adventz

50th ANNUAL REPORT 2017-2018

Zuari Global Limited

DIRECTORS	**:**	Mr. Saroj Kumar Poddar, Chairman Mr. N. Suresh Krishnan, Managing Director Mrs. Jyotsna Poddar, Whole Time Director Mr. J. N. Godbole Mr. Marco Wadia Mr. K. K. Gupta
CHIEF FINANCIAL OFFICER	:	Mr. Vijay Kathuria
ASST. COMPANY SECRETARY	:	Mr. Sachin Patil
BANKERS	:	State Bank of India HDFC Bank Limited ICICI Bank Limited Indusind Bank Limited Federal Bank Limited
LEGAL ADVISERS	:	Khaitan & Co, Kolkata
STATUTORY AUDITORS	:	Walker Chandiok & Co LLP, Chartered Accountants, Gurugram
REGISTERED OFFICE	:	Jai Kisaan Bhawan, Zuarinagar, Goa 403 726 Tel: (0832) 2592180/81 CIN - L65921GA1967PLC000157 Website: www.adventz.com

Notice of the Annual General Meeting is being sent separately through permitted mode as required under the Companies Act, 2013 and Rules made thereunder.

Directors' Report 2017-18

To the Members,

1. Your Directors place before you the Fiftieth Annual Report of the Company together with Statement of Accounts for the accounting year ended 31st March, 2018.

2. Financial Results and Appropriation:

(₹ In lacs)

Particulars	Standalone		Consolidated	
	Current Year 2017-18	Previous Year 2016-17	Current Year 2017-18	Previous Year 2016-17
Profit for the year before depreciation and taxation	2027.07	2400.57	(5443.85)	(12.75)
Less: Depreciation for the year	15.81	21.90	(1998.94)	1482.46
Profit/(loss) before tax	2011.26	2378.67	(7442.79)	(1495.21)
Less: Tax Expense				
a) Current Tax	164.79	401.22	242.63	456.36
b) MAT Credit Entitlement		-		(42.63)
c) Income Tax Adjustment for earlier Years	4.40	(41.37)	25.17	(20.72)
d) Deferred Tax Charge	45.62	(30.45)	136.49	(367.40)
Profit/(loss) after tax	1796.45	2049.27	(7847.08)	(1520.81)
Add: Share in profit/(losses) from Associates	-	-	4036.91	(505.66)
Profit/(loss) for the year before Minority Interest	1796.45	2049.27	(3810.17)	(2026.48)
Less: Share of Minority interest in profits/(losses)	-	-	(1002.56)	561.39
Profit/(loss) for the year	1796.45	2049.27	(2807.61)	(2587.87)
Add : Balance of profit brought forward	62798.19	60719.99	91706.14	97988.36
Less: Other adjustments	-	-	63.52	3286.59
Add: Reclassification from OCI to retained earnings on disposal of investments	(155.47)	436.68	185.02	-
Add: Other comp. income on defined benefit	(4.04)	(3.41)	135.58	(3.42)
Less : Transfer to general reserve	-	50.00	-	50.00
Less : Dividends paid	294.41	294.41	294.41	294.41
Less : Tax on dividend (Including Surcharge)	59.93	59.93	59.93	59.93
Balance of profit carried forward	64080.79	62798.19	88801.27	91706.14
Earnings per share(EPS)	₹ 6.10	₹ 6.96	(₹ 9.54)	(₹ 8.79)

* Previous year figures have been reclassified/ regrouped, wherever necessary to make them comparable.

A. Review of Operations:

The revenue from operations (Standalone) for the year ended 31st March, 2018 was ₹ 1425.59 lacs (31st March 2017 – Nil).

The Profit before tax for the year ended 31st March, 2018 was ₹ 2011.26 lacs as compared to ₹ 2,378.67 lacs for the year ending 31st March, 2017. The Profit after tax stood at ₹ 1796.45 lacs for the year ending 31st March, 2018 as compared to ₹ 2049.27 lacs for the previous year ending 31st March, 2017.

The revenue from operations (Consolidated) for the year ended 31st March, 2018 was ₹ 55265.81 lacs as compared to ₹ 63,114.68 lacs for the previous year.

The Consolidated Loss before tax for the year ended 31st March, 2018 was ₹ 7442.79 lacs as compared to a loss of ₹ 1495.21 lacs for the year ending 31st March, 2017. The Loss after tax stood at ₹ 7847.08 lacs for the year ending 31st March, 2018 as compared to Loss of ₹ 1520.82 lacs for the previous year.

There were no material changes and commitments affecting the financial position of the Company from the end of the financial year till the date of the Directors' Report.

B. Reserves:

During the year, amount transferred to General Reserves is Nil. An amount of Rs. 64080.79 lacs shall be retained as surplus in the Profit and Loss account.

3. Dividend:

The Directors recommend a dividend of Re.1 per equity share of ₹ 10/- each (Re. 1/- per equity share in the previous year).

4. Conservation of Energy/Technology Absorption/ Foreign Exchange earnings and outgo:

The Company is not engaged in manufacturing activities; hence no information on Conservation of Energy is required to be provided. Similarly, no new technology was absorbed during the year.

The details of Foreign exchange earnings and outgo are given below:

Expenditure in Foreign Currency	-	₹ 23.08 Lacs
Earnings in Foreign Currency	-	₹ 30.87 Lacs

5. Industrial Relations:

The industrial relations with the employees continues to be harmonious.

6. Extract of the Annual Return:

Pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return for the financial year ended 31st March, 2018 in Form No. MGT–9 is enclosed as **Annexure 'E'** to the Directors' Report.

7. Related Party Transactions:

All related party transactions that were entered into during the financial year were at arm's length basis. All related party transactions are approved by the Audit Committee and the Board of Directors. There were no other materially significant related party transactions entered into by the Company with the promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. All the transactions are under threshold limit, thus Form AOC–2 is not applicable.

8. Particulars of Loans, Guarantees or Investments:

The details of Loans, Corporate Guarantees and Investments made during the financial year under the provisions of Section 186 of the Companies Act, 2013 are given in Note No. 41 to the Financial Statements.

9. Nomination and Remuneration Policy and Disclosures on Remuneration:

The Board on the recommendation of the Nomination and Remuneration Committee has framed a policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and employees in the Senior Management. More details of the same including the composition of the Committee are given in the Report on Corporate Governance enclosed as **Annexure – 'A'** to this report.

The nomination and remuneration policy is displayed on the Company's website. The weblink for the same is : http://www.adventz.com/html/pdfs/Nomination-and-Remuneration%20Policy-ZGL.pdf

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request by the shareholders.

In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company upto the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company in this regard.

The disclosures related to employees under Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure 'H'** to this Report.

10. Risk Management:

The Company has constituted Risk Management Committee with the objective to monitor and review the risk management plan for the Company including identification therein of elements of risks if any, which may threaten the existence of the Company and such other functions.

The Risk Management Committee consists of the following members:
J. N. Godbole
N. Suresh Krishnan
Marco Wadia

11. Vigil Mechanism / Whistle Blower Policy:

The Company in accordance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI

(LODR) Regulations, 2015 has established a vigil mechanism for Directors and employees to report genuine concerns to the management viz. instances of unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct. The Company has also formulated Whistle Blower Policy ("Policy") which provides for adequate safeguard against victimization of persons and has a provision for direct access to the Chairperson of the Audit Committee. The Company has not denied any person from having access to the Chairperson of the Audit Committee.

12. Corporate Social Responsibility ('CSR'):

The Board of Directors has constituted a CSR Committee and also approved the CSR Policy. CSR Committee comprises of two Non-Executive Independent Directors and one Executive Director. The Board has designated Mr. Sachin Patil, Asst. Company Secretary as the Secretary of the Committee. During the Financial Year 2017-18, one meeting of the Committee was held on 19th May, 2017.

The Composition of Committee & their attendance at the meetings are as follows:

Name of the member	Status	Nature of Directorship	No. of meetings attended
K K Gupta	Chairman	Non-Executive Independent Director	1
N.Suresh Krishnan	Member	Managing Director	1
Marco Wadia	Member	Non-Executive Independent Director	1

The Corporate Social Responsibility Policy is displayed on the Company's website. The weblink for the same is http://www.adventz.com/html/pdfs/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY_2.pdf

The CSR Committee formulates and recommends to the Board a CSR Policy which shall indicate the activities to be undertaken by the Company, as specified in Schedule VII of the Companies Act, 2013. The Committee also recommends the amount of expenditure to be incurred on the CSR activities and monitors the CSR Policy of the Company from time to time.

The detailed report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **Annexure 'G'** to this report.

13. Directors and Key Managerial Personnel:

All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015.

In accordance with the provisions of Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company organizes familiarization programme for Independent Directors as and when required.

Mr. Saroj Kumar Poddar retires by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment. A brief profile and details of other Directorships of Mr. Saroj Kumar Poddar, are given in the Report on Corporate Governance attached as **Annexure 'A'** to this report.

Corporate Governance Report also contains other information on the Directors, Board and Committee Meetings.

The Board of Directors of the Company at its meeting held on 12th February, 2018, re-appointed Mr. N. Suresh Krishnan as Managing Director of the Company w.e.f. 1st April, 2018 for a further period of three years, subject to the approval of the shareholders at the forthcoming Annual General Meeting (AGM). Brief profile along with other particulars of Mr. N. Suresh Krishnan, as required under Regulation 36(3) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, is disclosed in the 50th Annual General Meeting Notice.

Mr. N. Suresh Krishnan, Managing Director, Mr. Vijay Kathuria, CFO and Mr. Sachin Patil, Asst. Company Secretary, have been designated as Key Managerial Personnel in accordance with provisions of Section 203(1) of the Companies Act, 2013.

14. Performance Evaluation:

Pursuant to the provisions of the Section 134, 178 and Schedule IV of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the following performance evaluations were carried out;

a) Performance evaluation of the Board, Chairman and non-Independent Directors by the Independent Directors;
b) Performance evaluation of the Board, its committees and Independent Directors by the Board of Directors; and
c) Performance evaluation of every director by the Nomination and Remuneration Committee.

The details of Annual Performance evaluation carried out are given in the Corporate Governance Report attached as **Annexure 'A'** to this report.

15. a. Board Meetings:

During the year under review, four Board meetings were held on : 19th May, 2017, 28th July, 2017, 23rd October, 2017 and 12th February, 2018. The details of the composition of the

Board and the attendance of the Director at the Board Meetings are provided in the Corporate Governance Report.

b. **Audit Committee:**

During the year under review four Audit Committee Meetings were held and all the recommendations of the Audit Committee were accepted by the Board. The details of the composition of the Audit Committee and details of committee meetings are given in the Corporate Governance Report.

16. Fixed Deposits:

As reported in the year 2008-09, the Fixed Deposit Scheme of the Company was discontinued. Deposit matured and Claimed have been repaid. 3 deposits amounting to ₹ 1, 20,000/- which had matured have not been claimed. The Company advises the depositors at regular intervals for repayment of the deposits. During the year, the Company has transferred an amount of ₹ 31,000 towards unclaimed deposits to "The Investor Education and Protection Fund", pursuant to Section 125 of the Companies Act, 2013.

17. Details of significant and material orders passed by the regulators or courts:

There are no significant material orders passed by the courts/ regulators or tribunals impacting the going concern status and Company's operations in future. The details pertaining to various demand notices from various statutory authorities are disclosed in Note No. 32 of financial statements under the heading – Contingent liabilities.

18. Adequacy of internal financial controls with reference to financial statements:

The Company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. The Company has designed and put in place adequate Standard Operating Procedures and Limits of Authority Manuals for conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of fraud and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

These documents are reviewed and updated on an ongoing basis to improve the internal control systems and operational efficiency. The Company uses a state-of-the-art ERP (SAP) system to record data for accounting and managing information with adequate security procedure and controls.

