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 2020, 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 2020, and its loss (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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

5. The accompanying standalone financial statements have been approved by the Company's Board of Directors. 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 financial position, 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 expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

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

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

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.

Report on Other Legal and Regulatory Requirements

12. Based on our audit, we report that 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.

13. 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.

14. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report to the extent applicable 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 accompanying financial statements;

    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 2020 from being appointed as a director in terms of section 164(2) of the Act;

f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 20 May 2020 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 litigation which would impact its financial position as at 31 March 2020;

   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 2020;

   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 2020; and

   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

-Sd/-

Anamitra Das
Partner
Membership No.: 062191
UDIN No: 20062191AAAAFL7131

Place: Gurugram
Date: 20 May 2020

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 2020

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) (a) 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 not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.

(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 and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(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.

(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.

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 2020

(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, as required by the applicable Ind AS.

(xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(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
UDIN No: 20062191AAAAFL7131

-Sd/-

Anamitra Das
Partner
Membership No.: 062191

Place: Gurugram
Date: 20 May 2020

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 2020

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 2020, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. 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 for the Audit of the Internal Financial Controls

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') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and 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.

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 2020

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 2020, 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 issued by the ICAI.

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

Anamitra Das
Partner
Membership No.: 062191
UDIN No: 20062191AAAAFL7131

Place: Gurugram
Date: 20 May 2020

Walker Chandiok & Co LLP

Standalone Financial Statements and Auditors' Report

Creative Port Development Private Limited

31 March 2020

Creative Port Development Private Limited
Balance Sheet as at 31 March 2020
(All amounts in ₹ lacs, unless otherwise stated)

	Notes	As at 31 March 2020	As at 31 March 2019
Assets			
Non-current assets			
Financial assets			
Investments	3	568.92	509.96
Total non-current assets		**568.92**	**509.96**
Current assets			
Financial assets			
(i) Cash and cash equivalents	4(a)	14.23	1,924.88
(ii) Other bank balances	4(b)	1,919.59	-
Current tax assets (net)	5	12.41	2.18
Total current assets		**1,946.23**	**1,927.06**
Total assets		**2,515.15**	**2,437.02**
Equity and liabilities			
Equity			
Equity share capital	6	25.00	25.00
Other equity	7	(599.88)	(105.61)
Total equity		**(574.88)**	**(80.61)**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	8	3,085.84	2,510.83
Total non-current liabilities		**3,085.84**	**2,510.83**
Current liabilities			
Financial liabilities			
Trade Payables			
(a) total outstanding dues of micro enterprises and small enterprises	9(a)	-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	9(b)	1.13	-
Other financial liabilities	10	2.70	6.55
Other current liabilities	11	0.36	0.25
Total current liabilities		**4.19**	**6.80**
Total liabilities		**3,090.03**	**2,517.63**
Total equity and liabilities		**2,515.15**	**2,437.02**

The accompanying notes 1 to 24 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

-Sd/-

Anamitra Das
Partner
Membership No. 062191

Place: Gurugram
Date: 20 May 2020

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

-Sd/-

Dibyendu Bose
Chairman

Place: Kolkata
Date: 20 May 2020

-Sd/-

Ramani Ramaswamy
Executive Director
DIN: 01070365

Place: Chennai
Date: 20 May 2020

Creative Port Development Private Limited
Statement of Profit and Loss for the year ended 31 Mar 2020
(All amounts in ₹ lacs, unless otherwise stated)

	Notes	Year ended 31 March 2020	Year ended 31 March 2019
Income			
Revenue from operations		-	-
Other income	12	101.76	22.92
Total income		**101.76**	**22.92**
Expenses			
Finance costs	13	575.01	-
Other expenses	14	21.02	55.16
Total expenses		**596.03**	**55.16**
Loss before tax		**(494.27)**	**(32.24)**
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Tax pertaining to prior years		-	0.36
		-	**0.36**
Loss after tax		**(494.27)**	**(32.60)**
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		**(494.27)**	**(32.60)**
Total comprehensive loss for the year		**(494.27)**	**(32.60)**
Earnings per equity share			
Basic and diluted earnings per share (₹)	15	(197.71)	(13.04)

