Walker Chandiok & Co LLP

Standalone Financial Statements and Auditors' Report

Creative Port Development Private Limited

31 March 2019

Independent Auditor's Report

To the Members of Creative Port Development Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Creative Port Development Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors is responsible for the other information. Other information does not include the standalone financial statements and our auditor's report thereon.

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

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the standalone 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 Standards on Auditing 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 financial statements.

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

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not

     detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. 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.

11. 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 Matter

12. The standalone financial statements of the Company for the year ended 31 March 2018 were audited by the predecessor auditor, M. Ilanguraman & Co., who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 10 June 2018.

13. The comparative financial information for the year ended 31 March 2018 and the transition date opening balance sheet as at 01 April 2017 prepared in accordance with Ind AS included in these standalone financial statements, are based on the previously issued statutory financial statements for the year ended 31 March 2018 and 31 March 2017 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) which were audited by the predecessor auditor whose reports dated 10 June 2018 and 4 September 2017 respectively expressed unmodified opinion on those standalone financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

14. The Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable.

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

16. Further to our comments in Annexure A, as required by section 143(3) of the Act, we report that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
    b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) the standalone financial statements dealt with by this report are in agreement with the books of account;

    d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;

    f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 16 May 2019 as per Annexure B expressed unmodified opinion;

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

        i. the Company does not have any pending litigations on its financial position as at 31 March 2019;

        ii. the Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;

        iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019;

        iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anamitra Das
Partner
Membership No.: 062191

Place: Gurgaon
Date: 16 May 2019

Annexure A to the Independent Auditor's Report of even date to the members of Creative Port Development Private Limited on the standalone financial statements for the year ended 31 March 2019

Annexure A

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable

(ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.

(iii) The Company has granted interest free unsecured loans to companies covered in the register maintained under Section 189 of the Act in the previous year and with respect to the same the provision of clause 3(iii)(a) are not applicable;

(a) the schedule of repayment of principal has been stipulated wherein the principal amounts are repayable on demand and since the repayment of such loans has been made, in our opinion, repayment of the principal amount is regular.

(b) there is no overdue amount in respect of loans granted to such companies or other parties.

(iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.

(viii) The Company has no loans or borrowings payable to a financial institution or a bank or government. The Company has not defaulted in repayment of any dues to debenture holders during the year.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

(x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

Annexure A to the Independent Auditor's Report of even date to the members of Crescent Power Limited on the standalone financial statements for the year ended 31 March 2019 (Cont'd)

(xi) The Company has not paid or provided for any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the Company has made private placement of shares. In respect of the same, in our opinion, the company has complied with the requirement of Section 42 of the Act and the Rules framed thereunder. Further, in our opinion, the amounts so raised were applied for the purposes for which these securities were issued, though surplus funds which were not required for immediate utilisation have been invested in liquid investments, payable on demand.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anamitra Das
Partner
Membership No.: 062191

Place: Gurgaon
Date: 16 May 2019

Annexure B to the Independent Auditor's Report of even date to the members of Creative Port Development Private Limited on the standalone financial statements for the year ended 31 March 2019

Annexure B

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

1. In conjunction with our audit of the standalone financial statements of Creative Port Development Private Limited ('the Company') as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on 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 (the "Guidance Note") 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.

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

5. 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 IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anamitra Das
Partner
Membership No.: 062191

Place: Gurgaon
Date: 16 May 2019

Creative Port Development Private Limited
Balance Sheet as at 31 March 2019
(All amounts in ₹ lacs, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Assets				
Non-current assets				
Property, plant and equipment	3	-	0.15	0.18
Financial assets				
Investments	4	509.96	509.96	509.96
Total non-current assets		**509.96**	**510.11**	**510.14**
Current assets				
Financial assets				
(i) Cash and cash equivalents	5	1,924.88	0.78	4.37
(iii) Loans	6	-	49.36	71.41
Other current assets	7	2.18	-	0.72
Total current assets		**1,927.06**	**50.14**	**76.50**
Total assets		**2,437.02**	**560.25**	**586.64**
Equity and liabilities				
Equity				
Equity share capital	8	25.00	25.00	25.00
Other equity	9	(105.61)	(73.01)	(69.03)
Total equity		**(80.61)**	**(48.01)**	**(44.03)**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	10	2,510.83	-	-
Total non-current liabilities		**2,510.83**	**-**	**-**
Current liabilities				
Financial liabilities				
(i) Borrowings	11	-	275.00	275.00
(ii) Other financial liabilities	12	6.55	333.26	355.67
Other current liabilities	13	0.25	-	-
Total current liabilities		**6.80**	**608.26**	**630.67**
Total liabilities		**2,517.63**	**608.26**	**630.67**
Total equity and liabilities		**2,437.02**	**560.25**	**586.64**

The accompanying notes 1 to 25 form an integral part of these standalone financial statements.

This is the Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Anamitra Das
Partner
Membership No. 062191

Place: Gurgaon
Date: 16 May 2019

For and on behalf of the **Board of Directors of Creative Port Development Private Limited**

Dibyendu Bose
Chairman

Ramani Ramaswamy
Executive Director
DIN: 01070365

Vivek Dhanania
Deputy Chief Financial Officer

Swati Sheth
Company Secretary

Place: Kolkata
Date: 16 May 2019

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

Creative Port Development Private Limited
Statement of Profit and Loss for the year ended 31 March 2019
(All amounts in ₹ lacs, unless otherwise stated)

	Notes	Year ended 31 March 2019	Year ended 31 March 2018
Income			
Revenue from operations (net)		-	-
Other income	14	22.92	-
Total income		**22.92**	**-**
Expenses			
Depreciation expenses	15	-	0.03
Other expenses	16	55.16	3.95
Total expenses		**55.16**	**3.98**
Loss before tax		**(32.24)**	**(3.98)**
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Tax pertaining to prior years		0.36	-
		0.36	**-**
Loss after tax		**(32.60)**	**(3.98)**
Other comprehensive income:			
(a) Items that will be reclassified subsequently to profit or loss		-	-
(b) Items that will not be reclassified subsequently to profit or loss		-	-
Total other comprehensive loss for the year, net of tax		**(32.60)**	**(3.98)**
Total comprehensive loss for the year		**(32.60)**	**(3.98)**
Earnings per equity share			
Basic and diluted earnings per share (₹)	17	(13.04)	(1.59)

The accompanying notes 1 to 25 form an integral part of these standalone financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Anamitra Das
Partner
Membership No. 062191

Place: Gurgaon
Date: 16 May 2019

For and on behalf of the **Board of Directors of Creative Port Development Private Limited**

Dibyendu Bose
Chairman

Ramani Ramaswamy
Executive Director
DIN: 01070365

Vivek Dhanania
Deputy Chief Financial Officer

Swati Sheth
Company Secretary

Place: Kolkata
Date: 16 May 2019

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

Creative Port Development Private Limited
Statement of Cash Flows for the year ended 31 March 2019
(All amounts in ₹ lacs, unless otherwise stated)

			Year ended 31 March 2019	Year ended 31 March 2018
A.	**Cash flow from operating activities:**			
	Loss before tax		**(32.24)**	**(3.98)**
	Adjustment for:			
	Depreciation expense		-	0.03
	Property, plant and equipment written off		0.15	-
	Provision no longer required written back		(0.56)	-
	Interest income		(22.36)	-
			(55.01)	**(3.95)**
	Operating profit before working capital changes:			
	Adjustment for:			
	Decrease in other financial assets		49.36	22.05
	(Increase) / decrease in other current assets		(2.18)	0.72
	Decrease in other financial liabilities		(326.15)	(22.41)
	Increase in other current liabilities		0.25	-
	Cash used in operating activities		**(333.73)**	**(3.59)**
	Income taxes paid (net of refund)		(0.36)	-
	Net cash used in operating activities	**(A)**	**(334.09)**	**(3.59)**
B.	**Cash flow from investing activities**			
	Interest income from bank deposits		22.36	-
	Purchase of equity shares of subsidiary company		(0.80)	-
	Sale of equity shares of subsidiary company		0.80	-
	Net cash generated from investing activities	**(B)**	**22.36**	-
C.	**Cash flow from financing activities**			
	Proceeds from issue of preference shares		2,510.83	-
	Redemption of preference shares		(75.00)	-
	Repayment of borrowings (debentures)		(200.00)	-
	Net cash generated from financing activities	**(C)**	**2,235.83**	-
	Net increase /(decrease) in cash and cash equivalents	**(A+B+C)**	**1,924.10**	**(3.59)**
	Cash and cash equivalents as at the beginning of the year		**0.78**	**4.37**
	Cash and cash equivalents as at the end of the year		**1,924.88**	**0.78**

Notes:

i) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash

ii) Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financial activities are as under:

Particulars	Balance as on 31 March 2019	Balance as on 31 March 2018
Non-current financial liabilities		
Borrowings--		
- Opening balance	-	-
- Received during the year	2,510.83	-
- Repayment made during the year	-	-
Total liabilities from financing activities	**2,510.83**	-
Current financial liabilities:		
Borrowings--		
- Opening balance	275.00	275.00
- Received during the year	-	-
- Repayment made during the year	(275.00)	-
Total liabilities from financing activities	-	**275.00**

	As at 31 March 2019	As at 31 March 2018
iii) Cash and cash equivalents comprises of:		
Cash on hand	0.00	0.12
Balances with banks		
- In current accounts	9.24	0.66
Bank deposits with original maturity less than 3 months	1,915.64	-
	1,924.88	**0.78**

This is the Statement of cash flows referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Anamitra Das
Partner
Membership No. 062191

Place: Gurgaon
Date: 16 May 2019

For and on behalf of the **Board of Directors of Creative Port Development Private Limited**

Dibyendu Bose
Chairman

Ramani Ramaswamy
Executive Director
DIN: 01070365

Vivek Dhanania
Deputy Chief Financial Officer

Swati Sheth
Company Secretary

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

Place: Kolkata
Date: 16 May 2019

Creative Port Development Private Limited
Statement of Changes in Equity for the year ended 31 March 2019
(All amounts in ₹ lacs, unless otherwise stated)

(A) Equity

Particulars	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Balance at the beginning of the year	25.00	25.00	25.00
Changes in equity share capital during the year	-	-	-
Balance at the end of the year	**25.00**	**25.00**	**25.00**

(B) Other equity

	Retained earnings	Total
As at 01 April 2017	**(69.03)**	**(69.03)**
Loss for the year	(3.98)	(3.98)
Items of other comprehensive income, net of tax:	-	-
As at 31 March 2018	**(73.01)**	**(73.01)**
Loss for the year	(32.60)	(32.60)
Items of other comprehensive income, net of tax:	-	-
As at 31 March 2019	**(105.61)**	**(105.61)**

This is the Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Anamitra Das
Partner

Membership No. 062191

Place: Gurgaon
Date: 16 May 2019

For and on behalf of the Board of Directors of
Creative Port Development Private Limited

Dibyendu Bose
Chairman

Ramani Ramaswamy
Executive Director
DIN: 01070365

Vivek Dhanania
Deputy Chief Financial Officer

Swati Sheth
Company Secretary

Place: Kolkata
Date: 16 May 2019

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

1 Background

Creative Port Development Private Limited is a private company limited by shares, incorporated and domiciled in India with its registered office in Mumbai, Maharashtra, India. The Company has entered into an agreement with the Odisha Government to develop the Subarnarekha Port in Odisha. The Company is primarily engaged in development of ports and provides consultancy services relating to port activities. On 18 September 2018, Tata Steel Limited, a public limited company incorporated in India with its registered office in Mumbai, Maharashtra, India and listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE), acquired majority stake in the Company, thus making it a deemed public limited company. The Company signed a concession agreement with the Government of Odisha for developing and operating a deep seawater greenfield port in Balasore district of Odisha. The concession is for a period of 34 years including 4 years of development and construction with an option to renew or extend by the Government for two additional periods of 10 years each on such terms as may be agreed upon between the parties.

The standalone financial statements for the year ended 31 March 2019 were authorized and approved for issue by the Board of Directors on **16 May 2019**.

2 Significant accounting policies

Basis of preparation

(a) Statement of compliance

These standalone financial statements are prepared in accordance with Indian Accounting Standards ('Ind AS') under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act'). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

For all periods up to and including the year ended 31 March 2018, the Company has prepared its standalone financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). These standalone financial statements for the year ended 31 March 2019 are the first which the Company has prepared in accordance with Ind AS (**see note 25** for explanation for transition to Ind AS). For the purpose of comparatives, the standalone financial statements for the year ended 31 March 2018 are also prepared under Ind AS.

The Company has adopted all the Ind AS and the adoptions were carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the previous GAAP. Reconciliations and descriptions of the effect due to the transition has been summarized in **note 25 (c)**.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

(b) Basis of preparation

The standalone financial statements have been prepared on a historical cost basis.