19. Disclosure Requirement:

Your Company has complied with all the mandatory requirements of Schedule V of SEBI (LODR) Regulations, 2015. The Report on Corporate Governance pursuant to Schedule V of SEBI (LODR) Regulations, 2015 is enclosed as **Annexure 'A'** to this report. The Practising Company Secretary's Certificate on compliance of Corporate Governance is enclosed as **Annexure 'B'.** Declaration by the Managing Director is enclosed as **Annexure 'C'** and the Management Discussion and Analysis is enclosed as **Annexure 'D'** to this report and Secretarial Audit Report is enclosed as **Annexure 'F'** to this report.

20. Statutory Auditors:

M/s. Walker Chandiok & Co. LLP, Chartered Accountants were appointed as Statutory Auditors of the Company at the 49th Annual General Meeting held on 28th September, 2017 to hold office from the conclusion of the 49th Annual General Meeting till the conclusion of the 54th Annual General Meeting.

The Auditor's report on Consolidated Financial Statements, contained qualified opinion summarized below:

Consolidated Financial Statement

The Auditors were unable to comment in respect of impairment of Zuari Agro Chemicals Limited ('ZACL'), an associate of the Company - investment of ₹ 119.43 crores in the rock phosphate mining project at Peru (which is under development) through its JV company MCA Phosphare Pte Ltd, in absence of sufficient audit evidence.

Comment by the Board of Directors on the Auditor's Report:

ZACL, based on an valuation done by an independent agency, decided not to provide for any impairment in its equity investment in MCA Phosphates Pte Ltd. Further to substantiate ZACL's view, Fosfatos del Pacifico (FdP) , the Peruvian company where the project asset is located , has not made any provision for impairment in the project assets in its audited financials as of Dec 31, 2017 based on high level of rock phosphate resources, as confirmed by a report on mineral resources prepared by an independent professional institution. FdP has assessed that it is highly probable to obtain future economic benefits from these assets. ZACL has not considered any impairment loss based on the fair valuation of the said investment done by an independent valuer.

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

21. Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed Mr. Sadashiv V. Shet, Practicing

Company Secretary as Secretarial Auditor, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor for the Financial Year 2017-18 is enclosed as **Annexure 'F'** to this report. The report does not contain any qualification.

22. Disclosure as per Section 22 of the Sexual Harassment of Women at Workplace(Prevention, Prohibition and Redressal) Act, 2013:

As per provisions of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has constituted an Internal Complaints Committee for redressal of complaints against sexual harassment. There were no complaints/cases filed/ pending with the Company during the financial year.

23. Employees' Stock Option (ESOP) Scheme:

The Company has not issued any ESOP to its employees.

24. Consolidated Financial Statements under Section 129 of the Companies Act, 2013:

The consolidated financial statements of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) (Amendment) Rules, 2016 which forms part of this Annual Report..

The Company will make available the financial statements of subsidiaries, upon request by any member of the Company interested in receiving this information. The Annual Accounts of the Subsidiary Companies will also be available for inspection by any investor at the Registered Office of the Company and its Subsidiaries.

25. Compliance of Secretarial Standards:

The Directors have devised proper systems to ensure compliance with the provisions of all applicable secretarial standards and that such systems are adequate and operating effectively.

26. Subsidiaries:

A brief review of the subsidiaries of the Company is given below:-

A. Zuari Infraworld India Limited(ZIIL):

A wholly owned subsidiary of your Company represents the group's foray into Real Estate Sector. The strategy of the group is to monetize the large land bank that the various group companies hold across the country. Besides, to also follow an asset light model of increasing business through Joint Ventures and Joint Development. Given more than 7 decades of corporate background of the group there are many land owners and consultant have approached ZIIL for developments.

The company has successfully delivered the first phase at Mysore which is 5.65 lakh Sft. Construction is under progress on apartments in Mysore of 4.5 lakh sft and at Goa, which comprises of Villas and Apartments of 1.67 lakh sft.

Several projects in all categories i.e. Residential apartments, Villas, Villaments, Plots, Club House, Retail, Office and Museum are at various stages of design and approval.

<u>Projects under Execution</u>

1. Zuari Garden City Project, Mysore

This project is the flagship project. The integrated township spread over 73.5 acres, first of its kind, is coming up in the outskirts of the city of Mysore on KRS Road. The project is situated just 3 kms away from the famous Brindavan Gardens. The project is planned to have residential, retail, commercial and office space. Development has been divided into phases as explained below

a) <u>Phase I Villas:</u>

Zuari Garden City Mysore project was started off with Villas construction on 18 acres. Total of 217 villas have been constructed with an area of 5.65 lakh Sft.

The clubhouse with snooker, Table Tennis, Party hall, etc & the Indoor Badminton court/Basket Ball & Children's Park has been commissioned and is being actively used by the residents on a daily basis. Facility Management team has been appointed and are assisting the site in day to day maintenance issues. With occupancy of over 30% on all days and reaching up to 50% on weekends, the project is a place of much joy and happiness only getting better by the day

This phase continued to win accolades and has become a landmark development of Mysore. It has won the prestigious landscape award instituted by the Mysore District authorities for the last four years.

b) <u>Phase II Apartments:</u>

A total of 3 towers of G+12 floors are being constructed with a built up area of 6 lakh sft. The project has been RERA approved. External and Internal Finishes package ordering is in progress and will commence the works shortly. Project will be delivered by December 2019.

2) **Mayavan Project, Vrindavan, Mathura**

ZIIL holds 25% of the equity in the JV Company. The land is located midst of a beautiful countryside on the banks of river Yamuna in Vrindavan, Mathura. Just over an hour down the Yamuna Expressway from Delhi. Mayavan is envisaged as a gated community providing a farmhouse living experience to families seeking to relish the countryside in style. The land parcel is approximately 123 acres.

Phase 1 is a plotted development of 16 acres. Development work on site is in final stages of completion. 80% of the plots have been sold.

Infrastructure work for the whole property like the entrance gate, internal roads and landscaping has been completed.

3) **Luxury Residential Tower – Downtown, Dubai**

This project is located in the heart of Dubai in close proximity to Dubai mall and the iconic Burj Khalifa. This is a 50% Joint Venture project with your company being the Managing partner. Dubai skyline is famous for its architecture. However, the project is going to be unique in the sense that all apartments will have their private pool and garden.

The project has won the Best design award for upcoming multi-unit building in Dubai, Arabia and in the World.

The built-up area is 8.22 lacs sft with 181 Apartments

All approvals have been received. RERA registration is under progress. Construction has commenced with shoring works almost 80% completed. The project will be completed mid-2021.

4) **Goa Residential Project:**

This project is located in Zuarinagar in close proximity to the airport. Land belongs to Zuari Global Ltd and is being developed by Zuari Infraworld on a fee basis.

The total land area is 37 acres and the first phase of the project is on 6.8 acres with a built up area of 1.67 lakh sft comprising of Villas and Apartments, along with large fun pool and clubhouse. More than 50% of the stock has been sold.
90% of structural work is completed. Infra works have been initiated and landscaping works planned. Mock up Villa and Apartment are ready for potential customers to visit and get the experience of being one with nature in Zuari Rainforest Goa. Rainforest Goa has been successfully registered with Goa RERA. Project is expected to be delivered by March 2019.

Projects on the Anvil:

The following projects are at design stage:

1. Delhi Kamlanagar – residential project with a built-up area of 30 lakh sft. Drawings for approval of DDA will be submitted by June '18 and Project launch will be in 2019.

2. Vasant Kunj, Delhi- Museum cum office complex with a built up area of 7 lakh sft. It is under design phase

3. Kolkata residential – this is a project in the heart of the city with a built up area of 7.5 lakh sft. Project design work is in progress and it is expected to be launched last quarter of 2019.

4. Kolkata Commercial building – This is a Development management contract to design, build and deliver 7 lakh sft of office space for a related company. Design work is in progress and construction is expected to commence around third quarter of 2019.

5. Whitefield ,Bangalore –Term Sheet signed with GM Natura Spain for Joint Development of Residential Project on 30 Acres. Exchange of land with Government for approach road is initiated and once the approval is through the project plan will be submitted for approval.

ZIIL, a subsidiary of your company is in the midst of hectic growth with a portfolio of projects of around 75 lacs sft spread across the country and abroad. There are more projects on the anvil which will be taken up at a later date.

Standalone

ZIIL's total revenue for the year ended 31st March, 2018 was ₹ 1,296.11 Lacs as compared to ₹ 2,407.81 lacs for the year ended 31st March, 2017. The Profit/(Loss) before tax for the year ended 31st March, 2018 was ₹ 94.65 lacs as compared to ₹ 240.37 lacs for the year ended 31st March, 2017. The Profit/(Loss) after tax for the year ended 31st March, 2018 was ₹ (18.73) lacs as compared to

₹ 181.66 for the year ended 31st March, 2017.

Consolidated

ZIIL's total revenue for the year ended 31st March, 2018 was ₹ 1,180.47 lacs as compared to ₹ 1,789.93 lacs for the year ended 31st March, 2017. The Profit/(Loss) before tax for the year ended 31st March, 2018 was ₹ (195.29) lacs as compared to ₹ (179.64) lacs for the year ended 31st March, 2017. The Profit/(Loss) after tax for the year ended 31st March, 2018 was ₹ (308.68) lacs as compared to ₹ (238.36) lacs for the year ended 31st March, 2017.

B. Simon India Limited (SIL) :

Simon India Limited (SIL), a wholly owned subsidiary of your Company, was engaged in the execution of following projects in 2017-18:

- **2000 TPD Sulphuric Acid Plant stream C along with its captive 23 MW power plant based on heat recovery from Sulphur burning gases and auxiliary systems like cooling water and demineralized water and retrofit of two existing sulphuric acid streams A and B with new heat recovery system for Paradeep Phosphates Limited on EPC basis.** The plant SAP-C along with its new additional proprietary heat recovery system with MECS USA and auxiliary systems was is operating satisfactorily. The engineering, procurement and construction of second phase of the project involving retrofit of proprietary heat recovery system of MECS in Stream A and B are in progress. Stream A retrofit was completed and the plant is in operation.
- **200 TPD (Expandable to 250 TPD) Chlor-Alkali Plant for KLJ Organics-Qatar in Qatar on EPCM basis –** The engineering and procurement services are completed. Construction services are provided on per diem basis and in progress.
- **2x10,000 MT phosphoric acid tanks for Gujarat State Fertilisers & Chemicals Limited, Sikka Shore Terminal on EPC basis-** The project was completed and the site closed.
- **50,000 TPY Caprolactum Distillation Unit for Gujarat State Fertilisers & Chemicals Limited, Vadodara on EPC basis –** Commissioning of the plant is completed and punch point liquidation in progress.
- **1.34 MMTPA LPG Terminal for Mundra LPG Terminal Limited (MLTPL), Mundra Port, Kutch, Gujarat -** The project was awarded on May 10, 2017 and scheduled to be commissioned by Nov 2018. Currently all critical engineering is completed, all long lead items ordered & most of them are in manufacturing. Construction at site is in full swing with civil, tanks, fabrication and piping works.
- **New Molasses Tank and Sugar Bags Handling System for Gobind Sugar Mills Limited (GSML) on EPC Basis –** The molasses tank was completed and commissioned. SBHS is completed and commissioned up to JT-3. The client has put the new godown and SBHS between JT-3 and JT-4 under hold.
- **Spent Caustic Wash Project for SABIC, KSA on EPC basis –** The project started on 17th January and 30% Detail Engineering package was delivered to the client as per schedule. HAZOP study was also carried out on 17th – 18th April 2018 at KSA.

SIL's revenue from operations for the year ended 31st March, 2018 was ₹ 19007.02 lacs as compared to ₹ 8944.87 lacs for the year ended 31st March, 2017. The total Revenue for the year ended 31st March, 2018 was ₹ 20284.91 lacs as compared to ₹ 9566.82 lacs for the year ended 31st March, 2017. The Profit/(Loss) before tax for the year ended 31st March, 2018 was₹ (2760.09) lacs as compared to ₹ (1394.47) lacs for the year ended 31st March, 2017. The Profit/(Loss) after tax for the year ended 31st March, 2018 was ₹ (2100.41) lacs as compared to ₹ (925.93) lacs for the year ended 31st March, 2017.

