



COASTAL

Projects Limited

CIN: U45203OR1995PLC003982



23rd ANNUAL REPORT
2017 - 2018

www.coastalprojects.co

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RESOLUTION PROFESSIONAL

Mr. Ravi Sankar Devarakonda

Registered with IBBI:

IP Registration No. IBBI/IPA-001/IP-P00095/2017-2018/10195

Address: D 602, Prestige St. Johnswood Apartments,

No. 80, Tavarakere Main Road, Bangalore - 560029

Email Id: ravicacscma@icai.org

Communication Address:

Plot No. 304-0, Road No. 78,

Film Nagar, Jubilee Hills

Hyderabad 500033.

Email Id: ip.coastal@in.ey.com

BOARD OF DIRECTORS:

- | | | |
|-------------------------------------|---|-------------------|
| 1. Mr. S. Surendra | - | Chairman |
| 2. Mr. G. Hari Hara Rao | - | Managing Director |
| 3. Mr. T.V.A.L.N.V.D. Srinivasa Rao | - | Director |

COMPANY SECRETARY:

Not appointed

STATUTORY AUDITOR:

M/s. Pavuluri & Co.

Chartered Accountants

Plot no: 48, Flat No: 301, IIIrd floor,

MICASA Phase-I, Kavuri Hills,

Hyderabad – 500 033

SOLICITORS /ADVOCATES:

M/s Sarthak Advocates & Solicitors
Delhi

M/s Raghunandan Associates
Hyderabad

Registered Office:

Plot No. 237, 2nd Floor

Bapuji nagar

Bhubaneswar

Orrisa – 751 009

Corporate Office:

#304-O, Road No 78,

Filmnagar, Jubilee Hills,

Hyderabad

Telangana – 500 033

Regional Office:

A-102 Sector – 65,

Noida – 201307,

Uttar Pradesh,

India – 110 019

Registrars and Transfer Agents

M/s Karvy Stock Broking Limited

46, Avenue-4, Street No 1,

Banjara Hills,

Hyderabad, Andhra Pradesh – 500 034


Bankers/ Lenders list

State Bank of India	Export Import Bank of India
Asset Reconstruction Company (India) Limited (ARCIL)	Bank of Maharashtra
Standard Chartered Bank	Bank of Baroda
Yes Bank Limited	Bank of Bahrain and Kuwait
ICICI Bank	Canara Bank
Corporation Bank	Edelweiss Asset Reconstruction Company Private Limited
Axis Bank Limited	Kotak Mahindra Bank Limited
Andhra Bank	Karur Vysya Bank
Bajaj Auto Finance Ltd	Oriental Bank of Commerce
India Bulls Financial Services Ltd	Punjab National Bank
L&T Infra Finance Ltd	IDBI Bank
Phoenix ARC- HDFC	SREI Equipment Finance P Ltd
Tata Capital Ltd	Aditya Birla Corporation
Tata Motors Finance Limited	IFCI Ltd
Indusind Bank Ltd	IDFC Ltd
Siemens Financial Services Pvt Ltd	Shriram Equipment Finance Co Ltd

Ravi Sankar Devarakonda, ACA, ACS, ACMA, LLB, IP
(Practicing Chartered Accountant & Insolvency Professional)

D-602, Prestige St. Johnswood Apartments, No 80, Tavarakere Main Road, Bangalore 560029.
Tel +91 80 41278817, Mobile: 98441 02554 / 93419 79634 Email: ravicaacscma@icai.org

Resolution Professional Report

In the matter of Coastal Projects Limited before Hon'ble National Company Law Tribunal, Kolkata vide CP (IB) No. 593/KB/2017

The members are informed that pursuant to the order of the Hon'ble National Company Law Tribunal – Kolkata Bench dated 05th January, 2018 ("NCLT Order"), Corporate Insolvency Resolution Process ("CIRP") has been initiated for the Coastal Projects Limited ("the Company") in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the related rules and regulations issued thereunder ("Code").


I, Mr. Ravi Sankar Devarakonda, was appointed as Interim Resolution Professional in terms of the NCLT Order and, subsequently, I was appointed as the Resolution Professional by the Committee of Creditors on 1st February, 2018 as per the provisions of the Code ("Resolution Professional").

The enclosed standalone and consolidated financial statements comprising Balance Sheet as at 31st March, 2018, the Statement of Profit & Loss account, the Cash Flow statement and Statement of Changes in Equity for the year then ended, and a summary of the Significant Accounting Policies and other explanatory information of the Company (which is under CIRP in terms of The Insolvency and Bankruptcy Code, 2016) along with the Directors' Report have been prepared by the Directors of the Company. As per their representations, financial statements comply with the Generally Accepted Accounting Principles (GAAP) in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the Companies (Accounting Standards) Amendment Rules, 2016 and other pronouncements of the Institute of Chartered Accountants of India, the relevant provisions of the Act, to the extent notified and applicable. The Resolution Professional has relied upon the representations and statements made by the Directors of the Company while reviewing the financial statements.

It is to be noted that the CIRP has commenced from 05th January, 2018, and accordingly the Resolution professional (RP) has relied on the Directors for the financial transactions prior to his engagement. Accordingly, prior to the appointment of the RP, the liability to authenticate all transactions rested solely on the erstwhile Board of Directors and not on the Resolution professional and the Resolution Professional specifically repudiates any liability arising out of the foregoing.

For this purpose and for purpose of reviewing the above mentioned financial statements, the Resolution Professional has relied upon the representations and statements of the directors of the Company.

The RP has signed the accompanying Financial Statements as "Identified Document" for submission to various statutory authorities, which have been prepared, submitted and approved by Directors of the Company.


Mr. Ravi Sankar Devarakonda
Resolution Professional
Registration Number:
IBBI/PA-001/IP-P00095/2017-2018/10195
Ravi Sankar Devarakonda
Resolution Professional for Coastal Projects Limited
IP Registration No. IBBI/PA-001/IP-P00095/2017-2018/10195

Place: Hyderabad
Date: 29th November, 2018



NOTICE

Notice is hereby given that the 23rd Annual General Meeting of Members of Coastal Projects Limited will be held on Monday, the 31st December, 2018 at 11.00 A.M. at Mayfair Convention, Near Tarini Siddheswara Temple, Mayfair Rd, Jayadev Vihar, Bhubaneswar, Odisha 751013, India to transact the following business:

Ordinary Business:

1. To receive, consider and adopt
 - (a) The audited Standalone Balance Sheet as at 31st March, 2018 and Statement of Profit and Loss for the year ended as on that date together with the Reports of the Directors and the Auditors thereon.
 - (b) The audited consolidated financial statement of the Company for the financial year ended 31st March, 2018.
2. To re-appoint Director Mr. G. Hari Hara Rao (DIN: 02240794) who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify appointment of M/s. Pavuluri & Co. Practicing Chartered Accountants, with Firm Regn. No. 012194S, as Auditors to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of 27th Annual General Meeting of the Company, be ratified by the Members annually at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.

SPECIAL BUSINESS

4. **TO RE-APPOINT DIRECTOR MR. G. HARI HARA RAO (DIN: 02240794) AS MANAGING DIRECTOR OF THE COMPANY.**

To consider and, if thought fit, to pass with or without modification(s) the following Resolution as **Ordinary resolution**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the appointment of Mr. G. Hari Hara Rao (DIN: 02240794) as the Managing Director of the Company for the period of 1 year with effect from 1st April, 2018.



RESOLVED FURTHER THAT Mr. G. Hari Hara Rao be and hereby appointed in the Committee constituted/to be constituted by the Board from time to time.

RESOLVED FURTHER THAT the resolution passed in 26th November, 2011 which specifies the terms and conditions of his appointment.

RESOLVED FURTHER THAT any one of the directors of the company are be and is hereby severally authorised to sign and submit all the forms on behalf of the company, which are requires to be filed with the registrar of Companies, Cuttack.

5. RATIFICATION OF COST AUDITOR REMUNERATION

To consider and, if thought fit, to pass with or without modification(s) the following Resolution as **Ordinary resolution**

"Resolved that pursuant to the provisions of Section 148 (3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014(including any amendments there to or any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s Jagadeesh Babu & co., Cost Accountants (Firm Registration No. 102469) who was appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2018-19, amounting to Rs. 50,000/- (Rupees fifty thousand only) and the payment of service taxes applicable and re-imbursement of out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

Place: Hyderabad

Date: 29th November, 2018

For Coastal Projects Limited

Ravi Sankar Devarakonda
(Resolution Professional)

IP Registration No.

IBBI/IPA-001/IP-P00095/2017-2018/10195

**EXPLANATORY STATEMENT TO BE ANNEXED TO THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 1: TO RE-APPOINT DIRECTOR MR. G. HARI HARA RAO (DIN: 02240794) AS MANAGING DIRECTOR OF THE COMPANY.**

Mr. G. Hari Hara Rao was appointed as managing director of the Company for a period of 5 years with effect from 01.04.2013 and his term was expired on 31.03.2018.

Being eligible for re-appointment and pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the appointment of Mr. G. Hari Hara Rao as managing Director of the Company for a period of 1 year effective from 01.04.2018.

The Board recommends the resolution for approval of the Members.

None of the Directors, Key Managerial personnel, and their relatives of the company is directly/indirectly interested in the above resolution.

Item No. 2: Ratification of Cost Auditor Remuneration

The Board of Directors of the Company, appointed M/s Jagadeesh Babu & Co, Cost Auditors, Hyderabad, as Cost Auditors of the Company at a remuneration of Rs. 50,000/- plus reimbursement of out of pocket expenses, for conducting audit of cost records for the Financial Year 2018-19.

In terms of the provisions of section 148 of the Companies Act, 2013 and rules made thereunder the remuneration payable to the Cost Auditor is to be ratified by the members of the Company in general meeting. Accordingly the members are requested to ratify the above said remuneration payable to the Cost Auditor during the Financial Year 2018-19.

The ratification by the Members to this Remuneration is being sought in this resolution.

The Board recommends the resolution for approval of the Members.

None of the Directors, Key Managerial personnel, and their relatives of the company is directly / indirectly interested in the above resolution.

For Coastal Projects Limited

Ravi Sankar Devarakonda
Resolution Professional

IP Registration No.
IBBI/IPA-001/IP-P00095/2017-2018/10195

Place: Hyderabad
Date: 29th November, 2018



NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is set out in the notice is annexed hereto.
2. *A member shall appear with reasonable prominence, who is entitled to attend and vote at the meeting is entitled to appoint another person as a proxy to attend and vote at the meeting on his behalf on poll instead of him/her and such proxy need not be a member of the company. The proxies to be effective, should be duly stamped, completed, signed and deposited at the registered office of the company or its registrar and share transfer agent not less than forty eight hours before the commencement of meeting.*
3. Members/proxies should produce at the entrance of the venue duly filled attendance slip for attending the meeting.
4. M/s Karvy Computershare Private Limited (Karvy) is the Registrar and Transfer Agent of the Company. Karvy is also the depository interface of the Company with National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL).



DIRECTOR'S REPORT

To
The Members,
Coastal Projects Limited

Pursuant to the Order dated 5th January, 2018 passed by the National Company Law Tribunal, Kolkata (NCLT), the NCLT has appointed me as the Interim Resolution Professional (IRP) under Section 16 of the Insolvency and Bankruptcy Code, 2016 (the Code) based on the application filed for initiating Corporate Insolvency Resolution Process (CIRP) in respect of Coastal Projects Limited ('Corporate Debtor' or 'the Company'). Further my appointment as Resolution Professional (RP) was approved by the Committee of Creditors (CoC) vide the CoC meeting dated 1st February, 2018.

The Insolvency Resolution Process period shall continue for 180 days (270 days in case of extension obtained by RP from the NCLT) starting from the Insolvency Commencement date. During this period, the NCLT has prescribed moratorium period for prohibiting all of the following namely:

- (i) the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority.
- (ii) transferring, encumbering, alienating, or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein.
- (iii) any action to foreclose recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the securitization and reconstruction of financial assets and enforcement of security interest act, 2002.
- (iv) the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.

Since the company is under Corporate Insolvency Resolution Process (CIRP), as per Section 17 of the Insolvency & Bankruptcy Code, 2016 from the date of appointment of the Resolution Professional -

- (a) the management of the affairs of the company shall vest in the Resolution Professional.
- (b) the powers of the Board of Directors company shall stand suspended and be exercised by the Resolution Professional.
- (c) the officers and managers of the company shall report to the resolution professional and provide access to such documents and records of the company as may be required by the Resolution Professional.

(d) the financial institutions maintaining accounts of the company shall act on the instructions of the Resolution Professional in relating to such accounts furnish all information relating to the company available with them to the Resolution Professional.

FINANCIALS:

A. Standalone

The key financials are as per table below:

Particulars	INR In Crores	
	FY 2017-2018	FY 2016-2017
Operational Income	919.76	1284.20
Other Income	8.54	13.54
Operational expenditure	456.28	761.39
EBITDA	472.02	536.35
Interest & Finance Charges	308.35	379.87
Depreciation	66.59	107.55
PBT (Before exceptional items)	97.08	48.93
Less: Exceptional Items	1358.67	-
PBT	-1261.59	48.93
Tax	161.34	46.92
PAT	-1422.93	2.01
Net Cash Accruals	-	109.56
EBITDA %	51.32%	41.77%
PAT %	-154.71%	0.16%

- a) **Revenue from Operations:** There has been Decrease of 28.38% in the Revenue from Operations of the company from INR 1,284.20 Crores during FY 2016-17 to INR 919.76 Crores during FY 2017-18.
- b) **EBITDA Margin:** Operational expenditure declined by 12% from INR 536.35 Crores during FY 2016-17 to INR 472.02 Crores during FY 2017-18.
- c) **PAT Margin:** During FY 2017-18, the profit of the company has declined to INR (1,422.93) Crores from INR 2.01 Crores during the FY 2016-17.

Consolidated financial statements

In compliance with the provisions of the Companies Act, 2013 and the Accounting Standards IAS-27 and IAS-31 on consolidated financial statements, read with the Accounting Standard IAS-28 on Accounting for Investments in Associates, attaching the consolidated financial statements for the financial year ended March 31, 2018, which forms part of the Annual Report.

**OPERATIONAL PERFORMANCE**

The company has undertaken the following major projects:

Sl.No	Name of the sites	Value of the Work including escalation bills, extra works and Claims (Crores)
1	Manipur	381.76
2	Agartala	198.43
3	Devadula	135.14
4	Garudeshwar	25.45
5	SIP Kolar	23.51
6	Veligonda	21.69

DIVIDEND

Your directors have not recommended any dividend for the financial year 2017-18.

TRANSFER TO RESERVES

During the year, loss an amount of INR (1,422.93) Crores has been adjusted to reserves and surplus.

MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met 5 times during the year 2017 -18 i.e., 24th April, 2017; 25th May, 2017; 07th July, 2017; 06th September, 2017; 06th November, 2017.

SL No	Name of the Director	DIN	Category	No of meetings attended
1	S.Surendra	00398152	Chairman	5
2	G.Hari Hara Rao	02240794	Managing Director	5
3	N.Sridhar	06549014	Director	3
4	Sharad Kumar	05187359	Director	3
5	Srinivasa Rao	01633877	Director	2

Mr. Sharad Kumar and Mr. Sridhar Nivarthi, Directors of the Company had resigned from their positions with effect from 07.07.2017

Mr. Srinivasa Rao was appointed as additional director of the Company and was regularized in the 22nd AGM of the Company on November 2nd, 2017

**PUBLIC DEPOSITS:**

Your Company has not accepted any deposits from the public, or its employees during the year under review.

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

Particulars required under section 134(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are as follows.

A. Conservation of Energy:

(i) The steps taken or impact on conservation of energy: The Energy Conservation measures have been implemented wherever possible. The Company is making sincere efforts towards conservation of energy through improved operational methods and all other possible methods.

(ii) The steps taken by the company for utilizing alternate sources of energy: The Company is taking necessary steps to use alternative sources of energy.

(iii) The capital investment on energy conservation equipment: Nil

B) Technology Absorption: The Company strives continuously to upgrade its technology in all its operations.

C) Foreign Exchange Earnings and Outgo: as per Annual Accounts enclosed.

The particulars of foreign exchange earnings and outgo are given below:

(INR in Crores)

Particulars	2017-18	2016-17
Earnings	NIL	NIL
Outgo		
Imports	NIL	NIL
Expenses	NIL	0.12
Investments	NIL	NIL

EXTRACT OF THE ANNUAL RETURN:

The extract of the Annual Return pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 in form MGT-9 is attached to the Directors' Report as *Annexure-A*.

DIRECTORS' RESPOSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, your Directors to the best of their knowledge and ability confirm that:



- (a) In the preparation of the annual accounts for the year ended March 31, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the profit/loss of the company for the year ended on that date;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on a going concern basis.
- (e) The Directors have devised a proper system to ensure compliance with the provisions of all applicable laws and that such other systems were adequate and operating adequately.
- (f) That proper internal financial controls to be followed by the Company have been laid down and that the financial controls are adequate and were operating effectively

DIRECTORS & KEY MANAGERIAL PERSONNEL

Pursuant to Section 152 of the Companies Act, 2013 and rules framed there under Mr. G Hari Hara Rao, Director of the Company retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

There has been change in the composition of the Board of Directors and Key Managerial Personnel of the Company during the financial year under review.

Mr. Srinivasa Rao was appointed as additional director of the Company and was regularized in the 22nd AGM of the Company on November 2nd, 2017

Mr. G Hari Hara Rao, who was appointed as managing director effective from 01.04.2013 for a period of 5 years term has expired on 31.03.2018 and is eligible for re-appointment as Managing Director.

Mr. Sharad Kumar and Mr. Sridhar Nivarthi, Directors of the Company had resigned from their positions with effect from 07.07.2017

Ms. N. Varalakshmi, Company had resigned from her position with effect from 28.02.2018

In pursuance of the provisions of the Companies Act, 2013, Independent Directors, Women Director and Company Secretary needs to be appointed on the Board. As the company is facing various litigations with the lenders, supplies, bankers and in pursuant to the Corporate Insolvency Resolution Process no Independent directors, Women directors and Company Secretary are forthcoming to join on the Board of Directors.



PARTICULARS OF KEY MANGERIAL PERSONNEL ('KMP')

In pursuance of the provisions of Section 197(12) of the Companies Act, 2013 read with the Rules 5(2) and 5(3) of the Companies (Appointment and remuneration of Managerial personnel) Rules 2014, none of the KMP is drawing remuneration in excess of the limits set out in the said rules.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION.

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules framed thereunder, the Board of Directors approved and adopted the Nomination and Remuneration Policy of your Company.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES:

The Company has 9 (nine) subsidiaries, 1(one) Associate and 1(one) Other Related company as on 31st March, 2018. There was no material change in the nature of the business carried on by the subsidiaries.

As per the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the subsidiary Companies/ Associate Companies/Other Related is prepared and is attached to the Financial Statements of the Company as "*Annexure-C*".

PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS

Pursuant to section 188 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014. All related party transactions that were entered during the financial year were in the ordinary course of the business of the Company and were on arm's length basis. There were no materially significant related party transactions entered by the Company during the year with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

CORPORATE SOCIAL RESPONSIBILITY

As required by the Provisions of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors of the Company, consisting of Members Mr. Hari Hara Rao, Mr. S. Sudrendra and Mr. Srinivasa Rao. The said Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which have been approved by the Board. This policy envisages CSR Activities to be taken up, amount of expenditure to be incurred and monitoring of the CSR Activities from time to time. During the year the company was not required to spend any amount on CSR.

**STATUTORY AUDITORS AND THEIR REPORT**

The Statutory Auditor of the Company M/s. Pavuluri & Co. Practicing Chartered Accountants, with Firm Regn. No 012194S have confirmed their eligibility and willingness to accept the office of Statutory Auditor, to hold office from the conclusion of the this 23rd Annual General Meeting up to the conclusion of the 27th Annual General Meeting.

The Statutory Auditor Report to the shareholders of the Company contains qualification(s) as mentioned in point no. 5 of their report.

Explanation to the points mentioned in the Auditors Report of the financial statement which is self-explanatory.

Emphasis of matter has been given in point no. 7 of the Auditors Report which is self-explanatory.

COST AUDITORS

The Board has appointed M/s Jagadeesh Babu & co., Cost Accountants, (Firm Registration No. 102469) as Cost Auditors of the Company for conducting the audit of cost records of the Company.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Sec 204(1) of the Companies Act, 2013, the Company has appointed M/s. R&A Associates, Practicing Company Secretaries as Secretarial Auditors to conduct Secretarial Audit for the financial year 2017 -18. The Secretarial Audit Report for the financial year ended 31st March, 2018 is annexed herewith as *Annexure – B*

The Secretarial Auditor Report does contain few observations regarding non filing/ delay in filing few forms and few other issues which will be complied during the year.

VIGIL MECHANISM

Your Company has established a Vigil Mechanism for its Directors and employees to report their genuine concerns and hosted on the website of the company pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014.

POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment. During the year under review, the Company has not received any complaints pertaining to Sexual Harassment.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There are no Material Changes and Commitments affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this Report.



SIGNIFICANT AND MATERIAL ORDERS

There are significant and material orders passed by the National Company Law Tribunal, Kolkata by its orders dated January 5th, 2018 impacting the going concern status and Company's operations in future by initiating Corporate Insolvency process, which was initiated under Section 7 of the Insolvency and Bankruptcy Code, 2016.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company is constantly endeavoring to improve the standards of internal control in various areas. The existing set up of internal control system is commensurate with the size of the company's operations and its nature of business. However, realizing the significance of the contribution that sound internal control systems can make to any organization, the Company is taking steps to further strengthen the internal control system.

RISK MANAGEMENT

The Company is in the process of establishing Enterprise Risk Management to manage risks with the objective of maximizing shareholders value. The business of the company depends on the changes in Government policy on infrastructure sector development.

MANAGEMENT DISCUSSION AND ANALYSIS

CPL over the past more than a decade has earned a reputation as one of the pioneers and specialists in business of providing construction and EPC services across the country especially in underground tunnelling/excavation, metro, shafts etc.. It has the distinction of completing the projects undertaken by it in the time schedule laying emphasis on quality and executing the projects to the entire satisfaction of the clients.

Over the last 5 years, due to economic downturn the infrastructure sector in India has adversely affected. Thus, CPL like all similar companies in the industry struggled with liquidity crunch and with their highly leveraged balance sheets, focused on operations control and generating cash flows to meet the short term obligations.

Like all other infra companies, CPL also faced unforeseen circumstances and used debt financing for projects execution. The sudden, sharp and prolonged slowdown has resulted in the company's revenue and profit margin suffered due to slow order inflows, bottlenecks in execution, higher interest cost, delays in payments and realization of pending receivables from clients. Consequently, this has affected the top line and bottom line of the company and also couldn't service the debt. However, in this regard the company has successfully completed the Corporate Debt Restructuring (CDR) in FY 14, the package provides for moratorium to interest rate payments and readjustment of tenures for repayment of Term Loans(TL).

The implementations of CDR package got delayed by a quarter and also due to continuous challenges faced by the company in the FY 15 due to the overall macroeconomic hasn't changed, further the Govt. struggled to stabilize the economy in various states where the company is executing its major projects. Following to this, lenders had considered conversion of WCTL, FITL and overdue interest into CCPS to provide relief to the company. The RBI had come out with a circular dated 08.06.2015 providing for conversion of debt to equity under the Strategic Debt Restructuring (SDR) Scheme. After several deliberations, the lenders agreed to set 25.07.2015 as the reference date for invocation of SDR and thereby converted 180.51 Crores of debt into equity by holding 54.55% stake in CPL post SDR.



The implementation of the Carve out scheme coupled with SDR exit which was approved by super majority of lenders cannot be implemented for want of shareholders' approval. Thus, the scheme could not be implemented in the current form.

A petition was filed by one of the financial creditors under Section 7 of the Insolvency and Bankruptcy Code, 2016 for initiating Corporate Insolvency process and upon on admission of the petition at National Company Law Tribunal, Kolkata the powers of the Board are suspended effective from January 5th, 2018 till date.

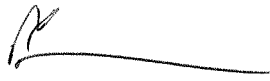
ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for and gratitude to various departments and undertakings of the Central and State Governments, Banks, Financial Institutions and valued customers, for their valuable support and co-operation and also wish to place on record their wholehearted appreciation for continued support extended by the Shareholders and Investors, which has always been a source of strength for the Company.

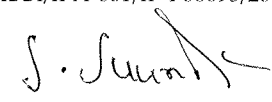
Place: Hyderabad


Date: 29.11.2018

For Coastal Projects Limited


Ravi Sankar Devarakonda
Resolution Professional

IP Registration No.
IBBI/IPA-001/IP-P00095/2017-2018/10195


S. Surendra
Director
DIN: 00398152


T V A L N V D Srinivasa Rao
Director (DIN: 01633877)



**Form No. AOC-2**

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

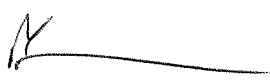
Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1.	<p>Details of contracts or arrangements or transactions not at arm's length basis:</p> <p>a) Name(s) of the related party and nature of relationship</p> <p>b) Nature of contracts/arrangements/transactions</p> <p>c) Duration of the contracts / arrangements/transactions</p> <p>d) Salient terms of the contracts or arrangements or transactions including the value, if any</p> <p>e) Justification for entering into such contracts or arrangements or transactions date(s) of approval by the Board</p> <p>f) Amount paid as advances, if any:</p> <p>g) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188.</p>	Not Applicable
2.	<p>Details of material contracts or arrangement or transactions at arm's length basis</p> <p>(a) Name(s) of the related party and nature of relationship:</p> <p>(b) Nature of contracts/arrangements/transactions:</p> <p>(c) Duration of the contracts / arrangements/transactions:</p> <p>(d) Salient terms of the contracts or arrangements or transactions including the value, if any:</p> <p>(e) Date(s) of approval by the Board, if any:</p> <p>(f) Amount paid as advances, if any:</p> <p>Form shall be signed by the persons who have signed the Board's report.</p>	Not Applicable

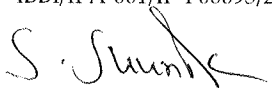
For Coastal Projects Limited


Place: Hyderabad

Date: 29.11.2018


Ravi Sankar Devarakonda
Resolution Professional

IP Registration No.
 IBBI/IPA-001/IP-P00095/2017-2018/10195


S. Surendra
Director
DIN: 00398152


T V A L N V D Srinivasa Rao
Director (DIN: 01633877)





Annexure - A

FORM NO. MGT 9					
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.					
EXTRACT OF ANNUAL RETURN					
As on the financial Year ended 31/03/2016					
I	REGISTRATION & OTHER DETAILS:				
i	CIN	U45203OR1995PLC003982			
ii	Registration Date	01.05.1995			
iii	Name of the Company	COASTAL PROJECTS LIMITED			
iv	Category of the Company	PUBLIC COMPANY			
v	Address of the Registered office & contact details				
	Address :	237, Bapuji Nagar, 2nd Floor, - 751009 Bhubaneswar , Orissa, INDIA			
	Telephone (with STD Code) & fax	0674 -6942656 , 0674 - 2597956			
	Email Address :	cs@coastalprojects.co.in			
	Website, if any:	www.coastalprojects.co.in			
vi	Whether listed company	NO			
vii	Name and Address of Registrar & Transfer Agents (RTA):-				
	Karvy Stock Broking Limited 46, Avenue-4, Street No 1, Banjara Hills, Hyderabad ,Telangana -500034				
II	PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY				
	All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-				
Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company		
1	Construction & Civil Engineering	41001, 41002, 42101, 42201, 42204	100%		
III.	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES				
S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	Grandeur Power Projects Pvt Ltd	U40300UP2010PTC042937	Subsidiary	100	Sec 2 (87)
2	Badao Hydro Power Pvt Ltd	U40300UP2011PTC043279	Subsidiary	100	Sec 2 (87)
3	Para Hydro Power Pvt Ltd	U40300UP2011PTC043280	Subsidiary	100	Sec 2 (87)
4	Rebby Hydro Power Pvt Ltd	U40300UP2011PTC043281	Subsidiary	100	Sec 2 (87)



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CIN: U45203OR1995PLC003982

5	Jalpower Corporation Limited	U40109TG2004PLC043985	Subsidiary	50.18	Sec 2 (87)
6	Ujjawala Power Pvt Ltd	U40101DL2010PTC208285	Subsidiary	99.99	Sec 2 (87)
7	Coastal Lanka Pvt Ltd	PV 71774	Subsidiary	100	Sec 2 (87)
8	Coastal Transnational Ventures (CY) Limited	HE276067	Subsidiary	100	Sec 2 (87)
9	NepalJalabidyutPravardanTathaBikash Limited		Associate	20.90	Sec 2 (6)
10	Prospecta Infrastructure Private Limited	U45309OR2016PTC025601	Subsidiary	100	Sec 2 (87)
11	Dharmshala Hydro Power Limited	U40109TG2000PLC035075	Other Related	5.30	NA