Use of estimates and critical accounting judgements

The preparation of the standalone financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities and disclosures at the date of the standalone financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for income taxes, classification of assets and liabilities into current and non-current and the useful lives of tangible and intangible assets. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Details of critical estimates and judgments used which have a significant effect on the carrying amounts of assets and liabilities, are provided in the following notes.

Impairment

Refer note 2 (g) for details.

Fair value measurements

The Company presents all its assets and liabilities in the Balance Sheet based on current or non-current classification. Assets and liabilities are classified as current or non-current as per the Company's normal operating cycle. Based on the nature of services and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

(c) Recent accounting pronouncements

Ministry of Corporate Affairs vide notification dated 28 March 2018, has issued the Companies (Indian Accounting Standards) Amendments Rules, 2018. These amended rules are effective from 1 April 2018.

Ind AS 115, Revenue from contracts with customers

With the notification of Ind AS 115, Ind AS 18 - Revenue has been withdrawn from the financial year beginning 1 April 2018 onwards and consequential amendments have also been made in other standards.

Ind AS 115 promotes to create a single model for revenue recognition for contracts. It applies to most revenue arrangements. Among other things, it changes the criteria for determining whether revenue is recognised at a point in time or over time. It provides a new contract-based five-step revenue model for revenue recognition and measurement. Ind AS 115 provides more detailed guidance on specific topics where existing revenue standard Ind AS 18 are lacking such as multiple element arrangements, variable consideration, sale with a right to return, licensing arrangements etc. The Company is in pre-operating stage and there are nil revenue from operations, hence IND AS 115 does not apply.

Ind AS 116, Leases

The Ministry of Corporate Affairs has notified Ind AS 116 with effect from 1 April 2019. The standard requires a simplified approach to lease accounting in the books of the lessee. Classification of leases into finance and operating lease has been done away with in the books of lessee. The standard requires recognition of lease assets and lease liabilities for all arrangements which satisfy the definition of lease as per the standard. The Company has not entered into any lease arrangements and hence IND AS 116 is not applicable.

(d) Revenue recognition

Interest income

Refer note 2 (l) for details.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

2 Significant accounting policies (cont'd)

(e) Property, plant and equipment

Recognition and initial measurement

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items. Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of profit and loss.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss, when the asset is de-recognised.

First-time adoption of Ind AS

Upon first-time adoption of Ind AS, the Company has elected to measure all its property, plant and equipment recognised as at 1 April 2017, as per the previous GAAP, and used the carrying amount as its deemed cost on the date of transition to Ind AS.

(f) Depreciation and amortisation of property, plant and equipment and intangible assets

Depreciation is provided on a pro-rata basis on the written down value (WDV) method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013. Residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each balance sheet date and any change in them is adjusted prospectively.

(g) Impairment

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

(h) Leases

The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to use that asset to the Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or operating lease.

A lease is classified at the inception date as a finance lease or an operating lease. A lease which transfers substantially all risks and rewards incidental to the ownership of the leased asset is classified as a finance lease. All other lease arrangements are classified as operating leases.

The determination of whether an arrangement contains a deemed lease is based on the substance of the arrangement at the inception of the lease. The arrangement contains a deemed lease if fulfilment of the arrangement depends on the use of a specific asset or assets and the arrangement conveys to the transferee a right to use the specific asset(s), even if such right is not explicitly specified in the arrangement.

Finance lease – Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the statement of profit and loss over the period of the lease.

Operating lease – Rentals payable under operating leases are charged to the statement of profit and loss on a straight line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(i) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. 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 and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

2 Significant accounting policies (cont'd)

Financial assets

Cash and cash equivalents

Cash and cash equivalents - which includes cash in hand and deposits with banks which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model 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.

Financial assets measured 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 model whose objective is to hold these assets in order to collect contractual cash flows or to sell these 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. Further in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

Financial assets measured at fair value through Profit and Loss

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the statement of profit and loss. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the statement of profit and loss.

Impairment of financial assets

In respect of its other financial assets, the Company.assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses. 'In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognises a collateralized borrowing for the proceeds received.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

Subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

De-recognition of financial liabilities

A financial liability is de-recognised when the underlying obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

2 Significant accounting policies (cont'd)

(j) Provisions

Provisions are recognised in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets

Contingent assets are not recognised in the financial statement. However when there is a virtual certainty that an inflow of resources embodying economic benefits will arise from the contingent asset, such asset and the related income is recognised in the period in which the changes occurred.

(k) Income taxes

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

The carrying value of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax rates and tax laws that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to cover or settle the carrying value of its assets and liabilities.

Deferred tax assets and liabilities are offset to the extent that they relate to taxes levied by the same tax authority and there are legally enforceable rights to set off current tax assets and current tax liabilities within that jurisdiction.

Current and deferred tax are recognised as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

(l) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable net of discounts, taking into account contractually defined terms and excluding taxes or duties collected on behalf of the government. The Company has not started its operation and hence revenue from operations are nil.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

(m) Borrowing costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is recognised in the statement of profit and loss.

Discounts or premiums and expenses on the issue of debt securities are amortised over the term of the related securities and included within borrowing costs. Premiums payable on early redemptions of debt securities, in lieu of future finance costs, are written off as borrowing costs when paid.

(n) Segment reporting

As per requirements of Ind AS 108, 'Segment Reporting', no disclosures are required to be made since the Company's activities consists of a single business segment of construction, operating and maintenance of port services.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

2 Significant accounting policies (cont'd)

(o) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(p) Earnings per equity share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events that have changed the number of outstanding equity shares, without a corresponding change in the resources. For the purpose of calculating diluted earnings per equity share, net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(q) Earnings per equity share

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

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CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

3 **Property, plant and equipment**

Furniture and fixtures	Total
Gross block	
Balance as at 01 April 2017 (deemed cost) [refer note 25 (a)]	2.82
Additions	-
Disposal/ adjustments	-
Balance as at 31 March 2018	**2.82**
Additions	-
Disposal/ adjustments	2.82
Balance as at 31 March 2019	-
Accumulated depreciation	
Balance as at 01 April 2017 (deemed cost) [refer note 25 (a)]	2.64
Charge for the year	0.03
Disposal/adjustments	-
Balance as at 31 March 2018	**2.67**
Charge for the year	-
Disposal/adjustments	2.67
Balance as at 31 March 2019	**(0.00)**
Net Block	
Balance as at 01 April 2017	0.18
Balance as at 31 March 2018	0.15
Balance as at 31 March 2019	**0.00**

Note:
Net value of the assets as on 01 April 2017 represents deemed cost as on the date of transition to Ind AS. Gross block and accumulated depreciation have been netted off.

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CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
4	**Investments**			
	Non-current			
	Investment in subsidiary			
	Unquoted			
	(Carried at cost)			
	Subsidiary			
	Subarnarekha Port Private Limited			
	[5,099,600 (31 March 2018 - 5,099,600 and 01 April 2017 - 5,099,600) equity shares of face value ₹ 10 each fully paid up]	509.96	509.96	509.96
		509.96	509.96	509.96
	Other disclosures for non-current investments:			
	Aggregate amount of quoted investments and market value thereof	-	-	-
	Aggregate amount of unquoted investments	509.96	509.96	509.96
	Aggregate amount of impairment in value of investments	-	-	-

Notes:

i) As at the Balance Sheet date, none of the investments in equity instruments have been impaired.

ii) The Company has measured its investment in subsidiary at cost in accordance with Ind AS 27 - Separate Financial Statements.

		As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
5	**Cash and cash equivalents**			
	Cash on hand	0.00	0.12	3.84
	Balances with banks			
	- In current accounts	9.24	0.66	0.53
	- In deposit accounts (bank deposits with original maturity of less than 3 months)	1,915.64	-	-
		1,924.88	0.78	4.37
6	**Loans**			
	Current			
	(Unsecured, considered good)			
	Advances to related party	-	49.36	71.41
		-	49.36	71.41
7	**Other current assets**			
	Balance with Government authorities	2.18	-	-
	Other advances	-	-	0.72
		2.18	-	0.72

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CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
	Number	Amount	Number	Amount	Number	Amount
8 Equity share capital						
Authorized share capital						
Equity shares of ₹ 10 each	250,000	25.00	250,000	25.00	250,000	25.00
Preference shares of ₹ 100 each	2,700,000	2,700.00	100,000	100.00	100,000	100.00
	2,950,000	**2,725.00**	**350,000**	**125.00**	**350,000**	**125.00**
Issued, subscribed and fully paid up						
Equity shares of ₹ 10 each	250,000	25.00	250,000	25.00	250,000	25.00
	250,000	**25.00**	**250,000**	**25.00**	**250,000**	**25.00**

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

	Number	Amount	Number	Amount	Number	Amount
Balance at the beginning of the year	250,000	25.00	250,000	25.00	250,000	25.00
Add : Issued during the year	-	-	-	-	-	-
Balance at the end of the year	**250,000**	**25.00**	**250,000**	**25.00**	**250,000**	**25.00**

(b) No additional shares were allotted as fully paid up by way of bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

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

	As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
Name of the shareholders	**Number**	**Percentage**	**Number**	**Percentage**	**Number**	**Percentage**
Fully paid-up equity shares of ₹ 10 each:						
(a) CI Mega Projects Private Limited	-	-	70,000	28.00%	70,000	28.00%
(b) Goa Ore Transport Private Limited	-	-	90,000	36.00%	90,000	36.00%
(c) Ramani Ramaswamy	61,250	24.50%	45,000	18.00%	45,000	18.00%
(d) R Rangarajan	61,250	24.50%	45,000	18.00%	45,000	18.00%
(e) Tata Steel Limited (Holding Company)	127,500	51.00%	-	0.00%	-	0.00%

(d) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Such holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings, however, no such preferential amounts exists currently. During this financial year the Company has not proposed/declared any dividend. However, if any dividend is proposed by the Board of Directors, it will be subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(e) Transfer of equity shares

During the year, pursuant to the share purchase agreement dated 25 January 2017 entered amongst Creative Port Private Limited, Tata Steel Limited, Subarnarekha Port Private Limited and other parties, Goa Ore Transport Private Limited transferred 57,500 equity shares carrying a face value of ₹ 10 each to CI Mega Projects Private Limited. CI Mega Projects Private Limited transferred 127,500 equity shares carrying a face value of ₹ 10 each to Tata Steel Limited. Goa Ore Transport Private Limited also transferred the remaining 32,500 equity shares to R Rangarajan and Ramani Ramaswamy equally, i.e. 16,250 shares each.

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
9 Other equity			
Other reserves			
Retained earnings			
Opening balance	(73.01)	(69.03)	(67.91)
Add: loss during the year	(32.60)	(3.98)	(1.12)
	(105.61)	**(73.01)**	**(69.03)**

Nature and purpose of reserve

Retained earnings

Retained earnings are the profits that the Company has earned till date. No transfers have been made to the general reserves and no dividends and other distributions has been made to the shareholders.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
10 Non current borrowings			
Preference shares			
Unsecured			
Optionally convertible redeemable preference shares	2,510.83	-	-
	2,510.83	-	-

Notes:

Unsecured, optionally convertible redeemable preference shares of ₹ 100 each

The Company has issued 2,510,830 optionally convertible redeemable preference shares (31 March 2018 - Nil, 01 April 2017 - Nil) carrying 0.01% rate of dividend, which is non-cumulative in nature. The OCRPS shall have a tenure of 4 years from the date of issuance, or such tenure as may be agreed between TSL (Tata Steel Limited), the Promoters, and the Company in writing ("Tenure"), provided that the tenure shall not exceed a period of 20 years from the date of issuance. The OCPRS be convertible (at the option of TSL) into such number of equity shares as may be mutually agreed between the TSL, the Promoters, and the Company ("Conversion Shares"); provided that the price of the conversion shares shall be in line with the Shareholders Agreement (SHA) and Applicable Laws.

Terms of redemption:
In case the Share Purchase Agreement (SPA) is terminated by TSL as per the terms mentioned in the SPA, the OCRPS shall be redeemable at the option of TSL.
The amount payable to TSL upon redemption of the OCRPS, shall be equal to the aggregate of:
(i) the face value of the OCRPS being redeemed;
(ii) redemption premium which will be equivalent to SBI PLR as on that date plus 2% per annum on the face value of the OCRPS (calculated from the date of issuance of the OCRPS to the date of redemption of the OCRPS). The amount payable on redemption shall rank in priority to payment of any other dividend or distribution, of any kind whatsoever on any other Shares of the Company.

If, upon expiry of the tenure the option to redeem or convert any of the OCRPS (as set out in these terms) has not been exercised, the Company shall within 30 days from the expiry of the tenure, redeem all outstanding OCRPS without any further action or deed being required to be done by TSL.