C. Indian Furniture Products Limited (IFPL):

Your, Company holds 72.45% share in IFPL.

IFPL is into the business of manufacturing of particle board furniture and also into retail/wholesale trade of furniture.

IFPL's revenue from operations for the year ended 31st March, 2018 was ₹ 4378.40 Lacs as compared to ₹ 11,422.75 lacs for the year ended 31st March, 2017. The Profit/(Loss) before tax for the year ended 31st March, 2018 was ₹ (304.15) Lacs as compared to ₹ (2,070.02) lacs for the year ended 31st March, 2017. The Profit/(Loss) after tax for the year ended 31st March, 2018 was ₹ (302.08) Lacs as compared to ₹ (2,067.32) lacs for the year ended 31st March, 2017.

Soundaryaa IFPL Interiors Limited (SIFPL):

SIFPL is a subsidiary of IFPL, which is a highly reputed Company in commercial interiors business. It has executed several projects for many multinational companies in India. IFPL holds 50.01% share in SIFPL.

SIFPL, in its first venture executed an interior fit-out contracting activity for Shell India's new Technology Centre in Bengaluru, as a duly nominated subcontractor of L&T which was the main contractor for the entire project. The total value of this Project was approximately ₹ 52 Crore which was successfully completed and handed over during March 2017. Aside of the quality of interior fit-out, a significant factor was accident free contracting period of almost 18 months.

Drawing from this successful execution, the company now plans to expand its footprint into other verticals of interior fit-out contracting of which the Hospitality Sector has been identified as a significant potential. The operations of SIFPL will be currently limited to Southern Part of the Country in which Karnataka and Andhra Pradesh are contributing majorly."

Forte Furniture Products India Private Limited (FFPIPL):

IFPL has formed a Joint Venture Company with Fabryki Mebli "Forte" S.A("Forte"), which is a highly reputed Company situated at Poland and engaged in the business of manufacturing, selling furniture and furniture related products in Europe. IFPL holds 50% share in FFPIPL.

D. Zuari Investments Limited (ZIL):

Zuari Investments Limited, a wholly owned subsidiary of Zuari Global Limited, is engaged in the investments business; earlier the company was dealing in the business of investments and financial services, stock broking, depository services, registrar & share transfer agent, distribution of mutual fund products and direct sale agent for real estate and mortgages.

The Company went through a corporate restructuring wherein the operational division of financial services was been transferred to Zuari Finserv Private Limited in pursuance of the National Company Law Tribunal, Mumbai Bench, order dated November 09, 2017 and currently company is left with Investment division only.

Standalone

ZIL's Revenue for the year ended 31st March, 2018 was ₹ 124.01 Lacs as compared to ₹ 377.13 lacs for the year ended 31st March, 2017. The (Loss) before tax for the year ended 31st March, 2018 was ₹ (395.54) Lacs as compared to ₹ (1532.62) Lacs for the year ended 31st March, 2017. The (Loss) after tax for the year ended 31st March, 2018 was ₹ (338.93) Lacs as compared to ₹ (1556.29) Lacs for the year ended 31st March, 2017.

Consolidated

ZIL's Revenue for the year ended 31st March, 2018 was ₹ 32176.73 Lacs as compared to ₹ 43266.55 lacs for the year ended 31st March, 2017. The (Loss) before tax for the year ended 31st March, 2018 was ₹ (5121.28) Lacs as compared to profit of ₹ 482.30 Lacs for the year ended 31st March, 2017. The (Loss) after tax for the year ended 31st March, 2018 was ₹ (3912.77) Lacs as compared to profit of ₹ 383.17 Lacs for the year ended 31st March, 2017.

i. **Gobind Sugar Mills Limited (GSML):**

Gobind Sugar Mills Limited (GSML), a subsidiary of Zuari Investments Limited(ZIL), belongs to the Adventz Group.

During the year under review (Sugar Season 2017-18), the Company crushed 147.33 Lacs Qtls (previous year 94.06 Lacs Qtls) of sugar cane achieving sugar recovery rate of 10.53% (Previous year 10.27%). Sugar production was 15,54,481 Qtls (previous year 9,66,341 Qtls) and Molasses production was 7,48,208 Qtls (Previous year 4,56,120 Qtls).

The Gross Sales (inclusive of Excise Duty) of the Company for the year ended 31st March, 2018 decreased by 27.31% (Approx) to ₹ 29,432.87 Lacs from ₹ 40,489.27 Lacs for the period 2016-17. The Company recorded a Net Loss after tax of ₹ 2,057.36 Lacs for the year ended 31st March, 2018.

The profit before interest, depreciation, tax for the year under review stood at ₹ 5,421.90 Lacs as compared to previous year's figure of ₹ 9,353.22 Lacs.

E. Zuari Sugar & Power Limited (ZSPL):

Zuari Sugar & Power Limited (ZSPL) (formerly known as Zuari Financial Services Limited), a wholly owned subsidiary of Zuari Global Limited, is a registered trader to deal in agri related commodities. The company is procuring sugar from sugar manufacturing units for trading on wholesale basis, to build as a volume trader, which shall strengthen the business position of the Company.

ZSPL's total revenue for the year ended 31st March, 2018 was ₹ 989.87 Lacs as compared to ₹ 258.96 lacs for the year ended 31st March, 2017. The (Loss) before tax for the year ended 31st March, 2018 was ₹ (1119.52) Lacs as compared to ₹ (129.56) Lacs for the year ended 31st March, 2017. The (Loss) after tax for the year ended

31st March, 2018 was ₹ (1119.52) Lacs as compared to ₹ (129.56) Lacs for the year ended 31st March, 2017.

F. Zuari Management Services Limited (ZMSL):

Zuari Management Services Limited (ZMSL), a wholly owned subsidiary of your Company, is engaged in the business of rendering management services. The services to Group Companies include in the areas of human resource, internal audit, corporate communication, etc.

ZMSL's total revenue for the year ended 31st March, 2018 was ₹ 406.02 Lacs as compared to ₹ 6.19 lacs for the year ended 31st March, 2017. The Profit/(Loss) before tax for the year ended 31st March, 2018 was ₹ (23.34) Lacs as compared to ₹ (333.44) for the year ended 31st March, 2017. The Profit/(Loss) after tax for the year ended 31st March, 2018 was ₹ (83.34) akhs as compared to ₹ (349.39) for the year ended 31st March, 2017.

G. Zuari Finserv Private Limited (ZFPL):

The company is a wholly owned subsidiary of Zuari Global limited, engaged in the distribution of financial products and is focused to be a single window offering complete bouquet of all financial products/services under one roof.

The company is a member of both, National Stock Exchange and Bombay Stock Exchange, for cash, derivative and currency segments and providing trading services to its clients. It is a depository participant with National Securities Depository Limited and Central Depository Services Limited and providing depository services to its clients.

Besides being empaneled with Association of Mutual Fund of India for distribution of Mutual Fund products and a Category – II, Registrar and Share Transfer Agent registered with Securities and Exchange Board of India. In addition to above, the company is engaged as a direct selling agent for mortgages and real estate products. The company obtained its operations in financial services from Zuari Investments Limited (ZIL) (fellow subsidiary) through corporate restructuring wherein the operational division of ZIL was transferred to ZFPL pursuant to National Company Law Tribunal; Mumbai Bench Order dated November 09, 2017.

Standalone

ZFPL's total Revenue for the year ended 31st March, 2018 was ₹ 1074.57 Lacs as compared to ₹ 750.58 lacs for the year ended 31st March, 2017. The Profit before tax for the year ended 31st March, 2018 was ₹ 25 Lacs as compared to Loss of ₹ 23.96 Lacs for the year ended 31st March, 2017. The Profit after tax for the year ended 31st March, 2018 was 255.79 Lacs as compared to loss of ₹ (23.96) Lacs for the year ended 31st March, 2017.

Consolidated

ZFPL's total Revenue for the year ended 31st March, 2018 was ₹ 1349.29 Lacs as compared to ₹ 1064.16 lacs for the year ended 31st March, 2017. The Profit before tax for the year ended 31st March, 2018 was ₹ 54.48 Lacs as compared to ₹ 53.27 Lacs for the year ended 31st March, 2017. The Profit after tax for the year ended 31st March, 2018 was ₹ 258.93 Lacs as compared to ₹ 68.01 Lacs for the year ended 31st March, 2017.

i. **Zuari Insurance Brokers Limited (ZIBL):**

Zuari Insurance Brokers Limited (ZIBL), a wholly owned subsidiary of Zuari Finserv Private Limited is registered with the Insurance Regulatory and Development Authority (IRDA) and provides complete Insurance solutions to Individuals & Corporates as an Insurance Broker. The Company also caters to the entire in-house Insurance requirements of the group.

ZIBL's total Revenue for the year ended 31st March, 2018 was ₹ 260.35 Lacs as compared to ₹ 287.73 lacs for the year ended 31st March, 2017. The Profit before tax for the year ended 31st March, 2018 was ₹ 45.07 Lacs as compared to ₹ 85.53 Lacs for the year ended 31st March, 2017. The Profit after tax for the year ended 31st March, 2018 was ₹ 32.54 Lacs as compared to ₹ 85.92 Lacs for the year ended 31st March, 2017.

ii. **Zuari Commodity Trading Limited (ZCTL):**

Zuari Commodity Trading Limited (ZCTL), a wholly owned subsidiary of Zuari Finserv Private Limited is a member of National Commodity Derivative Exchange Limited (NCDEX) and Multi Commodity Exchange Limited (MCX), providing commodity trading services to the clients.

ZCTL's total revenue for the year ended 31st March, 2018 was ₹ 15.68 Lacs as compared to ₹ 26.55 lacs for the year ended 31st March, 2017. The Loss before tax for the year ended 31st March, 2018 was ₹ (15.57) Lacs as compared to ₹ (8.02) Lacs for the year ended 31st March, 2017. The Loss after tax for the year ended 31st March, 2018 was ₹ (29.38) Lacs as compared to profit of ₹ 6.31 Lacs for the year ended 31st March, 2017.

27. Joint Ventures:

Zuari Indian Oiltanking Private Limited (ZIOPL):

Zuari Indian Oiltanking Private Limited (ZIOPL), has state-of-the art terminalling facility for handling petroleum products namely Naphtha, Motor Spirit, High Speed Diesel & Superior Kerosene.

The Company provides terminalling services to Hindustan Petroleum Corporation Limited, Bharat Petroleum Corporation Limited & Indian Oil Corporation Limited as a Common User Terminal (CUT) facility.

Products currently handled are Motor Spirit, High Speed Diesel & Ethanol.

For the year, 2017-18, the Oil Terminal has achieved a throughput of 624967.667 KL @15 degree.

ZIOPL's revenue from operations for the year ended 31st March, 2018 was 1,546.28 Lacs as compared to 1,508.44 Lacs for the year ended 31st March, 2017. The Profit/(Loss) after tax for the year ended 31st March, 2018 was 145.38 Lacs as compared to 470.21 Lacs for the year ended 31st March, 2017.

28. Associates:

Zuari Agro Chemicals Limited (ZACL):

Your Company holds 20% shares and the subsidiary Zuari Management Services Limited holds 12.08% shares of Zuari Agro Chemicals Limited (ZACL).

ZACL's revenue from operations (Standalone) for the year ended 31st March, 2018 was ₹ 4,64,995.68 lacs as compared to ₹ 4,09,180.39 lacs the previous year ending 31st March, 2017. The Profit before tax for the year ended 31st March, 2018 was ₹ 5,074.39 lacs as compared to Loss of ₹ 7,974.84 lacs for the year ending 31st March, 2017 The Profit after Tax stood at ₹ 4,195.17 lacs for the year ending 31st March, 2018 as compared to loss of ₹ 6,036.04 lacs for the previous year.

