00
StampDuty for INC7+MOA+AOA	370.00
Fee for INC 7	600.00
AOA	600.00
MOA	881,000.00
ACK for Form INC 22	600.00
Fee for Form DIR 12	600.00
Fees paid to the Consultant	44,275.00
Common seal and Register	1,290.00
Share Certificates printing	500.00
Total Preliminary Expenses	930,835.00
Cessation of Director	2,300.00
Payable to M/s SCI Ltd.	933,135.00



INLAND & COASTAL SHIPPING LTD
Notes to Standalone financial statements
CIN: U61100WB2016GOI217822
 (All amounts in INR lakhs, unless otherwise stated)

7. General, administration and Other expenses		31 March 2017
Payment for Registrations		
Trade License		0.025
Profession Tax		0.025
Payment to auditors		
Statutory auditors		
a) Audit fees		0.10
b) Other matters		
c) Out of pocket expenses		
Payments to the Cost Auditors		
a) Audit fees		
b) Out of pocket expenses (31 March 2017: XXX and 31 March 2016: XXXX)		
Filing fees for cessation of Director		0.023
Total		0.17
8. Preliminary expenses		
		31 March 2017
Stamp Duty & Filing Fees for MOA, AOA, Forms INC1, INC7, DIR12		8.85
Legal Consultancy		0.44
Common seal, Register and Share Certificates printing		0.02
Total		9.31



INLAND & COASTAL SHIPPING LTD**Notes to Standalone Financial Statements****CIN: U61100WB2016GOI217822**

(All amounts in INR lakhs, unless otherwise stated)

9. Related Party Disclosure

I&CSL is a wholly owned subsidiary of SCI. The preliminary expenses along with Filing Fees for Cessation of Director incurred by SCI as Holding company for setting up of I&CSL during the FY 2016-17 amounting to Rs. 9,33,135/- has been absorbed in the books of I&CSL and is being shown as payable to SCI under Current Liabilities.

10. Deferred Tax Asset or Liability

Timing difference has not been originated during the year hence no Deferred Tax Asset or Liability has been recognised as per Ind AS 12

11. Disclosure on Specified Bank Notes (SBN)

	SBNs	Other Denomination Notes	Total
Closing Cash in hand on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount Deposited in Banks	-	-	-
Closing Cash in Hand on 30.12.2016	-	-	-

Explanation : For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