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
11 Current borrowings			
Preference shares			
Unsecured			
Preference shares	-	75.00	75.00
	-	75.00	75.00
Debentures			
Unsecured			
Non-convertible redeemable debentures	-	200.00	200.00
	-	200.00	200.00
	-	275.00	275.00

(a) **Preference shares (terms and conditions)**

Original Terms:
The Company had issued 0% optionally convertible preference shares (31 March 2019: nil 31 March 2018: nil, 1 April 2017: Nil), having face value of INR 100 each. The option to be exercised on or before due date of redemption of preference shares but not earlier than expiry of 18 months from the date of issue.

Modified Terms:
The Company via Board meeting dated 05 August 2010, modified the above original terms as under:
1> Date of redemption to be redeemed at par on 13 June 2015, if not opted for conversion
2> Option for conversion was exercisable between October 2010 to March 2011

The above modified terms were applied to the preference shares, however, the same were not redeemed until 18 September 2018. During the current financial year the Company has via a Board resolution passed on 18 September 2018, approved the redemption of all the preference shares at par value.

The company has issued convertible, cumulative, redeemable, participating preference shares carrying a face value of INR 100 each. The above terms and conditions were modified wide Board Resolution held on 07 November 2007.
Post modification the preference shares were non-convertible, carried nil rate of dividend and was redeemable at par. During the current financial year the Company has via a Board resolution passed on 18 September 2018, approved the redemption of all the preference shares at par value.

(b) **Debentures (terms and conditions)**

Original Terms:
The Company had issued 15% cumulative optionally fully-convertible dentures (31 March 2019: nil 31 March 2018: nil, 1 April 2017: Nil), having face value of INR 100 each. The accrued interest would either be payable on redemption or would be converted into equity shares of the company at par value at the option of the investor on the same terms of conversion as of principal amount mentioned.

The conversion of the same was to happen anytime after three years from the date of allotment of the debentures, i.e., 13 August 2010, till the redemption of the debentures. The conversion price would be at par value which is INR 10 per equity share. The redemption in case of non-exercise of conversion option, the debenture with cumulative interest would be redeemed at the end of three years and six months from the date of allotment of the debenture.

The Company has the right to opt for early redemption by paying the principal and accrued interest at anytime during the three and half year period of the instrument.

Modified Terms:
The company via Board meeting dated 13 August 2010, modified the above original terms as under:
1> Rate of interest was reduced to Nil
2> Date of redemption to be redeemed at par on 13 June 2015, if not opted for conversion
3> Option for conversion was exercisable till 31 August 2010.
The above modified terms were applied to the debentures, however, the same were not redeemed until 18 September 2018. The company via a resolution passed at a meeting of the Board of Directors on 18 September 2018, approved to redeem the debentures carrying a face value of INR 100 each at par with the modified terms.

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
12 Other financial liabilities			
Current			
Advances from related party	-	322.55	325.00
Other payables	6.55	10.71	30.67
	6.55	333.26	355.67
13 Other current liabilities			
Statutory dues	0.25	-	-
	0.25	-	-

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

		Year ended 31 March 2019	Year ended 31 March 2018
14	**Other income**		
	Interest income:		
	- from bank deposits	22.36	-
	-liability no longer required, written back	0.56	-
		22.92	-
15	**Depreciation expenses**		
	Depreciation of property, plant and equipment (refer note 3)	-	0.03
		-	**0.03**
16	**Other expenses**		
	Legal and professional fees	51.28	-
	Printing and stationary	-	0.37
	Property, plant and equipment written off	0.15	-
	Payment to auditors (refer note below)	2.95	0.59
	Miscellaneous expenses	0.78	2.99
		55.16	**3.95**
	Note:		
	Auditor's remuneration		
	Statutory audit	2.95	0.59
		2.95	**0.59**
17	**Earnings per equity share (EPS)**		
	Net loss attributable to equity shareholders	(32.60)	(3.98)
	Face value per share (in ₹)	10	10
	Weighted average number of equity shares outstanding during the year	250,000	250,000
	Earnings per share (in ₹):		
	- Basic earnings per equity share	(13.04)	(1.59)
	- Diluted earnings per equity share	(13.04)	(1.59)

Note:
Effect of convertible preference shares has not been considered in calculating diluted EPS as the Company has incurred a loss and effect of such conversion is anti-dilutive.

18 Contingent liabilities and commitments

The Company does not have any amount of capital contracts pending to be executed and no contingent liabilities as at Balance Sheet date.

19 Segment reporting:

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance in a single segment viz. "construction, operating and maintenance of port services". Accordingly, disclosures relating to business and geographical segments under Ind AS 108 on Segment Reporting are not relevant to the Company.

20 Disclosure in accordance with Ind AS-19 on Employee benefits expense

The Company at present does not have any defined contribution/benefit plan/retirement plan or other such employee benefit plan.

21 Leases

In accordance with Indian Accounting Standard 17 - Leases, the Company does not have any operating or finance lease.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

22 Related party disclosures

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31 March 2019.

(a) List of related parties

i Parties where control exists

Name	Relationship	Country of incorporation	% of holding as on 31 March 2019	31 March 2018	01 April 2017
Subarnarekha Port Private Limited	Subsidiary	India	84.97%	88.68%	88.68%

ii Names of the related parties and description of relationship

Name	Relationship
Tata Steel Limited	Holding Company
CI Mega Projects Private Limited	Enterprises where KMP has significant influence

iii Key management personnel

i) Name	Relationship
Dibyendu Bose	Director (wef 18 September 2018)
Rajiv Mukerji	Director (wef 18 September 2018)
R. Rangarajan	Director
Ramani Ramaswamy	Whole time Director
Dibyendu Dutta	Director (wef 18 September 2018)
Vivek Dhanania	Chief Financial Officer (wef 15 March 2019)
Swati Sheth	Company Secretary (wef 15 march 2019)

(b) Transactions with related parties

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Issue of preference shares		
Tata Steel Limited	2,510.83	-
Reimbursement paid		
Subarnarekha Port Private Limited	1.92	16.49
Reimbursement received		
Subarnarekha Port Private Limited	51.28	26.05
Advances repaid		
CI Mega Projects Private Limited	322.55	2.45
Redemption of preference shares		
CI Mega Projects Private Limited	25.00	-
R Rangarajan	12.50	-
Ramani Ramaswamy	12.50	
Redemption of debentures		
CI Mega Projects Private Limited	200.00	-
Sale of equity shares of subsidiary company		
Tata Steel Limited	0.80	-

(c) Balances of related parties:

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Reimbursement receivable			
Subarnarekha Port Private Limited	-	49.36	58.92
Advances received			
CI Mega Projects Private Limited	-	322.55	325.00
Preference shares			
Tata Steel Limited	2,510.83	-	-
CI Mega Projects Private Limited	-	25.00	25.00
R Rangarajan	-	12.50	12.50
Ramani Ramaswamy	-	12.50	12.50

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

23 Financial instruments

(a) Category wise classification of financial instruments:

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
A. Financial assets:			
i) Carried at cost			
Cash and cash equivalents	1,924.88	0.78	4.37
Loans to related parties	-	49.36	71.41
Investments	509.96	509.96	509.96
Total financial assets	**2,434.84**	**560.10**	**585.74**
B. Financial liabilities			
(i) Measured at amortised cost			
Borrowings	2,510.83	275.00	275.00
Other financial liabilities	6.55	333.26	355.67
Total financial liabilities	**2,517.38**	**608.26**	**630.67**

Notes:

The management assessed that the fair value of cash and cash equivalents, other bank balances, bank deposits, and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

(b) Fair value of assets and liabilities measured at cost/amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents, other bank balances, bank deposits and other financial liabilities approximate their carrying amounts due to the short term maturities of these instruments. For long-term borrowings at fixed/floating rates, management evaluates that their fair value will not be significantly different from the carrying amount.

(c) Fair value hierarchy

The company does not have any assets and liabilities which are measured at fair value as at Balance Sheet date and hence the classification of fair value by category and level of input used, is not applicable.

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CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

24 Financial risk management

Company's business activities are exposed to a variety of financial risks like credit risk, market risks and liquidity risk. Company's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies approved by the Board of Directors. Such risk management strategies and objectives are established to identify and analyse potential risks faced by the Company, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance. Any change in Company's risk management objectives and policies need approval of it's Board of Directors.

(a) Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as other balances with banks, loans and other receivables.

The Company has no exposure to credit risk relating to its cash and cash equivalents. Credit risk for other financial instruments are monitored by the management in accordance with its overall risk management policies.

(b) Market risk:

Market risk is the risk that the fair value of the future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk is the risk that changes in market prices – such as interest rates, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, deposits and other financial instruments.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to change in market interest rates. Company has long term borrowings both at fixed and variable interest rates. Such borrowings are measured at amortised costs. The Company is exposed to interest rate risk arising from the issue of preference shares redeemable at SBI PLR + 2% p.a., while it does not have any interest rate risks arising from other borrowings at fixed interest rates.

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Borrowing			
- Non-current	2,510.83	-	-
	2,510.83	-	-
Borrowing			
- Current	-	-	-
Total borrowings	2,510.83	-	-
% of borrowing at variable interest rate	100.00%	0.00%	0.00%

Sensitivity analysis of interest rate change on borrowing availed at variable interest rate

Particulars	Impact on Profit/ (loss) after Tax Year ended 31 March 2019	31 March 2018
Interest rate (increase by 0.5%)	4.98	-
Interest rate (decrease by 0.5%)	(4.98)	-

(c) Liquidity risk:

The Company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Company has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Company's liquidity risk, the Company's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

Contractual maturity of financial liabilities	Upto 1 year	1 year to 3 year	3 year to 5 year	Total
As at 31 March 2019				
Borrowings	-	-	2,510.83	**2,510.83**
Other financial liabilities	6.55	-	-	**6.55**
As at 31 March 2018				
Borrowings	275.00	-	-	**275.00**
Other financial liabilities	333.26	-	-	**333.26**
As at 1 April 2017				
Borrowings	275.00	-	-	**275.00**
Other financial liabilities	355.67	-	-	**355.67**

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

(d) Capital management

The Company's main objectives when managing capital are to:
- ensure sufficient liquidity is available (either through cash and cash equivalents or investments) to meet the needs of the business;
- ensure compliance with covenants related to its credit facilities;
- minimize finance costs while taking into consideration current and future industry, market and economic risks and conditions.
- safeguard its ability to continue as a going concern; and
- to maintain an efficient mix of debt and equity funding thus achieving an optimal capital structure and cost of capital.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital to sustain future development of the business.
For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment.

The Company manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity.

Following table summarizes the capital structure of the Company.

Particulars		As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Borrowings		2,510.83	275.00	275.00
Less: Cash and bank balances		1,924.88	0.78	4.37
Net borrowings	(A)	**585.95**	**274.22**	**270.63**
Total equity		(80.61)	(48.01)	(44.03)
Total capital (equity + net borrowings)	(B)	**505.34**	**226.21**	**226.60**
Net debt to equity ratio	(A)/(B)	**115.95%**	**121.22%**	**119.43%**

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CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

25 First time adoption of Ind AS

These are the Company's first standalone financial statements prepared in accordance with Indian Accounting Standards (Ind AS).

The accounting policies set out in **Note 2** has been applied consistently in preparing the opening Ind AS Balance Sheet as on 1 April 2017 (the Company's date of transition), the comparative information presented in these standalone financial statements for the year ended 31 March 2018 and in preparing these standalone financial statements for the year ended 31 March 2019. In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in standalone financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standard Rules), 2006 (as amended) and other relevant provisions of the Act (Indian GAAP). An explanation of how the transition from previous Indian GAAP to Ind AS has impacted the Company's financial position, financial performance and cash flows is set out in the foot notes to first time adaption.

Ind AS 101 has set out certain mandatory exceptions and optional exemptions to be applied for transition from the existing Indian GAAP to Ind AS. The Company has adopted the following in preparing its opening Ind AS Balance Sheet.

(a) Optional exemptions

Deemed cost - Ind AS 101 allows the first time adopter to measure its property, plant and equipment at its carrying amount per the erstwhile Indian GAAP as on the date of transition. Accordingly, the Company has opted to measure all its classes of property, plant and equipment at their historical costs as on the transition date, i.e. 1 April 2017.

(b) Mandatory exceptions

i) Derecognition of financial assets and liabilities - Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition. Alternatively such first time adopter can apply such de-recognition provisions retrospectively from a date of Company's choice, if adequate information required to apply Ind AS 109 to financial assets and liabilities de-recognized previous to the date of transition was initially available at the time of such transactions. The Company has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of transition.

ii) Classification and measurement of financial assets - Ind AS 101 provides that classification and measurement of financial assets recognized earlier under the previous Indian GAAP should be based upon facts and circumstances existing as on the transition date. The Company has assessed the same accordingly.

iii) Estimates - An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP.