**IV. SHARE HOLDING PATTERN****(Equity Share Capital Breakup as percentage of Total Equity):****Category-Wise Shareholding:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
. Promoters									
(1) Indian									
a) Individual/HUF	38260641		38260641	11.44	38260641		38260641	11.56	
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.	184956873		184956873	55.89	184956873		184956873	55.89	-
e) Banks / FI									
f) Any Other....									
	223217514		223217514	67.45	223217514		223217514	67.45	
Sub-total (A) (1):-									-
(2) Foreign									
a) NRIs - Individuals	107718086		107718086	32.55	107718086		107718086	32.55	
b) Other – Individuals				-				-	-
c) Bodies Corp.	107718086		107718086	32.55	107718086		107718086	32.55	
d) Banks / FI									
e) Any Other....									-
Sub-total (A) (2):-	330935600		330935600	100	330935600		330935600	100	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)									
B. Public Shareholding		-			-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	330935600		330935600	100	330935600		330935600	100	-

**(ii) Shareholding of Promoters**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares Pledged/ encumbered to total shares	
1.	S.Surendra	33854313	10.23	11.44	33854313	10.23	11.44	-
2.	S.Papayya	645753	0.20		645753	0.20		-
3.	S.Santhisree	2848895	0.86		2848895	0.86		-
4.	G.Hari Hara Rao	455000	0.14		455000	0.14		-
5.	N.Swaroop Rani	41799	0.01		41799	0.01		-
	Total	37845760	11.44		37845760	11.44		-

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	No Change	No Change	No Change	No Change
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No Change	No Change	No Change	No Change
3	At the End of the year	No Change	No Change	No Change	No Change



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

S.No	Name of Shareholder	Number of Equity Shares	Shareholding (%)
1	State Bank of India	51924232	12.44
2	Tunnel Holdings 1 Limited	39013029	11.79
3	Fidelity India Ventures	30192054	9.12
4	Sequoia Capital India Growth Investment Holdings 1	28199986	8.52
5	ICICI Bank	24835760	7.50
6	Punjab National Bank	22085152	6.67
7	Axis Bank	19000617	5.74
8	IDBI Bank	10122179	3.06
9	Deutsche Bank AG Hong Kong Branch	9101289	2.75
10	Oriental Bank of Commerce	8441961	2.55
	TOTAL	242916259	73.40

(v) Shareholding of Directors and Key Managerial Personnel:

S.No	Name of Shareholder	Number of Equity Shares	Shareholding (%)
DIRECTORS			
1	Mr. S. Surendra	33854313	10.23
2	Mr. G.Hari Hara Rao	455000	0.14
	TOTAL	34309313	10.37

**V. INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding for payment (Rs. In Crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4601.42	181.00	-	4782.42
ii) Interest due but not paid	48.49	-	-	48.49
iii) Interest accrued but not due		-	-	-
Total (i+ii+iii)	4649.91	181.00		4830.91
Change in Indebtedness during the financial year				
Addition	1931.45	-	-	1931.45
Reduction	-	181.00	-	-181.00
Net Change	1931.45	-181.00	-	1750.45
Indebtedness at the end of the financial year				
i) Principal Amount	4365.99	-	-	4365.99
ii) Interest due but not paid*	2215.37	-	-	2215.37
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	6581.36	-	-	6581.36

* Please refer to Note 1.2 in financials

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl.No	Particulars of Remuneration	G Hari Hara Rao	Sridhar Nivarthi	Sharad Kumar	Total Amount
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,00,000	4,50,000	4,50,000	33,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	--	-	-	--
3.	Sweat Equity	--	-	-	--
4.	Commission - as % of profit - others, specify...	--	-	-	--
5.	Others, please specify	--	-	-	--
	Total (A)	24,00,000	4,50,000	4,50,000	33,00,000



B. Remuneration to other directors:

Sl. No	Particulars of Remuneration	Name Independent/Non-Executive Directors	Total Amount
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	No Managerial Remuneration has been paid.	NIL
	Total (1)		
2.	Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify (Consultancy Charges)	No Managerial Remuneration has been paid.	NIL
	Total (2)		
	Total (B)=(1+2)	No Managerial Remuneration has been paid.	NIL

Note: Board of directors not drawing any remuneration.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

(Rupees)

Sl. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---	16,90,340	---	16,90,340
2.	Stock Option	--	--	--	--
3.	Sweat Equity	--	--	--	--
4.	Commission - as % of profit - others, specify...	--	--	--	--
5.	Others, please specify (Consultancy Charges)	--	--	--	--
	Total (c)	--	16,90,340	--	16,90,340

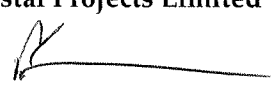


VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:


Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
Directors	176(2)	Note no 2 to AGM notice 03.06.2011 forming part of AGM for year-end 31.03.2011 that the company has not mentioned the reasonable prominence as required under section 176(2) of Companies Act 1956	Compounding fees of INR 17,500/- (i.e., 2500 per directors) on 7 directors was imposed	RD	Compounding fees paid.


Place: Hyderabad
Date: 29.11.2018

For Coastal Projects Limited


Ravi Sankar Devarakonda
Resolution Professional

IP Registration No.
IBBI/IPA-001/IP-P00095/2017-2018/10195


S. Surendra
Director
DIN: 00398152


T V A L N V D Srinivasa Rao
Director (DIN: 01633877)





Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Coastal Projects Limited,
Plot No 237, 2nd Floor Bapuji Nagar,
Bhubaneswar Khurda-751009
Orissa,India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Coastal Projects Limited (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, Minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, Minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(Not applicable to the Company during the Audit Period)
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.



- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): –
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the Audit Period);**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(Not applicable to the Company during the Audit Period);**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period);**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October 2014; **(Not applicable to the Company during the Audit Period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable to the Company during the Audit Period);**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period);** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period).**
- (vi) The Company has identified the following laws as specifically applicable to the Company;
 1. *The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (the "Construction Workers Act")*
 2. *Inter-state Migrant Workers Act, 1979*
 3. *Contract Labour (Regulations and Abolition) Act, 1970 and rules made thereunder*



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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with Stock Exchanges. **(Not applicable to the Company during the reporting period)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the following observations / audit qualifications:

1. In few instances, there were delays in filing of forms/returns/documents with the Registrar of Companies beyond the due dates. There were also some instances where the Company is yet to file the forms and the delay has crossed 270 days as prescribed under Section 403 of the Companies Act, 2013.
2. Pursuant to Section 149 of the Companies Act, 2013 the Company is required to appoint Women Director and the Independent Director(s). The Company is yet to comply with this requirement. Accordingly, the composition of Corporate Social Responsibility Committee, Audit Committee and Nomination and Remuneration Committee constituted by the board are not in line with the provisions of Section 135, 177 & 178 of the Companies Act, 2013.
3. Pursuant to section 203 (4) of Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is yet to fill casual vacancy of Chief Financial Officer and Company Secretary of the Company.
4. The Company is yet to file Annual Performance Report in Form ODE part II in respect of its investment in its Wholly-owned Subsidiary(s).
5. There was delay in submitting Annual Return on Foreign Liabilities and Assets with the Reserve Bank of India for the financial year 2016-17.

We further report that,

The Board of Directors of the Company is not duly constituted as the Company is yet to appoint Women and Independent Directors on the board as required under the Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.



Adequate notice is generally given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. There is a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

We further report that there are reasonable systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. However the Company is required to improve the same for its adequacy.

We further report that, during the reporting period one of the Financial Creditor has filed a petition against the Company for initiation of Corporate Insolvency Resolution Process (CIRP) and the same has been admitted by the Hon'ble National Company Law Tribunal ("NCLT"), Kolkata Bench, vide its order dated 5th January, 2018 and appointed Mr. Ravi Sankar Devarakonda (IP Registration Number: IBBI/IPA-001/IP-P00095/2017-2018/10195) as Resolution Professional ("RP"), in accordance with the Insolvency and Bankruptcy Code, 2016 ("the Code") to manage the affairs of the Company. The Corporate Insolvency Resolution Process period was expired on 1st October, 2018. The resolution professional reported NCLT about the absence of resolution plan approved by Committee of Creditors (COC) to pass the consequential order. However one day before such reporting by RP, M/s Mantena Engitec Private Limited has submitted the revised resolution plan to RP for consideration and the matter is before NCLT.

For and Behalf of
R & A Associates



R. Ramakrishna Gupta
Senior Partner
FCS No : 5523
C P No : 6696
Technopolis, T 202,
1-10-74/B, Begumpet,
Hyderabad – 500 016
Telangana, India

Date: 29th November, 2018

Place: Hyderabad

This report is to be read with our letter of even date, which is annexed as "Annexure – A" and forms an integral part of this report

To,
The Members,
Coastal Projects Limited,
Plot No 237, 2nd Floor, Bapuji Nagar,
Bhubaneswar-751009,
Khurda, Orissa, India.

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of Coastal Projects Limited, ("the Company"). Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. We have relied up on the information provided by the Management with respect to related party transactions for its compliance.
8. With regard to the various submission(s) of information/documents and compliance thereof of other specifically applicable laws to the Company, the reporting of Compliance was made based upon the information/documents available. However, some of the information and documents were not available for our verification. Accordingly, our reporting is subject to this observation.




For and Behalf of
R & A Associates



R. Ramakrishna Gupta
Senior Partner
FCS No : 5523
C P No : 6696
Technopolis, T 202,
1-10-74/B, Begumpet,
Hyderabad – 500 016
Telangana, India

Date: 29th November, 2018

Place: Hyderabad



Independent Auditor's Report on Standalone Financial Statements

To

The Members of COASTAL PROJECTS LIMITED

1. Corporate Insolvency Proceedings as per Insolvency and Bankruptcy Code, 2016 (IBC) :

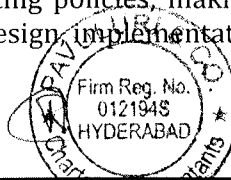
The Hon'ble National Company Law Tribunal ("NCLT"), Kolkata Bench, admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by a financial creditor of Coastal Projects Limited ("the Company") and appointed Mr. Ravi Sankar Devarakonda (IP Registration Number: IBBI/IPA-001/IP-P00095/2017-2018/10195) as Interim Resolution Professional ("IRP"), in accordance with the Insolvency and Bankruptcy Code, 2016 ("the Code") to manage the affairs of the Company vide CP.No. CP (IB) No.593/KB/2017 dated January 5th, 2018. Subsequently, Mr. Ravi Sankar Devarakonda was confirmed as the Resolution Professional ("RP") of the Company, in the 1st Committee of Creditors ("CoC") meeting held on February 1st, 2018.

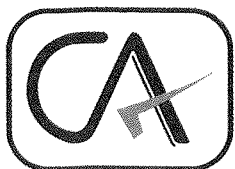
2. Report on the Standalone Financial Statements :

We have audited the accompanying Ind AS standalone financial statements of COASTAL PROJECTS LIMITED ("the Company") CIN: U45203OR1995PLC003982 having registered office at # 237, 2nd floor, Bapuji Nagar, Bhubaneswar - 09 which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement, Statement of changes in equity and a summary of the significant accounting policies and other explanatory information for the year then ended.

3. Management's Responsibility for the Ind AS Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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





PAVULURI & Co.

CHARTERED ACCOUNTANTS

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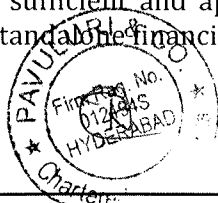
internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Further, as per section 134 of the Companies Act, 2013, the financial statements of a Company are required to be authenticated by the Chairperson of the Board of Directors, where authorized by the Board or at least two Directors, of which one shall be the Managing Director or the CEO (being a Director), the CFO and the Company Secretary where they are appointed. In view of the pendency of Corporate Insolvency Resolution Process (CIRP), these powers are, including aforementioned responsibility for the financial statements, in terms of the code, now vested with Interim Resolution Professional (IRP) to carry out the functions of the Company in his capacity as the IRP. Further, pursuant to the order of NCLT, a public announcement of CIRP was made and a Committee of Creditors (COC) was formed pursuant to the provisions of the code and COC held their first meeting on February 1st, 2018 and inter alia confirmed Interim Resolution Professional as Resolution professional (RP) for the Company.

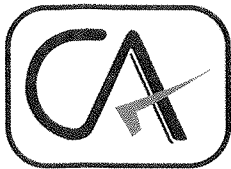
4. Auditors' Responsibility:

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.



Branches :

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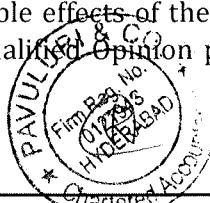
**5. Basis for Qualified Opinion :**

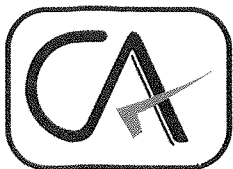
We refer to following notes to stand alone financial statements

- (a) Note 7 of the standalone financial statements, in respect of investments in equity instruments of two subsidiary companies aggregating to ₹. 185.96 crores. Note 10 of the standalone financial statements, in respect of Share application money pending allotment aggregating to ₹. 101.13 crores. There is existence of material uncertainties over the realisability of these amounts due to various factors such as accumulated losses, negative net worth, projects being stuck due to geographical conditions and lack of availability of latest audited financial statements of some of these companies. No provision for impairment has been made on this. In the absence of any alternative collaborative evidence we are unable to comment on the realisability of the same.
- (b) Note 12 to the standalone financial statements, in connection with trade receivables of which ₹. 669.36 crores is more than 3 years old and the company has not made any provision based on ECL (Expected Credit Loss) model. There is existence of material uncertainties over the realisability of these amounts due to various factors such as disputes, age of these assets, non-availability of confirmation of various trade receivables etc. In absence of alternative corroborative evidence, we are unable to comment on the extent to which such balances are recoverable. Had the aforesaid receivables been provided for impairment, profit after tax for the year ended 31st March 2018 would have been lower by such provision and other equity would have been lower by the said amount.
- (c) Note 53 to the standalone financial statements, in respect of preparation of the financial statements of the Company on going concern basis. Had there been provisions made by the company for the aforesaid items from (a) to (b), the Company would have incurred a Net Loss and resulting into accumulated losses and erosion of its Net worth as at 31st March 2018. The Company has obligations towards fund based borrowings aggregating to ₹. 6,581.36 crores, operational creditors and statutory dues etc. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the company may be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable.

6. Qualified Opinion:

In our opinion and to the best of our information and according to the explanations given to us,] except for the possible effects of the matters described in the para 5(a), 5(b) and 5(c) in the Basis for Qualified Opinion paragraph, the aforesaid Standalone



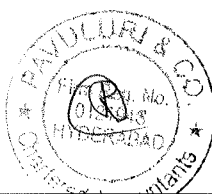


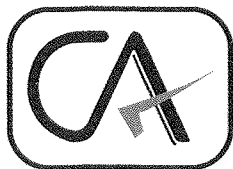
financial statements give the information required by the Act in the manner so required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its losses (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

7. Emphasis of matters:

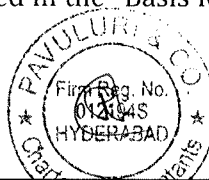
Attention is invited to:

- a. Section 203 of the Companies Act read with rule 8A of the Companies (Appointment and remuneration of Managerial Personnel) Amendment Rules, 2014, In respect of appointment of CFO & CS, As per the said provisions the Board should fill the vacancy of CFO and CS within 6 months from the date of such vacancy. However in the present case such six months have already been elapsed from the date of such vacancy.
- b. Note 10 and 11 of the standalone financial statements, in respect of other receivables and Contract-in-progress relating to completed/ongoing contracts claimable and billable from the customers including costs on account of delay/changes in scope/design etc. there is existence of uncertainty as the matters are in arbitration. However the management is confident about the positive outcome of these arbitrations.
- c. As part of ongoing Corporate Insolvency Resolution Process, the company has been subjected to Forensic Audit for the last four years. However during the course of audit we have not been provided with either the forensic audit report or any material observations that may impact the financial statements of the company. As a result of this, we have not been able to obtain sufficient appropriate audit evidence to state whether any adjustments or disclosure would be required to the information included in the financial statements and the impact thereof.
- d. Note 51 and 52 to the standalone financial statements, the company has made a provision for interest and penal interest only till 5th January 2018 based on the claims submitted and admitted by the resolution professional. However these amounts differ from the confirmation of balances obtained by us from some of these financial and operational creditors. For these borrowings where no confirmations could be obtained, the balances as per books of accounts of the company were taken while preparing the financial statements of the company.



**8. Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, 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, read with paragraph 5, 'Basis of Qualified opinion'.
2. As required by section 143 (3) of the Act, we report that:
 - a. Except for possible effects of the matters as described in the "Basis for qualified opinion" paragraph, we 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. Except for possible effects of the matters described in the "Basis for qualified opinion" paragraph, 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 Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion except for possible effects of the matters described in the "Basis for qualified opinion" paragraph, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable;
 - e. The matter described in the "Basis for qualified opinion" and emphasis of matters paragraph above, may have an adverse effect on the functioning of the Company.
 - f. In view of the pendency of Corporate Insolvency Resolution Process (CIRP), the powers of the Board of Directors are suspended. Therefore, written representations have not been taken on record by the Board of Directors. However on the basis of written representations received from Directors as on 31st March, 2018 and taken on record by the Resolution Professional, none of the Directors are disqualified from being appointed as a Director in terms of Sec 164 (2) of the Act.
 - g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the "Basis for qualified opinion" paragraph above;





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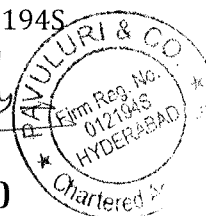
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- h. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses a Qualified Opinion on the Company's internal financial controls over financial reporting.
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the information and explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position to the extent ascertained and has not disclosed the impact in certain cases where it could not ascertain the amount, in its standalone financial statements;
 - ii. Except for possible effects of the matters described under "Basis for qualified opinion" paragraph, the company has made a provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The company did not have any derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Hyderabad
Date: 29th November, 2018

For PAVULURI & Co.
Chartered Accountants
Firm Reg. No:012194S

N. Rajesh
(CA N. Rajesh)
Partner
M.No : 223169



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“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

1. (a) Subject to our comments in para 1 (b) below, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) Except for certain locations (including where physical access to Fixed Assets is restricted by geological conditions/ clients), the fixed assets have been physically verified during the year by the management in accordance with regular programme of verification. Pending physical verification of certain locations, we are unable to comment on the reasonableness of the physical verification programme and discrepancies that may arise on such physical verification of fixed assets that are lying on those locations where physical verifications could not be performed.

(c) According to the information and explanation given to us, title deeds of immovable properties have been mortgaged as securities with lenders i.e., banks, financial institutions and others for security of the borrowings raised by the company. On the basis of examination of records of the company and the copies of the title deeds available with the company, the title deeds of immovable properties are held in the name of the company.

2. (a) According to the information and explanation given to us, the management has conducted the physical verification of inventory at reasonable intervals during the year.

(b) According to the information and explanation given to us, the discrepancies noticed on physical verification of the inventory as compared to books records have been properly dealt with in the books of account.

(c) In our opinion according to information and explanations given to us the records of inventories maintained by company need to be strengthened in relation to raw material and stores and spares.

(d) Inventories includes Contract-in-progress of ₹. 1,357.20 crores as at 31st March, 2018 incurred on completed/ongoing contracts claimable and billable from the customers including costs on account of delay/changes in scope/ design etc., physical verification of these contract-in-progress could not be performed by the management.





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3. The Company has granted interest free unsecured loan to a company covered in the Register maintained under section 189 of the Act, in respect of such loans ;

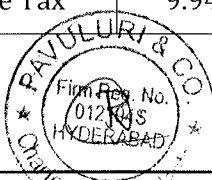
In our opinion, the loan of ₹. 3.48 crores was accounted due to invocation of bank guarantee given by company to its Related Party. The schedule of repayment is not stipulated and considered by the company as repayable on demand. We are unable to comment as to whether repayments are regular, whether any amount is overdue and whether reasonable steps have been taken by the company for recovery of the amount.

4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. As per the information and explanations given to us and also an opinion obtained from a cost auditor and based on our examination of companies (cost record and audit) rules, 2014, the company is exempted from maintenance of cost records and cost audit pursuant to the rules made by the Central Government under sub-section (1) of Section 148 of the Act.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has not been 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 any other statutory dues with the appropriate authorities. There have been significant delays in a large number of cases in depositing these dues with the appropriate authorities.

(b) According to the information and explanations given to us and records of the company examined by us, the following are the undisputed amounts payable in respect of Provident Fund, Income Tax, Wealth Tax, Service Tax, Sales Tax, Duty of Customs, Excise Duty, Value added tax and Other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

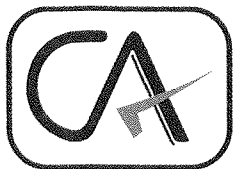
₹ in Crores

Name of the Statute	Nature of Dues	Amount Involved	Period for which the amount related	Due Date
The Income Tax Act, 1961	Tax deducted / collected at source	3.84	2016-17 to 2017-18	Various
The Finance Act, 1994	Service Tax	9.94	2015-16 to 2017-18	Various



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The Employee Provident funds and Miscellaneous Provisions Act, 1952	Provident Fund	1.85	2014-15 to 2017-18	Various
Tax on Professions, Trades, Callings and Employment Act	Professional Tax	0.23	2014-15 to 2017-18	Various
The Central Goods and Services Tax Act, 2017	GST	3.72	2017-18	Various

(c) According to the information and explanations given to us and records of the company examined by us, the following are disputed dues relating to TDS and Income Tax which have not been deposited with the appropriate authorities on account of any dispute.

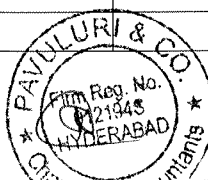
₹ in Crores

Name of the Statute	Nature of Dues	Amount Involved	Period for which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Tax deducted / Collected at source	18.16	A.Y 2013-14 to A.Y 2016-17	CIT (Appeals) - 3, Bhubaneshwar
The Income Tax Act, 1961	Income Tax	6.50	A.Y 2010-11	CIT (Appeals) - 1, Hyderabad

8. As matters described in 21.1 to the financial statements and pursuance of repayment schedule stipulated in the sanction letter, the entire amount of borrowing including interest are overdue and continuing default as on 31st March 2018, therefore, we are unable to provide periods of default. Details of defaults in repayment of borrowings including interest and other charges are given below as per the books of accounts of the company.

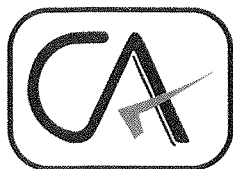
₹ in Crores

S.No	Bank / Financial Institution	Unpaid Principle	Unpaid Interest & Other Charges
1	Andhra Bank	48.30	20.82
2	Axis Bank	351.25	197.37
3	Bank of Baroda	55.63	19.33
4	Bank of Maharashtra	152.84	56.95
5	Canara Bank	92.71	60.68
6	Corporation Bank	50.88	18.45
7	Export-Import Bank of India	142.25	53.46



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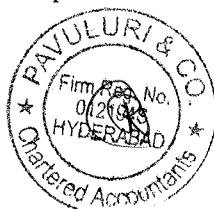
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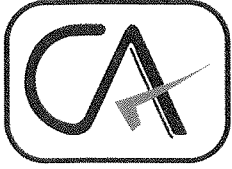
8	ICICI Bank	492.45	244.77
9	IDBI Bank	87.62	201.37
10	IDFC BANK LIMITED	33.00	58.45
11	IndusInd Bank Limited	57.64	21.97
12	Karur Vysya Bank Ltd	26.85	1.93
13	Kotak Mahindra Bank Limited	43.23	39.35
14	Oriental Bank of Commerce	109.95	39.26
15	Punjab National Bank	520.86	249.86
16	SBM Bank Mauritius LTD	15.00	8.33
17	South Indian Bank / Arcil	183.31	78.56
18	Standard Chartered Bank	50.00	49.52
19	State Bank of India	994.08	379.08
20	Aditya Birla Finance Limited	53.45	63.15
21	Bajaj Finance	0.72	-
22	Edelweiss ARC	100.10	5.78
23	IFCI Limited	73.40	92.38
24	Indiabulls Housing Finance Limited	0.11	0.35
25	L&T Infrastructure Finance Company Limited	150.63	154.43
26	Phoenix ARC Private Limited	24.33	43.45
27	Reliance Commercial Finance	4.86	-
28	Shriram Transport Finance Company Limited	13.29	12.10
29	Siemens Financial Services Private Limited	11.53	11.97
30	Srei Equipment Finance Ltd	324.83	-
31	Tata Capital Financial Services Limited	100.91	32.23
	Total	4,365.99	2,215.37

9. Based upon the audit procedures performed and the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
10. Based upon the audit procedures performed and the information and explanations given to us, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.



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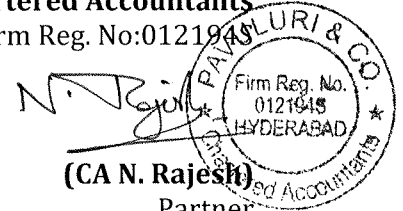
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11. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made preferential allotment or private placement of shares during the year under review according to the requirement of Sec 42 of the Companies Act 2013 and the amount raised have been used for the purposes for which the funds were raised.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For PAVULURI & Co.
Chartered Accountants

Firm Reg. No:0121943



(CA N. Rajesh)
Partner

M.No : 223169

Place : Hyderabad

Date : 29th November, 2018

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"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of COASTAL PROJECTS LIMITED

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

We have audited the internal financial controls over financial reporting of COASTAL PROJECTS LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

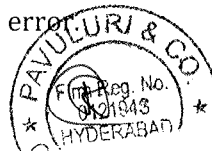
Management's Responsibility for Internal Financial Controls

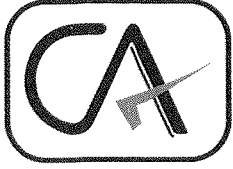
The Company's board of directors and the Resolution Professional (from the date of his appointment) is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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





PAVULURI & Co.

CHARTERED ACCOUNTANTS

Plot No.48, Flat No.301,
Micasa, Phase - I, Kavuri Hills,
Hyderabad - 500 033.
Ph : 040-2970 2638 / 2639 / 2640
Email : pavuluriandco@gmail.com

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

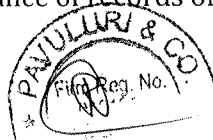
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Basis for Qualified Opinion

In our opinion and according to the information and explanation given to us and based on our audit, the following, material weaknesses which are required to be strengthened have been identified as at 31st March, 2018.

The company has inadequate internal financial controls over

- Assessment of expected credit loss / loss allowance of bank guarantees encashed by clients, trade receivables which are subject matter of various disputes / arbitration proceedings / negotiations with the customers.
- Assessment of impairment in value of long term equity investment and share application money pending for allotment.
- Physical verification and maintenance of records of inventories.





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Further the company has inadequate internal audit system commensurate with the size of the company and the nature of its business.

“A material weakness” is a deficiency, or a combination of deficiencies, in internal financial controls over financial reporting, such that there is a reasonable possibility that material misstatement of the company’s annual or interim financial statements will not be prevented or detected on a timely basis.