The Gross revenue from operations (Consolidated) for the year ended 31st March, 2018 was ₹ 7,27,085.57 lacs as compared to ₹ 6,40,682.43 lacs for the previous year. The Consolidated Profit before tax for the year ended 31st March, 2018 was ₹ 18,069.87 lacs as compared to Loss of ₹ 2.152.55 lacs for the year ending 31st March, 2017. The Profit after Tax stood at ₹ 15,744.21 lacs for the year ending 31st March, 2018 as compared to a Loss of ₹ 1,284.20 lacs for the previous year.

The statement containing salient features of the financial statement of subsidiaries/associates/joint ventures is attached as **Annexure 'I'** to this report.

29. Directors' Responsibility Statement:

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of provisions of Section 134 (5) of the Companies Act, 2013, and hereby confirm that:

a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

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 at the end of the financial year and of the profit and loss of the Company for that period;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act 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 laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively .

30. Acknowledgements:

Your Directors wish to place on record their appreciation for the dedication, commitment and contribution of all the stakeholders and employees of your Company.

For and on behalf of the Board

Place : Gurgaon
Date : 25th May, 2018

S.K. Poddar
Chairman
DIN:00008654

Annexure 'A' to the Directors' Report

Report on Corporate Governance

1. Company's Philosophy on the Code of Corporate Governance:

The Company's Philosophy on Corporate Governance envisages an attainment of the highest level of transparency and accountability. It is aimed at safeguarding and adding value to the interests of various stakeholders. The Company is committed to the best Corporate Governance and continues with its initiatives towards the best Corporate Governance practices.

2. Board of Directors:

The Board of Directors of the Company comprises six members including Managing Director, a Whole Time Director and four Non-Executive Directors. Half of the Board comprises of Independent Directors. The other related information concerning the Board is given hereunder.

During the year under review, four Board meetings were held on: 19th May, 2017, 28th July, 2017, 23rd October, 2017 and 12th February, 2018.

Attendance of each Director at the Board of Directors' meetings and at the last Annual General Meeting along with the number of other Companies and Committees where the Director is a Chairman / Member is given hereunder:

Director	Category of Directorship #	No. of Directorships in other companies as on 31.03.2018*	No. of Board Meetings Attended	No. of shares held	Attendance at last AGM	No. of Board Committees of other companies** as on 31.03.2018	
						Chairman	Member
S.K. Poddar $	Promoter/Chairman	12	4	1483446	No	-	-
N. Suresh Krishnan @	Managing Director	9	4	NIL	Yes	1	4
J.N. Godbole	NED / I	7	4	NIL	Yes	3	4
Jyotsna Poddar +	Whole Time Director	10	3	71621	No	-	-
Marco Wadia	NED / I	12	4	2,811	Yes	4	4
K.K. Gupta	NED/I	1	3	NIL	Yes	-	1

\# I- Independent, NED-Non-Executive Director

* The number of directorships in other Public and Private Limited Companies

* * Includes Audit Committee and Stakeholders Relationship Committee

$ shares include held in individual capacity, Karta and as a trustee

@ Reappointed as Managing Director w.e.f. 1-4-18, subject to the approval of shareholders at the forthcoming AGM

\+ Wife of Mr. S.K.Poddar, Chairman

3. Retirement of Directors by rotation and re-appointment:

Mr. Saroj Kumar Poddar retires by rotation and is eligible for re-apointment.

As per Section 152(6) of the Companies Act, 2013, brief profile and information about Mr. Saroj Kumar Poddar is given below:

Mr. Saroj Kumar Poddar 73, a leading Indian industrialist of international repute, is Chairman of the Adventz group. The group, with a total turnover in excess of US $3 billion, comprises 23 leading companies in various verticals, constituting key drivers of the Indian economy and was repositioned under the Adventz banner by Mr. Poddar, to leverage its exemplary equity in terms of knowledge, best practices and technical excellence. Under Mr. Poddar, the group has promoted various seminal projects including joint ventures with leading international corporations. The most notable of these ventures are Hettich India Private Ltd - a joint venture with the Hettich Group of Germany and MCA Phosphates Pte. Ltd. - a joint venture with Mitsubishi Corporation, Japan. Mr. Poddar was also instrumental in promoting Gillette India Ltd., a venture with the renowned 'The Gillette Company,' USA and was Founder Chairman of the Company since 1984, before relinquishing the position in December 2013. At Mr. Poddar's initiative the group has acquired a controlling stake as well as management control of Kalindee Rail Nirman (Engineers) Ltd. and Bright Power both of which offers synergetic strength to its core railway products business.

Mr. Poddar is the Chairman of Zuari Agro Chemicals Limited, Zuari Global Limited, Chambal Fertilisers& Chemicals Limited, Paradeep Phosphates Limited, Texmaco Infrastructure & Holdings Limited and Texmaco Rail & Engineering Limited.

A gold medalist in Commerce from Calcutta University, Mr. Poddar is an aficionado of art, culture and sports and is involved in their promotion and development. Mr. and Mrs. Poddar promote young cricketers to go abroad for training and practice. He is also a recipient of the RashtriyaSamman award from the Central Board of Direct Taxes. The Poddars are currently involved in setting up a museum in Delhi with the theme 'India through the ages'. The museum, to be named after Mr. Poddar's father in law, the late Dr K K Birla as 'K K Birla Academy', will be fully funded by the family and is to be commissioned in the coming years.

Mr. Poddar has served as President of FICCI and International Chamber of Commerce in India, and has been appointed by Govt. of India on the Board of Trade - the highest body on trade – as well as on the Court of the Indian Institute of Science, Bangalore. Mr. Poddar has also served as a member of the Board of Governors of the Indian Institute of Technology, Kharagpur for over 10 years and on the local Board of the Reserve Bank of India for a similar period. He was also on the Advisory Board of one of the most reputed investment brokers, Messrs. N M Rothschild & Sons (India) Pvt. Limited.

Mr. Poddar is the Chairman of India-Saudi Arabia Joint Business Council and is a Member of the Indo-French CEO Forum.

Names of the other Companies in which Mr. Saroj Kumar Poddar is a Director as on 31st March, 2018 is given below :

Sr. No.	Names of the Companies/Bodies Corporate/Firms/Association of Individuals		
	Public Limited Companies		**Private Limited Companies**
1	Chambal Fertilisers And Chemicals Limited	1	Hepo India Private Limited
2	Texmaco Rail & Engineering Limited	2	Hettich India Private Limited
3	Zuari Agro Chemicals Limited	3	Ethan Allen India Private Limited
4	Zuari Global Limited	4	Forte Furniture Products India Private Limited
5	Texmaco Infrastructure & Holdings Limited	5	Adventz Finance Private Limited
6	Paradeep Phosphates Ltd	6	Adventz Homecare Private Limited
7	Lionel India Limited		
	LLP		
1	Flinta Real Estate LLP		
2	Adventz Developers LLP		

4. Board Agenda:

The Board meetings are scheduled well in advance and the Board members are generally given notice at least 7 days prior to the meeting date. All major items are backed by in-depth background information and analysis, wherever possible, to enable the Board members to take informed decisions.

5. Formal letter of appointment to Independent Directors:

The Company has issued a formal letter of appointment to all Independent Directors at the time of appointment in accordance with the provisions of the Companies Act, 2013 and Schedule IV (Section 149(8)) of the Companies Act, 2013. The terms and conditions of appointment of Independent Directors is uploaded on the Company's website.

6. Annual Performance Evaluation:

Pursuant to the provisions contained in Companies Act, 2013 and Schedule IV (Section 149(8)) of the Companies Act, 2013 the annual performance evaluation has been carried out of all the Directors, the Board, Chairman of the Board and the working of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

The performance evaluation of the Board of Directors was carried out based on the detailed questionnaire containing criteria such as duties and responsibilities of the Board, information flow to the Board, time devoted to the meetings, etc. Similarly, the Director's evaluation was carried out on the basis of questionnaire containing criteria such as level of participation by individual directors, independent judgement by the director, understanding of the Company's business, etc.

The performance evaluation of the Board and the Committees, viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee was done by all the Directors. The performance evaluation of the

Independent Directors was carried out by the Board excluding the Director being evaluated. The performance evaluation of the Chairman and Executive Directors was carried out by the Independent Directors. The Directors expressed their satisfaction over the entire evaluation process.

7. Independent Directors' Familiarization Programme:

The Company in compliance with Regulation 25(7) of SEBI (LODR) Regulations, 2015 has formulated a programme to familiarize the Independent Directors with the Company, their roles, responsibilities. The Independent Directors are given detailed presentation on the operations of the Company on quarterly basis at the meetings of the Board/Committees. The details of the familiarization programme has been disclosed on the Company's website. The weblink for accessing the familiarization policy is http://www.adventz.com/html/pdfs/Familarization-Programme.pdf

8. Board Diversity Policy:

The Company in compliance with Regulation 19(4) of SEBI (LODR) Regulations, 2017 with Stock Exchanges has formulated policy on Board Diversity which sets out the frame work to promote diversity on Company's Board of Directors. The policy was recommended by Nomination and Remuneration Committee and approved by the Board.

9. Independent Directors Meeting:

During the year under review, the Meeting of the Independent Directors was held on 19th May, 2017 without the attendance of non-independent directors and members of Management, inter alia, to discuss the following:

- Review the performance of Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairman of the Company, taking in to account the views of the Managing Director and Non-Executive Directors; and
- Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

10. Board Committees:

The Committees of the Board are as follows:

a) Audit Committee:

The Audit Committee comprises of three Non-Executive Independent Directors and Managing Director. The permanent invitee includes Head of internal audit. The Company Secretary is the Secretary of the Committee. The Committee met 4 times during the financial year ended 31st March, 2018 on : 19th May, 2017, 28th July, 2017, 23rd October, 2017, 12th February, 2018.

Terms of Reference

As per Regulation 18(3) of SEBI (LODR) Regulations, 2015 and Schedule II the terms of reference and role of the Audit Committee includes among other things, review of the Company's financial reporting process and its financial statements, review of the accounting and financial policies and practices, the internal control and internal audit systems (including review and approval of Internal Audit plan, appointment of Internal Auditors and review of internal audit reports), risk management policies and practices, review the functioning of the Whistle Blower mechanism, etc. The role also includes making recommendations to the Board, re-appointment of Statutory Auditors/Secretarial Auditors and fixation of audit fees.

Besides above, the additional terms of reference of Audit Committee as per the Companies Act, 2013 includes reviewing and monitoring auditor's independence and performance, and effectiveness of audit process; examination of the financial statement and the auditor's report thereon; approval or any subsequent modification of transactions of the company with related parties; scrutiny of inter-corporate loans and investments; valuation of undertakings or assets of the company, wherever it is necessary.

The Composition of Committee & their attendance at the meetings are as follows:

Name of the member	Status	Nature of Directorship	No. of meetings attended
Mr. Marco Wadia	Chairman	Non- Executive Independent Director	4
Mr. K.K. Gupta	Member	Non- Executive Independent Director	3
Mr. J.N. Godbole	Member	Non- Executive Independent Director	4
Mr. N. Suresh Krishnan	Member	Managing Director	4

b) Stakeholders' Relationship Committee:

Stakeholders' Relationship Committee comprises three Non Executive Independent Directors and Managing Director. The Board has designated Asst. Company Secretary, as the Secretary to the Committee. The Committee met 4 times during the financial year ended 31st March, 2017 on 19th May, 2017, 28th July, 2017, 23rd October, 2017 and 12th February, 2018.

Terms of Reference:

The Board has constituted Stakeholders' Relationship Committee which oversees the performance of the share transfer work and recommends measures to improve the level of investor services. In addition, the Committee looks into investors' grievances such as non receipt of dividend, Annual Reports and other complaints related to share transfers.

There were 4 complaints received from the shareholders during the year, which were duly addressed. There were no outstanding complaints or share transfers pending as on 31st March, 2018.