The accompanying notes 1 to 24 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

-Sd/-

Anamitra Das
Partner
Membership No. 062191

Place: Gurugram
Date: 20 May 2020

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

-Sd/-

Dibyendu Bose
Chairman

Place: Kolkata
Date: 20 May 2020

-Sd/-

Ramani Ramaswamy
Executive Director
DIN: 01070365

Place: Chennai
Date: 20 May 2020

Creative Port Development Private Limited
Statement of Cash Flows for the year ended 31 March 2020
(All amounts in ₹ lacs, unless otherwise stated)

			Year ended 31 March 2020	Year ended 31 March 2019
A.	**Cash flow from operating activities:**			
	Loss before tax		**(494.27)**	**(32.24)**
	Adjustment for:			
	Property, plant and equipment written off		-	0.15
	Finance cost		575.01	-
	Liability no longer required written back		-	(0.56)
	Interest income		(101.76)	(22.36)
	Operating profit/ (loss) before working capital changes:		**(21.02)**	**(55.01)**
	Adjustment for:			
	Decrease in other financial assets		-	49.36
	Increase/ (decrease) in trade payables		1.13	(2.18)
	(Decrease) in other financial liabilities		(3.85)	(326.15)
	Increase in other current liabilities		0.11	0.25
	Cash used in operations		**(23.63)**	**(333.73)**
	Income taxes paid		(10.23)	(0.36)
	Net cash used in operating activities	**(A)**	**(33.86)**	**(334.09)**
B.	**Cash flow from investing activities**			
	Interest income from bank deposits		101.76	22.36
	Investment in fixed deposits		(1,919.59)	-
	Purchase of equity shares of subsidiary company		(58.96)	(0.80)
	Sale of equity shares of subsidiary company		-	0.80
	Net cash generated from investing activities	**(B)**	**(1,876.79)**	**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/ (used in) financing activities	**(C)**	**-**	**2,235.83**
	Net increase in cash and cash equivalents	**(A+B+C)**	**(1,910.65)**	**1,924.10**
	Cash and cash equivalents as at the beginning of the year		**1,924.88**	**0.78**
	Cash and cash equivalents as at the end of the year		**14.23**	**1,924.88**

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 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 2020	Balance as on 31 March 2019
Non-current financial liabilities		
Borrowings--		
- Opening balance	2,510.83	-
- Received during the year	-	2,510.83
- Interest accrued during the year	575.01	-
- Repayment made during the year	-	-
Total liabilities from financing activities	**3,085.84**	**2,510.83**
Current financial liabilities:		
Borrowings--		
- Opening balance	-	275.00
- Received during the year	-	-
- Repayment made during the year	-	(275.00)
Total liabilities from financing activities	**-**	**-**

	As at 31 March 2020	As at 31 March 2019
iii) Cash and cash equivalents comprises of:		
Cash on hand	0.17	-
Balances with banks		
- In current accounts	14.06	9.24
Bank deposits with original maturity less than 3 months	-	1,915.64
	14.23	**1,924.88**

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

-Sd/-

Anamitra Das
Partner
Membership No. 062191

Place: Gurugram
Date: 20 May 2020

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

-Sd/-

Dibyendu Bose
Chairman

Place: Kolkata
Date: 20 May 2020

-Sd/-

Ramani Ramaswamy
Executive Director
DIN: 01070365

Place: Chennai
Date: 20 May 2020

Creative Port Development Private Limited
Statement of Changes in Equity for the year ended 31 Mar 2020
(All amounts in ₹ lacs, unless otherwise stated)

(A) Equity

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number	**Amount**	**Number**	**Amount**
Balance at the beginning of the year	250,000	25.00	250,000	25.00
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the year	**250,000**	**25.00**	**250,000**	**25.00**

(B) Other equity

	Reserves and Surplus	Other comprehensive income	Total
	Retained Earnings		
As at 01 April 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)**
Loss for the year	(494.27)	**-**	**(494.27)**
Items of other comprehensive income, net of tax:	**-**	**-**	**-**
As at 31 March 2020	**(599.88)**	**-**	**(599.88)**