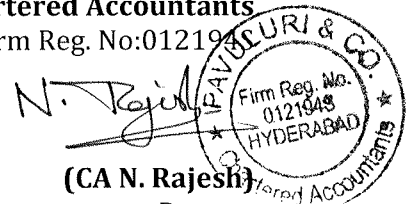
Qualified Opinion

In our opinion and according to the information and explanations given to us, the Company has to further strengthen in all material respects, the internal financial control system over financial reporting to make such internal financial controls over financial reporting to operate effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Hyderabad
Date : 29th November, 2018

For PAVULURI & Co.
Chartered Accountants

Firm Reg. No:0121948



(CA N. Rajesh)

Partner

M.No : 223169

COASTAL PROJECTS LIMITED

Standalone Balance Sheet as at 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Notes	As at 31 March 2018	As at 31 March 2017
ASSETS			
Non-current assets			
Property, plant and equipment	5	212.54	264.90
Intangible assets	6	0.01	0.00
Financial assets			
i) Investments	7	204.04	204.04
ii) Loans	8	155.52	127.90
iii) Other assets	9	146.46	136.15
Deferred tax asset, net	36(C)	-	161.34
Other non-current assets	10	657.89	589.97
Total non-current assets		1,376.46	1,484.30
Current assets			
Inventories	11	1,819.67	1,471.01
Financial assets			
i) Trade receivables	12	1,820.18	1,600.77
ii) Cash and cash equivalents	13	9.41	28.21
iii) Bank balances other than cash and cash equivalents	14	0.54	4.99
iv) Loans	15	33.36	60.99
v) Other assets	16	819.15	819.74
Current tax assets (net)	17	49.35	33.91
Other current assets	18	106.45	242.75
Total current assets		4,658.11	4,262.36
Total assets		6,034.57	5,746.67
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	330.94	330.94
Other equity	20	(1,485.37)	(60.94)
Total equity		(1,154.43)	270.00
Liabilities			
Non-current liabilities			
Financial liabilities			
i) Borrowings	21	-	2,283.25
Provisions	22	0.47	1.27
Other non-current liabilities	23	12.97	78.86
Total non-current liabilities		13.44	2,363.38
Current liabilities			
Financial liabilities			
i) Borrowings	24	2,348.55	1,834.27
ii) Trade payables	25	406.86	232.14
ii) Others	26	4,235.32	715.73
Provisions	22	5.36	0.71
Other current liabilities	27	179.47	330.45
Total current liabilities		7,175.56	3,113.29
Total liabilities		7,189.00	5,476.67
Total equity and liabilities		6,034.57	5,746.67

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For PAVULURI & CO

Chartered Accountants

(Registration No 0121945)

N. Rajesh

CA N. Rajesh

Partner

(Membership No : 223169)

For COASTAL PROJECTS LIMITED

(CIN: U45203OR1995PLC003982)

S. Surendra

Director

(DIN: 00398152)

T.V.A.L.N.V.D. Srinivasa Rao

Director

(DIN: 01633877)

Ravi Sankar Devarakonda

Resolution Professional

(IP Reg No: IBBI/IPA-001/IP - P00095/2017-2018/10195)

Place: Hyderabad

Date: 29th November, 2018

COASTAL PROJECTS LIMITED**Standalone Statement of Profit and Loss for the year ended 31 March 2018***(All amounts in ₹ Crores, unless otherwise stated)*

Particulars	Notes	Year ended 31 March 2018	Year ended 31 March 2017
Revenue			
Revenue from operations	28	919.76	1,284.20
Other income	29	8.54	13.54
Total Revenue		928.30	1,297.74
Expenses			
Cost of material consumed	30	445.28	395.13
Changes in inventories of contracts-in-progress	31	(490.78)	(187.71)
Employee benefits expense	32	90.56	96.82
Finance costs (refer note 52)	33	308.35	379.87
Depreciation and amortization expense	34	66.59	107.55
Other expenses	35	411.22	457.15
Total expenses		831.22	1,248.81
Profit before exceptional items and tax		97.08	48.93
Less: Exceptional items (refer note 51)		(1,358.67)	-
Profit before tax		(1,261.59)	48.93
Income tax expense			
Current tax	36	0.00	-
Deferred tax	36	161.34	46.92
Total income tax expense		161.34	46.92
Profit for the year		(1,422.93)	2.01
Other comprehensive income			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>			
Re-measurement gains/ (losses) on defined benefit plans		(1.50)	0.90
Income tax effect		-	(0.30)
Other comprehensive income for the year		(1.50)	0.60
Total Other comprehensive income for the year		(1,424.43)	2.61
Earnings per share			
Basic earnings per share (₹)	40	(43.00)	0.06
Diluted earnings per share (₹)	40	(43.00)	0.06

The accompanying notes are an integral part of the standalone financial statements.

Note:

As per our report of even date attached

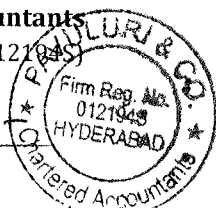
For PAVULURI & CO**Chartered Accountants**

(Registration No 0121943)

CA N. Rajesh

Partner

(Membership No : 223169)

**For COASTAL PROJECTS LIMITED**

(CIN: U45203OR1995PLC003982)

S. Surendra

Director

(DIN: 00398152)

T.V.A.L.N.V.D. Srinivasa Rao

Director

(DIN: 01633877)

**Ravi Sankar Devarakonda**

Resolution Professional

(IP Reg No: IBBI/IPA-001/IP - P00095/2017-2018/10195)

Place: Hyderabad

Date: 29th November, 2018

COASTAL PROJECTS LIMITED**Standalone Cash Flow Statement for the year ended 31 March, 2018**

(All amounts in ₹ Crores, unless otherwise stated)

	For the year ended 31 March, 2018	For the year ended 31 March, 2017
A. Cash flow from operating activities:		
Profit / (Loss) before exceptional items and tax	97.08	48.93
Adjustment for:		
Depreciation and amortisation expense	66.59	107.55
Interest income	(0.44)	(2.94)
Finance costs	308.35	379.87
Re-measurement gains/ (losses) on defined benefit plans	(1.50)	0.90
Profit on sale of property plant and equipment	(0.60)	(0.04)
Loss on sale of property plant and equipment	0.04	0.15
Operating profit before working capital changes	469.52	534.42
Change in operating assets and liabilities :		
Decrease in trade receivables and other assets	1,298.10	(572.81)
Increase/Decrease in Inventories	(348.66)	51.83
Decrease in trade payables, other liabilities and provisions	(45.47)	(45.78)
Cash used in operating activities	1,373.50	(32.32)
Income Tax	(15.44)	5.82
Net cash generated from operations before exceptional items	1,358.05	(26.50)
Exceptional Items	(1,358.67)	-
Net cash used in operating activities (A)	(0.62)	(26.50)
B. Cash flow from investing activities:		
Capital expenditure on property plant and equipment, including capital advances	(19.25)	(12.93)
Proceeds from sale of property plant and equipment	5.23	14.56
Bank balances not considered as cash and cash equivalents	4.30	0.34
Loan realised from related parties and subsidiaries	-	18.42
Interest received	0.59	2.72
Net cash used in investing activities (B)	(9.13)	23.11
C. Cash flow from financing activities:		
Proceeds from long-term borrowings (net of repayments /adjustments)	(1.28)	(109.59)
Proceeds from short-term borrowings (net of repayments/adjustments)	-	133.73
Finance costs	(7.76)	(30.57)
Net cash generated from financing activities (C)	(9.05)	(6.43)
D. Net Increase/Decrease in cash and cash equivalents (A+B+C)	(18.79)	(9.82)
E. Cash and cash equivalents		
at the beginning of the year	28.21	38.04
at the end of the year (Refer note 13)	9.41	28.21

See accompanying notes forming part of the standalone financial statements

Notes:

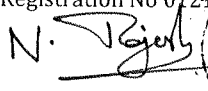
Standalone cash flow statement has been prepared under the Indirect method as set out in the Ind AS 7 on cash flow statements. Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and cash equivalents which are short-term.

As per our report of even date attached

For PAVULURI & CO

Chartered Accountants

(Registration No 012494S)

N. Rajesh

 Firm Reg. No. 012194S
 HYDERABAD
 Chartered Accountants

CA N. Rajesh

Partner

(Membership No : 223169)

For COASTAL PROJECTS LIMITED

(CIN: U45203OR1995PLC003982)

S. Surendra

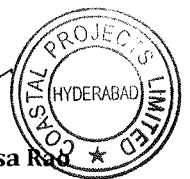
Director

(DIN: 00398152)

T.V.A.L.N.V.D. Srinivasa Rao

Director

(DIN: 01633877)

**Ravi Sankar Devarakonda**

Resolution Professional

(IP Reg No: IBBI/IPA-001/IP - P00095/2017-2018/10195)

Place: Hyderabad

Date: 29th November, 2018

COASTAL PROJECTS LIMITED

Standalone Statement of changes in equity for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

[A] Equity share capital

As at		As at	
31 March 2018		31 Mar 2017	
No. of shares	Amount	No. of shares	Amount
33.09	330.94	33.09	330.94
33.09	330.94	33.09	330.94

Equity shares of ₹.10/- each issued, subscribed and fully paid

Opening

Add: issue during the year

Closing

[B] Other equity

	Reserve and surplus			Items of OCI		Total
	Securities premium reserve	General reserve	Retained earnings	FVTOCI Reserve on equity	Others	
Balance as at 1 April 2016	354.58	-	(418.13)	-	-	(63.55)
Profit for the year	-	-	2.01	-	-	2.01
Other comprehensive income	-	-	-	-	0.60	0.60
Total other comprehensive income for the year	-	-	2.01	-	0.60	2.61
Balance as at 1 April 2017	354.58	-	(416.12)	-	0.60	(60.94)
Loss for the year	-	-	(1,422.93)	-	-	(1,422.93)
Other comprehensive income	-	-	-	-	(1.50)	(1.50)
Total other comprehensive income for the year	-	-	(1,422.93)	-	(1.50)	(1,424.43)
Balance as at 31 March 2018	354.58	-	(1,839.05)	-	-0.90	(1,485.36)

See accompanying notes forming part of the standalone financial statements

As per our report of even date attached

For PAVULURI & CO

Chartered Accountants

(Registration No 012194S)

(N. Rajesh)

CA N. Rajesh

Partner

(Membership No : 223169)

For COASTAL PROJECTS LIMITED

(CIN: U45203OR1995PLC003982)



T.V.A.L.N.V.D. Srinivasa Rao

Director

(DIN: 01633877)

Ravi Sankar Devarakonda

Resolution Professional

(IP Reg No: IBBI/IPA-001/IP - P00095/2017-2018/10195)

Place: Hyderabad

Date: 29th November, 2018

COASTAL PROJECTS LIMITED

Notes forming part of the standalone financial statements for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

1 General Information

- 1.1 Coastal Projects Limited ("the Company", "CPL") was incorporated as a private limited company in 1995 and converted into Public Limited Company in 2010. The Company specialises in Underground excavation works of Hydro Electric Projects, Underground Power House Complexes, Rail Tunnels, Water Carriage Tunnels, Shafts, Buildings, Electricals, Road works, etc.
- 1.2 The Lender Banks and Financial Institutions of the Company had approved a Corporate Debt Restructuring Scheme (CDR) with certain reliefs in relation to repayment timelines of loans and accumulated unpaid interest with certain conditions w.e.f. 31st July, 2013. The efforts to raise additional funds, however could not materialize and the Joint Lenders had decided to adopt Strategic Debt Restructuring (SDR) in their meeting held on 26th June, 2015, involving conversion of part of their debt into equity share capital to facilitate majority shareholding (i.e. more than 54.55%) by the Joint Lenders Forum (JLF). Before expiry of the stipulated period i.e., 24th Jan, 2017, two investors have agreed for Binding Investment offer for 2 carved-out entities. However since this could not materialize, the company has been treated as a case of failed CDR/SDR including withdrawal / reversals of waivers/ reliefs earlier granted to them with retrospective effect from 31st July, 2013. During the year, one of the lenders has filed a petition against the Company for initiation of CIRP that has been admitted by the Hon'ble National Company Law Tribunal ("NCLT"), Kolkata Bench vide its order dated 05th Jan, 2018 declaring moratorium inter-alia against any recovery proceedings/ winding up proceedings against the Company. The order of moratorium shall have effect from 05th Jan, 2018 in accordance with section 14 (1) of the Insolvency and bankruptcy Code, 2016 ("the Code"). Further to the order of NCLT, a public announcement of CIRP was made on 09th Jan, 2018 and a Committee of Creditors (COC) was formed pursuant to the provisions of the code and COC held their first meeting on 01st Feb, 2018 and inter alia confirmed Interim Resolution Professional as Resolution Professional (RP) for the Company. Hence, term loan including Working Capital Term Loan, Funded Interest Term Loan, Priority Debt etc have been classified as current borrowings as repayable on demand.
- 1.3 The standalone financial statements are approved and authorised by the Resolution Professional and Management on 29th November, 2018.

2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of standalone financial statements

(a) Statement of Compliance with Ind AS

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

Amounts for the year ended and as at March 31, 2017 were audited by previous auditors UK Mahapatra & Co.,

(b) Basis of measurement

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

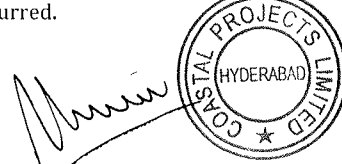
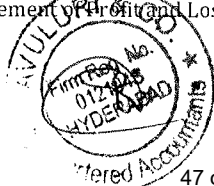
(c) Use of estimates

The preparation of standalone financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying standalone financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the standalone financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3.1 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.



COASTAL PROJECTS LIMITED

Notes forming part of the standalone financial statements for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the written down value method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Useful Life
Plant & Machinery	12 Years
Construction Vehicles	08 Years
Transport Vehicles	08 Years
Furniture and Fixtures	10 Years
Office Equipment	05 Years
Computers	03 Years
Temporary Structures	03 Years

Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date of capitalisation. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Useful life
Computer Software	03 Years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at each financial year end.

2.4 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the standalone financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee, which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

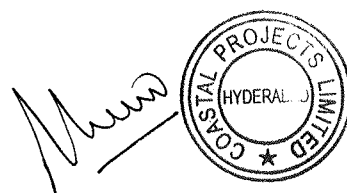
Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.



COASTAL PROJECTS LIMITED

Notes forming part of the standalone financial statements for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.6 Revenue Recognition

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met as described below.

(a) Recognition of contract revenue and expenses:

Revenue from fixed price construction contracts is recognised using the percentage of completion method, measured by reference to the percentage of costs incurred to date to estimated total costs for each contract. (With respect to only engineering contracts, it is being measured with man hours utilised basis). Revenue is only recognised when total contract value can be measured reliably, it is probable that the economic benefits associated with the contract will flow to the entity, the costs to complete the contract can be measured reliably and contract costs incurred can be clearly identified as being attributable to each contract. Change orders resulting in variations in the scope of work or claims that the Company seeks to collect from its customers due to customer-caused delays or excessive increase in costs are recognised as a change in the contract value to the extent it is probable that they will result in revenue and they are capable of being reliably measured. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately in the Statement of Profit and Loss.

Pre-contract costs are expensed as incurred.

(b) Accounting for Claims:

Claims are accounted as income in the period of receipt of arbitration award or acceptance by client or evidence of acceptance received. Interest awarded, being in the nature of additional compensation under the terms of the contract, is accounted as contract revenue on receipt of favourable award.

(c) Income from Equipment Hire charges:

Revenue from equipment hire charges is recognised based on terms of contracts of equipment.

(d) Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists. Interest income on deposits/loans is recognized on accrual basis.

2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

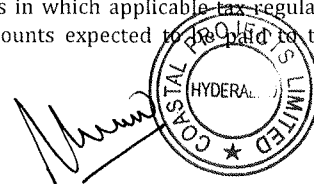
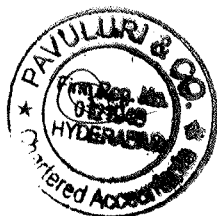
Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in standalone financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.



COASTAL PROJECTS LIMITED

Notes forming part of the standalone financial statements for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

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.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.8 Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) are available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

- ▶ The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- ▶ An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- ▶ The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- ▶ The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- ▶ Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

2.9 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lesser) are charged to 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 to compensate for the lessor's expected inflationary cost increases.

Also initial direct cost incurred in operating lease such as commissions, legal fees and internal costs is recognised immediately in the Statement of Profit and Loss.

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.10 Inventories

Stock of construction material, fuel oil, lubricants, stock of traded goods, consumable stores and spare parts at sites is valued at lower of cost (determined on weighted average basis) and net realisable value.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

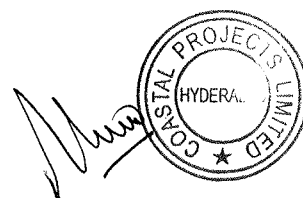
Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

The comparison of cost and net realizable value is made on item by item basis.

2.11 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets are impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.



COASTAL PROJECTS LIMITED

Notes forming part of the standalone financial statements for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.12 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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 or a reliable estimate of the amount cannot be made.

2.13 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, 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 profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

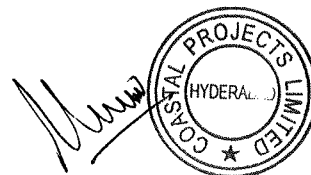
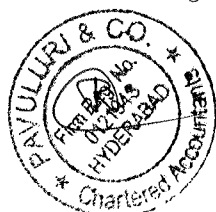
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.



COASTAL PROJECTS LIMITED

Notes forming part of the standalone financial statements for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss. The Company has currently exercised irrevocable option to classify its investment in equity instruments of PQR Private Limited. Other than this no other equity instrument qualifies definition of financial asset in case of the Company.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

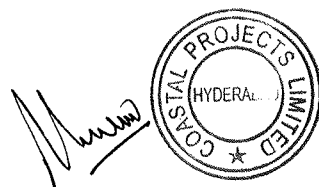
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss. (Also Refer Note 1.2)



COASTAL PROJECTS LIMITED

Notes forming part of the standalone financial statements for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

(iii) **Derecognition**

A financial liability is derecognized when the 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(c) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.15 **Employee Benefits**

(a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) **Other long-term employee benefit obligations**

(i) **Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) **Defined benefit plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under defined benefit plans can be encashed only on discontinuation of service by employee.

2.16 **Contributed equity**

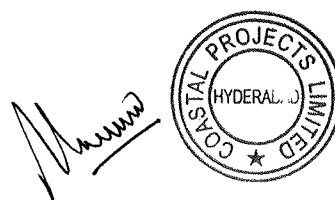
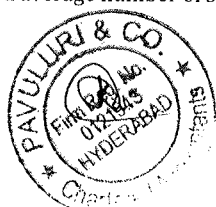
Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.17 **Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.



COASTAL PROJECTS LIMITED

Notes forming part of the standalone financial statements for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

2.18 Rounding off amounts

All amounts disclosed in standalone financial statements and notes have been rounded off to the nearest crores as per requirement of Schedule III of the Act, unless otherwise stated.

2.19 Segment:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chairman and Resolution Professional from the date of appointment have been identified as the Chief Operating Decision Maker. Refer Note 38 for the segment information presented.

2.20 Borrowing Costs:

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

3 Significant accounting judgments, estimates and assumptions

The preparation of standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Taxes:

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation (Refer Note 36).

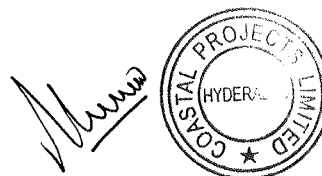
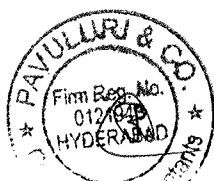
(b) Defined benefit plans (gratuity benefits and leave encashment):

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis (refer Note 41).

(c) Others:

- Estimated useful life of property, plant and equipment's - Note: 2.2
- Estimation of expected credit loss on financial assets - Note : 45 (B)(1)
- Revenue recognition based on percentage of completion (Refer note 2.6)



COASTAL PROJECTS LIMITED

Notes forming part of the standalone financial statements for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

4 Standards (including amendments) issued but not yet effective

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the standalone financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the standalone financial statements and the impact is not material.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The company is currently evaluating the effect of the above amendment.

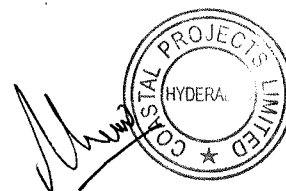
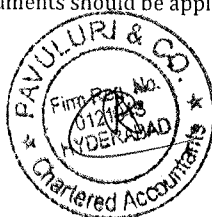
Amendments to Ind AS 12 Recognition of deferred tax assets for Unrealised Losses: The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments are effective for annual periods beginning on or after April 1, 2018. These amendments are not expected to have any impact on the Company as the Company has no deductible temporary differences or assets that are in the scope of the amendments.

Amendments to Ind AS 40 Transfers of Investment Property: The amendment explains that the transfer to, or from, investment property is made when there is an actual change of use, that is the asset meets or ceases to meet the definition of investment property and there is evidence of change in use. A change in management's intentions for the use of a property does not provide evidence of a change in use. Since the Company does not have any investment property in its books of account, the Company has concluded that there will be no impact of this amendment on its standalone financial statements.

Ind AS 28 Investments in Associates and Joint Ventures: Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice. The amendments clarify that:

- An entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss.
- If an entity, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which:
 - (a) the investment entity associate or joint venture is initially recognised;
 - (b) the associate or joint venture becomes an investment entity; and
 - (c) the investment entity associate or joint venture first becomes a parent.

The amendments should be applied retrospectively and are effective from April 1, 2018. These amendments are not applicable to the Company.



COASTAL PROJECTS LIMITED

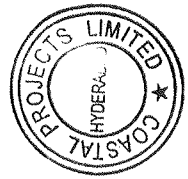
Notes forming part of the standalone financial statements for the year ended 31 March 2018
(All amounts in ₹ Crores, unless otherwise stated)

5 (A). Property, plant and equipment (Financial Year 2015-16)*

	Gross block			Depreciation		Net block	
	As at 1 April 2015	Additions	Adjustments	Deductions	As at 31 March 2016	As at 31 March 2016	As at 31 March 2015
Owned assets							
Land - freehold	1.88	-	-	-	-	1.88	1.88
Buildings	3.96	-	-	0.18	0.18	3.78	3.96
Plant and Machinery	411.14	4.72	-	105.29	105.29	310.57	411.14
Construction Vehicles	33.23	0.20	-	11.22	11.22	22.21	33.23
Transport Vehicles	7.27	0.37	-	2.57	0.50	4.97	7.27
Furniture and Fixtures	2.11	0.16	-	0.66	0.00	1.60	2.11
Office Equipment	1.42	0.12	-	0.75	0.01	0.79	1.42
Computers	0.27	0.05	-	0.08	-	0.23	0.27
Temporary Structures	37.77	23.15	-	31.86	0.02	28.72	37.77
Total	499.04	28.77	-	152.61	0.53	374.77	499.04

(B). Property, plant and equipment (Financial Year 2016-17)*

	Gross block			Depreciation		Net block	
	As at 1 April 2016	Additions	Adjustments	Deductions	As at 31 March 2017	As at 31 March 2017	As at 31 March 2016
Owned assets							
Land - freehold	1.88	-	-	-	-	1.88	1.88
Buildings	3.96	-	-	0.17	0.35	3.61	3.78
Plant and Machinery	415.86	5.21	-	78.20	107.41	223.66	310.57
Construction Vehicles	33.43	5.98	-	7.25	10.46	20.35	22.21
Transport Vehicles	7.05	0.22	-	3.50	1.48	1.55	4.97
Furniture and Fixtures	2.26	0.12	-	0.48	-	1.24	1.60
Office Equipment	1.53	0.16	-	0.32	0.01	0.63	0.79
Computers	0.32	0.09	-	0.04	-	0.28	0.23
Temporary Structures	60.56	0.70	-	17.71	0.00	11.70	28.72
Total	526.85	12.48	-	107.67	88.03	264.90	374.77



(C). Property, plant and equipment (Financial Year 2017-18)*

	Gross block				Depreciation			Net block	
	As at 1 April 2017	Additions	Adjustments	Deductions	As at 31 March 2018	For the year	Deductions	As at 31 March 2018	As at 31 March 2017
Owned assets									
Land - freehold	1.88	-	-	-	1.88	-	-	-	1.88
Buildings	3.96	-	-	-	3.96	0.16	-	0.51	3.61
Plant and Machinery	331.07	4.74	13.51	15.77	333.54	55.79	11.17	152.03	223.66
Construction Vehicles	28.36	-	0.38	-	28.74	5.63	-	13.65	20.35
Transport Vehicles	5.64	-	-	1.06	4.58	1.02	0.98	4.13	1.55
Furniture and Fixtures	2.38	0.01	-	0.00	2.39	0.36	0.00	1.50	1.24
Office Equipment	1.68	0.13	-	0.00	1.81	0.17	0.00	1.22	0.63
Computers	0.40	0.01	-	0.00	0.41	0.05	0.00	0.17	0.28
Temporary Structures	61.25	0.13	0.01	0.01	61.38	3.41	0.01	52.95	11.70
Total	436.61	5.02	13.90	16.84	438.70	66.59	12.16	226.15	212.54

6 (A). Intangible assets (Financial Year 2015-16)*

	Gross block				Depreciation			Net block	
	As at 1 April 2015	Additions	Adjustments	Deductions	As at 31 March 2016	For the year	Deductions	As at 31 March 2016	As at 31 March 2015
Computer Software	0.00	-	-	-	0.00	0.00	-	0.00	0.00
Total	0.00	-	-	-	0.00	0.00	-	0.00	0.00

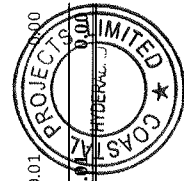
(B). Intangible assets (Financial Year 2016-17)*

	Gross block				Depreciation			Net block	
	As at 1 April 2016	Additions	Adjustments	Deductions	As at 31 March 2017	For the year	Deductions	As at 31 March 2017	As at 31 March 2016
Computer Software	0.00	-	-	-	0.00	-	-	0.00	0.00
Total	0.00	-	-	-	0.00	-	-	0.00	0.00

(C). Intangible assets (Financial Year 2017-18)*

	Gross block				Depreciation			Net block	
	As at 1 April 2017	Additions	Adjustments	Deductions	As at 31 March 2018	For the year	Deductions	As at 31 March 2018	As at 31 March 2017
Computer Software	0.00	0.01	-	-	0.01	0.00	-	0.00	0.00
Total	0.00	0.01	-	-	0.01	0.00	-	0.00	0.00

*Zeros represents amounts are below the rounding term adopted by the company



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COASTAL PROJECTS LIMITED**Notes forming part of the standalone financial statements for the year ended 31 March 2018***(All amounts in ₹ Crores, unless otherwise stated)***7 Financial Assets- Investments**

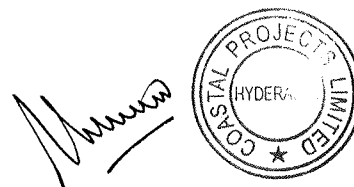
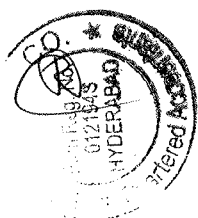
	<u>31 March 2018</u>	<u>31 March 2017</u>
Investment in equity instruments (Unquoted equity shares)		
Subsidiary companies (at Cost) - Fully paid up		
i. 94,786,900 (31 March 2017: 94,786,900) equity shares of ₹.10 each fully paid-up in Jal Power Corporation Limited (refer note 7.1, 7.2 and 48(A))	101.62	101.62
ii. 10,000 (31 March 2017: 10,000,) equity shares of ₹.10 each fully paid-up in Ujjawala Power Private Limited (refer note 7.3)	0.01	0.01
iii. 10,000 (31 March 2017: 10,000) equity shares of ₹.10 each fully paid-up in Para Hydro Power Private Limited	0.01	0.01
iv. 10,000 (31 March 2017: 10,000) equity shares of ₹.10 each fully paid-up in Rebbly Hydro Power Private Limited	0.01	0.01
v. 10,000 (31 March 2017: 10,000) equity shares of ₹.10 each fully paid-up in Badao Hydro Power Private Limited	0.01	0.01
vi. 10,000 (31 March 2017: 10,000) equity shares of ₹.10 each fully paid-up in Grandeur Power Projects Private Limited	0.01	0.01
vii. 10,001 (31 March 2017: 10,001) equity shares of Euro 1 each fully paid-up in Coastal Transnational Ventures (CY) Limited, Cyprus (Refer note: 48(B))	84.34	84.34
viii. 1 (31 March 2017: 1) equity shares of Srilankan Rupee 10 each fully paid up in Coastal Lanka (Private) Limited, Srilanka (*valued at ₹.3.94)	0.00	0.00
xi. 10,000 (31 March 2017: Nil) equity shares of ₹.10 each fully paid-up in Prospecta Infrastructure Private Limited	0.01	0.01
Associates (at Cost)		
i. 241,908 (31 March 2017: 241,908) equity shares of Nepalese Rupee 100 each fully paid-up in Nepal Jalabidyut Pravardan Tatha Bikas Limited, Nepal	17.00	17.00
Others		
i. 1,018,000 (31 March 2017: 1,018,000) equity shares of ₹10 each fully paid-up in Dharmasala Hydro Power Project Limited	1.02	1.02
	<u>204.04</u>	<u>204.04</u>
Current	-	-
Non- Current	<u>204.04</u>	<u>204.04</u>
	<u>204.04</u>	<u>204.04</u>
Aggregate book value of:		
Quoted investments	-	-
Unquoted investments	204.04	204.04
Aggregate amount of impairment in value of Investments	-	-

Note:

7.1. 41,436,760 (31 March, 2017: 41,436,760) equity shares of subsidiary company Jal Power Corporation Limited have been pledged to L & T Infrastructure Finance Company Limited towards the loan availed by the Company. Out of 41,436,760 shares 17,824,250 shares are escrowed by L & T Infrastructure Finance Company Limited.

7.2. 49,110,750 (31 March, 2017: 49,110,750) equity shares have been pledged with the Power Finance Corporation Limited towards the loan availed by Company's subsidiary viz. Jal Power Corporation Limited.

7.3. 10,000 (31 March, 2017: 10,000) equity shares have been pledged with the Hindustan Clean energy Limited (formerly Moser Baer Clean Energy Limited) towards the loan availed by the Company's wholly owned subsidiary viz. Ujjawala Power Private Limited.



COASTAL PROJECTS LIMITED
Notes forming part of the standalone financial statements for the year ended 31 March 2018
(All amounts in ₹ Crores, unless otherwise stated)
8 Non-Current Financial assets - Loans
Unsecured, considered good

Security deposits

Other deposits

31 March 2018 **31 March 2017**

144.40	116.46
11.12	11.44
155.52	127.90

9 Non-Current Financial assets - Others

Bank deposits with more than 12 months maturity *

Interest accrued on bank deposits

Retention money

Total
31 March 2018 **31 March 2017**

1.37	3.22
0.07	0.48
145.02	132.45
146.46	136.15

* Term Deposits with Maturity more than twelve months are pledged as Guarantees / earmarked deposits to parties with Banks and Others.