The attendance of the members at the meeting was as follows:-

Name of the member	Status	Nature of Directorship	No. of meetings attended
Mr. J.N. Godbole	Chairman	Non- Executive Independent Director	4
Mr. Marco Wadia	Member	Non- Executive Independent Director	4
Mr. N. Suresh Krishnan	Member	Managing Director	4
Mr. K.K. Gupta	Member	Non- Executive Independent Director	3

c) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises three Non-Executive Independent Directors and one Non Executive Non Independent Director . The Board has designated Asst. Company Secretary as the Secretary to the Committee. The Committee met 2 times during the financial year ended 31st March, 2018 on: 19th May, 2017 and 12th February, 2018.

Terms of Reference:

The Board has constituted the Nomination & Remuneration Committee, as required under the Companies Act, 2013. The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. The Nomination & Remuneration Committee shall also formulate criteria for evaluation of Independent Directors and the Board and devise a policy on Board diversity. It shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and for removal.

The Composition of Committee & their attendance at the meetings are as follows:

Name of the member	Status	Nature of Directorship	No. of meetings attended
Mr. J.N. Godbole	Chairman	Non- Executive Independent Director	2
Mr. Marco Wadia	Member	Non- Executive Independent Director	2
Mr. K.K. Gupta	Member	Non- Executive Independent Director	1
Mr. Saroj Kumar Poddar	Member	Non- Executive Non Independent Director	1

Details of remuneration to all the Directors for the year:

Payment of remuneration to the Whole Time Director and Managing Director is as approved by the Nomination Remuneration Committee, the Board and the Shareholders. The remuneration comprises salary, incentives, perquisites, contribution to the Provident Fund, Superannuation Fund and Gratuity.

(₹ in Lacs)

Executive Directors	Salary	Perquisites	Retirement benefits	Total
Mrs. Jyotsna Poddar	63.60	-	4.75	68.35
Mr. Suresh Krishnan	182.56	2.08	31.47	216.11

The term of appointment of the Whole Time Director is for a period of five years w.e.f. 1st April, 2017 and of Managing Director is 3 years w.e.f. 1st April, 2018, subject to the approval of shareholders at forthcoming Annual General Meeting. The notice period for the termination of the appointment of the Whole Time Director/ Managing Director is three months from either side.

a. No severance pay is payable on termination of the appointment of the Whole Time Director and Managing Director.
b. Payment of remuneration to the Whole Time Director / Managing Director is recommended by the Nomination and Remuneration Committee and approved by the Board and the shareholders.

Sitting fees paid to Non-Executive Directors

The Non Executive Directors of the Company receive remuneration by way of sitting fees. The details of sitting fees paid to Non Executive Directors during the financial year 31.03.2018 for attending the meetings of the Board and the Committees thereof is given below:

Sr. No.	Name of Director	Amount (₹)
1.	Mr. S.K. Poddar	2,23,000
2.	Mr. Marco Wadia	4,23,000
3.	Mr. K.K. Gupta	3,18,000
4.	Mr. J.N. Godbole	4,05,750

Pecuniary relationship of Directors:

During the financial year, none of the Directors of the Company had any material pecuniary relationship(s) or transaction(s) with the Company, its Promoters, its Senior management, its Subsidiary or Associate Company apart from the following:

- Remuneration paid to the Managing Director, Whole-time Director and Sitting Fees paid to the Non – Executive Directors;
- Reimbursement of expenses incurred by the Directors in discharging their duties;
- Professional fees of ₹ 0.40 Lacs paid to Crawford Bayley & Co during the year. Mr. Marco Wadia is a partner in Crawford Bayley & Co, Solicitors & Advocates, which has professional relationship with the Company. However, this is not considered material enough to infringe independence of Mr. Marco Wadia;
- Mr. Saroj Kumar Poddar, Mrs. Jyotsna Poddar and Mr. Marco Wadia are holding equity shares of the Company, details of which are given in this Report.

d) Other Committees:

Apart from above, the Board has constituted other committees including Banking and Finance Committee, Risk Management Committee and Corporate Social Responsibility Committee. The Committee meetings are held as and when the need arises and at such intervals as may be expedient.

11. Annual General Meetings

a. Details of the last three Annual General Meetings are as follows:

Year	Location	Date	Time	Particulars of special resolutions passed
2016-2017	Jai Kisaan Bhawan, Zuarinagar, Goa-403726	28-09-2017	10.00 a.m.	N.A
2015-2016		30-09-2016	10.30 a.m.	Re-classification of shareholder, SIL Investments Limited, which holds 9.48% of the issued and paid-up share capital of the Company from Promoter Group Category to Public Category
2014-2015		22-09-2015	10.00 a.m.	1. Appointment and Remuneration of Mr. N. Suresh Krishnan as the Managing Director of the Company for a period of 3 years w.e.f. 1st April, 2015
				2. Alteration in the Articles of Association of the Company by replacing all the existing regulations as per the draft regulations contained in the Articles of Association submitted

b. Special Resolutions Passed through Postal Ballot

The Company has not passed any special resolution through Postal Ballot during the year ended March 31, 2018. None of the items to be transacted at the ensuing Annual General Meeting is required to be passed by Postal Ballot.

12. Disclosures:

A) Mr. Marco Wadia, Partner of Crawford Bayley & Co., Solicitors & Advocates, has a professional relationship with the Company. The professional fees of ₹ 0.40 Lacs paid to Crawford Bayley & Co. during the year is not considered material enough to infringe on the independence of Mr. Wadia. Accordingly, there were no transactions of material nature with the directors or the management or their subsidiaries or relatives having potential conflict with the interest of the Company.

B) There were no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority or any matter related to capital markets during the last three years.

C) The Company has put in place a Vigil mechanism and adopted the Whistle Blower Policy and affirms that no person has been denied access to the Audit Committee. The information on Vigil mechanism is placed on the website of the Company. The weblink for accessing the policy is http://www.adventz.com/html/pdfs/Announcement-ZGL-1.pdf

D) The Company has formulated a policy for determining material subsidiaries and the policy is disclosed on the Company's website. The weblink for accessing the policy is http://www.adventz.com/html/pdfs/SUBSIDIARY-TRANSACTIONS-POLICY-ZGL.pdf

E) The Company has formulated a policy on dealing with Related Party transactions and the same is disclosed on the Company's website. The weblink for accessing the Related Party Transaction Policy is http://www.adventz.com/html/pdfs/ZGL-RELATED-PARTY-TRANSACTION-POLICY.pdf

F) The Company has complied with all mandatory requirements specified in regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of LODR Regulation, 2015. The Company has also adopted Schedule II of SEBI(Listing Obligations & Disclosure Requirements) Regulations, 2015.

13. Means of communication:

a. Half-yearly Unaudited Financial Results:

Unaudited financial results for the half-year ended 30th September, 2017 were sent to each household of shareholders, apart from publishing in one English National Daily and Local dailies, published in the language of the region where the registered office of the Company is located.

b. Quarterly Results:

Quarterly results are published in one English National Daily and Local dailies, published in the language of the region where the registered office of the Company is located.

c. Website on which the results are displayed: *www.adventz.com.*

d. The Company does not publish official new-releases on its website. The presentations made to institutional investors and analyst are uploaded on the Company website.

14. Code of Conduct:

The Company has adopted a 'Code of Conduct' for the Directors and Senior Executives of the Company. The code promotes conducting business in an ethical, efficient and transparent manner so as to meet its obligations to its shareholders and all other stakeholders. The code has set out a broad policy for one's conduct in dealing with the Company, fellow Directors and employees and the external environment in which the Company operates.

The declaration given by the Managing Director of the Company with respect to the affirmation of compliance of the code by the Board of Directors and Senior Executives of the Company is enclosed as **Annexure 'C'** to this report.

15. Code of internal procedures and conduct for trading in securities of the Company:

The code of internal procedures and conduct for trading in securities of the Company adopted by the Company inter alia prohibits purchase/sale of shares of the Company by the Directors and designated employees of the Company while in possession of unpublished price sensitive information related to the Company.

The Board has designated Mr. Sachin Patil, Asst. Company Secretary as the Compliance officer and has authorized Managing Director to monitor compliance of said Regulation.

16. General Shareholders Information:

a. Annual General Meeting:

The Annual General Meeting will be held on Monday, 10th September, 2018 at Jai Kisaan Bhawan, Zuarinagar, Goa-403726 at 2.30 P.M.

b. Financial Year : 1st April to 31st March

c. Financial calendar (Tentative)

Results for the quarter ended 30th June, 2018– on or before 2nd week of August, 2018

Results for the half-year ended 30th September, 2018–on or before 2nd week of November, 2018

Results for the quarter ended 31st December, 2018– on or before 2nd week of February, 2019

Audited Annual Results 2018-19 – on or before 30st May, 2019

d. Date of book closure:

21st July, 2018 to 28th July, 2018 (inclusive of both days).

e. Dividend payment date:

The Dividend payment date is on or after 14th September, 2018 but within the stipulated time under the Companies Act, 2013.

f. Management Discussion and Analysis forms part of this Report as Annexure 'D'.

g. Listing on Stock Exchanges: Company's shares are listed on:

BSE Limited,
Phiroze Jeejeebhoy Towers, Dalal Street,
MUMBAI – 400 001

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), MUMBAI – 400 051

The Company has paid the annual listing fees to the Stock Exchanges for the Financial Year 2017-18.

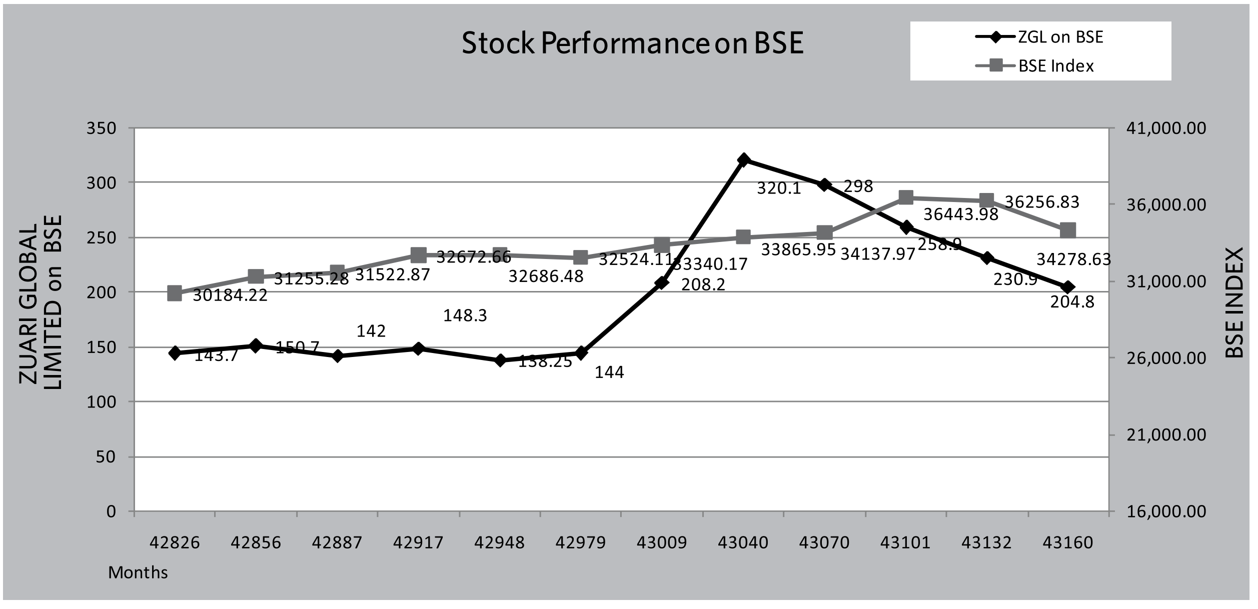
h. Stock Code:

1. BSE Limited, Mumbai: 500780
2. The National Stock Exchange of India Limited, Mumbai: ZUARIGLOB
3. International Standard Identification Number (ISIN) : INE217A01012

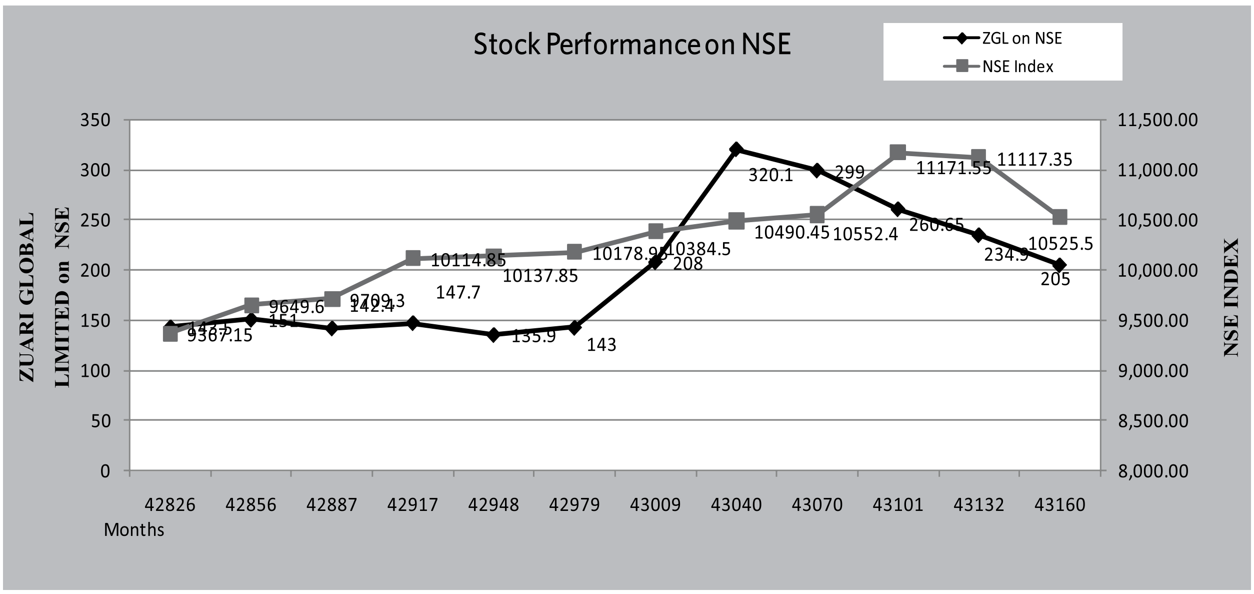
i. Stock Market Data:

High/Low share prices during the period 1st April, 2017 to 31st March, 2018

	ZGL on BSE		BSE Index	
	High	Low	High	Low
April, 2017	143.70	125.35	30184.22	29241.48
May, 2017	150.70	126.10	31255.28	29804.12
June, 2017	142.00	129.60	31522.87	30680.66
July, 2017	148.30	130.00	32672.66	31017.11
August, 2017	138.25	113.80	32686.48	31128.02
September, 2017	144.00	122.30	32524.11	31081.83
October,2017	208.20	127.10	33340.17	31440.48
November, 2017	320.10	177.00	33865.95	32683.59
December,2017	298.00	243.00	34137.97	32565.16
January, 2018	258.90	197.50	36443.98	33703.37
February, 2018	230.90	172.00	36256.83	33482.81
March, 2018	204.80	171.00	34278.63	32483.84



	ZGL on NSE		NSE Index	
	High	Low	High	Low
April, 2017	143.50	125.80	9367.15	9075.15
May, 2017	151.00	127.20	9649.60	9269.90
June, 2017	142.40	130.00	9709.30	9448.75
July, 2017	147.70	130.85	10114.90	9543.55
August, 2017	135.90	113.50	10137.90	9685.55
September, 2017	143.00	122.60	10179.00	9687.55
October,2017	208.00	126.05	10384.50	9831.05
November, 2017	320.10	175.00	10490.50	10094.00
December,2017	299.00	241.00	10552.40	10033.40
January, 2018	260.65	198.20	11171.60	10404.70
February, 2018	234.90	170.55	11117.40	10276.30
March, 2018	205.00	170.10	10525.50	9951.90



j. Share Transfer System

The Share Transfers in physical mode above 1000 equity shares are approved by Stakeholders' Relationship Committee.

The Company has authorized the Asst. Company Secretary to approve share transfers involving up to 1000 shares with a view to expedite the process of share transfers.

k. Address of Register and Share Transfer Agent :

Link Intime India Pvt. Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli (W)
Mumbai – 400 083.
Tel: 022 – 49186000 Fax: 022 – 49186060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.com

l. The Company maintains an exclusive email id, investor_redressal@adventz.com to redress the Investor's Grievances as required under Regulation 13 of SEBI (LODR) Regulations, 2015. The correspondence received under this email id are monitored and addressed on a daily basis.

m. The securities were not suspended from trading during the year.

n. Shareholding:

a) The distribution of shareholding as on 31st March, 2018 was as follows:

No. of shares	No. of shareholders	% of shareholders
Upto 500	21629	93.11
501 – 1000	783	3.37
1001- 2000	405	1.74
2001 – 3000	126	0.54
3001 – 4000	64	0.28
4001 – 5000	41	0.18
5001 – 10000	68	0.29
10001 and above	113	0.49
Total	**23229**	**100.00**

b) Shareholding Pattern as on 31st March, 2018:

Category	No. of shares held	% shareholding
Promoters	1,65,77,659	56.31
Banks/Financial Institutions and Insurance Companies	2250723	7.64
Foreign Institutional Investors / Foreign poftfolio Investors	73985	0.25
Mutual Funds	1932806	6.57
NRIs/OCBs	218066	0.74
Bodies Corporate / Govt. Companies	3029893	10.29
Public	5357472	18.20
TOTAL	**2,94,40,604**	**100.00**

o. Dematerialization of shares and liquidity:

29120716 equity shares (98.91%) have been dematerialized as on 31st March, 2018.

p. The Company has not issued GDRs/ADRs/Warrants or convertible Instruments during the Financial Year.

q. Commodity price risk or foreign exchange risk and hedging activities:

As the Company is not engaged in the business of commodities which are traded in recognized commodity exchanges, commodity risk is not applicable.

r. The Address for correspondence is:

Zuari Global Limited
Jai Kisaan Bhawan,
Zuarinagar, Goa- 403 726.
Tel: 91-0832-2592509
Fax: 91-0832-2555279
E- mail: shares@ adventz com and/or
investor_redressal @adventz.com
Website: www.adventz. com

s. Non mandatory Requirement :

The Company has complied with the following non mandatory requirements:

- Providing half yearly unaudited financial results of the Company to each household of the shareholder.
- Sharing the expenses for maintaining the Chairman's Office.
- Internal Auditor reports directly to the Audit Committee

Annexure 'B' to the Directors' Report

Certificate on Compliance of Conditions of Corporate Governance

To

The Members
Zuari Global Limited

I have examined the compliance of conditions of Corporate Governance by **ZUARI GLOBAL LIMITED** (the Company), for the financial year ended on 31st March, 2018, as stipulated under the relevant clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors & the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sadashiv V. Shet
Practising Company Secretary
CP No.: 2540; Membership No.: 2477

Place : Panaji, Goa
Date : 25th May, 2018

Annexure 'C' to the Directors' Report

Declaration by the Managing Director

Pursuant to Regulation 26(3) of SEBI (LODR) Regulations, 2015, I, N. Suresh Krishnan, Managing Director of Zuari Global Limited, declare that all Board Members and Senior Executives of the Company have affirmed their compliance with the Code of Conduct and Ethics during the financial year 2017-18.

N. Suresh Krishnan
Managing Director
DIN:00021965

Place : Gurgaon
Date : 25th May, 2018

Annexure 'D' to the Directors' Report

Management Discussion and Analysis

The Board of Directors is pleased to present the business analysis and outlook for Zuari Global Limited (ZGL) based on the current Government policies and market conditions.

REAL ESTATE OVERVIEW

India's real estate market is expected to reach US$ 180 billion by 2020. Emergence of nuclear families, rapid urbanisation and rising household income are likely to remain the key drivers for growth in all spheres of real estate, including residential, commercial and retail. Rapid urbanisation in the country is pushing the growth of real estate. More than 70 per cent of India's GDP will be contributed by the urban areas by 2020. Housing sector is expected to contribute around 11 per cent to India's GDP by 2020. Private equity and debt investments in Indian real estate increased to US$ 4.18 billion in 2017, compared to US$ 3.73 billion 2016.

During January-March 2018, private equity investments in Indian real estate increased 15 per cent year-on-year to ₹ 16,530 crore (US$ 2.6 billion). Investments in retail projects in tier 1 and tier 2 cities reached US$ 6.19 billion from 2006-17. Private equity investments in Indian retail assets increased 15 per cent in FY 2017 to reach US$ 800 million. During January-March, 2018 office space absorption increased 25 per cent year-on-year to around 11 million square feet. India jumped 13 spots in Knight Frank's Global House Price Index to reach 9th position in Q2 2017.

The Government of India has been supportive to the real estate sector. In August 2015, the Union Cabinet approved 100 Smart City Projects in India. The Government has also raised FDI limits for townships and settlements development projects to 100 per cent. Real estate projects within the Special Economic Zone (SEZ) are also permitted 100 per cent FDI. Government of India's Housing for All initiative is expected to bring US$ 1.3 trillion investments in the housing sector by 2025. The regulatory reforms implemented through frameworks defined under the Real Estate Regulatory Act (RERA)have led the sector in a certain direction. The government has also released draft guidelines for investments by Real Estate Investment Trusts (REITs) in non-residential segment.

"The initial effects of demonetisation and GST reforms may have led to liquidity issues for the real estate sector. To an extent, the impact seems to be reflected in the investment and development prospects of the Indian cities, which have moved out of the premier positions of last year. However, investment in India—specifically affordable housing—continues to be strategic in nature and offers massive scale of opportunity, a factor that makes it especially popular for funds employing large amount of capital.

As a country, India continues to be relied upon for sustainable rental growth in the range of 3-5%. This is reflective of the large deals in core assets that were consummated in the past year. While asset owners' expectations of cap rates has started moving toward single digit, their chance of securing a good bargain continues as there are limited number of Grade A properties with substantial quantum of capital waiting to be invested in such assets.

THE ROAD AHEAD

1. Project Feasibility and Management

- Leveraging the Group's formidable technical expertise, together with its vast landholdings & highly skilled teams of professionals to ensure holistic living spaces for the community at large.
- Demonstrate differentiation and a competitive edge in the Service & Management Sector by strategical liances with acclaimed partners.
- Deploying end-to-end life cycle management in the infrastructure and real estate sector.
- Deploying its triple advantage-harnessing excellence in all aspects of human endeavor, deploying world-best technological expertise and buttressing projects with its formidable financial prowess across all spheres.

2. Expand Business Domain - New Initiatives toward Growth Acceleration

- Firmly establish the position as an urban developer with its business structuring power capable of forming a diversified product lineup.
- Realize revenue growth through the ongoing supply of new products in existing development of Zuari Rain Forest & Zuari Garden City.
- Devotes itself to the development and enhancement of both residential and commercial projects by making sure that investor confidence is boosted and returns are better than promised.
- Several new project blue prints will soon see the light of day–
- An experiential retail center in Goa with multiplex, sports chain and food court is already underway.
- An integrated golf course cum branded residential project including a convention centre, hotel and hospital development over an area of 500 acre in Goa with a built up area of over 7 million sq.ft.
- A premium development in Bengaluru's Whitefield area.
- A state-of-the-art museum at Vasant Kunj, South Delhi besides a hi-rise residential development in the heart of Delhi, Kamla Nagar.