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

-Sd/-

Anamitra Das
Partner
Membership No. 062191

Place: Gurugram
Date: 20 May 2020

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

-Sd/-

Dibyendu Bose
Chairman

Place: Kolkata
Date: 20 May 2020

-Sd/-

Ramani Ramaswamy
Executive Director
DIN: 01070365

Place: Chennai
Date: 20 May 2020

1.1 Background

Creative Port Development Private Limited is a private company limited by shares, incorporated and domiciled in India with its registered office in Kolkata, West Bengal, 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 2020 were authorized and approved for issue by the Board of Directors on 20 May 2020.

1.2 Basis of preparation

(a) General information and statement of compliance with Indian Accounting Standards

These 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 value, 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).

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) 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 relating to contingent assets and liabilities as at the date of the 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 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:

(i) Income tax:

The Company'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.

(ii) Impairment of assets:

Refer note 2 (d) for details.

(iii) 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.

2 Significant accounting policies

(a) Revenue recognition

Revenue from operations:

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. The Company is in pre-operating stage and there are no revenue from operations. Hence revenue recognition requirements of Ind AS 115 have not been applied.

Interest Income

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

(b) 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.

2 Significant accounting policies (cont'd)

(c) 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.

(d) 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.

(e) Leases

New standards adopted as at 1 April 2019

Ind AS 116 “Leases” has been introduced which replaces the earlier Ind AS 17 and is applicable w.e.f. April 1, 2019
The adoption of this new Standard has resulted in the Company recognising a right-of-use asset and related lease liability in connection with all former operating leases except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application.
The new standard has been applied using the modified retrospective approach, where right-to-use asset is measured equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments existed at the date of transition. Prior periods have not been restated.

Accounting policy applicable from 1 April 2019

The Company assesses at contract inception whether a contract is, or contains, a lease. A lease is defined as ‘a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration’.

To apply this definition, the Company assesses whether the contract meets three key evaluations which are whether:
'- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company
'- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Accounting policy applicable before 1 April 2019

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
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.

(f) 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.

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.

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2 Significant accounting policies (cont'd)

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.

(g) 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.

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2 Significant accounting policies (cont'd)

(h) 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.

(i) 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.

(j) 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.

(k) 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.

(l) 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 standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

(m) 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.

(All amounts in ₹ lacs, unless otherwise stated)

		As at 31 March 2020	As at 31 March 2019
3	**Non-current investments**		
	Investment in subsidiary		
	Unquoted		
	(Carried at cost)		
	Subsidiary		
	Subarnarekha Port Private Limited		
	[5,114,550 (31 March 2019 - 5,099,600) equity shares of face value ₹ 10 each fully paid up]	568.92	509.96
		568.92	**509.96**
	Other disclosures for non-current investments:		
	Aggregate amount of quoted investments and market value thereof	-	-
	Aggregate amount of unquoted investments	568.92	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 2020	As at 31 March 2019
4	**Cash and cash equivalents**		
(a)	Cash on hand	0.17	-
	Balances with banks		
	- In current accounts	14.06	9.24
	- In deposit accounts (bank deposits with original maturity of less than 3 months)	-	1,915.64
		14.23	**1,924.88**
(b)	**Other bank balances**		
	Bank deposits with original maturity more than 3 months, but less than 12 months	1,919.59	-
		1,919.59	**-**
5	**Current tax assets (net)**		
	Advance tax	12.41	2.18
		12.41	**2.18**

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(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount
6 Equity share capital				
Authorized share capital				
Equity shares of ₹ 10 each	250,000	25.00	250,000	25.00
Preference shares of ₹ 100 each	2,700,000	2,700.00	2,700,000	2,700.00
	2,950,000	**2,725.00**	**2,950,000**	**2,725.00**
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**

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

	Number	Amount	Number	Amount
Balance at the beginning of the year	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**