10 Other non-current assets
Unsecured, considered good

Capital advances

Advances other than capital advances

Share application money pending allotment

Other receivables (refer note 47)

Total other non-current other assets
31 March 2018 **31 March 2017**

61.15	60.65
101.13	101.13
495.61	428.19
657.89	589.97

11 Inventories*

Raw material in stock (Valued at lower of cost and net realizable value)

Contracts-in-progress (Refer note below)

31 March 2018 **31 March 2017**

45.80	187.92
1,773.87	1,283.09
1,819.67	1,471.01

*Hypothecated as charge against current borrowings.

Note: Contracts-in-progress disclosed above as at March 31,2018 includes amount of ₹ 1,357.20 Crores of costs incurred on completed / ongoing contracts claimable and billable from the customers including costs on account of delays / changes in scope / design by them etc. which are at various stages of discussions / negotiations or under arbitrations.

12 Trade receivable *

Secured, considered good

Unsecured

-Considered good

-Considered doubtful

Less : Allowance for bad and doubtful debts (Refer note no:45(B)(1))

31 March 2018 **31 March 2017**

-	-
1,820.18	1,600.77
-	-
-	-
1,820.18	1,600.77

Further classified as:

Receivable from related parties

Receivable from others

167.89	186.57
1,652.29	1,414.20
1,820.18	1,600.77

*Hypothecated as charge against current borrowings.

13 Cash and bank balances
Cash and cash equivalents

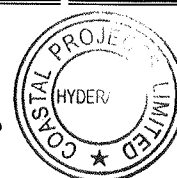
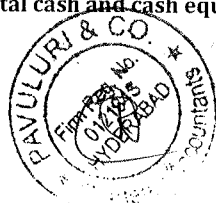
Balances with banks

On current accounts

Cash on hand

Total cash and cash equivalents
31 March 2018 **31 March 2017**

9.13	26.86
0.28	1.35
9.41	28.21



COASTAL PROJECTS LIMITED**Notes forming part of the standalone financial statements for the year ended 31 March 2018***(All amounts in ₹ Crores, unless otherwise stated)***14 Bank balances other than Cash and cash equivalents**

	31 March 2018	31 March 2017
In deposit with Bank*	0.51	4.81
Interest accrued on fixed deposits	0.03	0.18
	0.54	4.99

* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date and these deposits are pledged as Guarantees / earmarked deposits to parties with Banks and Others.

15 Current Financial assets - Loans

	31 March 2018	31 March 2017
<u>Unsecured, considered good</u>		
Security deposit	-	27.05
Loans and advances to related parties-Joint ventures	27.10	27.10
Others receivable	6.26	6.84
	33.36	60.99

16 Current Financial assets - Others

	31 March 2018	31 March 2017
<u>Unsecured, considered good</u>		
Unbilled revenue*	758.33	769.19
Balances with government authorities	38.89	29.16
Earnest money deposits	21.93	21.39
	819.15	819.74

* Unbilled Revenue represents revenue recognised based on percentage of completion method over and above the amount due from the customers as per the agreed payment plans.

17 Current tax assets

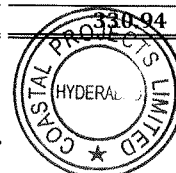
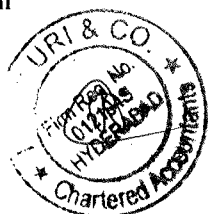
	31 March 2018	31 March 2017
Tax deducted at source (net of provisions amounting ₹. 0.00 (31 March 2017: Nil))	49.35	33.91
	49.35	33.91

18 Other current assets

	31 March 2018	31 March 2017
Advance to suppliers, sub-contractors and others	63.55	174.84
Mobilisation advance to sub-contractors	42.90	57.62
Interest accrued on Deposits -Others	-	8.49
Other receivables	-	1.80
Total	106.45	242.75

19 Equity share capital

	31 March 2018	31 March 2017
The Company has only one class of equity share capital having a par value of Rupees 10 per share, referred to herein as equity shares.		
<u>Authorized</u>		
[600,000,000 No. of shares] 31 March 2017: 600,000,000 equity Shares of ₹.10 each	600.00	600.00
[150,000,000 No. of shares] 31 March 2017: 150,000,000 compulsorily convertible preference shares of ₹.10 each	150.00	150.00
	750.00	750.00
<u>Issued, subscribed and paid up</u>		
[330,935,600] 31 March 2017: 330,935,600 equity shares of ₹.10/- each fully paid	330.94	330.94
Total	330.94	330.94



COASTAL PROJECTS LIMITED
Notes forming part of the standalone financial statements for the year ended 31 March 2018
(All amounts in ₹ Crores, unless otherwise stated)
(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	31 March 2018		31 March 2017	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	33.09	330.94	33.09	330.94
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	33.09	330.94	33.09	330.94

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having par value of ₹. 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, each share carries equal rights and will be entitled to receive equal amount per share out of the remaining amount available with the Company after making preferential payments.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

	31 March 2018		31 March 2017	
Name of the shareholder	Number of shares	% of holding in the class	Number of shares	% of holding in the class
State Bank of India *#	5,19,24,232	12.44%	5,19,24,232	12.44%
Tunnel Holdings India Limited	39,013,029	11.79%	39,013,029	11.79%
Mr. S. Surendra	3,38,54,313	10.23%	3,38,54,313	10.23%
Fidelity India Ventures	3,01,92,054	9.12%	3,01,92,054	9.12%
Sequoia Capital India Growth Investment Holdings 1	2,81,99,986	8.52%	2,81,99,986	8.52%
ICICI Bank *	24,835,760	7.50%	24,835,760	7.50%
Punjab National Bank *	22,085,152	6.67%	22,085,152	6.67%
Axis Bank *	19,000,617	5.74%	19,000,617	5.74%

w.e.f 1st April, 2017 SBH and SBT were merged in to SBI and therefore shares of the aforesaid members were consolidated to SBI

* Loan converted into equity in the scheme of SDR

(d) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(e) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

20 Other equity
(A) Securities premium reserve (SPR)*

	31 March 2018	31 March 2017
Opening balance	354.58	354.58
Add : Securities premium credited on share issue	-	-
Closing balance	354.58	354.58

*SPR record premium on issue of shares to be utilized in accordance with the Act.

(B) Retained Earnings
i) Surplus/(deficit) in the Statement of Profit and Loss

	31 March 2018	31 March 2017
Opening balance	(415.52)	(418.13)
Add: Profit/(loss) for the current year	(1,422.93)	2.01
-Re-measurement gains/ (losses) on defined benefit plans (net of tax)	(1.50)	0.60
Closing balance	(1,839.95)	(415.52)

Total other equity

(1,485.37)	(60.94)
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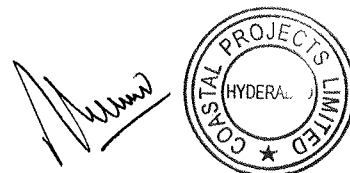
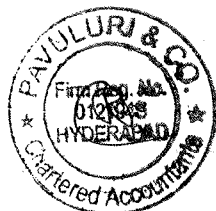
Nature and purpose of other reserves

Securities Premium Account: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This Reserve represents accumulated profit or loss of the company.

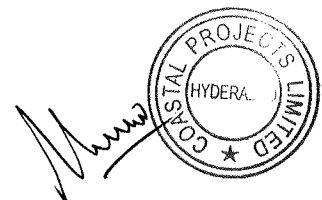
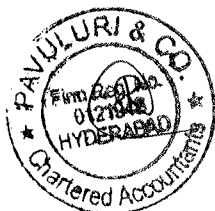
21 Non-current borrowings (Refer Note no 1.2 & 21.1)

	31 March 2018	31 March 2017
Secured from bank term loan	-	2,102.25
Other loans - Unsecured	-	181.00
	-	2,283.25



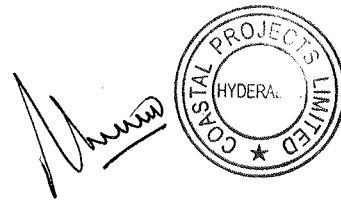
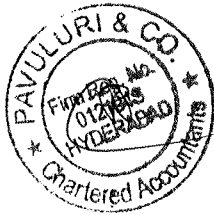
COASTAL PROJECTS LIMITED
Notes forming part of the standalone financial statements for the year ended 31 March 2018
(All amounts in ₹ Crores, unless otherwise stated)
21.1 Notes to Current and Non Current Borrowings:

S.No	Bank / Financial Institution	Rate of Interest	Security	Unpaid Principle	Unpaid Interest	Total loan outstanding
1	Andhra Bank	BR+2.70	Pari passu 1st charge on CA Excluding project specific NF Railway & BMRL	48.30	20.82	69.12
2	Axis Bank	BR + 3.25 & BR + 3.00	Pari passu 1st charge on CA Excluding project specific NF Railway & BMRL Specific charge on CA of NF Railway	351.25	197.37	548.62
3	Bank of Baroda	BR+3.00	Pari passu 1st charge on CA and unencumbered FA Excluding project specific NF Rly & BMRL	55.63	19.33	74.95
4	Bank of Maharashtra	BR + 3.25	Hypothecation of stocks and receivables Mortgage of Third party properties.	152.84	56.95	209.79
5	Canara Bank	BR + 2.25	Pari passu 1st charge on CA and unencumbered FA Excluding BMRL project specific assets EM of Third Party property	92.71	60.68	153.39
6	Corporation Bank	BR+2.85	Pari passu 1st charge on CA & unencumbered FA Excluding project specific BMRL & T.1	50.88	18.45	69.33
7	Export-Import Bank of India	LTMLR+2.30	EM of Third Party Properties Corporate Guarantee from Selection Aluminium Corporate Guarantee of Humming Bird Soft solutions	142.25	53.46	195.71
8	ICICI Bank	BR + 2.50	First charge by way of Hyp.of entire stocks of raw materials,semi finished goods,consumable stores&spares including book debts First charge by way of Hyp.of all the movable Fixed assets ,saves and except those charged /to be charged to term lenders both present&future FDR worth Rs.6.00 Cr 1st pari passu charge on the identified construction equipmt at least to Rs.15cr Subservient charge on all CA and movable FA.NOC waived. Commercial Vechicle mortgaged Subservient Charge of entire current assets of the company.	492.45	244.77	737.22
9	IDBI Bank	BR + 3.50	Pari passu 1st charge on CA & unencumbered FA Present & future along with member banks Excluding project specific CA	87.62	201.37	288.99
10	IDFC BANK LIMITED	BR+5	1) Pledge of 33,85,939 CPL shares 2) Mortgage of office building 102 block A, phase III, Sector 65, Noida, admeasuring 800sq meters. 3) Personal Guarantee of chairman of the company	33.00	58.45	91.45
11	IndusInd Bank Limited	BR +1.25 (Medium Term loan) 11.25 (for WCDL)	Pari passu 1st charge with other WC lenders on Unencumbered FA and CA both present & future.	57.64	21.97	79.62
12	Karur Vysya Bank Ltd	BR+2.25	Exclusive mortgage on immoveable properties with 100%	26.85	1.93	28.79
13	Kotak Mahindra Bank Limited	14%	Exclusive mortgage on Third Party immoveable properties with minimum asset cover of 0.80x	43.23	39.35	82.58
14	Oriental Bank of Commerce	BR + 3.00	Pari passu 1st charge on CA Present & future & Immoveable Property pertaining to company.	109.95	39.26	149.21
15	Punjab National Bank	BR + 3.00	Pari passu 1st charge on CA Excluding project specific NF Railway Pari passu 1st charge on Project Specific CA along with SBI,CAG branch	520.86	249.86	770.71
16	SBM Bank Mauritius LTD	B R + 3.50	Subservient charge on CA & FA	15.00	8.33	23.33
17	South Indian Bank / Arcil	BR + 3.50	Pari passu 1st charge on CA Present & future Excluding Project Specific CA -BMRL	183.31	78.56	261.87
18	Standard Chartered Bank	BR + 3.00	Pari passu 1st charge on CA & unencumbered FA	50.00	49.52	99.52
19	State Bank of India	BR + 3.75	Pari passu 1st charge on CA and unencumbered FA Pari passu 1st charge on BMRL proj.spec. CA along with PNB	994.08	379.08	1,373.16



COASTAL PROJECTS LIMITED
Notes forming part of the standalone financial statements for the year ended 31 March 2018
(All amounts in ₹ Crores, unless otherwise stated)
21.1 Notes to Current and Non Current Borrowings:

S.No	Bank / Financial Institution	Rate of Interest	Security	Unpaid Principle	Unpaid Interest	Total loan outstanding
20	Aditya Birla Finance Limited	BR + 3.40	Escrow A/c receivables of min.2 times of P+Int. Pledge of shares valued 70.00 cr(both loans combined) DSRA of Rs.2.50 Cr Subservient charge on CA	53.45	63.15	116.60
21	Bajaj Finance	Rates Vary per Equipment/ Vehicle	Pledge of the respective Equipment financed	0.72	-	0.72
22	Edelweiss ARC	BR +1.50	FDRs of 7.00 Cr Subservient charge on CA	100.10	5.78	105.88
23	IFCI Limited	14%	1) Pledge of 28,21,616 shares of CPL 2) 3 month DSRA	73.40	92.38	165.78
24	Indiabulls Housing Finance Limited		Pledge of the respective Equipment financed	0.11	0.35	0.46
25	L&T Infrastructure Finance Company Limited	L&T PLR Minus 1.75%	Pledge of shares to provide coverage of 1 time the O/S 2nd pari passui charge on movable assets & CA present & future & unencumbered FA excluding project specific assets. 2nd pari passu charge on Sleemabad TBM by way of Hypothecation. DSRA-to service the interest payment for 3 months & 1 month principal.	150.63	154.43	305.06
26	Phoenix ARC Private Limited		Pledge of the respective Equipment financed	24.33	43.45	67.77
27	Reliance Commercial Finance	Rates Vary per Equipment/ Vehicle	Pledge of the respective Equipment financed	4.86	-	4.86
28	Shriram Transport Finance Company Limited		Pledge of the respective Equipment financed	13.29	12.10	25.39
29	Siemens Financial Services Private Limited	14%	PDC s for Principal Exclusive charge on Assets(machinery worth Rs.21.46 Cr)	11.53	11.97	23.51
30	Srei Equipment Finance Ltd(Mantena)	Rates Vary per Equipment / Vehicle	Pledge of the respective Equipment financed	324.83	-	324.83
31	Tata Capital Financial Services Limited	LTLR Minus 3.25%	Pledge of shares @ 685/- per share -not less than 1.25 time pertaining to S.Surendra. Second charge on CA-within 90 days. 1st charge on equip.to be created.Both combined to not less than 50% during loan period	100.91	32.23	133.14
Total				4,365.99	2,215.37	6,581.36



COASTAL PROJECTS LIMITED
Notes forming part of the standalone financial statements for the year ended 31 March 2018
(All amounts in ₹ Crores, unless otherwise stated)
22 Provisions

	Non Current		Current	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Provision for employee benefits				
Provision for gratuity (Refer note :41)	0.47	0.98	3.75	0.26
Provision for leave encashment	-	0.29	1.61	0.45
Total Provisions	0.47	1.27	5.36	0.71

23 Other non-current liabilities

	31 March 2018	31 March 2017
Interest accrued but not due	-	68.28
Retention money payable to sub-contractor	12.97	10.58
Total other long term liabilities	12.97	78.86

24 Current Borrowings (Refer notes 21.1)

	31 March 2018	31 March 2017
Secured *		
Cash Credit	2,348.55	1,834.27
Total short-term borrowings	2,348.55	1,834.27

* for security terms of Current Borrowings

25 Trade payables

	31 March 2018	31 March 2017
Total outstanding dues of micro enterprises and small enterprises	0.15	0.10
Total outstanding dues of creditors other than micro enterprises and small enterprises*	406.71	232.04
Total trade payables	406.86	232.14

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act], as under:

Particulars	31 March 2018	31 March 2017
Principal amount due to suppliers under MSMED Act	0.10	0.10
Interest accrued and due to suppliers under MSMED Act on the above	0.15	0.10
Payment made to suppliers (other than interest) beyond appointed date during the year	-	-
Interest paid to suppliers under MSMED Act	-	-
Interest due and payable to suppliers under MSMED Act towards payments already made	-	-
Interest accrued and remaining unpaid at the end of the accounting year	-	-

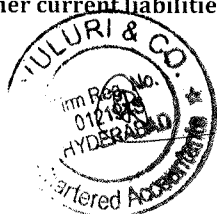
This information, as required to be disclosed under the MSMED Act, has been determined to the extent such parties have been identified on the basis of information available with the company.

26 Other financial liabilities

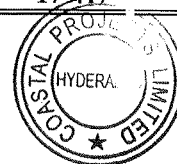
	31 March 2018	31 March 2017
Current maturities of long-term debt (Refer note 1.2)	4,232.39	657.33
Interest accrued and due on borrowings	-	48.49
Bank overdraft in bank current accounts	0.41	7.57
Payables on purchase of property, plant and equipment	2.52	2.34
Total other financial liabilities	4,235.32	715.73
Total financial liability	6,990.73	2,782.14

27 Other current liabilities

	31 March 2018	31 March 2017
Statutory dues payable	40.99	21.33
Machinery advance from customers	22.84	25.00
Retention money payable to sub-contractors	33.40	33.29
Mobilisation advance from customers (net of adjustments)	43.74	203.11
Rent Equalisation reserve	-	0.10
Advance from customer	38.50	47.63
Total other current liabilities	179.47	330.45

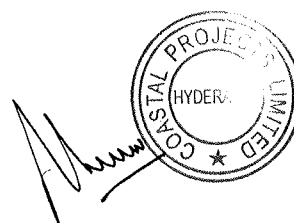
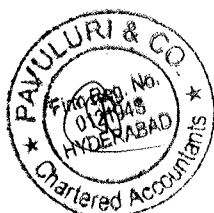


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COASTAL PROJECTS LIMITED**Notes forming part of the standalone financial statements for the year ended 31 March 2018***(All amounts in ₹ Crores, unless otherwise stated)*

28 Revenue from operations	Year Ended 31 March 2018	Year Ended 31 March 2017
Revenue from construction contracts	919.76	1,284.20
Total revenue from operations	919.76	1,284.20
29 Other income	Year Ended 31 March 2018	Year Ended 31 March 2017
Hire Income	3.58	2.68
Interest income		
- on fixed deposits designated as amortized cost	0.44	1.89
- on income taxes	-	1.04
Profit on disposal of property plant and equipment	0.60	0.04
Miscellaneous income	3.92	7.89
Total other income	8.54	13.54
30 Cost of material consumed	Year Ended 31 March 2018	Year Ended 31 March 2017
Inventory at the beginning of the year	187.92	249.69
Add: Purchases	303.16	333.36
Less: Inventory at the end of the year	45.80	187.92
Cost of raw material consumed	445.28	395.13
31 Changes in inventories of Contracts-in-progress	Year Ended 31 March 2018	Year Ended 31 March 2017
Inventories at the beginning of the year		
- Contracts-in-progress	1,283.09	1,095.38
	1,283.09	1,095.38
Less: Inventories at the end of the year		
- Contracts-in-progress	1,773.87	1,283.09
	1,773.87	1,283.09
Net decrease/ (increase)	(490.78)	(187.71)
32 Employee benefits expense	Year Ended 31 March 2018	Year Ended 31 March 2017
Salaries, wages, bonus and other allowances	79.61	90.42
Contribution to provident fund and other funds	6.37	1.80
Gratuity and compensated absences expenses	2.35	(0.52)
Staff welfare expenses	2.23	5.12
Total employee benefits expense	90.56	96.82
33 Finance costs	Year Ended 31 March 2018	Year Ended 31 March 2017
Interest on financial liabilities carried at amortised cost	307.11	379.30
Interest on delay in payment of taxes	1.24	0.57
Total finance costs	308.35	379.87



COASTAL PROJECTS LIMITED**Notes forming part of the standalone financial statements for the year ended 31 March 2018***(All amounts in ₹ Crores, unless otherwise stated)***34 Depreciation and amortization expense**

Depreciation (Refer note 5)	
Amortization (Refer note 6)	
Total depreciation and amortization expense	

Year Ended 31 March 2018	Year Ended 31 March 2017
66.59	107.55
0.00	-
66.59	107.55

35 Other expenses

Construction expenses	
Rent	
Insurance	
Rates and taxes	
Travel and conveyance	
Directors' sitting fees	
Communication, broadband and internet expenses	
Legal and professional charges*	
Loss on disposal of property, plant and equipment	
Net loss on foreign exchange fluctuation	
Miscellaneous expenses	
Total other expenses	

Year Ended 31 March 2018	Year Ended 31 March 2017
395.06	437.87
0.46	0.82
3.24	3.56
2.78	2.81
3.43	3.88
0.02	0.01
0.67	1.02
1.03	1.66
0.04	0.15
0.11	0.01
4.41	5.36
411.22	457.15

*Note : The following is the break-up of Auditors remuneration (exclusive of GST)

1) As auditor:

Statutory audit

In other capacity:

Tax audit

Total

Year Ended 31 March 2018	Year Ended 31 March 2017
0.23	0.50
0.02	0.02
0.25	0.52

2) In terms of provisions of sub section 5 to section 135 of the Companies Act, 2013 the company is not required to earmark any fund for corporate social responsibility activities in view of past losses.

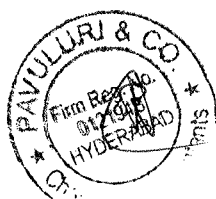
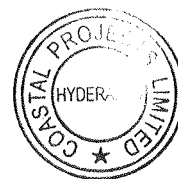
36 Income Tax

This note provides an analysis of the company's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax positions.

(A) Income tax expenses

- a) Current tax *
- b) Deferred tax

Year Ended 31 March 2018	Year Ended 31 March 2017
0.00	-
161.34	46.92
161.34	46.92

COASTAL PROJECTS LIMITED**Notes forming part of the standalone financial statements for the year ended 31 March 2018***(All amounts in ₹ Crores, unless otherwise stated)***(B) Reconciliation of tax expenses and the accounting of profit multiplied by Indian Domestic tax rate for March 31, 2018 and March 31, 2017:**

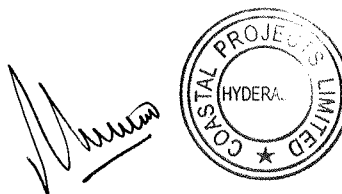
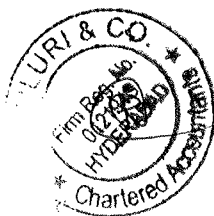
	Year Ended 31 March 2018	Year Ended 31 March 2017
Profit before tax	97.08	48.93
Tax Rate	30.90%	30.90%
Expected income tax at India's statutory rate	30.00	15.12
Current year losses for which no Deferred Tax Asset is created	-	31.80
Set-off of brought forward losses	(30.00)	-
Expenses disallowed for tax purpose	161.34	-
Others	0.00	-
	161.34	46.92

* Zeros represents amounts are below the rounding off norm adopted by the company

(C) Recognition of deferred tax asset : (referred note below)

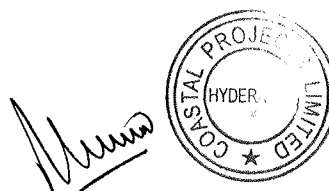
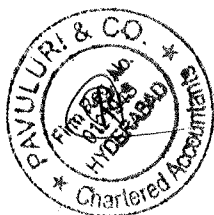
Balance sheet	Year Ended 31 March 2018	Year Ended 31 March 2017
Deferred tax asset	-	161.34
Deferred tax liabilities	-	-
Deferred tax assets	-	161.34

Note: The recovery of the deferred tax asset previously recognised was deemed unlikely as there is no probable that future taxable profits will flow to the company and which it could be utilised. As a result, it was derecognised.



COASTAL PROJECTS LIMITED**Notes forming part of the standalone financial statements for the year ended 31 March 2018***(All amounts in ₹ Crores, unless otherwise stated)***37 Contingent liabilities**

Particulars	As at 31 March, 2018	As at 31 March, 2017
a) Counter guarantees given to banks [includes guarantees given on behalf of Joint Ventures ₹. 179.53 Crores (31 March, 2017: ₹. 229.86 Crores)]	554.79	995.86
b) Corporate guarantees given to banks for financial assistance extended to a joint venture	30.00	30.00
c) Claims against the company not acknowledged as debt:		
Interest on debentures	-	11.41
Interest to lenders	-	216.79
Lease rentals	-	10.73
Disputed TDS demands	18.16	18.16
Disputed Income Tax Demand	6.50	-
d) Pending litigations		
(i) Certain cases were filed by the below lender/suppliers in respect dishonor of cheques issued for repayment of borrowing including interest/dues	Amount not ascertainable	Amount not ascertainable
L&T Infrastructure Finance Company Limited		
Central Bank of India		
Tata Motors Finance Limited		
Aditya Birla Finance Limited		
Kotak Mahindra Bank Limited		
Reliable Agencies		
(ii) The Company is a party to various arbitration proceedings. It is not possible to make a fair assessment of the likely financial impact of these pending litigations until the cases are decided by the appropriate authorities.	Amount not ascertainable	Amount not ascertainable
e) Joint and several liability in respect of joint venture projects and liquidated damages in respect of delays in completion of project.	Amount not ascertainable	Amount not ascertainable



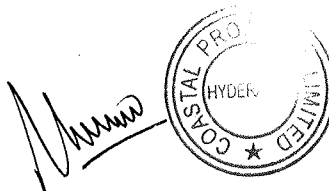
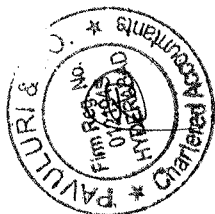
COASTAL PROJECTS LIMITED**Notes forming part of the standalone financial statements for the year ended 31 March 2018***(All amounts in ₹ Crores, unless otherwise stated)***38: Segment Information**

The Director and Resolution Professional from the date of appointment has been identified as the Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Operating segments are defined as components of an enterprise for which discrete financial information is available. This is evaluated regularly by the CODM, in deciding how to allocate resources and assessing the Company's performance. The Company is engaged in construction activities and operates in a single operating segment.

In accordance with paragraph 4 of Ind AS 108- "Operating Segments" the company has disclosed segment information only on the basis of consolidated financial statements which are presented together along with the standalone financial statements.