3. **International Venture**

Developing a memorable project, that is at par with the glitziest and the most opulent of all. Culminating in the conception and creation of Adventz Tower- a joint venture with DAS Holdings of AbuDhabi, in downtown Dubai, adjoining the landmark Burj Khalifa, it promises to be an iconic residential development rivaling best inc lass living.

4. **Increase in business volume**

- Realize growth in the housing sales through existing extensive product categories in Zuari Rain Forest, Goa and Zuari Garden City & Park View in Mysore.
- Increase both revenue from property sales, which also contributes to the improvement of asset efficiency, and stable rental revenue for stakeholders.
- Expand market share into new cities and internationally by increasing the marketing and partners locally.

5. **Environment Friendly**

- Every project development of ZIIL ensures sustainable approach in all our project design approach which comes from minimal impact to the surrounding environment and reducing energy consumption.
- Environment friendly constructions find their fullest expression in the form of energy efficient glass and natural stone,designed for the highest Green rating.
- The control over quality and providing environment friendly buildings that are both durable and sustainable is combined with Zuari Infraworld conforming to the ISO 9001:2015 and OHSAS 18001:2007 certifications for its quality, safety and environment management systems.

6. **Commitment**

- In the domain where customer confidence is nil, we are committed for timely possession. Setting the benchmark in this industry, we will hand over keys of Zuari Rain Forest, Goa a year prior to the time line.
- Ensuring value and fairness in all transactions.
- Commitment to uphold Investor concerns at all times
- Protection of market value with measures such as maintenance, top oft he line facility management and similar efficiency measures to make sure that the properties stay pristine and timeless

RISKS & CONCERNS

Anticipating the risks in the business, the company has set up adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. These are designed to provide reasonable assurance with respect to maintaining reliable financial and operational information, complying with applicable statutes, executing transactions with proper authorisation coupled with ensuring compliance of corporate policies.

THREATS & CHALLENGES

- **Regulatory Hurdles:**

  Unfavorable changes in government policies and the regulatory environment can adversely impact the performance of the sector. There are substantial procedure delays with regards to land acquisition, land use, project launches and construction approvals. Retrospective policy changes and regulatory bottlenecks may impact profitability and affect the attractiveness of the sector and companies operating within the sector.

- **Shortage of manpower & Technology**

  Despite being the second largest employer in the country the construction sector as a whole faces a manpower shortage. Further the sector is heavily dependent on manual labour which increases the timelines for projects and results in supply getting deferred. Hence less labour intensive alternative methods of construction need to be adopted on a large scale besides institutions for training and development of manpower to enhance skill levels is necessary.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The revenue from operations (Standalone) for the year ended 31st March, 2018 was ₹ 1425.59 Lacs (31st March 2017 – Nil).

The Profit before tax for the year ended 31st March, 2018 was ₹ 2011.26 lacs as compared to ₹ 2,378.67 lacs for the year ending 31st March, 2017. The Profit after Tax stood at ₹ 1796.45 lacs for the year ending 31st March, 2018 as compared to ₹ 2049.27 lacs for the previous year ending 31st March, 2017.

The revenue from operations (Consolidated) for the year ended 31st March, 2018 was ₹ 55265.81 lacs as compared to ₹ 63,114.68 lacs for the previous year.

The Consolidated Loss before tax for the year ended 31st March, 2018 was ₹ 7442.79 lacs as compared to a loss of ₹ 1495.20 lacs for the year ending 31st March, 2017. The Loss after Tax stood at ₹ 7847.08 lacs for the year ending 31st March, 2018 as compared to Loss of ₹ 1520.82 lacs for the previous year

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

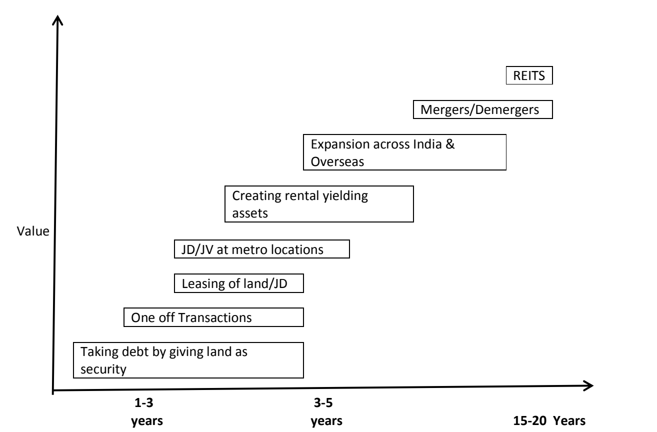
The company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. These are designed to provide reasonable assurance with respect to maintaining reliable financial and operational information, complying with applicable statutes, executing transactions with proper authorisation coupled with ensuring compliance of corporate policies through documented Standard Operating Procedure (SOP) and Limits of Financial Authority Manual (LOAM).

The company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. These are designed to provide reasonable assurance with respect to maintaining reliable financial and operational information, complying with applicable statutes, executing transactions with proper authorisation coupled with ensuring compliance of corporate policies through documented Standard Operating Procedure (SOP) and Limits of Financial Authority Manual (LOAM).

The Company has an Audit Committee of the Board of Directors, the details of which have been provided in the Corporate Governance Report. The Audit Committee of the Board reviews the Audit Reports submitted by the Internal Auditors along with the recommendations of the Management Committee. Suggestions for improvement are considered and the Audit Committee follows up on the implementation of the corrective actions. The implementation status of the directions is placed before the Audit Committee periodically, confirming the actions undertaken. The Committee also meets the Company's statutory auditors on a periodic basis to ascertain, inter alia, their views on the adequacy of the internal control systems in the Company and keeps the Board of Directors informed about its major observations from time to time

FUTURE OUTLOOK/STRATEGY

The chart representing the company growth plan and a model that will be self-sustaining.



The company is in progress to monetize its land bank across group companies where it is possible. This will not only unlock value for the shareholders but also help the company's other business to grow. The company real estate strategy is in line with the overall strategy and its vision & mission.

ENTERPRISE RISK MANAGEMENT (ERM)

The Risk Management Committee of the Board has approved a Risk Management Policy which has been formulated in accordance with the provisions of the Companies Act, 2013 and Regulation 21 of SEBI (Listing Obligation and Disclosure Regulation) Regulation 2015.

Our ERM framework encompasses practices relating to identification, assessment, monitoring and mitigation of strategic, operational, financial and compliance related risks. The coverage includes both internal and external factors. The risks identified are prioritised based on their potential impact and likelihood of occurrence. Risk register and internal audit findings also provide input for risk identification and assessment. The prioritised risks along with the mitigation plan are discussed with the Risk Management Committee on periodic basis.

The Company has, during the year internally conducted the Risk Assessment exercise for reviewing the existing processes of identifying, assessing and prioritizing risks. Mitigation plans have been defined for the prioritised risks and same are being reviewed for adherence periodically.

The Risk Management Committee shall periodically review the risks and report to the Board of Directors from time to time.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES

This year, the emphasis was on workforce enhancement. Employees were engaged at all levels to find better ways of doing work. Employees were urged to communicate and give their ideas and suggestions on any area of work that they felt could improve performance. Enhancing the effectiveness of the salesforce was another key intervention that was taken up on priority.

Employees at all units and functions have been empowered to take decisions around their area of work. They have been advised to make these decisions with the customer in mind. There has been a lot of emphasis on agility and in order to achieve it, the organizational structure, hierarchy and work practices have been modified wherever necessary to make it more agile and nimble.

Over and above all this, development of employees has been taken up through specialized training modules and programs that focus on soft skills. Progressive steps have been further taken to inculcate a performance oriented culture.

CAUTIONARY STATEMENT:

There are certain statements in this report which the Company believes are forward looking. The forward looking statements stated in this report could significantly differ from the actual results due to certain risks and uncertainties, including but not limited to economic developments, Government actions, etc.

Annexure 'E' to the Directors' Report

MGT-9

Extract Of Annual Return
As on the financial year ended on 31.03.2018(Pursuant to sec 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies(Management and Administration) Rules, 2014)

I. CORPORATE INFORMATION:

i)	CIN	L65921GA1967PLC000157
ii)	Registration Date	12/05/1967
iii)	Name of the Company	Zuari Global Limited
iv)	Category / Sub-Category of the Company	Company Limited by Shares
v)	Address of the Registered office and contact details	Jai Kisaan Bhawan, Zuarinagar, Goa, 403726. Tel No. 0832-2592509. Email Id: investor_redressal@adventz.com
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent	Link Intime India Pvt. Limited, C-101, 247 Park, L.B.S. Marg, Bhandup (W), Vikhroli West, Mumbai – 400078 Tel: 022-25946970 Fax:022-25946969 Email: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The business activities contributing 10% or more of the total turnover of the Company are as below:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Real estate segment	681 & 682	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	Indian Furniture Products Limited , G106, SIDCO Industrial Estate, Kakkalur, Tamil Nadu- 602 003.	U72200TN2000PLC089255	Subsidiary	72.45	2(87)
2	Simon India Limited, A-36, Mehtab House, Mohan Cooperatives Industrial Estate, New Delhi-110044.	U74899DL1995PLC071074	Subsidiary	100	2(87)
3	Zuari Management Services Limited, Jai Kisaan Bhawan, Zuarinagar, Goa, 403726.	U74900GA2006PLC004921	Subsidiary	100	2(87)
4	Zuari Infraworld India Limited, Adventz Centre, 1st Floor, No. 28, Cubbon Road, Bangalore- 560001 Karnataka.	U45309KA2007PLC43161	Subsidiary	100	2(87)

Sr. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
5	Zuari Investments Limited, Jai Kisaan Bhawan, Zuarinagar, Goa-403726	U65993GA1995PLC001942	Subsidiary	100	2(87)
6	Zuari Sugar & Power Limited, Jai Kisaan Bhawan, Zuarinagar, Goa-403726	U65100GA2008PLC007282	Subsidiary	100	2(87)
7	Zuari Finserv Private Limited Formerly known as Horizon View Developers Private Limited w.e.f. 21.10.2016, Jai Kisaan Bhawan, Zuarinagar, Goa-403726	U52110WB1997PLC083860	Subsidiary	100	2(87)
8	Zuari Agro Chemicals Limited, Jai Kisaan Bhawan, Zuarinagar, Goa-403726	L65910GA2009PLC006177	Associate	20	2(6)
9	Lionel India Limited , 21, Old Court House Street, Kolkata, West Bengal- 700001	U52110WB1997PLC083860	Associate	24.57	2(6)
10	Zuari Indian Oiltanking Private Limited (Formerly known as Zuari Indian Oiltanking Limited) NH-17, Bsancoale, Goa-40372	U11202GA2000PTC002869	Joint Venture	50	2(6)
11	Gobind Sugar Mills Limited, 9/1 R N Mukherjee Road, Kolkata West Bengal- 700001	L15421WB1952PLC020577	Indirect Subsidiary	51.27	2(87)
12	Soundaryaa IFPL Interiors Limited, G106, SIDCO Industrial Estate, Kakkalur, Tamil Nadu- 602003	U36912TN2014PLC096859	Indirect Subsidiary	50	2(87)
13	Zuari Infra Middle East Limited, PO Box No 11429, Dubai, United Arab Emirates	N.A	Indirect Subsidiary	100	2(87)
14	Zuari Insurance Brokers Limited, Jai Kisaan Bhawan, Zuarinagar, Goa-403726	U66010GA2003PLC003185	Indirect Subsidiary	100	2(87)
15	Zuari Commodity Trading Limited, Zuari House, 2 Community Centre, Zamrudpur, Kailash Colony Extension, New Delhi- 110048	U27205DL2008PLC180160	Indirect Subsidiary	100	2(87)
16	Zuari Infraworld SJM Elysium Properties LLC (formerly known as SJM Elysium Properties LLC) P.O. Box 27508	N.A	Indirect Subsidiary	100	2(87)
17	Stylespa Furniture Private Limited * G 106, Sidco Industrial Estate Kakkalur, Thiruvallur, Tamil Nadu 602003 w.e.f. 2nd Jan, 2017	U36994TN2017PTC113974	Indirect Subsidiary	100	2(87)
18	Forte Furniture Products India Private Limited G-106, Sidco Industrial Estate Kakkalur Kakkalur Thiruvallur Tamil Nadu- 602003	U36999TN2017PTC114302	Joint Venture of subsidiary	50	2(6)