(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 2020		As at 31 March 2019	
Name of the shareholders	**Number**	**Percentage**	**Number**	**Percentage**
Fully paid-up equity shares of ₹ 10 each:				
(a) Ramani Ramaswamy	61,250	24.50%	61,250	24.50%
(b) R Rangarajan	61,250	24.50%	61,250	24.50%
(c) Tata Steel Limited (Holding Company)	127,500	51.00%	127,500	51.00%

(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 previous 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 2020	As at 31 March 2019
7 Other equity		
Other reserves		
Retained earnings		
Balance at the beginning of the year	(105.61)	(73.01)
Add: Profit/(Loss) for the year	(494.27)	(32.60)
Balance at the end of the year	**(599.88)**	**(105.61)**

Nature and purpose of Reserves

Retained Earnings

Retained earnings are the profits that the Company has earned till date. No transfers have been made to the General Reserve and no dividend and other distributions has been made to the shareholders

(All amounts in ₹ lacs, unless otherwise stated)

	As at 31 March 2020	As at 31 March 2019
8 Non current borrowings		
Preference shares		
Unsecured		
Optionally convertible redeemable preference shares	3,085.84	2,510.83
	3,085.84	**2,510.83**

Notes:

Unsecured, optionally convertible redeemable preference shares of ₹ 100 each

The Company had issued 2,510,830 optionally convertible redeemable preference shares (31 March 2019 - 2,510,830) 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.

9 Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises (refer note 22)	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1.13	-
	1.13	**-**
10 Other financial liabilities		
Current		
Other payables	2.70	6.55
	2.70	**6.55**
11 Other current liabilities		
Statutory dues	0.36	0.25
	0.36	**0.25**

(All amounts in ₹ lacs, unless otherwise stated)

		Year ended 31 March 2020	Year ended 31 March 2019
12	**Other income**		
	Interest income:		
	- from bank deposits	101.76	22.36
	- liability no longer required written back	-	0.56
		101.76	**22.92**
13	**Finance cost**		
	Interest on financial liabilities	575.01	-
		575.01	**-**
14	**Other expenses**		
	Legal and professional fees	12.35	51.28
	Property, plant and equipment written off	-	0.15
	Payment to auditors (refer note below)	6.49	2.95
	Miscellaneous expenses	2.18	0.78
		21.02	**55.16**
	Note:		
	Auditor's remuneration		
	Statutory audit	6.49	2.95
		6.49	**2.95**
15	**Earnings per equity share (EPS)**		
	Net loss attributable to equity shareholders	(494.27)	(32.60)
	Face value per share (in ₹)	10	10
	Weighted average number of equity shares outstanding during the period	250,000	250,000
	Earnings per share (in ₹):		
	- Basic earnings per equity share	(197.71)	(13.04)
	- Diluted earnings per equity share	(197.71)	(13.04)

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

16 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.

17 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.

18 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.

19 Leases
In accordance with Indian Accounting Standard 116 - Leases, the Company does not have any lease arrangements.

20 Covid 19 Impact
The COVID-19 lockdowns have had a worldwide impact, the ramifications of which will play out over the next few months and years. The situation is evolving and the assessment of impact due to COVID-19 is a continuous process, given the uncertainties. The Company will periodically make an assessment of the situation and its impact on our business during the financial year 2020-21 and undertake necessary actions to mitigate any negative impacts to business. Nonetheless, the business is expected to stabilise in the medium term.

The Company, at present, has no operational business activity and hence does not expect any material fall in its net worth value owing to this reduction in business operations and hence there will be no impact on going concern. There were no significant adjusting events that would have any material impact in the Company's financial statements for the year ended 31 March 2020.

(All amounts in ₹ lacs, unless otherwise stated)

21 Related party disclosures

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures for the year ended 31 March 2020.