(c) Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for the prior periods. The following tables represent the reconciliation from previous Indian GAAP to Ind AS.

i) **Effect of Ind AS adoption on total equity:**

Particulars	As at 31 March 2018	As at 1 April 2017
Equity as per previous GAAP	26.99	30.97
Adjustments:		
Reclassification of preference share capital into financial liability (*)	(75.00)	(75.00)
Tax impact of above items	-	-
Total adjustment	(75.00)	(75.00)
Total equity as per Ind AS	(48.01)	(44.03)

(*) Preference shares are non-convertible and carry nil rate of dividend. The same was repayable on demand on the date of transition to Ind AS, i.e., 1 April 2017. Hence, the same has been classified as a financial liability under Ind AS.

ii) **Reconciliation of total comprehensive income for the year ended 31 March 2018:**

Particulars	Year ended 31 March 2018
Loss after tax as per previous GAAP	(3.98)
Adjustments:	
Tax impact on above items	-
Loss after tax as per Ind AS	(3.98)
Other comprehensive income:	
(a) Items that will be reclassified subsequently to profit or loss	-
(b) Items that will not be reclassified subsequently to profit or loss	-
Deferred tax adjustments	-
Other comprehensive income	-
Total comprehensive loss as per Ind AS	(3.98)

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Anamitra Das
Partner
Membership No. 062191

Place: Gurgaon
Date: 16 May 2019

For and on behalf of the **Board of Directors of Creative Port Development Private Limited**

Dibyendu Bose
Chairman

Ramani Ramaswamy
Executive Director
DIN: 01070365

Vivek Dhanania
Deputy Chief Financial Officer

Swati Sheth

Swati Sheth
Company Secretary

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED ★

Place: Kolkata
Date: 16 May 2019

Walker Chandiok & Co LLP

Consolidated Financial Statements and Auditors' Report

Creative Port Development Private Limited

31 March 2019

Independent Auditor's Report

To the Members of Creative Port Development Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Creative Port Development Private Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group') which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2019, and its consolidated loss (consolidated financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Information other than the Consolidated Financial Statements and Auditor's Report thereon

4. The Holding Company's Board of Directors is responsible for the other information. Other information does not include the consolidated financial statements and our auditor's report thereon.

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

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

5. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The respective Board of Directors of the subsidiary company included in the Group is responsible for 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

7. Those Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

   - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Holding Company's management.

- Conclude on the appropriateness of Holding company's 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. 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.

11. 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 Matter

12. The Consolidated financial statements of the Group for the year ended 31 March 2018 were audited by the predecessor auditor, M. Ilanguraman & Co., who have expressed an unmodified opinion on those financial statements vide their audit report dated 10 June 2018.

13. The comparative financial information for the year ended 31 March 2018 and the transition date opening balance sheet as at 1 April 2017 prepared in accordance with Ind AS included in these consolidated financial statements, are based on the previously issued statutory financial statements for the year ended 31 March 2018 and 31 March 2017 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) which were audited by the predecessor auditor whose reports dated 10 June 2018 and 04 September 2017 respectively expressed unmodified opinion on those consolidated financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

14. As required by section 197(16) of the Act, we report that the Holding Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

15. Further to our comments in Annexure A, as required by section 143(3) of the Act, we report that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

c) the consolidated financial statements dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

d) in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act;

e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and our audit on separate financial statements of the subsidiary company, none of the directors of the Group are disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;

f) with respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';

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

   i. the Group does not have any pending litigation which would impact its financial position as at 31 March 2019.;

   ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019.;

   iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended 31 March 2019;

   iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anamitra Das
Partner
Membership No.: 062191

Place: Gurgaon
Date: 16 May 2019

Annexure A to the Independent Auditor's Report of even date to the members of Creative Port Development Private Limited on the consolidated financial statements for the year ended 31 March 2019

Annexure A

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

1. In conjunction with our audit of the consolidated financial statements of Creative Port Development Private Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Holding Company and its subsidiary company which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary company, which are companies covered under the Act, 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 (the "Guidance Note") 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 the company's business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company and its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company and its subsidiary company as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiary company, which are companies covered under the Act, have in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Anamitra Das
Partner
Membership No.: 062191

Place: Gurgaon
Date: 16 May 2019

Creative Port Development Private Limited
Consolidated Balance Sheet as at 31 March 2019
(All amounts in ₹ lacs, unless otherwise stated)

	Notes	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Assets				
Non-current assets				
Property, plant and equipment	3 (a)	4.03	2.31	2.65
Capital work in progress	3 (b)	4,972.35	2,968.18	2,773.31
Deferred Tax Assets	13	6.46	-	-
Non current tax asset	20(c)	1.51	0.90	0.99
Other non-current assets	4	40.69	113.02	-
Total non-current assets		**5,025.04**	**3,084.41**	**2,776.95**
Current assets				
Financial assets				
(i) Cash and cash equivalents	6 (a)	2,967.32	32.95	505.06
(ii) Other bank balances	6 (b)	72.10	71.77	72.40
(iii) Loans	5	1.90	7.05	1.90
Other current assets	7	2.18	-	2.63
Total current assets		**3,043.50**	**111.77**	**581.99**
Total assets		**8,068.54**	**3,196.18**	**3,358.94**
Equity and liabilities				
Equity				
Equity share capital	8	25.00	25.00	25.00
Other equity	9	2,848.30	2,165.86	2,166.39
Equity attributable to shareholders of the Company		**2,873.30**	**2,190.86**	**2,191.39**
Non-controlling Interest	10	612.80	350.75	350.31
Total equity		**3,486.10**	**2,541.61**	**2,541.70**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	11(a)	2,510.83	-	-
Deferred tax liabilities	13	-	7.10	5.63
Provisions	12	10.84	10.84	10.84
Total non-current liabilities		**2,521.67**	**17.94**	**16.47**
Current liabilities				
Financial liabilities				
(i) Borrowings	11(b)	2,001.81	275.00	275.00
(ii) Other financial liabilities	14	52.27	361.50	525.64
Current tax liabilities	20(c)	-	0.13	0.13
Other current liabilities	15	6.69	-	-
Total current liabilities		**2,060.77**	**636.63**	**800.77**
Total liabilities		**4,582.44**	**654.57**	**817.24**
Total equity and liabilities		**8,068.54**	**3,196.18**	**3,358.94**

The accompanying notes 1 to 30 form an integral part of these consolidated financial statements.

This is the consolidated Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Anamitra Das
Partner
Membership No. 062191

Place: Gurgaon
Date: 16 May 2019

For and on behalf of the **Board of Directors of Creative Port Development Private Limited**

Dibyendu Bose
Chairman

Ramani Ramaswamy
Executive Director
DIN: 01070365

Vivek Dhanania
Deputy Chief Financial Officer

Swati Sheth
Company Secretary

Place: Kolkata
Date: 16 May 2019

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

Creative Port Development Private Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2019
(All amounts in ₹ lacs, unless otherwise stated)

	Notes	Year ended 31 March 2019	Year ended 31 March 2018
Income			
Other income	16	30.73	9.41
Total income		**30.73**	**9.41**
Expenses			
Finance costs	17	21.73	0.66
Depreciation expenses	18	0.30	0.19
Other expenses	19	63.78	7.19
Total expenses		**85.81**	**8.04**
Profit/ (loss) before tax		**(55.08)**	**1.37**
Tax expenses	20		
Current tax		-	-
Deferred tax		-	1.47
Tax pertaining to prior years		(13.20)	-
		(13.20)	**1.47**
Loss after tax		**(41.88)**	**(0.10)**
Other comprehensive income:			
(a) Items that will not be reclassified subsequently to profit or loss:		-	-
(b) Items that will be reclassified to profit or loss		-	-
Total other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		**(41.88)**	**(0.10)**
Profit/(loss) for the year attributable to:			
Shareholders of the Company		(40.09)	(0.53)
Non controlling interests		(1.79)	0.43
		(41.88)	(0.10)
Earnings per equity share			
Basic and diluted earnings per share (₹)	21	(16.75)	(0.04)

The accompanying notes 1 to 30 form an integral part of these consolidated financial statements.

This is the consolidated Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Anamitra Das
Partner
Membership No. 062191

Place: Gurgaon
Date: 16 May 2019

For and on behalf of the **Board of Directors of Creative Port Development Private Limited**

Dibyendu Bose
Chairman

Ramani Ramaswamy
Executive Director
DIN: 01070365

Vivek Dhanania
Deputy Chief Financial Officer

Swati Sheth
Company Secretary

Place: Kolkata
Date: 16 May 2019

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

Creative Port Development Private Limited
Consolidated Statement of Cash Flows for the year ended 31 March 2019
(All amounts in ₹ lacs, unless otherwise stated)

			Year ended 31 March 2019	Year ended 31 March 2018
A.	**Cash flow from operating activities:**			
	Profit/ (loss) before tax		**(55.08)**	**1.37**
	Adjustment for:			
	Depreciation expenses		0.76	0.57
	Interest income		(27.92)	(9.01)
	Interest and other finance costs		21.73	0.66
	Property, plant and equiptment written off		0.14	0.50
	Liability no longer required written back		2.81	-
			(57.56)	(5.91)
	Operating profit before working capital changes:			
	Adjustment for:			
	Increase /(decrease) in loans and other current assets		(2.18)	2.63
	Increase /(decrease) in other financial assets		5.15	(5.15)
	Increase /(decrease) in other non-financial assets		-	-
	Decrease in other financial liabilities		(333.84)	(2.41)
	Increase in other non-financial liabilities		6.69	-
	Cash used in operating activities		**(381.74)**	**(10.84)**
	Income taxes paid (net of refund)		(1.10)	(0.35)
	Net cash used in operating activities	**(A)**	**(382.84)**	**(11.19)**
B.	**Cash flow from investing activities**			
	Purchase of property, plant and equipments		(2.63)	(0.28)
	Construction of property plant and equipment (capital work in progress)		(1,910.03)	(469.62)
	Interest income		27.60	9.64
	Net cash generated used in investing activities	**(B)**	**(1,885.06)**	**(460.26)**
C.	**Cash flow from financing activities**			
	Proceeds from issue of shares by subsidiary company		986.36	-
	Repayment of short-term borrowings		(1,275.00)	-
	Other interest and finance cost		(21.73)	(0.66)
	Proceeds from issue of preference shares		2,510.83	
	Proceeds from short-term borrowings		3,001.81	-
	Net cash generated from/ (uesd in) financing activities	**(C)**	**5,202.27**	**(0.66)**
	Net increase /(decrease) in cash and cash equivalents	**(A+B+C)**	**2,934.37**	**(472.11)**
	Cash and cash equivalents as at the beginning of the year		**32.95**	**505.06**
	Cash and cash equivalents as at the end of the year		**2,967.32**	**32.95**

Notes:

i) The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flows".

ii) Reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financial activities are as under:

Particulars	Balance as on 31 March 2019	Balance as on 31 March 2018
Borrowings:		
- Opening balance	275.00	275.00
- Received during the year	5,512.64	-
- Repayment made during the year	1,275.00	-
Total liabilities from financing activities	**4,512.64**	**275.00**

	As at 31 March 2019	As at 31 March 2018
iii) Cash and cash equivalents comprises of:		
Cash on hand	0.07	0.39
Balances with banks		
- In current accounts	51.61	32.56
Deposits having original maturity less than 3 months	2,915.64	-
	2,967.32	**32.95**

This is the consolidated Statement of cash flows referred to in our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Anamitra Das
Partner
Membership No. 062191

Place: Gurgaon
Date: 16 May 2019

For and on behalf of the **Board of Directors of Creative Port Development Private Limited**

Dibyendu Bose
Chairman

Ramani Ramaswamy
Executive Director
DIN: 01070365

Vivek Dhanania
Deputy Chief Financial Officer

Swati Sheth
Company Secretary

Place: Kolkata
Date: 16 May 2019

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

Creative Port Development Private Limited
Consolidated Statement of Changes in Equity for the year ended 31 March 2019
(All amounts in ₹ lacs, unless otherwise stated)

(A) Equity

Particulars	As at 31 March 2019	As at 31 March 2018	As at 01 April 2017
Balance at the beginning of the year	25.00	25.00	25.00
Changes in Equity Share capital during the year	-	-	-
Balance at the end of the year	**25.00**	**25.00**	**25.00**

(B) Other equity

	Reserves and surplus		
	Securities premium account	Retained earnings	Total
As at 01 April 2017	2,248.11	(81.72)	**2,166.39**
Loss for the year	-	(0.53)	(0.53)
Items of other comprehensive income, net of tax:	-	-	-
As at 31 March 2018	**2,248.11**	**(82.25)**	**2,165.86**
Loss for the year	-	(40.09)	(40.09)
Adjustment for change in ownership interests	-	722.53	722.53
Items of Other comprehensive income, net of tax:	-	-	-
As at 31 March 2019	**2,248.11**	**600.19**	**2,848.30**

This is the consolidated Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Anamitra Das
Partner
Membership No. 062191

Place: Gurgaon
Date: 16 May 2019

For and on behalf of the **Board of Directors of Creative Port Development Private Limited**

Dibyendu Bose
Chairman

Ramani Ramaswamy
Executive Director
DIN: 01070365

Vivek Dhanania
Deputy Chief Financial Officer

Swati Sheth

Swati Sheth
Company Secretary

Place: Kolkata
Date: 16 May 2019

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

Creative Port Development Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts in ₹ lacs, unless otherwise stated)

1 Background

The consolidated financial statements comprise the financial statements of Creative Port Development Private Limited (the Parent Company) and its subsidiary (collectively 'the Group) for the year ended 31 March 2019.