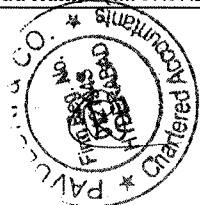
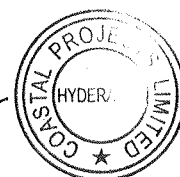
39: Related Party Disclosures**A) Following is the list of related parties and their relationship:**

Subsidiaries	JalPower Corporation Limited Coastal Lanka (PVT) Limited Coastal Transnational Ventures (CY) Limited Ujjawala Power Private Limited Grandeur Power Projects Private Limited Prospecta Infrastructure Private Limited Badao Hydro Power Private Limited Para Hydro Power Private Limited Rebby Hydro Power Private Limited
Associate	Nepal Jalabidyut Pravardan Tatha Bikas Limited
Joint Ventures (Jointly Controlled Operations):	Nuziveedu - Swathi - Coastal AKR - Coastal Coastal - Srivijetha Aban - Coastal HCC - Coastal Coastal - Patel - Jyothi - CBE Consortium CPPL - Chongqing Essar - DEC - CPPL Royal-CPL JV Coastal - TTS GYT - Coastal
Key Management Personnel (KMP):	Mr. S. Surendra - Director Mr. G. Hari Hara Rao - Managing Director Mr. T.V.A.L.N.V.D.Srinivasa Rao - Director (from 07.07.2017) Mr. Sridhar Nivarthi -Director (till 07.07.2017) Mr. Sharad Kumar -Director (till 07.07.2017)
Enterprises owned or significantly influenced by key management personnel or their relatives	Selection Aluminium Wires Private Limited Sabbineni Holdings Private Limited Coastal Sirohi Power Limited Humming Bird Soft Solutions Private Limited Siddhi Vinayak Power Generation & Distributors Pvt Limited



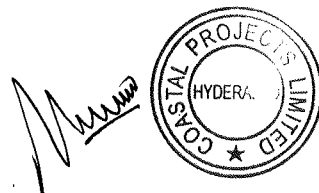
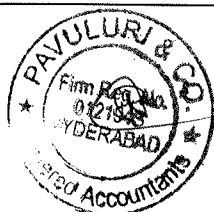
COASTAL PROJECTS LIMITED**Notes forming part of the standalone financial statements for the year ended 31 March 2018***(All amounts in ₹ Crores, unless otherwise stated)***39: Related Party Disclosures****B) Transactions with Related Parties:**

Particulars	Relationship	For the Year Ended 31 March, 2018	For the Year Ended 31 March, 2017
Contract revenue			
AKR - Coastal	Joint Venture	20.09	20.62
GYT - Coastal	Joint Venture	24.44	34.48
HCC - Coastal	Joint Venture	2.43	146.93
Coastal - TTS	Joint Venture	111.98	85.97
CPPL - Chongqing	Joint Venture	15.33	-
Advances received			
Coastal - TTS	Joint Venture	2.98	-
Loans and advance given			
Grandeur Power Projects Private Limited	Subsidiary	0.00	0.05
Prospecta Infrastructure Private Limited	Subsidiary	-	0.05
Badao Hydro Power Private Limited	Subsidiary	-	0.00
Nuziveedu - Swathi - Coastal	Joint Venture	-	0.10
Royal-CPL JV	Joint Venture	0.02	1.28
Siddhi Vinayak Power Gen & Dist Pvt Ltd	Companies in which significant influence is exercised	3.48	-
Loans and Advance Recovered / Adjusted			
Jal Power Corporation Limited	Subsidiary	0.79	-
Royal-CPL JV	Joint Venture	0.02	-
Nuziveedu - Swathi - Coastal	Joint Venture	0.08	0.11
Sabbineni Holdings Private Limited	Companies in which significant influence is exercised	-	19.81
Siddhi Vinayak Power Gen & Dist Pvt Ltd	Companies in which significant influence is exercised	-	0.01
Mobilisation advance received			
Coastal - TTS	Joint Venture	2.84	14.26
HCC - Coastal	Joint Venture	-	2.73
Material advance received			
GYT - Coastal	Joint Venture	-	10.61
Material advance Adjusted			
GYT - Coastal	Joint Venture	0.62	5.12
Mobilisation advance repaid / Adjusted			
Jal Power Corporation Limited	Subsidiary	-	6.34
Coastal - Patel - Jyothi - CBE	Joint Venture	24.44	-
CPPL - Chongqing	Joint Venture	0.67	-
Coastal - TTS	Joint Venture	16.83	-
HCC - Coastal	Joint Venture	-	12.69
GYT - Coastal	Joint Venture	-	-
Managerial remuneration			
Mr. G. Hari Hara Rao	Key Management Personnel	0.24	1.28
Mr. Sridhar Nivarthi (till 07.07.2017)	Key Management Personnel	0.05	0.72
Mr. Sharad Kumar (till 07.07.2017)	Key Management Personnel	0.05	0.72

COASTAL PROJECTS LIMITED
Notes forming part of the standalone financial statements for the year ended 31 March 2018
(All amounts in ₹ Crores, unless otherwise stated)
39: Related Party Disclosures
C) Related Party Balances:

Particulars	Relationship	As at 31 March, 2018	As at 31 March, 2017
Trade receivables			
AKR – Coastal	Joint Venture	24.13	20.67
Coastal - Patel - Jyothi – CBE	Joint Venture	18.88	19.63
HCC – Coastal	Joint Venture	118.80	132.73
GYT-Coastal	Joint Venture	6.08	13.36
Essar - DEC – CPPL	Joint Venture	-	0.17
Investment in Equity shares			
Jal Power Corporation Limited	Subsidiary	101.62	101.62
Coastal Lanka Private Limited (*Valued at ₹. 3.94)	Subsidiary	_*	_*
Coastal Transnational Ventures (CY) Limited	Subsidiary	84.34	84.34
Ujjawala Power Private Limited	Subsidiary	0.01	0.01
Prospecta Infrastructure Private Limited	Subsidiary	0.01	0.01
Grandeur Power Projects Private Limited	Subsidiary	0.01	0.01
Badao Hydro Power Private Limited	Subsidiary	0.01	0.01
Para Hydro Power Private Limited	Subsidiary	0.01	0.01
Rebby Hydro Power Private Limited	Subsidiary	0.01	0.01
Nepal Jalabidyut Pravardan Tatha Bikas Limited	Associate	17.00	17.00
Advance towards Share application money			
Coastal Sirohi Power Limited	Companies in which significant influence is exercised	10.00	10.00
Grandeur Power Projects Private Limited	Subsidiary	3.20	3.20
Coastal Lanka (Private) Limited	Subsidiary	2.42	2.42
Coastal Transnational Ventures (CY) Limited	Subsidiary	85.51	85.51
Loans /Advances receivable			
Grandeur Power Projects Private Limited	Subsidiary	0.07	0.07
Royal-CPL JV	Joint Venture	1.28	1.28
CPPL – Chongqing	Joint Venture	25.82	25.82
S. Surendra	Key Management Personnel	-	0.28
Siddhi Vinayak Power Gen & Dist Pvt Ltd	Companies in which significant influence is exercised	3.48	-
Nuziveedu - Swathi – Coastal	Joint Venture	54.61	54.69
Advances payable			
Coastal – TTS	Joint Venture	0.30	-
Jal power corporation Limited	Subsidiary	33.49	34.28
Mobilisation advance payable			
Jal Power Corporation Limited	Subsidiary	15.95	15.95
Coastal – TTS	Joint Venture	0.27	14.26
Coastal – Patel – Jyothi - CBE	Joint Venture	16.61	41.05
CPPL – Chongqing	Joint Venture	-	6.73
Material advance payable			
GYT - Coastal	Joint Venture	-	6.23
Machinery advance payable			
Jal Power Corporation Limited	Subsidiary	22.84	22.84
Corporate guarantee			
Nuziveedu - Swathi – Coastal	Joint Venture	30.00	30.00
Counter guarantee			
HCC – Coastal	Joint Venture	105.27	152.92
Essar- DEC- CPPL	Joint Venture	3.24	4.58
Coastal - Patel - Jyothi – CBE	Joint Venture	54.60	54.60
CPPL – Chongqing	Joint Venture	8.20	9.55
AKR – Coastal	Joint Venture	8.22	8.22
Managerial Remuneration Payable			
Mr. G. Hari Hara Rao	Key Management Personnel	0.24	-
Mr. Sridhar Nivarthi - Whole time Director	Key Management Personnel	0.05	0.05
Mr. Sharad Kumar - Whole time Director	Key Management Personnel	0.05	0.34



40 Earnings/ Loss per share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and shares data used in the basic and diluted EPS computations:

	31 March 2018	31 March 2017
Profit attributable to equity holders	(1,422.93)	2.01
Weighted average number of equity shares for basic EPS* [no's]	33,09,35,600	33,09,35,600
Effect of dilution:	-	-
Weighted average number of equity shares adjusted for the effect of dilution	<u>33,09,35,600</u>	<u>33,09,35,600</u>
Basic profit per share (₹)	(43.00)	0.06
Diluted profit per share (₹)	(43.00)	0.06

41 Employee benefits**(A) Defined Contribution Plans**

Employer's Contribution to Provident Fund: Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

	31 March 2018	31 March 2017
During the year the Company has recognized the following amounts in the Statement		
Employers' Contribution to Provident Fund and Employee State Insurance	<u>6.37</u>	<u>1.80</u>

(B) Defined benefit plans**i) Post-employment obligations- Gratuity:**

The company provides for gratuity for employees in India as per the payment of Gratuity Act 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 day's salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognized funds in India.

	31 March 2018	31 March 2017
ii) Actuarial assumptions		
Discount rate (per annum)	8.00%	8.00%
Rate of increase in Salary	10.00%	10.00%
Expected average remaining working lives of employees (years)	25.88	26.06
Attrition rate	15.00%	15.00%
Mortality Rate (% of IALM 06-08)	100.00%	100.00%

iii) A) Reconciliation of opening and closing balances of Defined Benefit Obligation

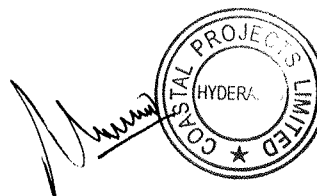
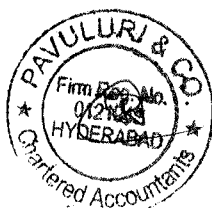
	<u>Employee's gratuity fund</u>	
	31 March 2018	31 March 2017
Present value of obligation at the beginning of the year	2.20	2.76
Interest cost	0.18	0.22
Current service cost	1.37	0.35
Benefits paid	(0.43)	(0.22)
Actuarial (gain)/ loss on obligations	1.49	(0.91)
Present value of obligation at the end of the year	<u>4.81</u>	<u>2.20</u>

B) Reconciliation of opening and closing balances of fair value of Plan Assets

	<u>Employee's gratuity fund</u>	
	31 March 2018	31 March 2017
Fair value of Plan Assets at beginning of year	0.96	1.10
Investment Income	0.08	0.09
Expected Return on Plan Assets	(0.01)	(0.01)
Benefits Paid	(0.43)	(0.22)
Fair value of Plan Assets at year end	<u>0.59</u>	<u>0.96</u>

C) Reconciliation of fair value of Assets and Obligations

	<u>Employee's gratuity fund</u>	
	31 March 2018	31 March 2017
Fair value of Plan Assets	0.59	0.96
Present value of defined benefit obligation	4.81	2.20
Amount recognised in Balance Sheet [Surplus/(Deficit)]	<u>(4.22)</u>	<u>(1.24)</u>
Current	3.75	0.26
Non current	0.47	0.98



COASTAL PROJECTS LIMITED
Notes forming part of the standalone financial statements for the year ended 31 March 2018
(All amounts in ₹ Crores, unless otherwise stated)
iv) i) Expense recognized in the Statement of Profit and Loss

Current service cost
Interest cost

Employee's gratuity fund

1.37	0.35
0.10	0.13
1.47	0.48

ii) Expense recognized in Other Comprehensive income

Expected return on plan assets
Actuarial (gain) / loss on obligations

0.01	0.01
1.49	(0.91)
1.50	(0.90)

v) A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below:

Employee's gratuity fund
Impact on defined benefit obligation

	31 March 2018	31 March 2017
	4.81	2.20
Discount rate		
1% increase	4.40	2.12
1% decrease	5.29	2.30
Rate of increase in salary		
1% increase	5.62	2.57
1% decrease	4.15	1.86
Attrition Rate		
1% increase	5.34	2.16
1% decrease	4.21	2.25
Mortality Rate		
10% increase	4.82	2.20
10% decrease	4.79	2.20

vi) The Company's best estimate of Contribution during the next year is ₹. 1.15

vii) Expected cash flows over the next (valued on undiscounted basis):

The weighted average duration of the defined benefit obligation is 17.07 years. The expected future cash flows over the next years, which will be met out of planned assets, is as follows:

Year	31 March 2018
1 year	0.39
2 to 5 years	0.52
6 to 10 years	0.58
More than 10 years	3.31
	31 March 2018
	31 March 2017

viii) **The major categories of plans assets are as follows:**

Funded Managed by Insurers	100%	100%
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ix) Risk Management
The Significant risks the company has in administering defined benefit

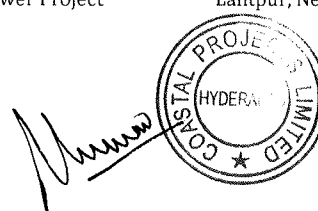
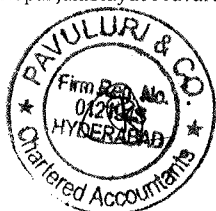
Interest Rate Risk: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. These Plans primarily invest in debt instruments such as Government securities and highly rated corporate bonds – the valuation of which is inversely proportional to the interest rate movements.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

42 Interest in Other Entities

The Company's subsidiaries and associate as at March 31, 2018 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Company.

Name of Entities	Relationship	Principle Activity	Place of Business	Ownership
JalPower Corporation Limited	Subsidiary	Hydro Power Project	Rangit, Sikkim	50.18%
Coastal Lanka (Pvt) Limited	Subsidiary	Acquiring, Investing and Selling in shares of Companies	Srilanka	100%
Coastal Transnational Ventures (CY) Limited	Subsidiary	Investment holding	Cyprus	100%
Ujjawala Power Private Limited	Subsidiary	Power Generation and Infrastructure Development	Gujarat	100%
Prospecta Infrastructure Private Limited	Subsidiary	Execution of construction and infrastructure activities	Hyderabad	100%
Grandeur Power Projects Private Limited	Subsidiary	Hydro Power Project	Noida	100%
Badao Hydro Power Private Limited	Subsidiary	Hydro Power Project	Noida	100%
Para Hydro Power Private Limited	Subsidiary	Hydro Power Project	Noida	100%
Rebby Hydro Power Private Limited	Subsidiary	Hydro Power Project	Noida	100%
Nepal Jalabidyut Pravardan Tatha Bikas Limited	Associate	Hydro Power Project	Lalitpur, Nepal	20.90%



43 The company has the following joint ventures, which are in the nature of joint operations:

Nuziveedu - Swathi – Coastal (JV)
 AKR – Coastal (JV)
 Coastal - Srivijetha (JV)
 Aban - Coastal (JV)
 HCC - Coastal (JV)
 Coastal – Patel – Jyothi - CBE Consortium (JV)
 CPPL - Chongqing (JV)
 Essar - DEC – CPPL (JV)
 Royal-CPL JV (JV)
 Coastal – TTS (JV)
 GYT - Coastal (JV)

The Company's share in assets, liabilities, income and expenditure are duly accounted for in the accounts of the Company in accordance with such division of work as per the work sharing arrangements and therefore does not require separate disclosures. However, joint venture partners are jointly and severally liable to clients for any claims in these projects.

44 Fair values of financial assets and financial liabilities**Fair value hierarchy**

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

•Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

•Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case with listed instruments where market is not liquid and for unlisted instruments.

Note:

The carrying amount of cash and cash equivalents, trade receivables, other bank balances, investments, loans, other assets, trade payables, other payables and borrowings are considered to be the same as their fair values due to their short term nature and recoverability from/by the parties.

Categories of Financial Instruments

	31 March 2018		31 March 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial assets				
a) Measured at amortised cost				
Cash and cash equivalents	9.41	9.41	28.21	28.21
Other Bank balances	0.54	0.54	4.99	4.99
Trade Receivable	1,820.18	1,820.18	1,600.77	1,600.77
Investments(Refer Note below)	1.02	1.02	1.02	1.02
Loans	188.88	188.88	188.89	188.89
Others	965.61	965.61	955.90	955.90
Total financial assets	2,985.63	2,985.63	2,779.78	2,779.78
B. Financial liabilities				
a) Measured at amortised cost				
Trade Payable	406.86	406.86	232.14	232.14
Borrowings	2,348.55	2,348.55	1,834.27	1,834.27
Others	179.47	179.47	330.45	330.45
Total financial liabilities	2,934.88	2,934.88	2,396.86	2,396.86

Note: In pursuance of exception in IND AS 107: Financial Instruments Disclosure in respect of Investment in equity instruments in subsidiaries and Associate are carry at cost, no further disclosure are required to be given in this regard.

45 Financial risk management objectives and policies

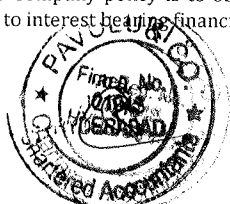
The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Management and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

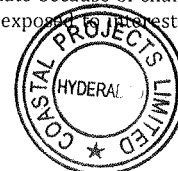
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the future cash flows or the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Company policy is to obtain favourable interest rates available. The Company is significantly exposed to interest rate risks that relates primarily to interest bearing financial liabilities.



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Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Total Floating rate borrowings	Increase/ decrease in basis points impacted to PBT
2018		
Increase in interest rate basis points by 50	6309.07	31.55
Decrease in interest rate basis points by 50	6309.07	-31.55
2017		
Increase in interest rate basis points by 50	4774.85	23.87
Decrease in interest rate basis points by 50	4774.85	-23.87

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. As the company is not foreseeing significant transaction in other than functional currency the exposure to the foreign currency is minimal.

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables, loans i.e Security deposits and the deposits & balances held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

i) Trade Receivable

The credit risk related to trade receivables is influenced mainly by the individual characteristics of each customer. The Company follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables (including lease receivables). Credit risk on trade receivables is limited as the customers of the Company mainly consists of the government promoted entities having a strong credit worthiness. For the purpose of measuring lifetime ECL allowance for trade receivables, the company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience at each reporting date. As the Individual trade receivables are written off when management deems them not to be collectible as bad debts. At March 31, 2018, the company did not consider there to be any significant concentration of credit risk, which had not been adequately provided for.

The ageing analysis of the trade receivables (gross of provisions) has been considered from the date the invoice :

	31 March 2018	31 March 2017
Below 6 Months	273.23	677.00
up to one year	278.12	90.66
More than one year	1,413.85	965.55
Total	1,965.20	1,733.22
Less: Expected credit loss	-	-
Net trade receivables	1,965.20	1,733.22

ii) Others

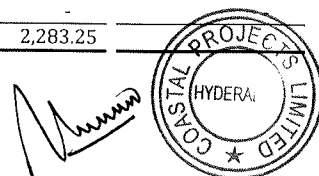
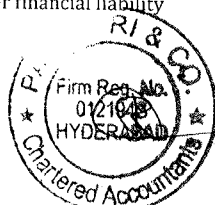
The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the security deposits before taking any property on lease and hasn't had a single instance of non-refund of security deposit on vacating the leased property. The Company also in some cases ensure that the notice period rentals are adjusted against the security deposits and only differential, if any, is paid out thereby further mitigating the non-realization risk.

(C) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity 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, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarizes the maturity profile of the Company's financial liabilities:

	Less than 1 year	1 to 5 years	More than 5 years	Total
31 March 2018				
Current borrowings	2,348.55	-	-	2,348.55
Non Current borrowings	-	-	-	-
Trade payables	406.86	-	-	406.86
Other financial liability	4,235.32	-	-	4,235.32
	<u>6,990.73</u>	<u>-</u>	<u>-</u>	<u>6,990.73</u>
31 March 2017				
Current borrowings	1,834.27	-	-	1,834.27
Non Current borrowings	-	2,283.25	-	2,283.25
Trade payables	232.14	-	-	232.14
Other financial liability	715.73	-	-	715.73
	<u>2,782.14</u>	<u>2,283.25</u>	<u>-</u>	<u>5,065.39</u>



46 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability to borrowings to banks and financial institutions. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		31 March 2018	31 March 2017
Total equity	(i)	(1,154.43)	270.00
Net debt	(ii)	6,570.99	4,741.65
Overall financing	(iii) = (i) + (ii)	5,416.55	5,011.64
Gearing ratio	(ii) / (iii)	1.21	0.95

47 Confirmation letters have been issued in respect of trade receivables and other receivables, loans and advances Balances where confirmations are not forthcoming such balances are subject to reconciliation and consequential adjustment required, if any, would be determined/made on receipt of confirmation. However, in the opinion of the Management, assets other than Fixed Assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and provision for all known liabilities have been made.

48 A) The Company has an investment of ₹. 101.62 Crores (31 March, 2017: ₹.101.62 Crores) in Jal Power Corporation Limited which is subsidiary. The original commencement of the project was 30th June 2013, which is rescheduled to 30th June 2016 due to geological conditions and capital infusion delays. The Company has approached the Sikkim State government for further capital infusion with the approvals of the financial institutions (Power Finance Corporation & Punjab National bank). The Company's request with the Government of Sikkim for increase their equity participation from 26% to 51% is pending approval for which the last communication received on 26-03-2015, there is no further communication received as on the date of audit. Accordingly, in the view of the management, the realisable value of the company is higher than the carrying value of the investment held by company as at 31 March, 2018.

B) The Company has an investment of ₹. 84.34 Crores (31 March, 2017: ₹. 84.34 Crores) in Coastal Transnational Ventures (CY) Limited, Cyprus, ("CTVL") a wholly owned subsidiary and has advanced share application money aggregating to ₹. 85.51 Crores (31 March, 2017: ₹.85.51 Crores). The Company had also given a corporate guarantee of USD 15.68 million, in favour of EXIM Bank, towards loan availed by CTVL to finance its acquisition of equity shares in SELI - Societa Esecuzione Lavori Idraulici SPA, Italy ("SELI"), which specializes in the manufacture of Tunnel Boring Machines (TBMs) and its maintenance. CTVL has an investment of Euro 19,410,000 in SELI, as at 31 March, 2016. The Company had acquired TBMs from SELI in the prior years and avails its services, for the maintenance of such TBMs. EXIM Bank had invoked the corporate guarantee and recovered ₹. 102.99 crores from the Company.

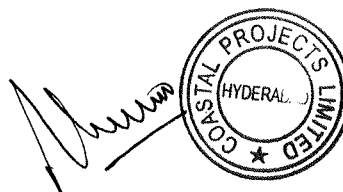
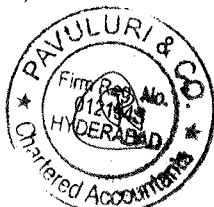
Based on the unaudited financial statements, CTVL has incurred loss of ₹. 0.08 Crores for the year ended 31 March, 2016 and its accumulated loss of ₹. 25.22 Crores as at 31 March, 2016 and the net worth is ₹. 170.37 Crores and no provision for diminution in the value of investment of ₹. 84.34 Crores and share application money in the subsidiary of ₹. 85.51 Crores has been made by the Company having regard to the call option available to the Company to realise its investment, as detailed hereunder.

A shareholders' agreement was entered on 2 August, 2012, between the Company, CTVL and Qinhuangdao Tianye Tolian Heavy Industry Co. Limited, China, ("Tolian") who has the controlling stake in SELI. Pursuant, to the terms of agreement, CTVL has the call option, which can be exercised between July 2013 to July 2016, to withdraw its investment in SELI at an agreed fixed price with a specified rate of return on its investment or fair market value, whichever is higher. In the event the option is not exercised by CTVL, before July 2016, the Company, CTVL and Tolian, should re-negotiate, based on 31 July 2016 option price and same criteria should be used for the period of time, subsequent to the expiration date. In case of a dead lock, Tolian has an irrevocable right to acquire the shares held by CTVL at the option price or fair market value determined by an independent expert, whichever is higher. Considering the long term business interests, CTVL has started discussion with SELI and Tolian for amicable settlement of all outstanding issues. Accordingly, in the view of the management, the realisable value of the call option is higher than the carrying value of the investment held by CTVL in SELI as at 31 March, 2018.

49 DISCLOSURE UNDER IND AS 11 - CONSTRUCTION CONTRACTS

	31 March 2018	31 March 2017
Contract Revenue recognised as revenue in the year (net of Indirect taxes)	919.76	1,284.20
For Contracts that are in progress:		
a) Aggregate amount of costs incurred upto the reporting date	7,081.73	6,435.34
(b) Recognised profits (less recognised losses) upto the reporting date	-1,424.43	2.61
(c) Advances received from customer for contract work	105.08	275.74
(d) Retention money	244.63	243.75
Gross amount due from customers for contract work	1,720.57	1,489.47
Gross amount due to customers for contract work	-	-

50 As more fully described in Note 1.2, as per section 134 of the Companies Act, 2013, the standalone financial statements of a Company are required to be authenticated by the Chairperson of the Board of Directors, where authorized by the Board or at least two Directors, of which one shall be the Managing Director or the CEO (being a Director), the CFO and the Company Secretary where they are appointed. In view of the ongoing CIRP, powers of the board of directors have been suspended and these powers are, in terms of the code, now vested with Mr. D.Ravi Shanker, as Resolution Professional (RP) to carry out the functions of the Company in his capacity as the RP from January 05, 2018. Accordingly, Standalone financial statements of the Company for the year ended March 31, 2018 were taken on record and authorized for issue by Resolution Professional (RP) on 29th November, 2018.



COASTAL PROJECTS LIMITED**Notes forming part of the standalone financial statements for the year ended 31 March 2018***(All amounts in ₹ Crores, unless otherwise stated)*

- 51 (i). The lenders of the company had in earlier years approved a Corporate Debt Restructuring (CDR) with certain reliefs in relation to repayment timelines of loans and accumulated unpaid interest with certain conditions w.e.f 31st July, 2013. Subsequently, the CDR EG vide meeting dated 31st August, 2017 has approved the exit from CDR. As it is, now, a case of failed CDR, the concessions provided in the CDR package under the terms of the Master Restructuring Agreement (MRA) are rolled back since cut-off date 31st July, 2013. accordingly, concessions provided as per CDR package stands withdrawn, reversed and revoked as per the relevant clauses of the MRA. Hence, interest, penal interest and other finance charges has been recalculated with considering the effect of reversed and revoked concessions provided as per CDR and the same has been represented under the "Exceptional Item" to the extent of ₹ 1,304.68 crores.
- (ii). The balance of ₹ 53.99 crores under exceptional items relate to interest and other charges of operational creditors based on the claims submitted and admitted by the resolution professional.
- 52 The company has not provided liability towards interest and penal interest charges for its financial and operational creditors post 05th January, 2018, since as a part of CIRP, the claims for interest and penal interest charges are claimable till the date of initiation of CIRP i.e., 05th January, 2018 and accordingly, no provision is considered necessary for the interest for the period 05th January, 2018 to 31st March, 2018.
- 53 The Company's ability to continue as going concern is dependent upon many factors including continued support from the financial creditors, operational creditors and submission of a viable revival plan by the prospective investor/bidder. In the opinion of the management, resolution and revival of the company is possible in foreseeable future, accordingly, in view of ongoing CIRP, above financial statements have been prepared on the basis that the Company is a Going Concern.
- 54 Previous year figures have been regrouped/ reclassified when required.

As per our report of even date

For PAVULURI & CO**Chartered Accountants**

(Registration No 012194S)

Firm Reg. No. 012194S

HYDERABAD

CA N. Rajesh

Partner

(Membership No : 223169)

For COASTAL PROJECTS LIMITED

(CIN: U45203OR1995PLC003982)

S.Surendra

Director

(DIN: 00398152)

T.V.A.L.N.V.D. Srinivas Rao

Director

(DIN: 01633877)

Place: Hyderabad

Date: 29th November, 2018

Ravi Sankar Devarakonda

Resolution Professional

(IP Reg No: IBBI/IPA-001/IP - P00095/2017-2018/10195)

COASTAL PROJECTS LIMITED
Consolidated Balance Sheet as at 31 March 2018
(All amounts in ₹ Crores, unless otherwise stated)

Particulars	Notes	As at 31 March 2018	As at 31 March 2017
ASSETS			
Non-current assets			
Property, plant and equipment	5	215.93	268.38
Capital work-in-progress	5.1	1,089.78	946.72
Intangible assets	6	0.01	0.09
Good will		-	8.51
Financial assets			
Investments	7	102.37	163.80
Loans	8	155.52	128.45
Other assets	9	201.64	136.29
Deferred tax asset (net)	36	-	161.34
Other non-current assets	10	664.37	497.75
Total non-current assets		2,429.61	2,311.33
Current assets			
Inventories	11	1,819.66	1,471.01
Financial assets			
Trade receivables	12	1,820.18	1,601.44
Cash and cash equivalents	13	9.60	28.35
Bank balances other than cash and cash equivalent	14	0.54	4.99
Loans	15	35.18	61.03
Other assets	16	836.26	819.74
Current tax assets (net)	17	49.49	34.07
Other current assets	18	106.45	246.85
Total current assets		4,677.36	4,267.49
Total assets		7,106.97	6,578.82
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	330.94	330.94
Other equity	20	(1,517.28)	(94.06)
Total equity		(1,186.35)	236.88
Non-controlling interest		91.58	91.58
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	21	626.77	2,912.40
Deferred tax liabilities	36	18.84	-
Provisions	22	1.18	1.89
Other non-current liabilities	23	12.97	78.86
Total non-current liabilities		659.76	2,993.15
Current liabilities			
Financial liabilities			
Borrowings	24	2,352.39	1,834.27
Trade payables	25	413.74	256.19
Other financial liabilities	26	4,567.25	891.90
Other current liabilities	27	202.84	274.07
Provisions	22	5.78	0.78
Total current liabilities		7,542.00	3,257.21
Total liabilities		8,293.33	6,341.94
Total equity and liabilities		7,106.98	6,578.82

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For PAVULURI & CO

Chartered Accountants

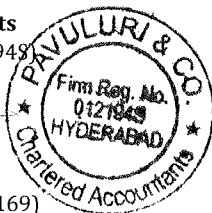
(Registration No Q121948)

N. Rajesh

CA N. Rajesh

Partner

(Membership No : 223169)



For COASTAL PROJECTS LIMITED

S. Surendra

S. Surendra

Director

(DIN: 00398152)

T.V.A.L.N.V.D. Srinivasa Rao

T.V.A.L.N.V.D. Srinivasa Rao

Director

(DIN: 01633877)



Ravi Sankar Devarakonda

Ravi Sankar Devarakonda

Resolution Professional

IP Reg No: IBBI/IPA-001/IP - P00095/2017-2018/10195

Place: Hyderabad

Date: 29 November, 2018

Consolidated Statement of Profit and Loss for the year ended 31 March 2018

(All Amount in ₹ crores, unless otherwise stated)

Particulars	Notes	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
Income			
Revenue from operations	28	919.76	1,284.19
Other income	29	8.55	13.66
Total income		928.32	1,297.86
Expenses			
Cost of material consumed	30	445.28	395.13
Changes in inventories of stock-in-trade and work-in-progress	31	(490.78)	(187.71)
Employee benefits expense	32	93.27	98.66
Finance costs (refer note 51)	33	416.38	433.11
Depreciation and amortization expense	34	66.69	107.87
Other expenses	35	411.60	458.55
Total expenses		942.45	1,305.60
Profit / (Loss) before exceptional items and tax		(14.13)	(7.74)
Exceptional items (refer note 50)		(1,358.67)	-
Less: Directly attributable expenditure transferred to Capital work-in-progress		110.90	57.07
Profit / (Loss) before tax		(1,261.89)	49.33
Income tax expense			
Current tax	36	0.00	-
Deferred tax	36	161.34	46.92
Total income tax expense		161.34	46.92
Profit / (Loss) for the year		(1,423.23)	2.41
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains / (losses) on defined benefit plans		(1.56)	0.60
Income tax effect		(0.03)	0.30
Other comprehensive income for the year		(1.59)	0.90
Total other comprehensive income for the year		(1,424.81)	3.31
Earnings / (Loss) per share			
Basic earnings / (loss) per share (₹)	41	(43.05)	0.10
Diluted earnings / (loss) per share (₹)	41	(43.05)	0.10

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For PAVULURI & CO

Chartered Accountants

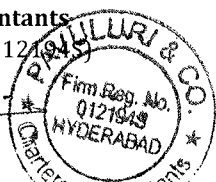
(Registration No. 0121945)

N. Rajesh

CA N. Rajesh

Partner

(Membership No : 223169)



For COASTAL PROJECTS LIMITED

S. Surendra

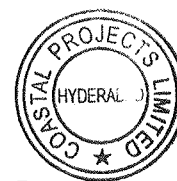
Director

(DIN: 00398152)

T.V.A.L.N.V.D. Srinivasa Rao

Director

(DIN: 01633877)



Ravi Sankar Devarakonda

Resolution Professional

IP Reg No: IBBI/IPA-001/IP - P00095/2017-2018/10195

Place: Hyderabad

Date: 29 November, 2018

COASTAL PROJECTS LIMITED
Consolidated Cash Flow Statement for the year ended 31 March, 2018
(All amounts in ₹ Crores, unless otherwise stated)

	For the year ended 31 March, 2018	For the year ended 31 March, 2017
A. Cash flow from operating activities:		
Profit / (Loss) before exceptional items and tax	(14.13)	49.33
Adjustment for:		
Depreciation and amortisation expense	66.69	107.87
Interest income	(0.45)	(2.94)
Finance costs	416.38	433.11
Re-measurement gains/ (losses) on defined benefit plans	(1.56)	0.90
Profit on sale of property plant and equipment	(0.60)	(0.05)
Loss on sale of property plant and equipment	0.04	0.15
Operating profit before working capital changes	466.38	588.36
Change in operating assets and liabilities :		
Trade receivables and other assets	1,260.88	(326.51)
Inventories	(348.65)	50.85
Trade payables, other liabilities and provisions	122.49	20.33
Cash used in operating activities	1,501.11	333.04
Income Tax	15.42	6.44
Net cash generated from operations before exceptional items	1,516.53	339.48
Exceptional Items	(1,358.67)	-
Net cash used in operating activities (A)	157.87	339.48
B. Cash flow from investing activities:		
Capital expenditure on property plant and equipment, including capital advances	(177.25)	(12.93)
Proceeds from sale of property plant and equipment	5.23	14.56
Bank balances not considered as cash and cash equivalents	4.30	(0.34)
Investment in subsidiaries (including share application money)	-	5.46
Loan realised from related parties and subsidiaries	-	72.89
Interest received	0.15	4.94
Net cash used in investing activities (B)	(167.57)	84.58
C. Cash flow from financing activities:		
Proceeds from long-term borrowings (net of repayments /adjustments)	(1.28)	(397.23)
Proceeds from short-term borrowings (net of repayments/adjustments)	-	109.87
Finance costs	(7.76)	(168.09)
Net cash generated from financing activities (C)	(9.04)	(455.45)
D. Net Increase/Decrease in cash and cash equivalents (A+B+C)	(18.74)	(31.39)
E. Cash and cash equivalents		
at the beginning of the year	28.35	59.74
at the end of the year (Refer note 13)	9.60	28.35

See accompanying notes forming part of the consolidated financial statements

Notes:


1.Cash flow statement has been prepared under the Indirect method as set out in the Ind AS 7 on cash flow statements. Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and cash equivalents which are short-term.