(a) List of related parties

i. Parties where control exists:

Name	Relationship	Country of Incorporation	% of holdings as on 31 March 2020	% of holdings as on 31 March 2019
Subarnarekha Port Private Limited	Subsidiary	India	85.01%	84.97%

ii. Name of the related parties and description of Relation

Name	Relationship
Tata Steel Limited	Holding company
Subarnarekha Port Private Limited	Subsidiary
CI Mega Projects Private Limited	Enterprises where KMP has significant influence

iii. Key Managerial personnel

Name	Relationship
Dibyendu Bose	Director
Rajiv Mukerji	Director
R. Rangarajan	Director
Ramani Ramaswamy	Wholetime Director
Dibyendu Dutta	Director
Dinesh Shastri	Director
Vivek Dhanania	Chief Financial Officer
Swati Sheth	Company Secretary

(b) Transactions with related parties

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Issue of Preference shares:		
Tata Steel Limited	-	2,510.83
Reimbursement Paid		
Subarnarekha Port Private Limited	-	1.92
Reimbursement Received		
Subarnarekha Port Private Limited	-	51.28
Redemption of Preference Shares		
CI Mega Projects Private Limited	-	25.00
R Rangarajan	-	12.50
Ramani Ramaswamy	-	12.50
Interest accrues on preference shares		
Tata Steel Limited	575.01	-
Redemption of debenture		
CI Mega Projects Private Limited	-	200.00
Investment in subsidiary company		
Subarnarekha Port Private Limited	58.96	-
Sale of Equity share of Subsidiary Company		
Tata Steel Limited	-	0.80

(c) Balances of related parties:

Particulars	As at 31 March 2020	As at 31 March 2019
Preference Shares		
Tata Steel Limited	3,085.84	2,510.83
Investment in equity shares		
Tata Steel Limited	568.92	509.96

(All amounts in ₹ lacs, unless otherwise stated)

22 Dues to micro and small enterprises as per MSMED Act, 2006

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

Particulars	As at 31 March 2020	As at 31 March 2019
(a) The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	-	-
- Interest	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

23 Financial Instruments

(a) Category wise classification of financial instruments:

Particulars	As at 31 March 2020	As at 31 March 2019
A. Financial assets:		
i) Carried at cost		
Cash and cash equivalents	14.23	1,924.88
Other bank balances	1,919.59	-
Investments	568.92	509.96
Total financial assets	**2,502.74**	**2,434.84**
B. Financial liabilities		
(i) Measured at amortised cost		
Borrowings	3,085.84	2,510.83
Trade payables	1.13	-
Other financial liabilities	2.70	6.55
Total financial liabilities	**3,089.67**	**2,517.38**

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 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.

(c) 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.

(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 analyze 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.

i) **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 2020**	**As at 31 March 2019**
Borrowing		
- Non-current	3,085.84	2,510.83
	3,085.84	**2,510.83**
Borrowing		
- Current	-	-
Total borrowings	**3,085.84**	**2,510.83**
% of borrowing at variable interest rate	100.00%	100.00%

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

Particulars	**Impact on Profit/ (loss) after Tax**	
	Year ended	
	31 March 2020	**31 March 2019**
Interest rate (increase by 0.5%)	9.35	4.98
Interest rate (decrease by 0.5%)	(9.35)	(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 2020				
Borrowings	374.11	3,634.19	-	**4,008.30**
Other financial liabilities	3.83	-	-	**3.83**
As at 31 March 2019				
Borrowings	575.01	3,433.29		**4,008.30**
Other financial liabilities	6.55	-	-	**6.55**

(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; and
· 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
· 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 2020	As at 31 March 2019
Borrowings		3,085.84	2,510.83
Less: Cash and bank balances		14.23	1,924.88
Net borrowings	**(A)**	**3,071.61**	**585.95**
Total equity		(574.88)	(80.61)
Total capital (equity + net borrowings)	**(B)**	**2,496.73**	**505.34**
Net debt to equity ratio	**(A)/(B)**	**123.03%**	**115.95%**

As per our report of even date.

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

-Sd/-

Anamitra Das
Partner
Membership No. 062191

Place: Gurugram
Date: 20 May 2020

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

-Sd/-

Dibyendu Bose
Chairman

Place: Kolkata
Date: 20 May 2020

-Sd/-

Ramani Ramaswamy
Executive Director
DIN: 01070365

Place: Chennai
Date: 20 May 2020