The Parent Company is a Private Company limited by shares, incorporated and domiciled in India with its registered office in Mumbai, Maharashtra, India.
The subsidiary company is as follows:

Name of the subsidiary	Country of incorporation	% holding as on 31 March 2019
Subarnarekha Port Private Limited	India	84.97%

The Subsidiary is a special purpose vehicle (SPV) incorporated to adhere to the terms of agreement entered by the Parent Company with the Odisha Government to develop an all weather multi-user port. The Parent Company has signed a Concession Agreement with the Government of Odisha for developing and operating an all weather multi-user port at Subarnarekha mouth in Odisha. The Concession is for a period of 34 years including 4 years of development and construction, with an option to renew or extend by the Government for two additional periods of 10 years each on such terms as may be agreed upon between the parties.

On 18th September, 2018, Tata Steel Limited, a public limited Company incorporated in India with its registered office in Mumbai, Maharashtra, India and listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE), acquired majority stake in the Parent Company, thus making the subsidiary a deemed Public limited Company.

These consolidated financial statements are approved by the Parent Company's Board of Directors on **16 May 2019**.

Basis of preparation

(a) General information and statement of compliance with Indian Accounting Standards
These financial statements are the consolidated financial statements of the Group prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as the "Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

Consolidated financial statements up to the year ended 31 March 2018 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act ('Previous GAAP'). These financial statements are the first consolidated financial statements of the Group under Ind AS. Note 29 provides for an explanation of how the transition from previous GAAP to Ind AS has impacted the group's financial position, financial performance and cash flows. The Group has uniformly applied the accounting policies during the periods presented.

(i) Principles of consolidation
The consolidated financial statements comprise the financial statements of the Group and its subsidiary. Control is achieved when the Group has:

- power over the investee;
- is exposed or has rights to variable returns from its involvement with the investee, and
- has the ability to use its power over the investee to affect its return

The Parent Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Parent Company gains control until the date the Parent Company ceases to control the subsidiary.

The consolidated financial statements have been prepared on accrual and going concern basis. They are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

(ii) Consolidation procedure
These consolidated financial statements for the year ended 31 March 2019 are the first financial statements of the Group prepared under Ind AS. For all periods up to and including the year ended 31 March 2018, the Group prepared its consolidated financial statements in accordance with the Previous GAAP used for its statutory reporting requirement in India immediately before adopting Ind AS. The consolidated financial statements for the year ended 31 March 2018 and the opening consolidated Balance Sheet as at 1 April 2017 have been restated in accordance with Ind AS for comparative information.

The accounting policies are applied consistently to all the periods presented in the consolidated financial statements, including the preparation of the opening Ind AS consolidated Balance Sheet as at 1 April 2017 being the 'date of transition to Ind AS'. All assets and liabilities have been classified as current or non current as per the Group's normal operating cycle. Based on the nature of services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.
The consolidated financial statements of the Group have been prepared based on a line-by-line consolidation by adding together the book value of like items of assets and liabilities, revenue and expenses as per the respective financial statements. Intra Group balances and intra Group transactions have been eliminated.

Non-controlling interests in the net assets of the consolidating subsidiary is identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the no controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance.

Historical cost convention
The consolidated financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities that are measured at fair value.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

Accounting estimates and judgements

Preparation of financial statements requires the use of judgements, estimates and assumptions in the application of accounting policies that affects the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation of such estimates and judgments are done based on historical experience and other factors, including future expectations that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Details of critical estimates and judgments used which have a significant effect on the carrying amounts of assets and liabilities, are provided in the following notes:

Income tax:

The Group's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Refer note 20.

Impairment of assets:
Refer note 2 (e) for details.

Classification of leases:
Refer note 2 (j) for details.

Estimation of provisions and contingencies:
Refer note 2 (k) for details.

Recognition of deferred tax assets:
Refer note 2 (l) for details.

Current versus non-current classification
The Group presents all its assets and liabilities in the consolidated Balance Sheet based on current or non-current classification. Assets and liabilities are classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

(b) Recent accounting pronouncements
Ministry of Corporate Affairs vide notification dated 28 March 2018, has issued the Companies (Indian Accounting Standards) Amendments Rules, 2018. These amended rules are effective from 1 April 2018.

Ind AS 115, Revenue from contracts with customers
With the notification of Ind AS 115, Ind AS 18 - Revenue has been withdrawn from the financial year beginning 1 April 2018 onwards and consequential amendments have also been made in other standards.

Ind AS 115 promotes to create a single model for revenue recognition for contracts. It applies to most revenue arrangements. Among other things, it changes the criteria for determining whether revenue is recognised at a point in time or over time. It provides a new contract-based five-step revenue model for revenue recognition and measurement. Ind AS 115 provides more detailed guidance on specific topics where existing revenue standard Ind AS 18 are lacking such as multiple element arrangements, variable consideration, sale with a right to return, licensing arrangements etc. The Group is in pre-operating stage and there are no revenue from operations, hence revenue recognition requirements of Ind AS 115 have not been applied.

Ind AS 116, Leases
The Ministry of Corporate Affairs has notified Ind AS 116 with effect from 1 April 2019. The standard requires a simplified approach to lease accounting in the books of the lessee. Classification of leases into finance and operating lease has been done away with in the books of lessee. The standard requires recognition of lease assets and lease liabilities for all arrangements which satisfy the definition of lease as per the standard.
The subsidiary company has acquired a land on lease from the Government of Odisha, on which periodic lease rentals are paid by the company. Based on Ind AS 17, the same has been classified as an operating lease. The company is currently evaluating the requirements of the amendment and its impact on the financial statements.

2 Significant accounting policies

(a) Revenue recognition

Interest income:
Interest income from financial assets is recorded on accrual basis using the effective interest rate (EIR) method.

(b) Property, plant and equipment

Recognition and initial measurement:
Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are added in the asset's carrying amount/recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of such item can be measured reliably. All other repairs and maintenance expenses are charged to the consolidated Statement of Profit and Loss in the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the consolidated Statement of Profit and Loss.

Subsequent measurement (depreciation and useful lives):
Depreciation is provided on a pro-rata basis on the written down value (WDV) method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013. Residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each balance sheet date and any change in them is adjusted prospectively.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

2 Significant accounting policies (cont'd)

De-recognition:

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the consolidated Statement of Profit and Loss, when the asset is de-recognised.

First-time adoption of Ind AS:

Upon first-time adoption of Ind AS, the Group has elected to measure all its property, plant and equipment recognised as at 1 April 2017, as per the previous GAAP, and used the carrying amount as its deemed cost on the date of transition to Ind AS.

(c) Depreciation and amortisation of property, plant and equipment

Depreciation is provided on a pro-rata basis on the written down value (WDV) method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013. Residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each balance sheet date and any change in them is adjusted prospectively.

(d) Capital work in progress

Recognition and initial measurement:

Capital assets under construction are classified as capital work in progress and carried at cost . The cost comprises all directly attributable costs, including borrowing cost if capitalization criteria are met, provided, future economic benefits are expected to be received from its use.

The Group has entered into a contract with the Government of Odisha for construction, operation and maintenance of an all-weather multipurpose port, under the 'Build, Own, Operate, share & Transfer' model (BOOST). The construction period as per contract is 4 years, and thereafter, the group shall have exclusive operating and maintenance rights for 30 years (which is further extendable for a period of 20 years by mutual agreement). Till such time the construction of the port is complete, all directly attributable costs associated with construction of the port has been capitalized and shown as 'Capital Work in Progress'. Post completion of such construction, the Group would recognise 'Property, Plant and Equipments' in its books and the same would be depreciated over the remaining life of the concession arrangement in a manner which best represents the pattern of consumption of economic benefits arising from use of the asset.

(e) Impairment

At each balance sheet date, the Group reviews the carrying values of its property, plant and equipment (including capital work in progress) to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

2 Significant accounting policies (cont'd)

(f) Financial instruments

Classification:

The Group classifies its financial assets in the following measurement categories depending on the Group's business model for managing such financial assets and the contractual cash flow terms of the asset.

i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

ii) those subsequently measured at amortised cost.

For assets measured at fair value, gains or losses are either recorded in the consolidated Statement of Profit and Loss or Other Comprehensive Income. Investments in debt instruments are classified depending on the business model managing such investments. The Group re-classifies the debt investments when and only when there is a change in business model managing those assets.

Measurement:

At initial recognition, the Group measures a financial asset (other than those carried at fair value through profit or loss) at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the consolidated Statement of Profit and Loss as and when they are incurred.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model managing such debt instruments and the contractual cash flow characteristics of the instrument. There are three measurement categories into which the debt instruments are classified:

i) amortised cost: Business model managing such asset has the objective to realise the contractual cash flows arising from the asset by holding such asset and the contractual cash flows represent solely payments of principal and interest on the outstanding amount of principal, measured at amortised cost. A gain or loss on a financial asset subsequently measured at amortised cost is recognised in the consolidated Statement of Profit or Loss when the asset is de-recognised or impaired.

ii) Fair value through other comprehensive income (FVOCI): Business model managing such asset has the objective to collect the contractual cash flows arising from such asset and to sale the asset, where such contractual cash flows represent solely payments of principal and interest on the outstanding amount of principal, measured at fair value through other comprehensive income (FVOCI). Changes in fair value of such instruments are recognised through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in the consolidated Statement of Profit and Loss. When the financial asset is de-recognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to consolidated Statement of Profit and Loss and recognised in other income.

iii) Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in consolidated Statement of Profit and Loss in the period in which it arises.

De-recognition:

A financial asset is de-recognised when:

i) Contractual right to receive cash flows from such financial asset expires;

ii) Group transfers the contractual right to receive cash flows from the financial asset; or

iii) Group retains the right to receive the contractual cash flows from the financial asset, but assumes a contractual obligation to pay such cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards associated with the ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Group has neither transferred nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group does not retain control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in such financial asset.

(g) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

Borrowings are derecognised from the consolidated Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Consolidated Statement of Profit and Loss as other gains or losses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED ★

2 Significant accounting policies (cont'd)

(h) Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying asset are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get itself ready for the intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

(i) Cash and cash equivalents

Cash and cash equivalents comprise of cash-on-hand and demand deposits with banks. The Group considers it's highly liquid, short-term investments (having maturity less than three months) which can be readily converted to fixed/determinable amount of money and subject to insignificant risks arising from changes in their fair values, as cash equivalents. Accordingly time deposits with banks along with interest accrued thereon, having original maturity less than three months, is considered as cash equivalent.

(j) Leases

A lease is classified at the inception date as a finance lease or an operating lease. A lease which transfers substantially all risks and rewards incidental to the ownership of the leased asset is classified as a finance lease. All other lease arrangements are classified as operating leases.

The determination of whether an arrangement contains a deemed lease is based on the substance of the arrangement at the inception of the lease. The arrangement contains a deemed lease if fulfilment of the arrangement depends on the use of a specific asset or assets and the arrangement conveys to the transferee a right to use the specific asset(s), even if such right is not explicitly specified in the arrangement.

Payments made under operating leases are charged to Consolidated Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation. Currently during the construction phase of the port, the Group is capitalizing all the lease rentals under capital work in progress.

(k) Provisions, contingent liabilities and contingent assets

Provisions:
Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of such obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the balance sheet date. If the effect of time value of money is material i.e., the obligation is to be settled after a period of 12 months from the end of the reporting date, such provisions are discounted to reflect its present value using a pre-tax discounting rate that reflects the current market assessments of time value of money and risks specific to the obligation. When discounting is used, increase in the provision amount due to the passage of time is recognised as finance cost.

Contingent liabilities:
Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent assets:
Contingent assets are not recognised in the financial statement. However when there is a virtual certainty that an inflow of resources embodying economic benefits will arise from the contingent asset, such asset and the related income is recognised in the period in which the changes occurred.