In terms of our report attached

For Pavuluri & Co

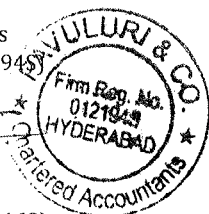
Chartered Accountants

(Registration No 0121945)


CA N. Rajesh

Partner

(Membership No : 223169)


For COASTAL PROJECTS LIMITED

S. Surendra

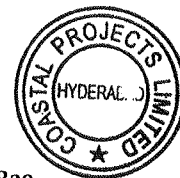
Director

(DIN: 00398152)


T.V.A.L.N.V.D. Srinivasa Rao

Director

(DIN: 01633877)



Ravi Sankar Devarakonda

Resolution Professional

IP Reg No: IBBI/IPA-001/IP - P00095/2017-2018/10195

Place: Hyderabad

Date: 29 November, 2018

Consolidated Statement of changes in equity for the year ended 31 March 2018

(All Amount in ₹ crores, unless otherwise stated)

(A) Equity share capital

Equity shares of [₹ 10] each issued, subscribed and fully paid
 Opening
 Add: issue during the year
 Closing

As at 31 March 2018		As at 31 Mar 2017	
No. of shares	Amount	No. of shares	Amount
33.09	330.94	33.09	330.94
-	-	-	-
33.09	330.94	33.09	330.94

(B) Other equity

	Reserve and surplus					Total
	Securities premium reserve	General reserve	Retained earnings	FVTOCI Reserve on equity instruments	Others	
Balance as at 1 April 2016	354.58		(451.04)			(96.46)
Profit for the year			2.41			2.41
Other comprehensive income					0.90	
Total other comprehensive income for the year	-	-	2.41	-		2.41
Balance as at 1 April 2017	354.58	-	(448.63)			(94.06)
Loss for the year	-	-	(1,423.23)			(1,423.23)
Other comprehensive income	-	-	-		(1.59)	-
Total other comprehensive income for the year	-	-	(1,423.23)			(1,423.23)
Balance as at 31 March 2018	354.58	-	(1,871.86)			(1,517.28)

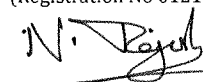
See accompanying notes forming part of the financial statements

In terms of our report attached

For Pavuluri & Co

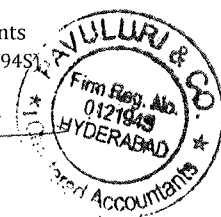
Chartered Accountants

(Registration No 0121949)


CA N. Rajesh

Partner

(Membership No : 223169)

**For COASTAL PROJECTS LIMITED**

S. Surendra

Director

(DIN: 00398152)


T.V.A. N.V.D. Srinivasa Rao

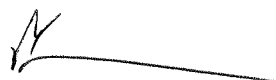
Director

(DIN: 01633877)



Place: Hyderabad

Date: 29 November, 2018


Ravi Sankar Devarakonda

Resolution Professional

IP Reg No: IBBI/IPA-001/IP - P00095/2017-2018/10195

COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

1 General Information

- 1.1** Coastal Projects Limited ("the Company", "CPL") was incorporated as a private limited company in 1995 and converted into Public Limited Company in 2010. The Company specialises in Underground excavation works of Hydro Electric Projects, Underground Power House Complexes, Rail Tunnels, Water Carriage Tunnels, Shafts, Buildings, Electricals, Road works, etc.
- 1.2** The Lender banks and financial institutions of the Company had approved a Corporate Debt Restructuring Scheme (CDR) with certain reliefs in relation to repayment timelines of loans and accumulated unpaid interest with certain conditions w.e.f. July 31st, 2013. The efforts to raise additional funds, however could not materialize and the Joint Lenders have decided to adopt Strategic Debt Restructuring (SDR) in their meeting held on June 26th, 2015, involving conversion of part of their debt into equity share capital to facilitate majority shareholding (i.e. more than 54.55%) by the Joint Lenders Forum (JLF). Before expiry of the stipulated period i.e., Jan 24th, 2017, two investors have agreed for Binding Investment offer for 2 carved-out entities. However since this could not materialize, the company has been treated as a case of failed CDR/SDR including withdrawal / reversals of waivers/ reliefs earlier granted to them with retrospective effect from July 31st 2013. During the year, one of the lenders has filed a petition against the Company for initiation of CIRP that has been admitted by the Hon'ble National Company Law Tribunal ("NCLT"), Kolkata Bench vide its order dated Jan 05th, 2018 declaring moratorium inter-alia against any recovery proceedings/ winding up proceedings against the Company. The order of moratorium shall have effect from Jan 05th 2018 in accordance with section 14 (1) of the Insolvency and bankruptcy Code, 2016 ("the Code"). Further to the order of NCLT, a public announcement of CIRP was made on Jan 09th, 2018 and a Committee of Creditors (COC) was formed pursuant to the provisions of the code and COC held their first meeting on Feb 01st, 2018 and inter alia confirmed Interim Resolution Professional as Resolution Professional (RP). Hence, Term Loan including Working Capital Term Loan, Funded Interest Term Loan, Priority Debt etc have been classified as current borrowings as repayable on demand.

- 1.3** The Consolidated financial statements comprise of financial statements of Coastal projects Limited ('the Company' or 'the Holding Company

Name of Entities	Relationship	Ownership
Jal Power Corporation Limited	Subsidiary	50.18%
Coastal Lanka Private Limited	Subsidiary	100%
Limited	Subsidiary	100%
Ujjawala Power Private Limited	Subsidiary	100%
Prospecta Infrastructure Private Limited	Subsidiary	100%
Grandeur Power Projects Private Limited	Subsidiary	100%
Badao Hydro Power Private Limited	Subsidiary	100%
Para Hydro Power Private Limited	Subsidiary	100%
Rebby Hydro Power Private Limited	Subsidiary	100%
Limited	Associate	20.90%

- 1.4** The consolidated financial statements are approved and authorised by the Resolution Professional and Management on 29th November 2018.

2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of consolidated financial statements

(a) Statement of Compliance with Ind AS

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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

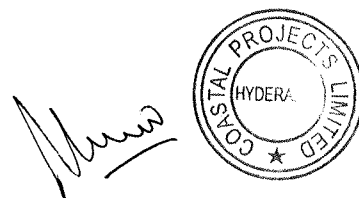
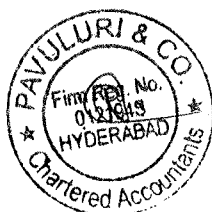
Amounts for the year ended and as at March 31, 2017 were audited by previous auditors UK Mahapatra & Co.,

(b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:-

- Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the group has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.



COASTAL PROJECTS LIMITED**Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018***(All amounts in ₹ Crores, unless otherwise stated)***(c) Use of estimates**

The preparation of consolidated financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying consolidated financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the consolidated financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3.1 for detailed discussion on estimates and judgments.

(d) Principles of Consolidation

The consolidated financial statements have been prepared on the following basis:

(a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. The acquisition method of accounting is used to account for business combination by the Group.

The Group combines the separate consolidated financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, Contingent liability, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

(b) Associates

Associates are all entities over which the Group has significant influence but no control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(c) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income ("OCI"). Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Non-controlling interests (NCI)

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of profit and loss, Consolidated Statement of changes in equity and Consolidated Balance Sheet respectively

2.2 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized 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 the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not ready for use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

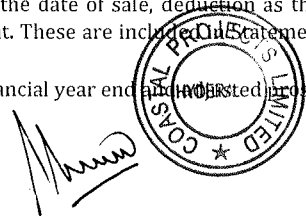
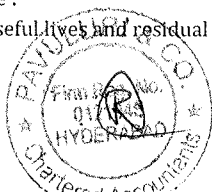
The group depreciates property, plant and equipment over their estimated useful lives using the written down value method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Useful Life
Plant & Machinery	12 Years
Construction Vehicles	08 Years
Transport Vehicles	08 Years
Furniture and Fixtures	10 Years
Office Equipment	05 Years
Computers	03 Years
Temporary Structures	03 Years

Based on the technical experts assessment of useful life, certain items of property, plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date of capitalisation. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and reported prospectively, as appropriate.



COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

2.3 Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The group amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Useful life
Computer Software	03 Years

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible assets are reviewed at least at each financial year end.

2.4 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment of holding company in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (₹), which is the holding company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.5 Fair value measurement

The group measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The group's management determines the policies and procedures for fair value measurement.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

2.6 Revenue Recognition

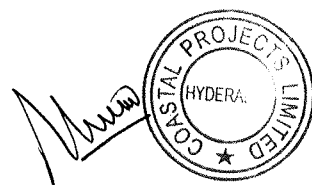
Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met as described below.

(a) Recognition of contract revenue and expenses:

Revenue from fixed price construction contracts is recognised using the percentage of completion method, measured by reference to the percentage of costs incurred to date to estimated total costs for each contract. (With respect to only engineering contracts, it is being measured with man hours utilised basis). Revenue is only recognised when total contract value can be measured reliably, it is probable that the economic benefits associated with the contract will flow to the entity, the costs to complete the contract can be measured reliably and contract costs incurred can be clearly identified as being attributable to each contract. Change orders resulting in variations in the scope of work or claims that the group seeks to collect from its customers due to customer-caused delays or excessive increase in costs are recognised as a change in the contract value to the extent it is probable that they will result in revenue and they are capable of being reliably measured. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately in the Statement of Profit and Loss.

Pre-contract costs are expensed as incurred.



COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

(b) Accounting for Claims:

Claims are accounted as income in the period of receipt of arbitration award or acceptance by client or evidence of acceptance received. Interest awarded, being in the nature of additional compensation under the terms of the contract, is accounted as contract revenue on receipt of favourable award.

(c) Income from Equipment Hire charges:

Revenue from equipment hire charges is recognised based on terms of contracts of equipment.

(d) Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists. Interest income on deposits/loans is recognized on accrual basis.

2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in consolidated financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.8 Assets classified as held for sale

The group classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) are available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset (or disposal group) to be highly probable when:

► The appropriate level of management is committed to a plan to sell the asset (or disposal group),

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

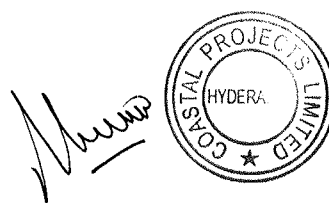
Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

2.9 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as a lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lesser) are charged to 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 to compensate for the lessor's expected inflationary cost increases.

Also initial direct cost incurred in operating lease such as commissions, legal fees and internal costs is recognised immediately in the Statement of Profit and Loss.



COASTAL PROJECTS LIMITED**Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018**

(All amounts in ₹ Crores, unless otherwise stated)

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.10 Inventories

Stock of construction material, fuel oil, lubricants, stock of traded goods, consumable stores and spare parts at sites is valued at lower of cost (determined on weighted average basis) and net realisable value.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

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

The comparison of cost and net realizable value is made on item by item basis.

2.11 Impairment of non-financial assets

The group assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets are impaired. If any such indication exists, the group estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.12 Provisions and contingent liabilities

Provisions are recognized when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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 or a reliable estimate of the amount cannot be made.

2.13 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

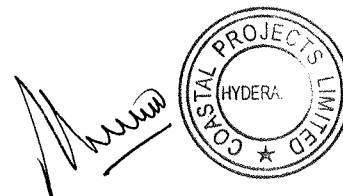
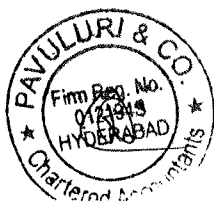
For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

2.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets**(i) Initial recognition and measurement**

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, 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 profit or loss.



COASTAL PROJECTS LIMITED**Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018**

(All amounts in ₹ Crores, unless otherwise stated)

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss. The group has currently exercised irrevocable option to classify its investment in equity instruments of PQR Private Limited. Other than this no other equity instrument qualifies definition of financial asset in case of the group.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

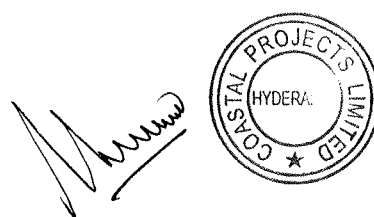
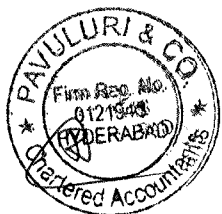
In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the group does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.



COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss. (Also Refer Note 1.2)

(iii) Derecognition

A financial liability is derecognized when the 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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

2.15 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

(i) Defined contribution plan

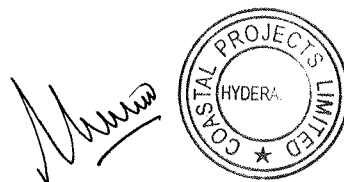
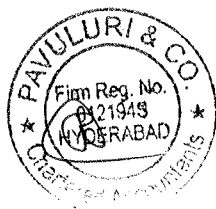
Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The group provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.



COASTAL PROJECTS LIMITED**Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018**

(All amounts in ₹ Crores, unless otherwise stated)

2.16 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the group's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.18 Rounding off amounts

All amounts disclosed in consolidated financial statements and notes have been rounded off to the nearest crores as per requirement of Schedule III of the Act, unless otherwise stated.

2.19 Segment:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chairman has been identified as the Chief Operating Decision Maker. Refer Note 39 for the segment information presented.

2.20 Exceptional items

Items of income or expense from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the group are disclosed as Exceptional items in the Statement of Profit and Loss.

3 Significant accounting judgments, estimates and assumptions

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acgrouping disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Estimates and assumptions**(a) Taxes:**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The group neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the group has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation (Refer Note 36).

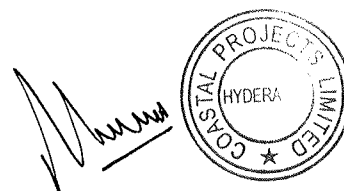
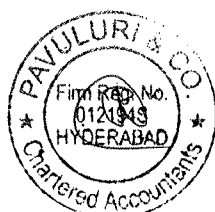
(b) Defined benefit plans (gratuity benefits and leave encashment):

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis (refer Note 42).

(c) Others:

- Estimated useful life of property, plant and equipment's - Note: 2.2
- Estimation of expected credit loss on financial assets - Note : 45 (B)(1)



COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All amounts in ₹ Crores, unless otherwise stated)

4 Standards (including amendments) issued but not yet effective

The standards and interpretations that are issued, but not yet effective up to the date of issuance of the consolidated financial statements are disclosed below. The group intends to adopt these standards, if applicable, when they become effective.

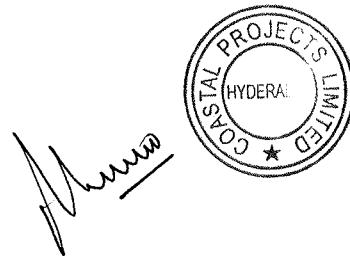
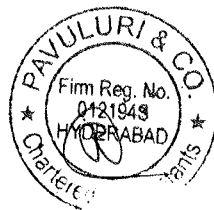
Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The group has evaluated the effect of this on the consolidated financial statements and the impact is not material.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The group will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The group is currently evaluating the effect of the above amendment.



COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018
(All Amount in ₹ crores, unless otherwise stated)

5 Property, plant and equipment

	Gross block			Depreciation		Net block	
	As at 1 April 2017	Additions	Deductions	As at 31 March 2018	For the year 2018	As at 31 March 2018	As at 31 March 2017
Owned assets							
Leasehold Improvement	-	-	-	-	-	-	-
Land - freehold	21.98	-	-	21.98	-	21.98	21.98
Buildings	13.97	-	-	13.97	0.16	7.11	7.27
Plant and achinery	960.31	4.74	15.77	949.27	55.86	161.24	203.45
Construction Vehicles	180.70	-	-	180.70	5.63	15.11	20.35
Transport Vehicles	35.36	-	1.06	34.30	1.04	0.49	1.61
Furniture and Fixtures	6.46	0.01	0.00	6.47	0.36	0.92	1.27
Office Equipment	9.11	0.13	0.00	9.23	0.17	0.60	0.65
Computers	4.64	0.01	0.00	4.64	0.05	0.27	0.31
Temporary Structures	244.33	0.13	0.01	244.44	3.41	8.21	11.48
Server	-	-	-	-	-	-	-
Total	1,476.85	5.01	16.85	1,464.99	66.69	215.93	268.38

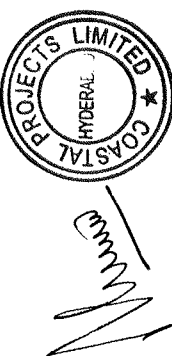
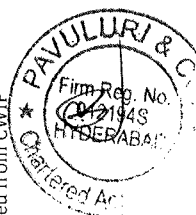
5.1 Capital work in progress

	<u>Gross block</u>			<u>Depreciation</u>			<u>Net block</u>	
	As at 1 April 2017	Additions	Deductions	As at 31 March 2018	As at 1 April 2017	For the year Deductions 31 March 2018	As at 31 March 2018	As at 31 March 2017
Project expenditure allocation	946.72	160.20	17.14	1,089.78	-	-	1,089.78	946.72
Total	946.72	160.20	17.14	1,089.78	-	-	1,089.78	946.72

6 Intangible assets

	<u>Gross block</u>			<u>Depreciation</u>			<u>Net block</u>	
	As at 1 April 2017	Additions	Deductions	As at 31 March 2018	For the year 2018	As at 31 March 2018	As at 31 March 2017	
Computer Software	0.93	-	-	0.93	-	0.01	0.09	
Intangible asset under development	-	-	-	-	-	-	-	
Total	0.93	-	-	0.93	-	0.01	0.09	

* As per the Delhi High Court Order dated 29.03.2017, Simens Limited (supplier of Equipment) has permitted to remove the construction equipment worth of ₹. 17.14 crores from site due to non payment. The value of ₹. 17.14 crores has been reduced from CWIP



COASTAL PROJECTS LIMITED**Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018***(All Amount in ₹ crores, unless otherwise stated)***7 Financial Assets- Investments**

	As at 31 March 2018	As at 31 March 2017
Investment in equity instrument designated as at Cost (fully paid)		
Unquoted equity shares :		
10,000 (31 March 2017: 10,000) equity shares of ₹10 each fully paid-up in Ujjawala Power Private Limited (refer note 7.3 & 7.4)	0.01	0.01
S.E.L.I. Societa Esecuzione Lavori Idraulici s.p.a.	-	145.76
241,908 (31 March 2017: 241,908) equity shares of Nepalese Rupee 100 each fully paid-up in Nepal Jalabidyut Pravardan Tatha Bikas Limited, Nepal (refer note 7.4)	17.00	17.00
1,018,000 (31 March 2017: 1,018,000,) equity shares of ₹10 each fully paid-up in Dharmasala Hydro Power Project Limited	1.02	1.02
10,001 equity shares of Euro 1 each fully paid-up in Coastal Transnational Ventures (CY) Limited, Cyprus	84.34	-
	102.37	163.80
Current	-	-
Non- Current	102.37	163.80
	102.37	163.80
Aggregate book value of:		
Quoted investments	-	-
Unquoted investments	102.37	163.80
Aggregate market value of:		
Quoted investments	-	-
Unquoted investments	102.37	163.80

Note :

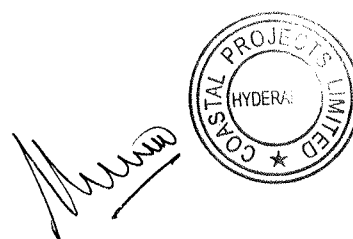
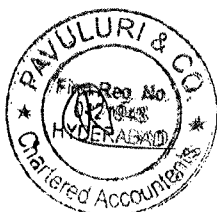
7.1. 41,436,760 (31 March, 2017: 41,436,760) equity shares of subsidiary company Jal Power Corporation Limited have been pledged to L & T Infrastructure Finance Company Limited towards the loan availed by the Company. Out of 41,436,760 shares 17,824,250 shares are escrowed by L & T Infrastructure Finance Company Limited.

7.2. 49,110,750 (31 March, 2017: 49,110,750) equity shares have been pledged with the Power Finance Corporation Limited towards the loan availed by Company's subsidiary viz. Jal Power Corporation Limited.

7.3. 10,000 (31 March, 2017: 10,000) equity shares have been pledged with the Hindustan Clean energy Limited (formerly Moser Baer Clean Energy Limited) towards the loan availed by the Company's wholly owned subsidiary viz. Ujjawala Power Private Limited.

7.4. investments in the following companies were not considered in the consolidated financials, as the financials of these companies for the year ended 31st March, 2018 are not available.

- (i). Ujjawala Power Private Limited
- (ii). Nepal Jalabidyut Pravardan Tatha Bikas Limited, Nepal
- (iii). Coastal Transnational Ventures (CY) Limited, Cyprus



COASTAL PROJECTS LIMITED
Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018
(All Amount in ₹ crores, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
8 Non-Current Financial assets - Loans		
<u>Unsecured, considered good</u>		
Security deposits	144.40	116.45
Other deposits	11.12	12.00
Total	155.52	128.45
9 Non-Current Financial assets - Others		
Interest accrued on bank deposits	1.37	0.48
Margin money deposits *		0.14
Retention money	145.09	132.45
Deposit accounts*	55.18	3.22
Total	201.64	136.29

* Term Deposits with Maturity more than twelve months are pledged as Guarantees / earmarked deposits to parties with Banks and Others.

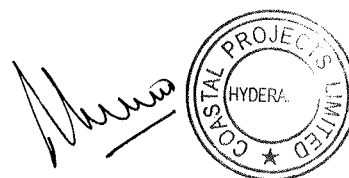
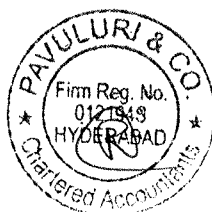
	As at 31 March 2018	As at 31 March 2017
10 Other non-current assets		
<u>Unsecured, considered good</u>		
Capital advances	61.30	60.64
Advances other than capital advances :		
Share application money pending allotment	101.13	2.60
Other receivables (net of adjustments)	501.94	434.52
Deffered Interest & Other Dues	-	-
Total other non-current other assets	664.37	497.75

	As at 31 March 2018	As at 31 March 2017
11 Inventories*		
Raw material in stock	45.80	187.92
(Valued at lower of cost and net realizable value)		
Contracts-in-progress (Refer note below)	1,773.87	1,283.09
	1,819.66	1,471.01

*Hypothecated as charge against short term-borrowings.

Note: Contracts-in-progress disclosed above as at March 31,2018 includes amount of ₹ 1,357.20 Crores of costs incurred on completed / ongoing contracts claimable and billable from the customers including costs on account of delays / changes in scope / design by them etc. which are at various stages of discussions / negotiations or under arbitrations.

	As at 31 March 2018	As at 31 March 2017
12 Trade receivable (refer note 44)		
Secured, considered good		-
Unsecured		
-Considered good	1,820.18	1,601.44
-Considered doubtful	-	-
Less : Allowance for bad and doubtful debts	-	-
	1,820.18	1,601.44
Further classified as:		
Receivable from related parties	167.89	186.57
Receivable from others	1,652.29	1,414.87
	1,820.18	1,601.44



COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All Amount in ₹ crores, unless otherwise stated)

13 Cash and bank balances

Cash and cash equivalents

Balances with banks

On current accounts

Cash on hand

Total cash and cash equivalents

As at 31 March 2018	As at 31 March 2017
9.30	26.99
0.31	1.36
9.60	28.35

14 Bank balances other than Cash and cash equivalent

In deposit with Bank*

Interest accrued on fixed deposits

As at 31 March 2018	As at 31 March 2017
0.51	4.81
0.03	0.18
0.54	4.99

* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date and these deposits are pledged as Guarantees / earmarked deposits to parties with Banks and Others.

15 Current Financial assets - Loans

Unsecured, considered good

Security deposit

Loans and advances to related parties-Joint ventures

Others receivable

As at 31 March 2018	As at 31 March 2017
-	27.04
27.14	27.10
8.05	6.89
35.18	61.03

16 Current Financial assets - Others

Unsecured, considered good

Unbilled revenue

Balances with government authorities

Earnest money deposits

As at 31 March 2018	As at 31 March 2017
758.33	769.19
38.89	29.16
39.04	21.39
836.26	819.74

17 Current tax assets

Advance income tax (net of provisions amounting ₹ 0.00 (31 March 2017: NIL))

As at 31 March 2018	As at 31 March 2017
49.49	34.07
49.49	34.07

18 Other current assets

Advance to suppliers, sub-contractors and others

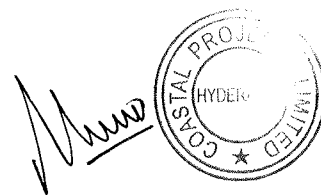
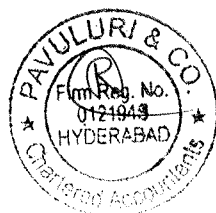
Mobilisation advance to sub-contractors

Interest accrued on Deposits -Others

Other receivables

Total

As at 31 March 2018	As at 31 March 2017
63.55	178.63
42.90	57.62
-	8.48
-	2.12
106.45	246.85



COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All Amount in ₹ crores, unless otherwise stated)

19 Equity share capital

The Company has only one class of equity share capital having a par value of ₹ 10 per share, referred to herein as equity shares.