(l) Income tax

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rates with adjustments for changes in deferred tax assets or liabilities attributable to temporary differences and unused tax losses or credits.

Current tax is calculated based on tax laws enacted or substantively enacted at the end of the reporting period.

Deferred tax is recognised on temporary differences arising from the tax bases of assets and liabilities and their respective carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that does not result from a business combination and at the time of such transaction, affects neither the accounting profit or loss nor taxable profit (tax loss) for the period. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that the future taxable amounts will be available against which those temporary differences/losses can be utilised. Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the consolidated Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Current tax assets and tax liabilities are offsetted where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

2 Significant accounting policies (cont'd)

(m) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group. 'Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. As per requirements of Ind AS 108, 'Segment Reporting', no disclosures are required to be made since the Group's activities consists of a single business segment of construction, operating and maintenance of port services.

(n) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(o) Earnings per equity share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events that have changed the number of outstanding equity shares, without a corresponding change in the resources.

For the purpose of calculating diluted earnings per equity share, net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares, except when the result of such an adjustment would be anti-dilutive.

(p) Earnings per equity share

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

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CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

3 (a) Property, plant and equipment

	Computer	Furniture and fixtures	Vehicles	Office equipments	Total
Gross block					
Balance as at 01 April 2017 (deemed cost) (refer note below)	0.25	8.89	4.10	0.80	14.04
Additions	-	0.11	-	0.17	0.28
Disposal/adjustments	(0.25)	(1.30)	(3.83)	(0.64)	(6.02)
Balance as at 31 March 2018	-	7.70	0.27	0.33	8.30
Additions	1.24	-	-	1.39	2.63
Disposal/ adjustments	-	(2.82)	-	-	(2.82)
Balance as at 31 March 2019	1.24	4.88	0.27	1.72	8.11
Accumulated depreciation (Deemed cost) (refer note below)					
Balance as at 01 April 2017	0.24	6.47	4.00	0.68	11.39
Charge for the year	-	0.13	0.03	0.03	0.19
Disposal/adjustments	(0.24)	(1.30)	(3.82)	(0.61)	(5.97)
Other adjustments*	-	0.35	-	0.03	0.38
Balance as at 31 March 2018	-	5.65	0.21	0.13	5.99
Charge for the year	0.05	0.11	0.03	0.11	0.30
Disposal/adjustments	-	(2.67)	-	-	(2.67)
Other adjustments (*)	0.10	0.35	-	0.01	0.46
Balance as at 31 March 2019	0.15	3.44	0.24	0.25	4.08
Net Block					
Balance as at 01 April 2017	0.01	2.42	0.10	0.12	2.65
Balance as at 31 March 2018	-	2.05	0.06	0.20	2.31
Balance as at 31 March 2019	1.09	1.44	0.03	1.47	4.03

Note:

Net value of the assets as on 01 April 2017 represents deemed cost as on the date of transition to Ind AS. Gross block and accumulated depreciation have been netted off.

(*) Other adjustments represents amount transferred to capital work in progress.

3 (b) Capital work in progress

	Amount
Balance as at 01 April 2017	2,773.31
Additions during the year	194.87
Capitalised during the year	-
Balance as at 31 March 2018	2,968.18
Additions during the year	2,004.17
Capitalised during the year	-
Balance as at 31 March 2019	4,972.35

Note:

Capital work in progress represents the cost incurred till date, which are directly attributable to construction of the port. The expenditure incidental to the setting up of the project is included in capital work in progress the same will be capitalised on completion of the project and commencement of operations. The following expenses has been capitalised till date:

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Opening balance	2,968.18	2,773.31	2,711.82
Expenses during the year:			
Salary and wages	68.72	58.45	16.32
Director's remuneration	80.00	-	-
Legal and professional fees	18.46	3.44	4.27
Professional fees	34.49	18.50	3.54
Project development expense	1,497.16	40.45	15.74
Rent - Land lease	218.19	-	-
Travel & tours	25.48	27.59	1.85
Others	61.67	46.44	19.77
Amount included in capital work in progress	4,972.35	2,968.18	2,773.31

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

Creative Port Development Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts in ₹ lacs, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
4	**Other non-current assets**			
	Unsecured, considered good			
	Capital advances	40.69	113.02	-
		40.69	113.02	-
5	**Loans**			
	Current			
	(Unsecured, considered good)			
	Loans to related parties	-	5.15	-
	Security deposits	1.90	1.90	1.90
		1.90	7.05	1.90
6	**Cash and bank balances**			
(a)	**Cash and cash equivalents**			
	Cash on hand	0.07	0.39	17.00
	Balances with banks			
	- In current accounts	51.61	32.56	488.06
	- Deposits having original maturity less than three months	2,915.64	-	-
		2,967.32	32.95	505.06
(b)	**Other bank balances**			
	Bank deposits having original maturity more than 3 months, but less than 12 months (*)	72.10	71.77	72.40
		72.10	71.77	72.40

(*) The above bank deposits is under lien with various Government Authorities.

7	**Other current assets**			
	Prepaid expenses	-	-	1.57
	Advances to employees	-	-	0.30
	Other advances	-	-	0.72
	Balance with Government authority	2.18	-	0.04
		2.18	-	2.63

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CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

Creative Port Development Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
	Number	Amount	Number	Amount	Number	Amount
8 Equity share capital						
Authorized share capital						
Equity shares of ₹ 10 each	250,000	25.00	250,000	25.00	250,000	25.00
Preference shares of ₹ 100 each	2,700,000	2,700.00	100,000	100.00	100,000	100.00
	2,950,000	2,725.00	350,000	125.00	350,000	125.00
Issued, subscribed and fully paid up						
Equity shares of ₹ 10 each	250,000	25.00	250,000	25.00	250,000	25.00
	250,000	25.00	250,000	25.00	250,000	25.00

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

	Number	Amount	Number	Amount	Number	Amount
Balance at the beginning of the year	250,000	25.00	250,000	25.00	250,000	25.00
Add : Issued during the year	-	-	-	-	-	-
Balance at the end of the year	250,000	25.00	250,000	25.00	250,000	25.00

(b) No additional shares were allotted as fully paid up by way of bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the Company during the last five years.

(c) Details of shareholders holding more than 5% of the shares in the Group:

	As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
Name of the shareholders	Number	Percentage	Number	Percentage	Number	Percentage
Fully paid-up equity shares of ₹ 10 each:						
(a)CI Mega Projects Private Limited	-	-	70,000	28.00%	70,000	28.00%
(b)Goa Ore Transport Private Limited	-	-	90,000	36.00%	90,000	36.00%
(c)Ramani Ramaswamy	61,250	24.50%	45,000	18.00%	45,000	18.00%
(d)R Rangarajan	61,250	24.50%	45,000	18.00%	45,000	18.00%
(e)Tata Steel Limited	127,500	51.00%	-	0.00%	-	0.00%

(d) Terms/ rights attached to equity shares

The Parent Company has only one class of equity shares having a par value of ₹ 10 per share. Such holder of equity share is entitled to one vote per share. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Parent Company after distribution of all preferential amounts, in proportion to their shareholdings, however, no such preferential amounts exists currently. During this financial year the Parent Company has not proposed/declared any dividend. However, if any dividend is proposed by the Board of Directors, it will be subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(e) Change in shareholding structure

During the year, pursuant to the share purchase agreement dated 25 January 2017 entered amongst Creative Port Private Limited, Tata Steel Limited, Subarnarekha Port Private Limited and other parties, Goa Ore Transport Private Limited transferred 57,500 equity shares carrying a face value of ₹ 10 each to CI Mega Projects Private Limited. CI Mega Projects Private Limited transferred 127,500 equity shares carrying a face value of ₹ 10 each to Tata Steel Limited. Goa Ore Transport Private Limited also transferred the remaining 32,500 equity shares to R Rangarajan and Ramani Ramaswamy equally, i.e. 16,250 shares each.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

Creative Port Development Private Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts in ₹ lacs, unless otherwise stated)

		As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
9	**Other equity**			
(a)	**Other reserves**			
	Securities premium account	2,248.11	2,248.11	2,248.11
	Retained earnings	600.19	(82.25)	(81.72)
(b)	Other comprehensive income	-	-	-
		2,848.30	**2,165.86**	**2,166.39**

Nature and purpose of reserves:

Securities premium
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.

Retained earnings
Retained earnings are the profits that the Company has earned till date. No transfers have been made to the general reserves and no dividends and other distributions has been made to the shareholders.

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Balance at the beginning of the year	(82.25)	(81.72)
Add: Loss for the year	(40.09)	(0.53)
Add: Adjustment for change in ownership interests	722.53	-
Balance at the end of the year	**600.19**	**(82.25)**

10 Non controlling interests

Non Controlling Interests represents proportionate shares held by minority share holders in the net assets of subsidiary which are not wholly owned by the company. The balance of non-controlling interest as at year end is as below-

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Share of share capital	90.22	65.07	65.07
Share of other equity:			
Securities premium	525.54	286.86	286.86
Retained earnings	(2.96)	(1.18)	(1.62)
Non-controlling interest:	**612.80**	**350.75**	**350.31**

Name of subsidiary	Country of incorporation and operation	% of non-controlling interests as at 31 March 2019	% of non-controlling interests as at 31 March 2018	Profit/ (loss) attributable to non-controlling interests for the year ended 31 March 2019	Non-controlling interests as at 31 March 2019
Subarnarekha Port Private Limited	India	15.03%	11.32%	(1.78)	612.80

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
11 Borrowings			
(a) Non-current			
Preference shares			
Unsecured			
Optionally convertible redeemable preference shares	2,510.83	-	-
	2,510.83	-	-

Notes:

Unsecured, optionally convertible redeemable preference shares of ₹ 100 each

The Company has issued 2,510,830 optionally convertible redeemable preference shares (31 March 2018 - Nil, 01 April 2017 - Nil) carrying 0.01% rate of dividend, which is non-cumulative in nature. The OCRPS shall have a tenure of 4 years from the date of issuance, or such tenure as may be agreed between TSL (Tata Steel Limited), the Promoters, and the Company in writing ("Tenure"), provided that the tenure shall not exceed a period of 20 years from the date of issuance. The OCPRS be convertible (at the option of TSL) into such number of equity shares as may be mutually agreed between the TSL, the Promoters, and the Company ("Conversion Shares"); provided that the price of the conversion shares shall be in line with the Shareholders Agreement (SHA) and Applicable Laws.

Terms of redemption:
In case the Share Purchase Agreement (SPA) is terminated by TSL as per the terms mentioned in the SPA, the OCRPS shall be redeemable at the option of TSL.
The amount payable to TSL upon redemption of the OCRPS, shall be equal to the aggregate of:
(i) the face value of the OCRPS being redeemed;
(ii) redemption premium which will be equivalent to SBI PLR as on that date plus 2% per annum on the face value of the OCRPS (calculated from the date of issuance of the OCRPS to the date of redemption of the OCRPS). The amount payable on redemption shall rank in priority to payment of any other dividend or distribution, of any kind whatsoever on any other Shares of the Company.
If, upon expiry of the tenure the option to redeem or convert any of the OCRPS (as set out in these terms) has not been exercised, the Company shall within 30 days from the expiry of the tenure, redeem all outstanding OCRPS without any further action or deed being required to be done by TSL.

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
(b) Current			
(i) **Term Loans**			
Unsecured			
Inter corporate deposits	2,001.81	-	-
(ii) **Preference shares**			
Unsecured			
Preference shares	-	75.00	75.00
(iii) **Debentures**			
Unsecured			
Non-convertible redeemable debentures	-	200.00	200.00
	2,001.81	275.00	275.00

Other disclosures:

Inter-corporate Deposits

i) The company has obtained an inter corporate deposit from Tata Steel Limited amounting to ₹ 2,000 lacs (31 March 2018: Nil; 1 April 2017: Nil). The deposit carries fixed interest at the rate of 10.51% per annum and is repayable by March 2020.

Preference shares (terms and conditions)

ii) ***Original Terms:***
The Company had issued 0% optionally convertible preference shares (31 March 2019: nil 31 March 2018: nil, 1 April 2017: Nil), having face value of INR 100 each. The option to be exercised on or before due date of redemption of preference shares but not earlier than expiry of 18 months from the date of issue.

Modified Terms:
The company via Board meeting dated 05 August 2010, modified the above original terms as under:
1> Date of redemption to be redeemed at par on 13 June 2015, if not opted for conversion
2> Option for conversion was exercisable between October 2010 to March 2011

The above modified terms were applied to the preference shares, however, the same were not redeemed until 18 September 2018. During the current financial year the company has via a Board resolution passed on 18 September 2018, approved the redemption of all the preference shares at par value.

The company has issued convertible, cumulative, redeemable, participating preference shares carrying a face value of INR 100 each. The above terms and conditions were modified wide Board Resolution held on 07 November 2007.
Post modification the preference shares were non-convertible, carried nil rate of dividend and was redeemable at par. During the current financial year the company has via a Board resolution passed on 18 September 2018, approved the redemption of all the preference shares at par value.

Debentures (terms and conditions)

iii) ***Original Terms:***
The company had issued 15% cumulative optionally fully-convertible dentures (31 March 2019: nil 31 March 2018: nil, 1 April 2017: Nil), having face value of INR 100 each. The accrued interest would either be payable on redemption or would be converted into equity shares of the company at par value at the option of the investor on the same terms of conversion as of principal amount mentioned.

The conversion of the same was to happen anytime after three years from the date of allotment of the debentures, i.e., 13 August 2010, till the redemption of the debentures. The conversion price would be at par value which is INR 10 per equity share. The redemption in case of non-exercise of conversion option, the debenture with cumulative interest would be redeemed at the end of three years and six months from the date of allotment of the debenture.
The company has the right to opt for early redemption by paying the principal and accrued interest at anytime during the three and half year period of the instrument.

Modified Terms:
The company via Board meeting dated 13 August 2010, modified the above original terms as under:
1> Rate of interest was reduced to Nil
2> Date of redemption to be redeemed at par on 13 June 2015, if not opted for conversion
3> Option for conversion was exercisable till 31 August 2010.
The above modified terms were applied to the debentures, however, the same were not redeemed until 18 September 2018. The company via a resolution passed at a meeting of the Board of Directors on 18 September 2018, approved to redeem the debentures carrying a face value of INR 100 each at par with the modified terms.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
12 Provisions			
Non-current			
Provision for employee benefits	10.84	10.84	10.84
	10.84	**10.84**	**10.84**

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
13 Deferred taxes			
(a) Deferred tax assets			
Unutilised MAT credit	2.56	2.56	2.56
	2.56	**2.56**	**2.56**

i) **Movement in MAT Credit for year ended 31 March 2018:**

Particulars	As at 01 April 2017	Statement of Profit or Loss	Utilised during the year	As at 31 March 2018
Unutilised MAT credit	2.56	-	-	2.56
	2.56	**-**	**-**	**2.56**

ii) **Movement in MAT Credit for year ended 31 March 2019:**

Particulars	As at 01 April 2018	Statement of Profit or Loss	Utilised during the year	As at 31 March 2019
Unutilised MAT credit	2.56	-	-	2.56
	2.56	**-**	**-**	**2.56**

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
(b) Deferred tax liabilities, net			
Deferred tax liability:			
Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961	-	9.66	8.19
Others			
Total deferred tax liabilities	**-**	**9.66**	**8.19**
Deferred tax assets:			
Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961	3.90	-	-
Total deferred tax assets	**3.90**	**-**	**-**
Deferred tax assets/ (liabilities), net	**3.90**	**(9.66)**	**(8.19)**

i) **Movement in deferred tax liabilities for year ended 31 March 2018:**

Particulars	As at 01 April 2017	Statement of Profit or Loss	Other Comprehensive Income	As at 31 March 2018
Deferred tax liabilities for taxable temporary differences on:				
Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961	8.19	1.47		9.66
Total	**8.19**	**1.47**	**-**	**9.66**
Deferred tax assets for deductible temporary differences on:				
Difference between written down value of property, plant and equipment as per books of accounts and Income Tax Act, 1961			-	-
Total	**-**	**-**	**-**	**-**
Deferred tax liabilities, net	**8.19**	**1.47**	**-**	**9.66**

ii) **Movement in deferred tax liabilities for year ended 31 March 2019:**

Particulars	As at 01 April 2018	Statement of Profit or Loss	Other Comprehensive Income	As at 31 March 2019
Deferred tax liabilities for taxable temporary differences on:				
Difference between written down value of property, plant and equipments as per books of accounts and Income Tax Act, 1961	9.66	-	-	9.66
Total	**9.66**	**-**	**-**	**9.66**
Deferred tax assets for deductible temporary differences on:				
Difference between written down value of property, plant and equipments as per books of accounts and Income Tax Act, 1961 (*)	-	13.56	-	13.56
Total	**-**	**13.56**	**-**	**13.56**
Deferred tax assets, net	**(9.66)**	**(13.56)**	**-**	**3.90**

Note:
Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
14 Other financial liabilities			
Current			
Due to related parties	-	330.48	332.89
Other payables	52.27	31.02	192.75
	52.27	**361.50**	**525.64**
15 Other current liabilities			
Statutory dues	6.69	-	-
	6.69	**-**	**-**

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

		Year ended 31 March 2019	Year ended 31 March 2018
16	**Other income**		
	Interest income:		
	- from bank deposits	27.92	9.01
	Other Income		
	- Miscellaneous income	-	0.40
	- Liabilities no longer required written back	2.81	-
		30.73	**9.41**
17	**Finance costs**		
	Interest on financial liabilities carried at amortised cost	21.32	-
	Bank charges	0.41	0.66
		21.73	**0.66**
18	**Depreciation expenses**		
	Depreciation of property, plant and equipment {refer note 3 (a)}	0.30	0.19
		0.30	**0.19**
19	**Other expenses**		
	Legal and professional fees	51.24	0.04
	Payment to auditor (refer note below)	6.12	2.95
	Rates and taxes	0.05	0.19
	Repairs and maintenance		
	-others	0.06	0.22
	Property, plant and equipment written off	0.14	0.06
	Interest on lease rent	4.86	-
	Miscellaneous expenses	1.31	3.73
		63.78	**7.19**

Note:
Auditor's remuneration

Statutory audit	6.12	2.95
	6.12	**2.95**

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

Creative Port Development Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts in ₹ lacs, unless otherwise stated)

		Year ended 31 March 2019	Year ended 31 March 2018
20	**Tax expense**		
(a)	**Income tax in the statement of profit and loss:**		
	Current tax	-	-
	Deferred tax	-	1.47
	Tax pertaining to previous years	(13.20)	-
		(13.20)	**1.47**
(b)	**Reconciliation of income tax expense and the accounting profit for the year:**		
	Profit before tax	(55.08)	1.37
	Enacted tax rates (%)	**26%**	**26%**
	Income tax expense calculated at corporate tax rate	(14.18)	0.35
	Adjustment of tax relating to earlier years	(13.20)	-
	Impact due to change in future tax rate	-	-
	Other adjustments	14.18	1.12
	Total income tax expense as per the statement of profit and loss	**(13.20)**	**1.47**

		Year ended 31 March 2019	Year ended 31 March 2018
(c)	**Income tax balances**		
	Current tax liabilities		
	Opening balance	-	0.13
	Add: Provision for prior year taxes	-	-
	Provision for tax	-	-
	Less: Taxes paid	-	
	Less: MAT Credit utilised	-	-
	Closing balance	**-**	**0.13**
	Non-current tax assets		
	Opening balance	0.77	0.99
	Add: Taxes paid / (refunds received)	0.74	(0.09)
	Closing balance	**1.51**	**0.90**

		Year ended 31 March 2019	Year ended 31 March 2018
21	**Earnings per equity share (EPS)**		
	Net loss attributable to equity shareholders (in ₹ lacs)	(41.88)	(0.10)
	Weighted average number of equity shares outstanding during the year	250,000	250,000
	Face value per share (in ₹)	10.00	10.00
	Earnings per share (in ₹):		
	- Basic earnings per equity share	(16.75)	(0.04)
	- Diluted earnings per equity share	(16.75)	(0.04)

Note:

Effect of convertible preference shares has not been considered in calculating diluted EPS as the Group has incurred a loss and effect of such conversion is anti-dilutive.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

22 Leases

Operating lease

The Group has entered into operating lease arrangement in respect of land acquired on lease from the Government of Odisha for the development of the Subarnarekha Port, for a period 34 years. During the construction period of the port, the total lease rentals payable during the period is capitalised in the books under capital work in progress. On completion of the construction of the port, the Group shall recognize lease rentals in the books as expenses on straight line basis except where the increase in future lease rentals is to compensate for the general increase in price levels.

The Group has also entered into lease arrangements for its office and guesthouse spaces at Bhubaneshwar and Balasore. These arrangements are in the nature of operating lease, as the agreements do not provide for the transfer of ownership in assets and other conditions pertaining to the classification of lease as finance lease (as per Ind AS 17) are not met.

Future minimum lease payments under non-cancellable operating leases are as below:*

	Minimum lease payments	
	As at 31 March 2019	As at 31 March 2018
Not later than one year	187.02	187.02
Later than one year but not later than five years	748.09	748.09
Later than five years	5,236.56	5,423.58
	6,171.67	6,358.69

Note:
* Future minimum lease payments are structured to change with change in fair value of land (lease rent being 5.75% of benchmark value of land). For the purpose of calculating minimum lease payments, the effect of such changes in lease rentals on account of change in far value of land has been ignored on account of significant estimation uncertainty involved.

During the year ended March 31, 2019, total operating lease rental expense recognised in capital work in progress is ₹ 218.19 lacs (March 2018: INR Nil).

23 Contingent liabilities and commitments

Commitments

Estimated amount of capital contracts remaining to be executed and not provided for as on the Balance Sheet date are:

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Capital commitments for property, plant and equipment (including capital work-in-progress) (net of capital advance)	1,129	-	-

24 Segment reporting:

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Group's performance in a single segment viz. "Development and construction of the port". Accordingly, disclosures relating to business and geographical segments under Ind AS 108 on Segment Reporting are not relevant to the Group.

25 Disclosure in accordance with Ind AS-19 on Employee benefits expense

The Group at present does not have any defined contribution/benefit plan/retirement plan or other such employee benefit plan.

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CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

26 Related party disclosures

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31 March 2019.

(a) List of related parties

i) Names of the related parties and description of relationship

Name	Relationship
Tata Steel Limited	Ultimate Holding Company
CI Mega Projects Private Limited	Enterprises where KMP has significant influence
Cosmos Infra Projects Private Limited	Enterprise where KMP has significant influence

ii) Key management personnel

Name	Relationship
Dibyendu Bose	Director (wef 18 September 2018)
Rajiv Mukerji	Director (wef 18 September 2018)
R. Rangarajan	Director
Ramani Ramaswamy	Whole time director
Dibyendu Dutta	Director (wef 18 September 2018)
Vivek Dhanania	Chief Financial Officer (wef 15 March 2019)
Swati Sheth	Company Secretary (wef 15 march 2019)

(b) Transactions with related parties

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Issue of equity shares:		
Tata Steel Limited	1,000.00	-
Remuneration to directors:		
R Rangarajan	40.00	-
R Ramaswamy	40.00	-
Issue of preference shares		
Tata Steel Limited	2,510.83	-
Loans and advances repaid:		
CI Mega Projects Private Limited	324.15	19.92
R Rangarajan	35.87	-
R Ramaswamy	2.06	0.10
Cosmos Infra Projects Private Limited	-	130.05
Intercorporate deposit received		
Tata Steel Limited	2,000.00	-
Loans and advances given		
Cosmos Infra Projects Private Limited	-	5.15
CI Megaprojects Private Limited	1.60	-
Loans and advances taken		
R Rangarajan	30.00	-
Redemption of preference shares		
CI Mega Projects Private Limited	25.00	-
R Rangarajan	12.50	-
Ramani Ramaswamy	12.50	-
Redemption of debentures		
CI Mega Projects Private Limited	200.00	-
Sale of equity shares of subsidiary company		
Tata Steel Limited	0.80	-

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

26 Related party disclosures (cont'd)

(c) Balances of related parties:

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Loans and advances received:			
CI Mega Projects Private Limited	-	322.55	342.47
Cosmos Infra Projects Private Limited	-	-	130.05
Loans and advances given:			
Cosmos Infra Projects Private Limited	-	5.15	-
Intercorporate deposit payable			
Tata Steel Limited	2,000.00	-	-
Other payables:			
R Rangarajan	-	5.87	5.87
R Ramaswamy	-	2.06	2.16
Preference shares			
Tata Steel Limited	2,510.83	-	-
CI Mega Projects Private Limited	-	25.00	25.00
R Rangarajan	-	12.50	12.50
Ramani Ramaswamy	-	12.50	12.50

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

27 Financial instruments

(a) Category wise classification of financial instruments:

	Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
A.	**Financial assets:**			
i)	**Carried at cost**			
	Cash and cash equivalents	2,967.32	32.95	505.06
	Bank balances other than cash and cash equivalents above	72.10	71.77	72.40
	Security deposits	1.90	1.90	1.90
	Loans to related parties	-	5.15	-
	Total financial assets	**3,041.32**	**111.77**	**579.36**
B.	**Financial liabilities**			
(i)	**Measured at amortised cost**			
	Borrowings	4,512.64	275.00	275.00
	Other financial liabilities	52.27	361.50	525.64
	Total financial liabilities	**4,564.91**	**636.50**	**800.64**

Notes:

The Group assessed that the fair value of cash and cash equivalents, other bank balances, bank deposits, and other financial liabilities approximate the carrying amount largely due to short-term maturity of these instruments.