	As at 31 March 2018	As at 31 March 2017
Authorized		
[600,000,000 no. of shares] (31 March 2017: 600,000,000) equity Shares of [₹.10] each	600.00	600.00
[150,000,000 No. of shares] 31 March 2017: 150,000,000 compulsorily convertible preference shares of [₹.10] each	150.00	150.00
	750.00	750.00
Issued, subscribed and paid up		
[330,935,600 no. of shares] (31 March 2017: 330,935,600) equity shares of [₹. 10] each fully paid	330.94	330.94
Total	330.94	330.94

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

	As at 31 March 2018		As at 31 March 2017	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	33.09	330.94	33.09	330.94
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	33.09	330.94	33.09	330.94

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having par value of ₹. 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

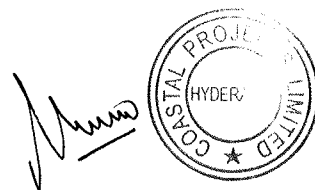
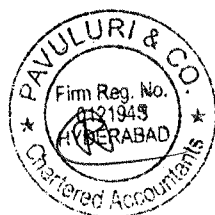
	As at 31 March 2018		As at 31 March 2017	
Name of the shareholder	Number of shares	% of holding in the class	Number of shares	% of holding in the class
State Bank of India **	5,19,24,232	12.44%	5,19,24,232	12.44%
Tunnel Holdings India Limited	39,013,029	11.79%	39,013,029	11.79%
Mr. S. Surendra	3,38,54,313	10.23%	3,38,54,313	10.23%
Fidelity India Ventures	3,01,92,054	9.12%	3,01,92,054	9.12%
Sequoia Capital India Growth Investment Holdings 1	2,81,99,986	8.52%	2,81,99,986	8.52%
ICICI Bank *	24,835,760	7.50%	24,835,760	7.50%
Punjab National Bank *	22,085,152	6.67%	22,085,152	6.67%
Axis Bank *	19,000,617	5.74%	19,000,617	5.74%

w.e.f 1st April, 2017 SBH and SBT were merged in to SBI and therefore shares of the aforesaid members were consolidated to SBI

* Debt converted into equity in the scheme of SDR

(e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(f) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.



COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All Amount in ₹ crores, unless otherwise stated)

20 Other equity

(a) Securities premium reserve (SPR)*

Opening balance
Add : Securities premium credited on share issue
Closing balance

*SPR record premium on issue of shares to be utilized in accordance with the Act.

As at 31 March 2018	As at 31 March 2017
354.58	354.58
354.58	354.58

(b) Surplus/(deficit) in the Statement of Profit and Loss

Opening balance
Add: Profit/(loss) for the current year
Less: Re-measurement (gain)/loss on post employment benefit obligation (net of tax)
Closing balance

(448.63)	(451.05)
(1,423.23)	2.41
-	-
(1,871.86)	(448.63)

Total other equity

(1,517.28)	(94.06)
-------------------	----------------

(c) Others^

-As at beginning of year
-Re-measurement gains/ (losses) on defined benefit plans (net of
Closing balance

1.50	0.59
(1.59)	0.90
(0.09)	1.50

^Includes cumulative impact of amounts (net of tax effect) recognized through other comprehensive income and has not been transferred to Equity or Profit and loss, as applicable.

Nature and purpose of other reserves

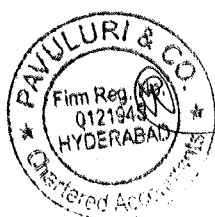
Securities Premium Account: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This Reserve represents accumulated profit or loss of the company.

21 Non-current borrowings (Refer Note no 1.2 , 21.1 & 21.2)

Secured from bank term loan
Other loans - Secured

As at 31 March 2018	As at 31 March 2017
240.54	2,729.02
386.23	183.38
626.77	2,912.40

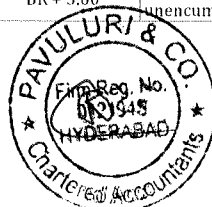
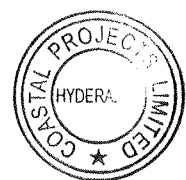


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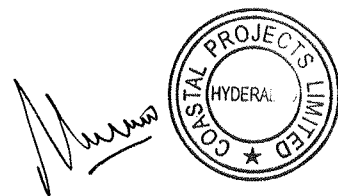
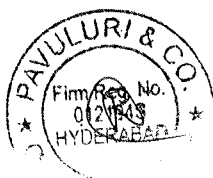


COASTAL PROJECTS LIMITED
Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018
(All Amount in ₹ crores, unless otherwise stated)
21.1 Notes to Current and Non Current Borrowings:
In the Case of company:

S.No	Bank / Financial Institution	Rate of Interest	Security	Unpaid Principle	Unpaid Interest	Total loan outstanding
1	Andhra Bank	BR+2.70	Pari passu 1st charge on CA Excluding project specific NF Railway & BMRL	48.30	20.82	69.12
2	Axis Bank	BR + 3.25 & BR + 3.00	Pari passu 1st charge on CA Excluding project specific NF Railway & BMRL Specific charge on CA of NF Railway	351.25	197.37	548.62
3	Bank of Baroda	BR+3.00	Pari passu 1st charge on CA and unencumbered FA Excluding project specific NF Rly & BMRL	55.63	19.33	74.95
4	Bank of Maharashtra	BR + 3.25	Hypothecation of stocks and receivables Mortgage of Third party properties.	152.84	56.95	209.79
5	Canara Bank	BR + 2.25	Pari passu 1st charge on CA and unencumbered FA Excluding BMRL project specific assets EM of Third Party property	92.71	60.68	153.39
6	Corporation Bank	BR+2.85	Pari passu 1st charge on CA & unencumbered FA Excluding project specific BMRL & T.1	50.88	18.45	69.33
7	Export-Import Bank of India	LTMLR+2.30	EM of Third Party Properties Corporate Guarantee from Selection Aluminium Corporate Guarantee of Humming Bird Soft solutions	142.25	53.46	195.71
8	ICICI Bank	BR + 2.50	First charge by way of Hyp.of entire stocks of raw materials,semi finished goods,consumable stores&spares including book debts First charge by way of Hyp.of all the movable Fixed assets ,saves and except those charged /to be charged to term lenders both present&future FDR worth Rs.6,00 Cr 1st pari passu charge on the identified construction equipmt at least to Rs.15cr Subservient charge on all CA and movable FA.NOC waived. Commercial Vehicle mortgaged Subservient Charge of entire current assets of the company.	492.45	244.77	737.22
9	IDBI Bank	BR + 3.50	Pari passu 1st charge on CA & unencumbered FA Present & future along with member banks Excluding project specific CA	87.62	201.37	288.99
10	IDFC BANK LIMITED	BR+5	1) Pledge of 33,85,939 CPL shares 2) Mortgage of office building 102 block A, phase III, Sector 65, Noida, admeasuring 800sq meters. 3) Personal Guarantee of chairman of the company	33.00	58.45	91.45
11	IndusInd Bank Limited	BR +1.25 (Medium Term loan) 11.25 (for WCDL)	Pari passu 1st charge with other WC lenders on Unencumbered FA and CA both present & future.	57.64	21.97	79.62
12	Karur Vysya Bank Ltd	BR+2.25	Exclusive mortgage on immoveable properties with 100%	26.85	1.93	28.79
13	Kotak Mahindra Bank Limited	14.00	Exclusive mortgage on Third Party immoveable properties with minimum asset cover of 0.80x	43.23	39.35	82.58
14	Oriental Bank of Commerce	BR + 3.00	Pari passu 1st charge on CA Present & future & Immovable Property pertaining to company.	109.95	39.26	149.21
15	Punjab National Bank	BR + 3.00	Pari passu 1st charge on CA Excluding project specific NF Railway Pari passu 1st charge on Project Specific CA along with SBI,CAG branch	520.86	249.86	770.71
16	SBM Bank Mauritius LTD	B R + 3.50	Subservient charge on CA & FA	15.00	8.33	23.33
17	South Indian Bank / Arcil	BR + 3.50	Pari passu 1st charge on CA Present & future Excluding Project Specific CA -BMRL	183.31	78.56	261.87
18	Standard Chartered Bank	BR + 3.00	Pari passu 1st charge on CA & unencumbered FA	50.00	49.52	99.52

S.No	Bank / Financial Institution	Rate of Interest	Security	Unpaid Principle	Unpaid Interest	Total loan outstanding
19	State Bank of India	BR + 3.75	Pari passu 1st charge on CA and unencumbered FA Pari passu 1st charge on BMRCL proj.spec. CA along with PNB	994.08	379.08	1,373.16
20	Aditya Birla Finance Limited	BR + 3.40	Escrow A/c receivables of min.2 times of P+Int. Pledge of shares valued 70.00 cr(both loans combined) DSRA of Rs.2.50 Cr Subservient charge on CA	53.45	63.15	116.60
21	Bajaj Finance	Rates Vary per Equipment/ Vehicle	Pledge of the respective Equipment financed	0.72	-	0.72
22	Edelweiss ARC	BR +1.50	FDRs of 7.00 Cr Subservient charge on CA	100.10	5.78	105.88
23	IFCI Limited	14.00	1) Pledge of 28,21,616 shares of CPL 2) 3 month DSRA	73.40	92.38	165.78
24	Indiabulls Housing Finance Limited		Pledge of the respective Equipment financed	0.11	0.35	0.46
25	L&T Infrastructure Finance Company Limited	L&T PLR Minus 1.75%	Pledge of shares to provide coverage of 1 time the O/S 2nd pari passu charge on movable assets & CA present & future & unencumbered FA excluding project specific assets. 2nd pari passu charge on Sleemabad TBM by way of Hypothecation. DSRA-to service the interest payment for 3 months & 1 month principal.	150.63	154.43	305.06
26	Phoenix ARC Private Limited	#VALUE!	Pledge of the respective Equipment financed	24.33	43.45	67.77
27	Reliance Commercial Finance	Rates Vary per Equipment/ Vehicle	Pledge of the respective Equipment financed	4.86	-	4.86
28	Shriram Transport Finance Company Limited		Pledge of the respective Equipment financed	13.29	12.10	25.39
29	Siemens Financial Services Private Limited	14.00	PDC s for Principal Exclusive charge on Assets(machinery worth Rs.21.46 Cr)	11.53	11.97	23.51
30	Srei Equipment Finance Ltd(Mantena)	Rates Vary per Equipment / Vehicle	Pledge of the respective Equipment financed	324.83	-	324.83
31	Tata Capital Financial Services Limited	LTLR Minus 3.25%	Pledge of shares @ 685/- per share -not less than 1.25 time pertaining to S.Surendra. Second charge on CA-within 90 days. 1st charge on equip.to be created.Both combined to not less than 50% during loan period	100.91	32.23	133.14
Total				4,366.01	2,215.35	6,581.36



COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All Amount in ₹ crores, unless otherwise stated)

21.2: In the Case of Jal Power Corporation Limited

(i) Nature of security and terms of repayment for secured borrowings - Term Loans:

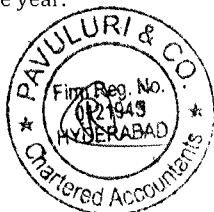
From Banks

Sl. No.	Loans	Security	Terms of Repayment	Applicable Interest rates	Period of Maturity with respect to balance sheet date	Number of Installments due	As at 31 March, 2018 (Non-current + Current)
1	Punjab National Bank	Secured by pledge of 4,91,10,750 equity shares held by the holding company and subservient charge on movable and immovable assets, book debts, capital work in progress, bank accounts and all other assets of the company	55 quarterly installments commencing from Oct'2017	BPLR + 1%	165 months	55	240.54
		TOTAL					240.54

From Others

2	Power Finance Corporation Limited	Secured by pledge of 4,91,10,750 equity shares held by the holding company and subservient charge on movable and immovable assets, book debts, capital work in progress, bank accounts and all other assets of the company	55 quarterly installments commencing after 6 months of Commercial operation date	13.25%	183 months from Commercial operation date	55	386.23
		TOTAL					386.23

- During the year also Company has failed with regard to serving the interest on Term loans obtained from Power Finance Corporation and Punjab National bank, as per the previous communication received from the Power Finance Corporation Ltd, the sanctioned Term Loan was Classified as Non-Performing Asset, which was Communicated to the Company vide their letter No. 04:06:2015-16:NPA, dated: 22-06-2015.
- (ii) a. The original commencement of the project was 30th June 2013, which is rescheduled to 30th June 2016 due to geological conditions and capital infusion delays (As on date the Company is in the process of reassessment of delay in commencement date of project, which is inter-related to capital infusion). The Company has approached the Sikkim State government for further capital infusion with the approvals of the financial institutions (Power Finance Corporation & Punjab National bank). The Company's request with the Government of Sikkim for increase their equity participation from 26% to 51% is pending approval for which the last communication received on 26-11-2016, there is no further communication received as on the date of Balance Sheet. During the year insignificant portion of Capital work-in-progress expenses were incurred.
- Accordingly the interest during the Construction is Capitalized as per Indian Accounting Standard (Ind AS) 23 "Borrowing Cost" notified by the Institute of Chartered Accountants of India
- As required by Indian Accounting Standard (IND AS) 36 "Impairment of Assets" notified by the Institute of Chartered Accountants of India, the company has carried out the assessment of impairment of assets i.e. Capital Work in progress & is of the opinion that no provision needs to be made during the year.



COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All Amount in INR crores, unless otherwise stated)

22 Provisions	Non current		Current	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Provision for employee benefits (Refer note 42)	-			
Provision for gratuity	1.00	4.17	1.51	0.32
Provision for leave encashment	0.18	1.61	0.37	0.46
Total Provisions	1.18	5.78	1.89	0.78

23 Other non-current liabilities	As at 31 March 2018	As at 31 March 2017
Interest accrued but not due	-	68.28
Rent equalization reserve	-	-
Retention money payable to sub-contractors	12.97	10.58
Total other long term liabilities	12.97	78.86

24 Short-term borrowings	As at 31 March 2018	As at 31 March 2017
Secured, from bank, term loan *		
Cash Credit	2,348.55	1,834.27
Unsecured Loans:		
from related parties	0.22	-
from others	3.61	-
Total short-term borrowings	2,352.39	1,834.27

* for security terms of Current Borrowings - (Refer notes 21.1)

25 Trade payables	As at 31 March 2018	As at 31 March 2017
Total outstanding dues of micro enterprises and small enterprises	0.15	0.10
Total outstanding dues of creditors other than micro enterprises and small enterprises*	413.59	256.08
Total trade payables	413.74	256.19

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act], as under:

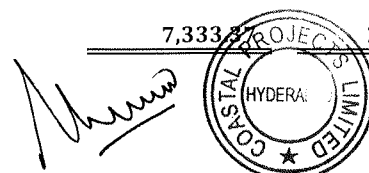
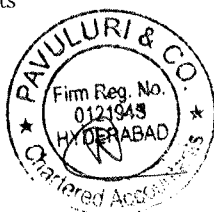
Particulars	As at 31 March 2018	As at 31 March 2017
Principal amount due to suppliers under MSMED Act	0.10	0.10
Interest accrued and due to suppliers under MSMED	0.15	0.10
Payment made to suppliers (other than interest) beyond appointed date during the year	-	-
Interest paid to suppliers under MSMED Act	-	-
Interest due and payable to suppliers under MSMED	-	-
Interest accrued and remaining unpaid at the end of the	-	-

This information, as required to be disclosed under the MSMED Act, has been determined to the extent such parties have been identified on the basis of information available with the company.

26 Other financial liabilities	As at 31 March 2018	As at 31 March 2017
Interest accrued but not paid	331.90	-
Interest accrued but not due on borrowings	-	176.17
Interest accrued and due on borrowings	-	48.49
Current maturities of long-term debt (Refer note 1.2)	4,232.39	657.33
Book overdraft in bank current accounts	0.44	7.57
Payables on purchase of fixed assets	2.52	2.34
Total other financial liabilities	4,567	891.90

Total financial liability

7,333.37 **2,982.36**

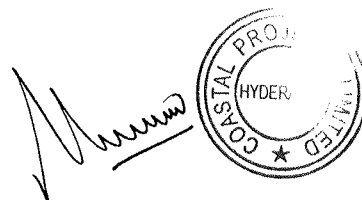
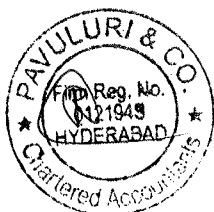


COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All Amount in ₹ crores, unless otherwise stated)

	As at 31 March 2018	As at 31 March 2017
27 Other current liabilities		
Statutory dues payable	42.81	23.14
Retention money payable to sub-contractors	36.83	37.94
Mobilisation advance from customers (net of adjustments)	43.74	187.16
Machinery advance from customers	22.84	0.00
Rent Equalisation reserve	-	0.14
Advance from customer	38.50	15.43
Short Term Loan From Related Parties	5.63	-
Provision for Accrued Expenses	12.49	10.26
Total other current liabilities	202.84	274.07
28 Revenue from operations	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
Revenue from construction contracts (net)	919.76	1,284.19
Total revenue from operations	919.76	1,284.19
29 Other income	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
Hire income	3.58	2.68
Interest income	-	-
- on fixed deposits designated as amortized cost	0.45	1.90
- on income taxes	-	1.04
Miscellaneous income	3.92	7.91
Profit on disposal of property plant and equipment	0.60	0.05
Liabilities written back	-	0.08
Total other income	8.55	13.66
30 Cost of material consumed	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
Inventory at the beginning of the year	187.92	249.69
Add: Purchases	303.16	333.36
Less: Inventory at the end of the year	45.80	187.92
Cost of raw material consumed	445.28	395.13
31 Changes in inventories of Contracts-in-progress	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
Inventories at the beginning of the year		
- Contracts-in-progress	1,283.09	1,095.38
	1,283.09	1,095.38
Less: Inventories at the end of the year		
- Contracts-in-progress	1,773.87	1,283.09
	1,773.87	1,283.09
Net decrease/ (increase)	(490.78)	(187.71)
32 Employee benefits expense	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
Salaries, wages, bonus and other allowances	81.71	92.14
Contribution to Provident Fund and other funds	6.44	1.85
Gratuity and compensated absences expenses	2.35	(0.52)
Staff welfare expenses	2.77	5.19
Total employee benefits expense	93.27	98.66



COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All Amount in ₹ crores, unless otherwise stated)

33 Finance costs

Interest on borrowing
Interest on delay in payment of taxes
Total finance costs

For the Year Ended 31March 2018	For the Year Ended 31March 2017
415.14	432.54
1.24	0.57
416.38	433.11

34 Depreciation and amortization expense

Depreciation (Refer note 5)
Amortization (Refer note 6)
Total depreciation and amortization expense

For the Year Ended 31March 2018	For the Year Ended 31March 2017
66.69	107.87
0.00	-
66.69	107.87

35 Other expenses

Construction expenses
Rent
Insurance
Rates and taxes
Travel and conveyance
Postage and courier
Directors' sitting fees
Printing & Stationery
Communication, broadband and internet expenses
Office expenses
Legal and professional charges*
Loss on sale/disposal of fixed assets
Foreign exchange fluctuation
Miscellaneous expenses
Total other expenses

For the Year Ended 31March 2018	For the Year Ended 31March 2017
395.15	438.34
0.46	0.82
3.24	3.96
2.78	2.81
3.44	3.88
0.00	-
0.02	0.01
0.01	-
0.67	1.03
0.01	-
1.06	1.69
0.04	0.16
0.11	0.01
4.61	5.84
411.60	458.55

*Note : The following is the break-up of Auditors remuneration (exclusive of GST)

1) As auditor:

Statutory audit	0.25	0.53
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In other capacity:

Tax audit	0.02	0.02
Other matters	0.00	0.00
Total	0.27	0.55

2)In terms of provisions of sub section 5 to section 135 of the Companies Act, 2013 the group is not required to earmark any fund for corporate social responsibility activities in view of past losses.

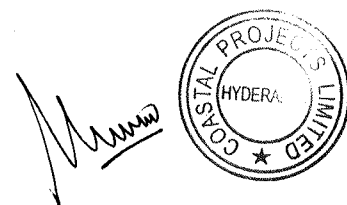
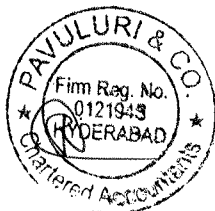
36 Income Tax

This note provides an analysis of the group's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the group's tax positions.

(A) Income tax expenses

- a) Current tax *
- b) Deferred tax

For the Year Ended 31March 2018	For the Year Ended 31March 2017
0.00	-
161.34	46.92
161.34	46.92



COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All Amount in ₹ crores, unless otherwise stated)

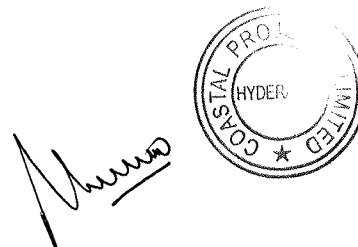
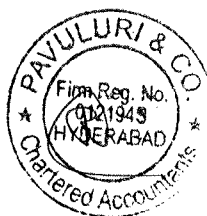
(B) Reconciliation of tax expenses and the accounting of profit multiplied by Indian Domestic tax rate for March 31, 2018 and March 31, 2017:

	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
Profit before tax	(1,261.89)	49.33
Tax Rate	30.90%	30.90%
Expected income tax at India's statutory rate	(389.92)	15.24
Current year losses for which no Deferred Tax Asset is created	-	31.80
Set-off of brought forward losses	389.92	-
Expenses disallowed for tax purpose	161.34	-
Others	0.00	-0.12
	161.34	46.92

* Zeros represents amounts are below the rounding off norm adopted by the company

(C) Recognition of deferred tax asset to the extent of deferred tax liability

	As at 31 March 2018	As at 31 March 2017
Deferred tax asset	(18.84)	161.34
Deferred tax liabilities	-	-
Deferred tax assets/ (liabilities), net	(18.84)	161.34



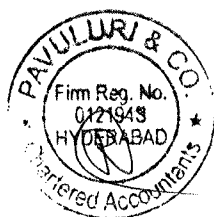
COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All Amount in ₹ crores, unless otherwise stated)

37 Contingent liabilities

Particulars	As at 31 March, 2018	As at 31 March, 2017
a) Counter guarantees given to banks [includes guarantees given on behalf of Joint Ventures ₹. 179.5.3 Crores (31 March, 2017: ₹. 229.86 Crores)]	554.79	995.86
b) Corporate guarantees given to banks for financial assistance extended to a joint venture	30.00	30.00
c) Claims against the company not acknowledged as debt:		
Interest on debentures	-	6.89
Interest on debentures	-	4.53
Interest to lenders	-	216.79
Lease rentals	-	10.73
Disputed TDS demands	18.16	18.16
Disputed Income Tax Demand	6.50	-
d) Pending litigations		
(i) Certain cases were filed by the below lender/suppliers in respect dishonor of cheques issued for repayment of borrowing including interest/dues	Amount not ascertainable	Amount not ascertainable
L&T Infrastructure Finance Company Limited		
Central Bank of India		
Tata Motors Finance Limited		
Aditya Birla Finance Limited		
Kotak Mahindra Bank Limited		
Reliable Agencies		
(iv) The Company is a party to various arbitration proceedings. It is not possible to make a fair assessment of the likely financial impact of these pending litigations until the cases are decided by the appropriate authorities.	Amount not ascertainable	Amount not ascertainable
e) Joint and several liability in respect of joint venture projects and liquidated damages in respect of delays in completion of project.	Amount not ascertainable	Amount not ascertainable



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COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All Amount in INR crores, unless otherwise stated)

39 Segment Information

The Director and Resolution Professional from the date of appointment has been identified as the Chief Operating Decision Maker (CODM). Operating segments are defined as components of an enterprise for which discrete financial information is available. This is evaluated regularly by the CODM, in deciding how to allocate resources and assessing the Company's performance.

Information about Major Customer:

The revenue from transactions with three customer exceed 10% of the total revenue of the company for each of the two years ended March 31, 2018 and March 31, 2017

Geographical Information

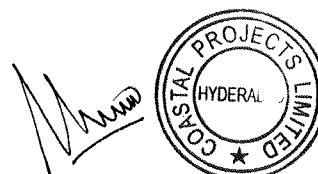
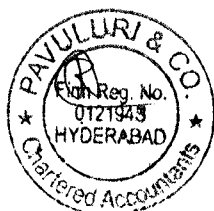
The Group is mainly domiciled its activities in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

Revenue from external customers	Amount
31 March 2018	
Revenue	
India	919.76
Rest of the World	-
Non-current Assets	
India	2,428.36
Rest of the World	1.26
31 March 2017	
Revenue	
India	1,284.19
Rest of the World	-
Non-current Assets	
India	2,149.99
Rest of the World	

40 Related Party Disclosures

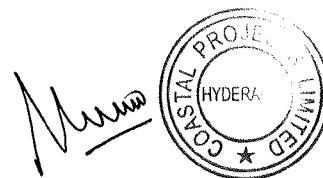
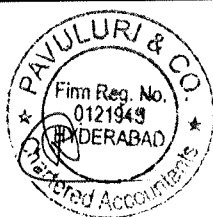
A) Following is the list of related parties and their relationship:

Associate	Nepal Jalabidyut Pravardan Tatha Bikas Limited
Joint Ventures (Jointly Controlled Operations):	Nuziveedu - Swathi - Coastal AKR - Coastal Coastal - Srivijetha Aban - Coastal HCC - Coastal Coastal - Patel - Jyothi - CBE Consortium CPPL - Chongqing Essar - DEC - CPPL Royal-CPL JV Coastal - TTS GYT - Coastal
Key Management Personnel (KMP):	Mr. S. Surendra - Director Mr. G. Hari Hara Rao - Managing Director Mr. T.V.A.L.N.V.D.Srinivasa Rao - Director (from 07.07.2017) Mr. Sridhar Nivarthi - Director (till 07.07.2017) Mr. Sharad Kumar - Director (till 07.07.2017)
Enterprises owned or significantly influenced by key management personnel or their relatives	Selection Aluminium Wires Private Limited Sabbineni Holdings Private Limited Coastal Sirohi Power Limited Humming Bird Soft Solutions Private Limited Siddhi Vinayak Power Generation & Distributors Pvt Limited



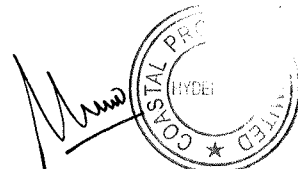
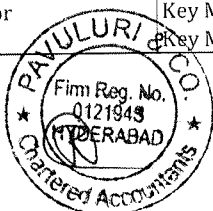
COASTAL PROJECTS LIMITED
Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018
(All amounts in ₹ Crores, unless otherwise stated)
40: Related Party Disclosures
B) Transactions with Related Parties:

Particulars	Relationship	For the Year Ended 31 March, 2018	For the Year Ended 31 March, 2017
Contract revenue			
AKR - Coastal	Joint Venture	20.09	20.62
GYT - Coastal	Joint Venture	24.44	34.48
HCC - Coastal	Joint Venture	2.43	146.93
Coastal - TTS	Joint Venture	111.98	85.97
CPPL - Chongqing	Joint Venture	15.33	-
Advances received			
Coastal - TTS	Joint Venture	2.98	-
Loans and advance given			
Grandeur Power Projects Private Limited	Subsidiary	0.00	0.05
Prospecta Infrastructure Private Limited	Subsidiary	-	0.05
Badao Hydro Power Private Limited	Subsidiary	-	0.00
Nuziveedu - Swathi - Coastal	Joint Venture	-	0.10
Royal-CPL JV	Joint Venture	0.02	1.28
Siddhi Vinayak Power Gen & Dist Pvt Ltd	Companies in which significant influence is exercised	3.48	-
Loans and Advance Recovered / Adjusted			
Jal Power Corporation Limited	Subsidiary	0.79	-
Royal-CPL JV	Joint Venture	0.02	-
Nuziveedu - Swathi - Coastal	Joint Venture	0.08	0.11
Sabbineni Holdings Private Limited	Companies in which significant influence is exercised	-	19.81
Siddhi Vinayak Power Gen & Dist Pvt Ltd	Companies in which significant influence is exercised	-	0.01
Mobilisation advance received			
Coastal - TTS	Joint Venture	2.84	14.26
HCC - Coastal	Joint Venture	-	2.73
Material advance received			
GYT - Coastal	Joint Venture	-	10.61
Material advance Adjusted			
GYT - Coastal	Joint Venture	0.62	5.12
Mobilisation advance repaid / Adjusted			
Jal Power Corporation Limited	Subsidiary	-	6.34
Coastal - Patel - Jyothi - CBE	Joint Venture	24.44	-
CPPL - Chongqing	Joint Venture	0.67	-
Coastal - TTS	Joint Venture	16.83	-
HCC - Coastal	Joint Venture	-	12.69
GYT - Coastal	Joint Venture	-	-
Managerial remuneration			
Mr. G. Hari Hara Rao	Key Management Personnel	0.24	1.28
Mr. Sridhar Nivarthi (till 07.07.2017)	Key Management Personnel	0.05	0.72
Mr. Sharad Kumar (till 07.07.2017)	Key Management Personnel	0.05	0.72