(b) Fair value of assets and liabilities measured at cost/amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amount would be significantly different from the values that would be eventually received or settled. Management assessed that fair values of cash and cash equivalents, other bank balances, bank deposits, loans to employees, trade receivables, advance to manufacturing units, trade payables and other financial liabilities approximate their carrying amounts due to the short term maturities of these instruments. For long-term borrowings at fixed/floating rates, management evaluates that their fair value will not be significantly different from the carrying amount.

(c) Fair value hierarchy

The Group does not have any assets and liabilities which are measured at fair value as at Balance Sheet date and hence the classification of fair value by category and level of input used, is not applicable.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

28 Financial risk management

The Group's business activities are exposed to a variety of financial risks like credit risk, market risks and liquidity risk. Holding Company's senior management is responsible for establishing and monitoring the risk management framework within its overall risk management objectives and strategies approved by the Board of Directors. Such risk management strategies and objectives are established to identify and analyze potential risks faced by the Group, set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and assess risk management performance. Any change in Group's risk management objectives and policies need approval of the Holding Company's Board of Directors.

(a) Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as other balances with banks, loans and other receivables.

Other financial instruments

The Group has no exposure to credit risk relating to its cash and cash equivalents. Credit risk for other financial instruments are monitored by the management in accordance with its overall risk management policies.

(b) Market risk:

Market risk is the risk that the fair value of the future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk is the risk that changes in market prices – such as interest rates, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, deposits and other financial instruments.

Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to change in market interest rates. Company has long term borrowings both at fixed and variable interest rates. Such borrowings are measured at amortised costs. The Company is exposed to interest rate risk arising from the issue of preference shares redeemable at SBI PLR + 2% p.a., while it does not have any interest rate risks arising from other borrowings at fixed interest rates.

Particulars	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Borrowing			
- Non-current	2,510.83	-	-
	2,510.83	-	-
Borrowing			
- Current	2,001.81	275.00	275.00
Total borrowings	**4,512.64**	**275.00**	**275.00**
% of borrowing at variable interest rate	**55.64%**	**0.00%**	**0.00%**

Sensitivity analysis of interest rate change on borrowing availed at variable interest rate

Particulars	Impact on Profit/ (loss) after Tax	
	Year ended	
	31 March 2019	31 March 2018
Interest rate (increase by 0.5%)	4.98	-
Interest rate (decrease by 0.5%)	(4.98)	-

(c) Liquidity risk:

Liquidity risk is the risk that the Group may not be able to meet its contractual obligations associated with its financial liabilities. The Group's senior management manages its liquidity risk by preparing and continuously monitoring business plans or rolling cash flow forecasts which ensures that the funds required for carrying on its business operations and meeting its financial liabilities are available in a timely manner and at an optimal cost. The Group plans to meet the contractual obligations from its internal accruals and also maintains sufficient fund based and non-fund based credit limits with banks. Additionally, surplus funds are parked in short term bank deposits which can be readily liquidated when required.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts reported are on gross and undiscounted basis and includes contractual interest payments.

Contractual maturity of financial liabilities	Upto 1 year	1 year to 3 year	3 year to 5 year	Total
As at 31 March 2019				
Borrowings	2,001.81	-	2,510.83	4,512.64
Other financial liabilities	52.27	-	-	52.27
As at 31 March 2018				
Borrowings	275.00	-	-	275.00
Other financial liabilities	361.50	-	-	361.50
As at 1 April 2017				
Borrowings	-	275.00	-	275.00
Other financial liabilities	525.64	-	-	525.64

(d) Capital management

For the purpose of Group's capital management, capital includes issued equity share capital, issued preference share capital, other equity reserves and long term borrowed capital less cash and cash equivalents. The primary objective of capital management is to maintain an efficient capital structure to reduce the cost of capital, support corporate expansion strategies and to maximise shareholder's value. Group has fund based credit facilities with banks as well as other body corporates from which it borrows to meet its working capital requirements.

Following table summarizes the capital structure of the Group:

Particulars		As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Borrowings		2,510.83	-	-
Less: Cash and bank balances		3,039.42	104.72	577.46
Net borrowings	**(A)**	**(528.59)**	**(104.72)**	**(577.46)**
Total equity		2,873.30	2,190.86	2,191.39
Total capital (equity + net borrowings)	**(B)**	**2,344.71**	**2,086.14**	**1,613.93**
Debt equity ratio	**(A)/(B)**	**-22.54%**	**-5.02%**	**-35.78%**

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(All amounts in ₹ lacs, unless otherwise stated)

29 First time adoption of Ind AS

These are the Group's first consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind AS).

The accounting policies set out in **Note 2** has been applied consistently in preparing the opening Ind AS Balance Sheet as on 1 April 2017 (the Group's date of transition), the comparative information presented in these consolidated financial statements for the year ended 31 March 2018 and in preparing these consolidated financial statements for the year ended 31 March 2019. In preparing its opening Ind AS Balance Sheet, the Group has adjusted the amounts reported previously in consolidated financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standard Rules), 2006 (as amended) and other relevant provisions of the Act (Indian GAAP). An explanation of how the transition from previous Indian GAAP to Ind AS has impacted the Group's financial position, financial performance and cash flows is set out in the foot notes to first time adaption.

Ind AS 101 has set out certain mandatory exceptions and optional exemptions to be applied for transition from the existing Indian GAAP to Ind AS. The Group has adopted the following in preparing its opening Ind AS Balance Sheet.

(a) Optional exemptions

Deemed cost - Ind AS 101 allows the first time adopter to measure its property, plant and equipment at its carrying amount per the erstwhile Indian GAAP as on the date of transition. Accordingly, the Group has opted to measure all its classes of property, plant and equipment at their historical costs as on the transition date, i.e. 1 April 2017.

(b) Mandatory exceptions

i) Derecognition of financial assets and liabilities - Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition. Alternatively such first time adopter can apply such de-recognition provisions retrospectively from a date of Group's choice, if adequate information required to apply Ind AS 109 to financial assets and liabilities de-recognized previous to the date of transition was initially available at the time of such transactions. The Group has elected to apply the de-recognition provision of Ind AS 109 prospectively from the date of transition.

ii) Classification and measurement of financial assets - Ind AS 101 provides that classification and measurement of financial assets recognized earlier under the previous Indian GAAP should be based upon facts and circumstances existing as on the transition date. The Group has assessed the same accordingly.

iii) Estimates - An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP.

(c) Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for the prior periods. The following tables represent the reconciliation from previous Indian GAAP to Ind AS.

i) **Effect of Ind AS adoption on total equity:**

Particulars	**As at 31 March 2018**	**As at 1 April 2017**
Equity as per previous GAAP	2,265.86	2,266.39
Adjustments:		
Reclassification of preference share capital into financial liability (*)	(75.00)	(75.00)
Tax impact of above items	-	-
Total adjustment	**(75.00)**	**(75.00)**
Total equity as per Ind AS	**2,190.86**	**2,191.39**

(*) Preference shares are non-convertible and carry nil rate of dividend. The same was repayable on demand on the date of transition to Ind AS, i.e., 1 April 2017. Hence, the same has been classified as a financial liability under Ind AS.

ii) **Reconciliation of total comprehensive income for the year ended 31 March 2018:**

Particulars	**Year ended 31 March 2018**
Profit / (loss) after tax as per previous GAAP	**(0.10)**
Adjustments:	
Tax impact on above items	-
Profit / (loss) after tax as per Ind AS	**(0.10)**
Other comprehensive income:	
(a) Items that will be reclassified subsequently to profit or loss	-
(b) Items that will not be reclassified subsequently to profit or loss	-
Deferred tax adjustments	-
Other comprehensive income	-
Total comprehensive income as per Ind AS	**(0.10)**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for the prior periods. There has been no effect of Ind AS transition on the account balances. Consequently, no such reconciliations are required.

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

(d) Foot notes to first time adoption:

(i) Capital work in progress

The Group has recorded directly attributable costs relating to construction of port at Subarnarekha, as pre-operative expenses. Erstwhile GAAP did not provide any guidance on the treatment of such expenses incurred on build, own, operate, share and transfer projects, under contract with Government. On transition to Ind AS, the Group has classified such pre-operative expenses as capital work in progress. The Group expects to receive the future economic benefits from use of the constructed asset, that is, the port. This would be in the form of amounts receivable from rendering port services as per the terms of the concession arrangement entered into with the government of Odisha. Further, the costs attributable to the construction of the port can be reliably measured as the Group has a comprehensive budget prepared by a qualified group of experts for the purpose of estimation of total project costs. Thus, the conditions prescribed under Ind AS 16 'Property Plant and Equipment' for recognition of property, plant and equipment, viz., probability of obtaining future economic benefits associated with the asset and reliability in measuring the cost of the asset, are satisfied.

(ii) Land lease

As a part of the concession agreement entered into with the Government of Odisha, the Government has provided land (measuring around 692 acres) for the purpose of construction, development and operation of Subarnarekha port. Erstwhile standard on leases (AS 19) specifically excluded land lease from its ambit. Ind AS 17, however, includes land lease arrangements. Accordingly the Group has assessed the lease arrangement in accordance with the requirements of the standards and concluded that the arrangement constitutes an operating lease. Consequently lease rentals have been charged off to expenses on a straight line basis, except when the increase in rental charges is structured to increase in line with expected general inflation.

As per our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Anamitra Das
Partner
Membership No. 062191

Place: Gurgaon
Date: 16 May 2019

For and on behalf of the **Board of Directors of Creative Port Development Private Limited**

Dibyendu Bose
Chairman

Ramani Ramaswamy
Executive Director
DIN: 01070365

Vivek Dhanania
Deputy Chief Financial Officer

Swati Sheth
Company Secretary

Place: Kolkata
Date: 16 May 2019

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED

Creative Port Development Private Limited
Additional information
(All amounts in ₹ lacs, unless otherwise stated)

30 Statement pursuant to requirement of Schedule III to the Companies Act, 2013 relating to Company's interest in subsidiary company for the year ended 31 March 2019

Name of the enterprise	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As of % of consolidated net assets	Year ended 31 March 2019	As of % of consolidated profit or loss	Year ended 31 March 2019	As of % of consolidated other comprehensive income	Year ended 31 March 2019	As of % of consolidated total comprehensive income	Year ended 31 March 2019
Parent								
Creative Port Development Private Limited	-17%	(590.57)	78%	(32.60)	-	-	78%	(32.60)
Subsidiary								
Subarnarekha Port Private Limited	99%	3,463.87	19%	(7.89)	-	-	19%	(7.89)
Minority interest in subsidiary	18%	612.80	3%	(1.39)	-	-	3%	(1.39)
Total	**100%**	**3,486.10**	**100%**	**(41.88)**	-	-	**100%**	**(41.88)**

Statement pursuant to requirement of Schedule III to the Companies Act, 2013 relating to Company's interest in subsidiary company for the year ended 31 March 2018

Name of the enterprise	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As of % of consolidated net assets	Year ended 31 March 2018	As of % of consolidated profit or loss	Year ended 31 March 2018	As of % of consolidated other comprehensive income	Year ended 31 March 2018	As of % of consolidated total comprehensive income	Year ended 31 March 2018
Parent								
Creative Port Development Private Limited	-22%	(557.96)	3980%	(3.98)	-	-	3,980%	(3.98)
Subsidiary								
Subarnarekha Port Private Limited	108%	2,748.82	(3,441%)	3.44	-	-	(3,441%)	3.44
Minority interest in subsidiary	14%	350.75	(439%)	0.44	-	-	(439%)	0.44
Total	**100%**	**2,541.61**	**100%**	**(0.10)**	-	-	**100%**	**(0.10)**

Statement pursuant to requirement of Schedule III to the Companies Act, 2013 relating to Company's interest in subsidiary company for the year ended 01 April

Name of the enterprise	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As of % of consolidated net assets	Year ended 01 April 2017	As of % of consolidated profit or loss	Year ended 01 April 2017	As of % of consolidated other comprehensive income	Year ended 01 April 2017	As of % of consolidated total comprehensive income	Year ended 01 April 2017
Parent								
Creative Port Development Private Limited	-22%	(553.99)	-149%	(1.12)	-	-	(149%)	(1.12)
Subsidiary								
Subarnarekha Port Private Limited	108%	2,745.38	221%	1.66	-	-	221%	1.66
Minority interest in subsidiary	14%	350.31	28%	0.21	-	-	28%	0.21
Total	**100%**	**2,541.70**	**100%**	**0.75**	-	-	**100%**	**0.75**

CREATIVE PORT DEVELOPMENT PRIVATE LIMITED