COASTAL PROJECTS LIMITED
Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018
(All amounts in ₹ Crores, unless otherwise stated)
40: Related Party Disclosures
C) Related Party Balances:

Particulars	Relationship	As at 31 March, 2018	As at 31 March, 2017
Trade receivables			
AKR – Coastal	Joint Venture	24.13	20.67
Coastal - Patel - Jyothi – CBE	Joint Venture	18.88	19.63
HCC – Coastal	Joint Venture	118.80	132.73
GYT-Coastal	Joint Venture	6.08	13.36
Essar - DEC – CPPL	Joint Venture	-	0.17
Investment in Equity shares			
Jal Power Corporation Limited	Subsidiary	101.62	101.62
Coastal Lanka Private Limited (*Valued at ₹. 3.94)	Subsidiary	0.00*	0.00*
Coastal Transnational Ventures (CY) Limited	Subsidiary	84.34	84.34
Ujjawala Power Private Limited	Subsidiary	0.01	0.01
Prospecta Infrastructure Private Limited	Subsidiary	0.01	0.01
Grandeur Power Projects Private Limited	Subsidiary	0.01	0.01
Badao Hydro Power Private Limited	Subsidiary	0.01	0.01
Para Hydro Power Private Limited	Subsidiary	0.01	0.01
Rebby Hydro Power Private Limited	Subsidiary	0.01	0.01
Nepal Jalabidyut Pravardan Tatha Bikas Limited	Associate	17.00	17.00
Advance towards Share application money			
Coastal Sirohi Power Limited	Companies in which significant influence is exercised	10.00	10.00
Grandeur Power Projects Private Limited	Subsidiary	3.20	3.20
Coastal Lanka (Private) Limited	Subsidiary	2.42	2.42
Coastal Transnational Ventures (CY) Limited	Subsidiary	85.51	85.51
Loans /Advances receivable			
Grandeur Power Projects Private Limited	Subsidiary	0.07	0.07
Royal-CPL JV	Joint Venture	1.28	1.28
CPPL – Chongqing	Joint Venture	25.82	25.82
S. Surendra	Key Management Personnel	-	0.28
Siddhi Vinayak Power Gen & Dist Pvt Ltd	Companies in which significant influence is exercised	3.48	-
Nuziveedu - Swathi – Coastal	Joint Venture	54.61	54.69
Advances payable			
Coastal – TTS	Joint Venture	0.30	-
Jal power corporation Limited	Subsidiary	33.49	34.28
Mobilisation advance payable			
Jal Power Corporation Limited	Subsidiary	15.95	15.95
Coastal – TTS	Joint Venture	0.27	14.26
Coastal – Patel – Jyothi - CBE	Joint Venture	16.61	41.05
CPPL – Chongqing	Joint Venture	-	6.73
Material advance payable			
GYT - Coastal	Joint Venture	-	6.23
Machinery advance payable			
Jal Power Corporation Limited	Subsidiary	22.84	22.84
Corporate guarantee			
Nuziveedu - Swathi – Coastal	Joint Venture	30.00	30.00
Counter guarantee			
HCC – Coastal	Joint Venture	105.27	152.92
Essar- DEC- CPPL	Joint Venture	3.24	4.58
Coastal - Patel - Jyothi – CBE	Joint Venture	54.60	54.60
CPPL – Chongqing	Joint Venture	8.20	9.55
AKR – Coastal	Joint Venture	8.22	8.22
Managerial Remuneration Payable			
Mr. G. Hari Hara Rao	Key Management Personnel	0.24	-
Mr. Sridhar Nivarthi - Whole time Director	Key Management Personnel	0.05	0.05
Mr. Sharad Kumar - Whole time Director	Key Management Personnel	0.05	0.34



COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All Amount in ₹ crores, unless otherwise stated)

41 Earnings/ Loss per share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and shares data used in the basic and diluted EPS computations:

	31 March 2018	31 March 2017
Loss attributable to equity holders	(1,424.81)	3.31
Weighted average number of equity shares for basic EPS* [no's]	33,09,34,900	33,09,34,900
Weighted average number of equity shares adjusted for the effect of dilution	<u>33,09,34,900</u>	<u>33,09,34,900</u>
Basic loss per share (₹)	(43.05)	0.10
Diluted loss per share (₹)	(43.05)	0.10

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year.

42 Employee benefits

(A) Defined Contribution Plans

Employer's Contribution to Provident Fund: Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

During the year, the Company has recognized the following amounts in the Consolidated Statement of Profit and Loss –

	31 March 2018	31 March 2017
Employers' Contribution to Provident Fund and Employee State Insurance	<u>6.44</u>	<u>1.85</u>

(B) Defined benefit plans

Post-employment obligations- Gratuity:

The company provides for gratuity for employees in India as per the payment of Gratuity Act 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 day's salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognized funds in India.

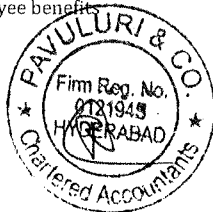
i) Actuarial assumptions

	31 March 2018	31 March 2017
Discount rate (per annum)	8.00%	8.00%
Rate of increase in Salary	10.00%	10.00%
Expected average remaining working lives of employees	26.16	26.78
Attrition rate	15.00%	15.00%

ii) Changes in the present value of defined benefit obligation

	Employee's gratuity fund	
	31 March 2018	31 March 2017
Present value of obligation at the beginning of the year	2.85	3.35
Interest cost	0.23	0.27
Current service cost	2.73	0.35
Benefits paid	(0.43)	(0.22)
Actuarial (gain)/ loss on obligations	1.59	(0.90)
Present value of obligation at the end of the year*	<u>6.96</u>	<u>2.85</u>

*Included in provision for employee benefits



COASTAL PROJECTS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All Amount in ₹ crores, unless otherwise stated)

iii) Expense recognized in the Statement of Profit and

	Employee's gratuity fund	
	31 March 2018	31 March 2017
Current service cost	2.73	0.35
Interest cost	0.23	0.27
Expected return on plan assets	(0.80)	(0.93)
Actuarial (gain) / loss on obligations	1.59	(0.90)
Total expenses recognized in the Consolidated Statement Profit and Loss*	3.75	(1.22)

iv) A quantitative sensitivity analysis for significant assumption of the company as at 31 March 2018 is as shown below:

	Employee's gratuity fund	
	31 March 2018	31 March 2017
Impact on defined benefit obligation	4.81	2.85
Discount rate		
1% increase	4.40	2.12
1% decrease	5.29	2.30
Rate of increase in salary		
1% increase	5.62	2.57
1% decrease	4.15	1.86
Attrition Rate		
1% increase	5.34	2.16
1% decrease	4.21	2.25
Mortality Rate		
10% increase	4.82	2.20
10% decrease	4.79	2.20

v) The Company's best estimate of Contribution during the next year is ₹. 1.15

vi) Expected cash flows over the next (valued on undiscounted basis):

The weighted average duration of the defined benefit obligation is 17.07 years. The expected future cash flows over the next years, which will be met out of planned assets, is as follows:

Year	31 March 2018
1 year	0.39
2 to 5 years	0.52
6 to 10 years	0.58
More than 10 years	3.31
	31 March 2018
	31 March 2017

vii) The major categories of plans assets are as follows:

Funded Managed by Insurers

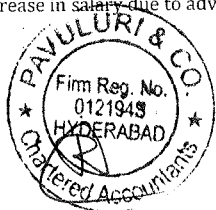
100% 100%

viii) Risk Management

The Significant risks the company has in administering defined

Interest Rate Risk: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. These Plans primarily invest in debt instruments such as Government securities and highly rated corporate bonds – the valuation of which is inversely proportional to the interest rate movements.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.



In case of Jal Power Corporation Limited

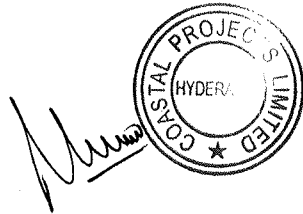
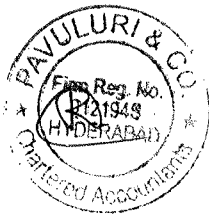
Employee Benefit Plans:

A Gratuity:

Particulars	31 March 2018	31 March 2017
Components of Employer Expenses:		
Current Service Cost	2.41	0.65
Interest cost on benefit obligation	0.47	0.48
Net actuarial (gain)/ loss recognized in the year	0.85	(1.22)
Past services cost	-	-
Net benefit expense	3.73	(0.09)
Net Asset / (Liability) Recognized in Balance Sheet:		
Change in defined benefit obligations:		
Opening defined benefit obligation	5.85	5.94
Interest cost	0.47	0.48
Current services cost	2.41	0.65
Past services cost	-	-
Benefits paid	-	-
Actuarial (gains)/losses on obligation	0.85	(1.22)
Closing defined benefit obligation	9.58	5.85
Defined Benefit Plan - Gratuity Assumptions		
Salary escalation rate	12.00%	12.00%
Discount rate	7.73%	8.00%
Attrition Rate	0.00%	0.00%
Average balance service	19 years	17 Years

B Compensated Absence:

Particulars	31 March 2018	31 March 2017
Components of Employer Expenses		
Current service cost	0.78	0.08
Interest cost on benefit obligation	0.08	0.10
Net actuarial (gain)/ loss recognized in the year	(0.08)	(0.45)
Net benefit expense	0.78	-0.27
Change in defined benefit obligation:		
Opening defined benefit obligation	1.02	1.29
Interest cost	0.08	0.10
Current services cost	0.78	0.08
Benefits paid	-	-
Actuarial (gains)/losses on obligation	(0.08)	(0.45)
Closing defined benefit obligation	1.80	1.02
Assumptions		
Salary escalation rate	12.00%	12.00%
Discount rate	7.73%	8.00%
Average balance service	18 years	17 Years



43 Fair values of financial assets and financial liabilities**Fair value hierarchy**

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case with listed instruments where market is not liquid and for unlisted instruments.

Note:

The carrying amount of cash and cash equivalents, trade receivables, other bank balances, investments, loans, other assets trade payables, other payables and borrowings are considered to be the same as their fair values due to their short term nature and recoverability from /by the parties.

Categories of Financial Instruments

	31 March 2018		31 March 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial assets				
a) Measured at amortised cost				
Cash and cash equivalents	9.60	9.60	28.35	28.35
Other Bank balances	0.54	0.54	4.99	4.99
Trade Receivable	1,820.18	1,820.18	1,601.44	1,601.44
Investments	102.37	102.37	163.80	163.80
Loans	190.70	190.70	189.48	189.48
Others	1,037.89	1,037.89	956.03	956.03
Total financial assets	3,161.28	3,161.28	2,944.09	2,944.09
B. Financial liabilities				
a) Measured at amortised cost				
Trade Payable	413.74	413.74	256.19	256.19
Borrowings	2,979.15	2,979.15	4,746.67	4,746.67
Others	4,567.25	4,567.25	891.90	891.90
Total financial liabilities	7,960.14	7,960.14	5,894.76	5,894.76

44 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Management and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the future cash flows or the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Company policy is to obtain favourable interest rates available. The Company is significantly exposed to interest rate risks that relates primarily to interest bearing financial liabilities.

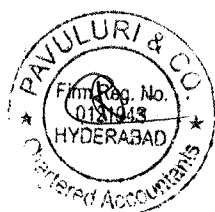
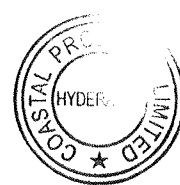
Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Total Floating rate borrowings	Increase/ decrease in basis points impacted to PBT
2018		
Increase in interest rate basis points by 50	6695.30	33.48
Decrease in interest rate basis points by 50	6695.30	-33.48
2017		
Increase in interest rate basis points by 50	5220.62	26.10
Decrease in interest rate basis points by 50	5220.62	-26.10

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. As the company is not foreseeing significant transaction in other than functional currency the exposure to the foreign currency is minimal.

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All Amount in ₹ crores, unless otherwise stated)

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables, loans i.e Security deposits and the deposits & balances held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

i) Trade Receivable

The credit risk related to trade receivables is influenced mainly by the individual characteristics of each customer. The Company follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables (including lease receivables). Credit risk on trade receivables is limited as the customers of the Company mainly consists of the government promoted entities having a strong credit worthiness. For the purpose of measuring lifetime ECL allowance for trade receivables, the company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience at each reporting date. As the Individual trade receivables are written off when management deems them not to be collectible as bad debts. At March 31, 2018, the company did not consider there to be any significant concentration of credit risk, which had not been adequately provided for.

The ageing analysis of the trade receivables (gross of provisions) has been considered from the date the invoice :

	31 March 2018	31 March 2017
Below 6 Months	273.23	677.00
up to one year	278.12	91.40
More than one year	1,413.85	965.55
Total	1,965.20	1,733.96
Less: Expected credit loss	-	-
Net trade receivables	1,965.20	1,733.96

ii) Others

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the security deposits before taking any property on lease and hasn't had a single instance of non-refund of security deposit on vacating the leased property. The Company also in some cases ensure that the notice period rentals are adjusted against the security deposits and only differential, if any, is paid out thereby further mitigating the non-realization risk.

(C) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity 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, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarizes the maturity profile of the Company's financial liabilities:

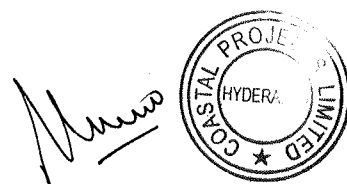
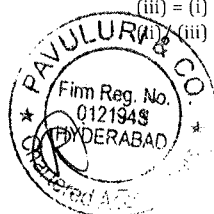
	Less than 1 year	1 to 5 years	More than 5 years	Total
31 March 2018				
Current borrowings	2,352.39			2,352.39
Non Current borrowings	626.77			626.77
Trade payables	413.74			413.74
Other financial liability	4,567.25			4,567.25
	<u>7,960.14</u>	<u>-</u>	<u>-</u>	<u>7,960.14</u>
31 March 2017				
Current borrowings	1,834.27			1,834.27
Non Current borrowings		2,912.40		2,912.40
Trade payables	256.19			256.19
Other financial liability	891.90			891.90
	<u>2,982.36</u>	<u>2,912.40</u>	<u>-</u>	<u>5,894.76</u>

45 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability to borrowings to banks and financial institutes. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		31 March 2018	31 March 2017
Total equity	(i)	274.31	270.00
Net debt	(ii)	6,817.91	4,741.50
Overall financing	(iii) = (i) + (ii)	7,102.36	5,044.84
Gearing ratio	(ii) / (iii)	0.96	0.95



Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018

(All Amount in ₹ crores, unless otherwise stated)

46 Confirmation letters have been issued in respect of trade receivables and other receivables, loans and advances Balances where confirmations are not forthcoming such balances are subject to reconciliation and consequential adjustment required, if any, would be determined/made on receipt of confirmation. However, in the opinion of the Management, assets other than Fixed Assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and provision for all known liabilities have been made.

47 A) The Company has an investment of ₹. 101.62 Crores (31 March, 2017: ₹.101.62 Crores) in Jal Power Corporation Limited a subsidiary .The original commencement of the project was 30th June 2013, which is rescheduled to 30th June 2016 due to geological conditions and capital infusion delays. The Company has approached the Sikkim State government for further capital infusion with the approvals of the financial institutions (Power Finance Corporation & Punjab National bank). The Company's request with the Government of Sikkim for increase their equity participation from 26% to 51% is pending approval for which the last communication received on 26-03-2015, there is no further communication received as on the date of audit. Accordingly, in the view of the management, the realisable value of the company is higher than the carrying value of the investment held by company as at 31 March, 2018.

B) The Company has an investment of ₹. 84.34 Crores (31 March, 2017: ₹. 84.34 Crores) in Coastal Transnational Ventures (CY) Limited, Cyprus ("CTVL") a wholly owned subsidiary and has advanced share application money aggregating to ₹. 85.51 Crores (31 March, 2017: ₹.85.51 Crores). The Company had also given a corporate guarantee of USD 15.68 million, in favour of EXIM Bank, towards loan availed by CTVL to finance its acquisition of equity shares in SELI -Societa Esecuzione Lavori Idraulici SPA, Italy ("SELI"), which specializes in the manufacture of Tunnel Boring Machines (TBMs) and its maintenance. CTVL has an investment of Euro 19,410,000 in SELI, as at 31 March, 2016. The Company had acquired TBMs from SELI in the prior years and avails its services, for the maintenance of such TBMs. EXIM Bank had invoked the corporate guarantee and recovered ₹. 102.99 crores from the Company.

Based on the unaudited financial statements, CTVL has incurred loss of ₹. 0.08 Crores for the year ended 31 March, 2016 and its accumulated loss of ₹. 25.22 Crores as at 31 March, 2016 and the net worth is ₹. 170.37 Crores and no provision for diminution in the value of investment of ₹. 84.34 Crores and share application money in the subsidiary of ₹. 85.51 Crores has been made by the Company having regard to the call option available to the Company to realise its investment, as detailed hereunder.

A shareholders' agreement was entered on 2 August, 2012, between the Company, CTVL and Qinhuangdao Tianye Tolian Heavy Industry Co. Limited, China, ("Tolian") who has the controlling stake in SELI. Pursuant, to the terms of agreement, CTVL has the call option, which can be exercised between July 2013 to July 2016, to withdraw its investment in SELI at an agreed fixed price with a specified rate of return on its investment or fair market value, whichever is higher. In the event the option is not exercised by CTVL, before July 2016, the Company, CTVL and Tolian, should re-negotiate, based on 31 July 2016 option price and same criteria should be used for the period of time, subsequent to the expiration date. In case of a dead lock, Tolian has an irrevocable right to acquire the shares held by CTVL at the option price or fair market value determined by an independent expert, whichever is higher. Considering the long term business interests, CTVL has started discussion with SELI and Tolian for amicable settlement of all outstanding issues. Accordingly, in the view of the management, the realisable value of the call option is higher than the carrying value of the investment held by CTVL in SELI as at 31 March, 2018.

48 DISCLOSURE UNDER IND AS 11 - CONSTRUCTION CONTRACTS

	31 March 2018	31 March 2017
Contract Revenue recognised as revenue in the year (net of Indirect taxes)	919.76	1,284.20
For Contracts that are in progress:		
a) Aggregate amount of costs incurred upto the reporting date	7,081.73	6,435.34
(b) Recognised profits (less recognised losses) upto the reporting date	-1,424.43	2.61
(c) Advances received from customer for contract work	105.08	275.74
(d) Retention money	244.63	243.35
Gross amount due from customers for contract work	1,720.57	1,490.61
Gross amount due to customers for contract work	-	-

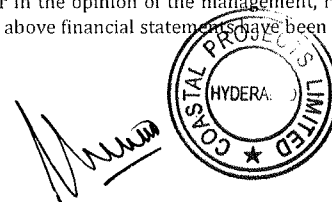
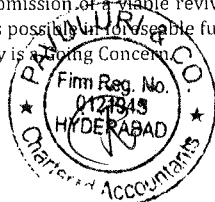
49 As more fully described in Note 1.2, as per section 134 of the Companies Act, 2013, the consolidated financial statements of a Company are required to be authenticated by the Chairperson of the Board of Directors, where authorized by the Board or at least two Directors, of which one shall be the Managing Director or the CEO (being a Director), the CFO and the Company Secretary where they are appointed. In view of the ongoing CIRP, powers of the board of directors have been suspended and these powers are, in terms of the code, now vested with Mr. D.Ravi Shanker, as Resolution Professional (RP) to carry out the functions of the Company in his capacity as the RP from January 05, 2018. Accordingly, Financial statements of the Company for the year ended March 31, 2018 were taken on record and authorized for issue by Resolution Professional (RP) on 29th November, 2018.

50 (i). The lenders of the company had in earlier years approved a Corporate Debt Restructuring (CDR) with certain reliefs in relation to repayment timelines of loans and accumulated unpaid interest with certain conditions w.e.f 31st July, 2013. Subsequently, the CDR EG vide meeting dated 31st August, 2017 has approved the exit from CDR. As it is, now, a case of failed CDR, the concessions provided in the CDR package under the terms of the Master Restructuring Agreement (MRA) are rolled back since cut-off date 31st July, 2013. accordingly, concessions provided as per CDR package stands withdrawn, reversed and revoked as per the relevant clauses of the MRA. Hence, interest, penal interest and other finance charges has been recalculated with considering the effect of reversed and revoked concessions provided as per CDR and the same has been represented under the " Exceptional Item " to the extent of ₹ 1,304.68 crores.

(ii). The balance of ₹ 53.99 crores under exceptional items relate to interest and other charges of operational creditors based on the claims submitted and admitted by the resolution professional.

51 The company has not provided liability towards interest and penal interest charges for its financial and operational creditors post 05th January, 2018, since as a part of CIRP, the claims for interest and penal interest charges are claimable till the date of initiation of CIRP i.e., 05th January, 2018 and accordingly, no provision is considered necessary for the interest for the period 05th January, 2018 to 31st March, 2018.

52 The Company's ability to continue as going concern is dependent upon many factors including continued support from the financial creditors, operational creditors and submission of a viable revival plan by the prospective investor/bidder In the opinion of the management, resolution and revival of the company is possible in foreseeable future, accordingly, in view of ongoing CIRP, above financial statements have been prepared on the basis that the Company is a going concern.



COASTAL PROJECTS LIMITED
Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2018
(All Amount in ₹ crores, unless otherwise stated)

53 Additional Information required by Schedule III	Parent	Subsidiaries	Non Controlling Interest	Effect of Inter Company
Net Assets(Total Assets minus Total Liabilities)	(1,154.44)	101.67	9.60	(120.51)
As % of Consolidated net assets	99%	-9%	-1%	10%
Share in Profit or (Loss)	(1,422.94)	(0.28)	-	-
As % of Consolidated Profit or (Loss)	100%	0%	-	-
Share in Other Comprehensive Income	(1.50)	(0.09)	-	-
As % of Consolidated Other Comprehensive Income	95%	5%	-	-
Share in Total Comprehensive Income	(1,424.44)	(0.37)	-	-
As % of Consolidated Total Comprehensive Income	100%	0%	-	-

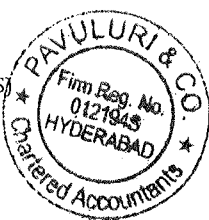
54 The company has not provided liability towards interest and penal interest charges for its financial creditors post 05th January, 2018, since as a part of CIRP, the claims for interest and penal interest charges are claimable till the date of initiation of CIRP i.e., 05th January, 2018 and accordingly, no provision is considered necessary for the same.

55 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

As per our report of even date

For PAVULURI & CO
Chartered Accountants
(Registration No 012194S)

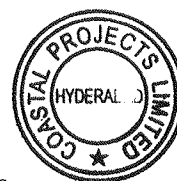
N. Rajesh
CA N. Rajesh
Partner
(Membership No : 223169)



For COASTAL PROJECTS LIMITED

S. Surendra
S. Surendra
Director
(DIN: 00398152)

T.V.A.L.N.V.D. Srinivasa Rao
T.V.A.L.N.V.D. Srinivasa Rao
Director
(DIN: 01633877)



Ravi Sankar Devarakonda
Ravi Sankar Devarakonda
Resolution Professional
IP Reg No: IBBI/IPA-001/IP - P00095/2017-2018/10195

Place: Hyderabad
Date: 29 November, 2018

ATTENDANCE SLIP

COASTAL PROJECTS LIMITED.

CIN: U452503OR1995PLC003982

Registered Office: Plot no. 237, 2nd Floor, Bapuji Nagar,
Bhubaneswar, Orissa - 7510009

(Please fill this attendance slip and hand it over at the entrance of the Meeting Hall)

DP ID*	
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Folio Number	
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Client ID*	
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Name of the Member (in BLOCK letters):

I/We certify that I/We am/are registered shareholder/ authorised representative/proxy for the registered shareholder** of the Company. I/We hereby record my/our presence at the 23rd Annual General Meeting of the Company to be held at Mayfair Convention, Near Tarini Siddheswara Temple, Mayfair Rd, Jayadev Vihar, Bhubaneswar, Odisha 751013 on Monday, the 31st December, 2018 at 11.00 A.M.

.....
Signature of the Shareholder /Authorized Representative/Proxy **

* Applicable for investors holding shares in electronic form

** **Strike out whichever is not applicable**

Form No. MGT – 11

Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U452503OR1995PLC003982

Name of the company: Coastal Projects Limited

Registered office: 237 Bapuji Nagar, 2nd Floor, Bhubaneswar, Orissa - 751009

Name of the member: Registered address: E-mail Id: Client Id : DP ID:
--

I/we, being the member(s) of _____ Equity shares of the above named company, hereby appoint,

Name:

Address:

E-mail Id:

Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company **“Coastal Projects Limited”** to be held on Monday, the **31st December, 2018** at 11.00 A.M and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number
Ordinary Resolution
1. To receive, consider, adopt and approve the audited Standalone / Consolidated Financial Statements of the Company for the Financial Year ended as on 31 st March, 2018 together with the Reports of Directors and Auditors thereon.
2. To re-appoint Director Mr. G. Hari Hara Rao (DIN: 02240794) who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify appointment of M/s Pavuluri & Co. Practicing Chartered Accountants, Hyderabad as the Statutory auditors of the Company.
4. To re-appoint director Mr. G. Hari Hara Rao (DIN: 02240794) as managing director of the company
5. Ratification of cost auditor remuneration.

**Affix
Revenue
Stamp**

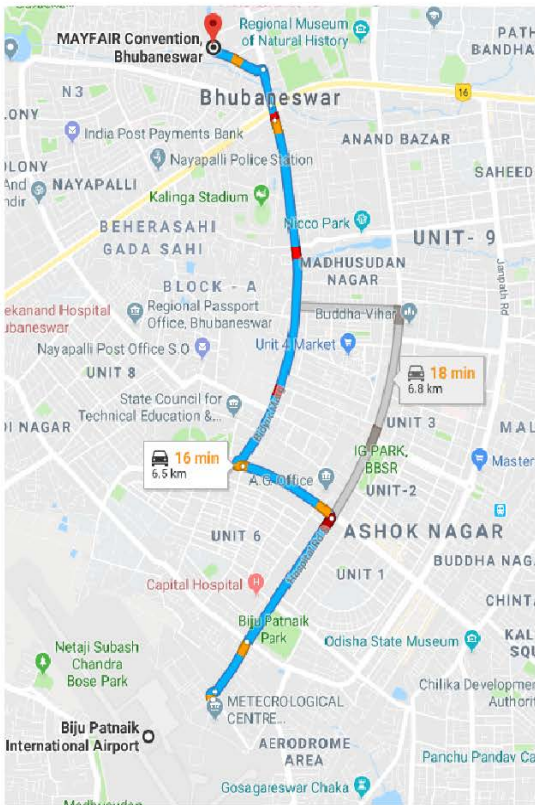
Signed this on _____, 2018

Signature of shareholder:

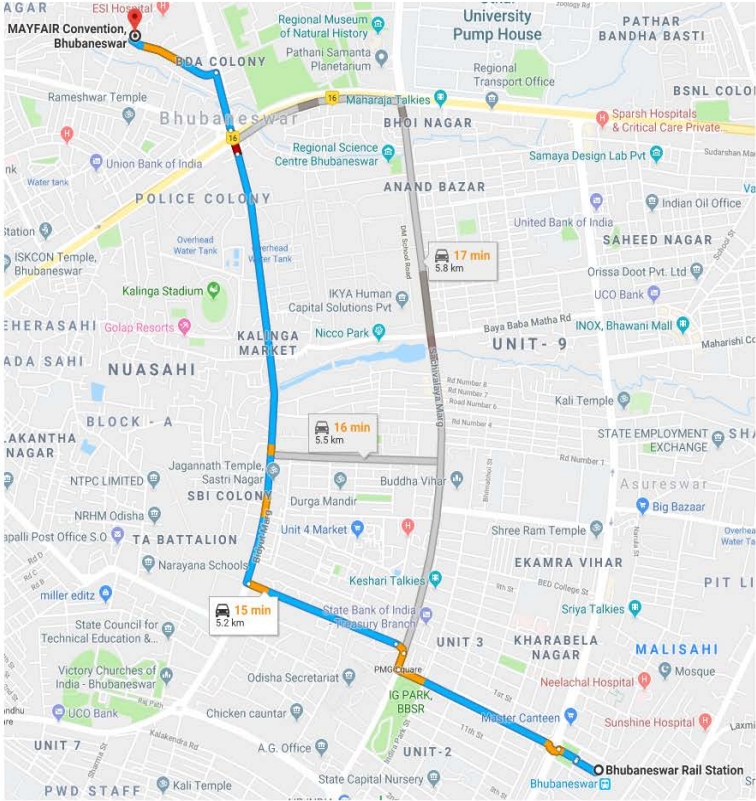
Signature of Proxy holder:

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ROUTE MAP



FROM AIRPORT TO AGM VENUE



FROM RAILWAY STATION TO AGM VENUE