*under strike off

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

	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 shares	Demat	Physical	Total	% of total shares	
A	**Shareholding of Promoter and Promoter Group**									
1	**Indian**									
a)	Individuals/ Hindu Undivided Family	1585067	-	1585067	5.38	1585067	-	1585067	5.38	-
b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	7262914	-	7262914	24.67	7262914	-	7262914	24.67	-
d)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
e)	Any Others(Specify)	-	-	-	-	-	-	-	-	-
	Sub Total(A)(1)	8847981	-	8847981	30.05	8847981	-	8847981	30.05	-
2	**Foreign**									
a	Individuals (Non-Residents Individuals/Foreign Individuals)	237928	-	237928	0.81	237928	-	237928	0.81	-
b	Bodies Corporate	7491750	-	7491750	25.45	7491750	-	7491750	25.45	-
c	Institutions	-	-	-	-	-	-	-	-	-
d	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
e	Any Others(Specify)	-	-	-	-	-	-	-	-	-
	Sub Total(A)(2)	7729678	-	7729678	26.26	7729678	-	7729678	26.26	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**16577659**	**-**	**16577659**	**56.31**	**16577659**	**-**	**16577659**	**56.31**	**-**
B)	**Public shareholding**									
1)	**Institutions**									
a)	Mutual Funds/ UTI	1600000	50	1600050	5.43	1932756	-	1932756	6.57	1.14
b)	Financial Institutions / Banks	1610	3015	4625	0.02	46408	1735	48143	0.16	0.14
c)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-
d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
e)	Insurance Companies	2362458	250	2362708	8.03	2202480	150	2202630	7.48	-0.55
f)	Foreign Institutional Investors	-	400	400	-	-	350	350	-	-
g)	Foreign Portfolio Investors	-	-	-	-	73635	-	73635	0.25	0.25
h)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
i)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
j)	Any Other (specify)									
	Foreign Bank	217	-	217	-	-	-	-	-	-
	Sub-Total (B)(1)	3964285	3715	3968000	13.48	4255279	2235	4257514	14.46	0.98
2)	**Non-institutions**									
a)	Bodies Corporate	4385110	16960	4402070	14.95	2944521	16553	2961074	10.05	-4.9
b)	Individuals									
	i. Individual shareholders holding nominal share capital up to ₹ 2 lakh	2651893	368418	3020311	10.26	3527953	283563	3811516	12.94	2.68
	ii. Individual shareholders holding nominal share capital in excess of ₹ 2lakh.	983843	-	983843	3.34	1069988	15000	1084988	3.69	0.35

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 shares	Demat	Physical	Total	% of total shares	
c)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d)	Any Other (specify)									
	Investor Education And Protection Fund Authority Ministry Of Corporate Affairs	-	-	-	-	68819	-	68819	0.23	0.23
	Clearing Member	154124	-	154124	0.52	175081	-	175081	0.59	0.07
	Foreign Nationals									
	Non-resident Indians	62538	2946	65484	0.23	215529	2537	218066	0.73	0.50
	Overseas Corporate Bodies	-	450	450	-	-	-	-	-	-
	Societies	-								
	Trusts	943	-	943	-	943	-	943	-	-
	HUF	267720	-	267720	0.91	284944	-	284944	0.96	0.05
	Sub-Total (B)(2)	8506171	388774	8894945	30.21	8287778	317653	8605431	29.19	-1.02
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**12470456**	**392489**	**12862945**	**43.69**	**12543057**	**319888**	**12862945**	**43.65**	**-0.04**
	TOTAL (A)+(B)	**29048115**	**392489**	**29440604**	**100.00**	**29120716**	**319888**	**29440604**	**100.00**	**-**
C)	Shares held by Custodians and against which Depository Receipts have been issued									
1)	Promoter and promoter Group	-	-	-	-	-	-	-	-	-
2)	Public	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A) + (B) + (C)	**29048115**	**392489**	**29440604**	**100**	**29120716**	**319888**	**29440604**	**100.00**	**-**

ii) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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	Globalware Trading and Holdings Ltd.	74,91,750	25.45	-	74,91,750	25.45	-	-
2	Texmaco Infrastructure & Holdings Ltd.	2757941	9.37	-	2757941	9.37	-	-
3	JeewanJyoti Medical Society	138550	0.47	-	138550	0.47	-	-
4	Adventz Finance Private Limited	2294491	7.79	-	2294491	7.79	-	-
5	Duke Commerce Ltd.	301761	1.02	-	301761	1.02	-	-
6	Saroj Kumar Poddar	272989	0.93	-	272989	0.93	-	-
7	Adventz Securities Enterprises Ltd.	98804	0.34	-	98804	0.34	-	-
8	Adventz Investment Co. Pvt. Ltd.	32500	0.11	-	32500	0.11	-	-
9	Ricon Commerce Ltd.	8100	0.03	-	8100	0.03	-	-
10	Jyotsna Poddar	71621	0.24	-	71621	0.24	-	-
11	New Eros Tradecom Ltd.	1196767	4.07	-	1196767	4.07	-	-
12	Pilani Investment & Ind. Corp. Ltd.	434000	1.47	-	434000	1.47	-	-
13	Basant Kumar Birla	30000	0.10	-	30000	0.10	-	-
14	Saroj Kumar Poddar (HUF)	10457	0.04	-	10457	0.04	-	-
15	AkshayPoddar	237928	0.81	-	237928	0.81	-	-
16	Saroj Kumar Poddar(trustee)	1200000	4.08	-	1200000	4.08	-	-
TOTAL		**16577659**	**56.31**	**-**	**-**	**16577659**	**56.31**	**-**

iii) Change in Promoters' Shareholding : There has been no change in Promoters shareholding during the Financial Year

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

Sl. No.	Shareholder's Name	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.	RELIANCE CAPITAL TRUSTEE CO LTD A/C-RELIANCE REGULAR SAVINGS FUND-EQUITY OPTION	-	-	-	-
	At the beginning of the year	1600000	5.43	1600000	5.43
	12 May 2017	70000	0.24	1670000	5.67
	19 May 2017	76600	0.26	1746600	5.93
	26 May 2017	126400	0.43	1873000	6.36
	02 Jun 2017	1444	0.00	1874444	6.37
	16 Jun 2017	4566	0.02	1879010	6.38
	23 Jun 2017	790	0.00	1879800	6.39
	30 Jun 2017	4148	0.01	1883948	6.40
	07 Jul 2017	2071	0.01	1886019	6.41
	21 Jul 2017	2391	0.01	1888410	6.41
	04 Aug 2017	44346	0.15	1932756	6.56
	At the end of the year	-	-	1932756	6.56
2	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year	1350526	4.59	1350526	4.59
	At the end of the year	-	-	1350526	4.59
3	SIL INVESTMENTS LIMITED				
	At the beginning of the year	2790000	9.48	2790000	9.48
	03 Nov 2017	(15000)	(0.05)	2775000	9.43
	10 Nov 2017	(15753)	(0.05)	2759247	9.37
	17 Nov 2017	(58715)	(0.20)	2700532	9.17
	24 Nov 2017	(90000)	(0.31)	2610532	8.87
	01 Dec 2017	(120000)	(0.41)	2490532	8.46
	08 Dec 2017	(100532)	(0.34)	2390000	8.12
	15 Dec 2017	(60000)	(0.20)	2330000	7.91
	22 Dec 2017	(160000)	(0.54)	2170000	7.37
	29 Dec 2017	(90000)	(0.31)	2080000	7.07
	05 Jan 2018	(180000)	(0.61)	1900000	6.45
	12 Jan 2018	(140000)	(0.48)	1760000	5.98
	19 Jan 2018	(120000)	(0.41)	1640000	5.57
	26 Jan 2018	(120000)	(0.41)	1520000	5.16
	02 Feb 2018	(106000)	(0.36)	1414000	4.80
	16 Feb 2018	(144000)	(0.49)	1270000	4.31
	23 Feb 2018	(10000)	(0.03)	1260000	4.28
	02 Mar 2018	(20000)	(0.07)	1240000	4.21
	At the end of the year	-	-	1240000	4.21
4	THE NEW INDIA ASSURANCE COMPANY LIMITED				
	At the beginning of the year	446010	1.51	446010	1.51
	At the end of the year	-	-	446010	1.51

Sl. No.	Shareholder's Name	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
5	GENERAL INSURANCE CORPORATION OF INDIA				
	At the beginning of the year	565922	1.92	565922	1.92
	13 Oct 2017	(7001)	(0.02)	558921	1.90
	20 Oct 2017	(20000)	(0.07)	538921	1.83
	27 Oct 2017	(38991)	(0.13)	499930	1.70
	08 Dec 2017	(30462)	(0.10)	469468	1.59
	15 Dec 2017	(25721)	(0.09)	443747	1.51
	12 Jan 2018	(27258)	(0.09)	416489	1.41
	19 Jan 2018	(10545)	(0.04)	405944	1.38
	At the end of the year	-	-	405944	1.3789
6	SICGIL INDIA LIMITED				
	At the beginning of the year	331500	1.13	331500	1.13
	23 Feb 2018	(69000)	(0.23)	262500	0.89
	02 Mar 2018	(13500)	(0.05)	249000	0.84
	23 Mar 2018	(21000)	(0.07)	228000	0.77
	At the end of the year			228000	0.77
7	EARTHSTONE HOLDING (TWO) PRIVATE LIMITED				
	At the beginning of the year	198225	0.67	198225	0.67
	At the end of the year	-	-	198225	0.67
8	MILKY INVESTMENT AND TRADING COMPANY				
	At the beginning of the year	65225	0.2215	65225	0.22
	09 Jun 2017	49507	0.17	114732	0.39
	At the end of the year			114732	0.39
9	Shri Parasam Holdings Private Limited				
	At the beginning of the year	190497	0.65	190497	0.65
	7 April 2017	(1497)	(0.01)	189000	0.64
	14 April 2017	(1111)	0.00	187889	0.64
	21April 2017	1938	0.01	189827	0.64
	28April 2017	7911	0.03	197738	0.67
	05 May 2017	(5822)	(0.02)	191916	0.65
	12May 2017	(6807)	(0.02)	185109	0.63
	19May 2017	201	0.00	185310	0.63
	26May 2017	(28816)	(0.10)	156494	0.53
	02 June 2017	3054	0.01	159548	0.54
	09 June 2017	(69190)	(0.24)	90358	0.31
	16 June 2017	3369	0.01	93727	0.32
	23 June 2017	2308	0.01	96035	0.33
	30 June 2017	8930	0.03	104965	0.36
	07 July 2017	(4893)	(0.02)	100072	0.34
	14 July 2017	3445	0.01	103517	0.35
	21 July 2017	2275	0.01	105792	0.36
	28 July 2017	(4541)	(0.02)	101251	0.34
	04 August 2017	(30287)	0.10	70964	0.24
	11August 2017	9461	0.03	80425	0.27
	18 August 2017	929	0.00	81354	0.28
	25 August 2017	(290)	0.00	81064	0.28

Sl. No.	Shareholder's Name	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 September 2017	4106	0.01	85170	0.29
	8 September 2017	(4243)	(0.01)	80927	0.27
	15 September 2017	4966	0.02	85893	0.29
	22 September 2017	86	0.00	85979	0.29
	29 September 2017	15048	0.05	101027	0.34
	6 October 2017	5371	0.02	106398	0.36
	13 October 2017	16620	0.06	123018	0.42
	20 October 2017	2750	0.01	125768	0.43
	27 October 2017	(53372)	(0.18)	72396	0.25
	3 November 2017	(3501)	(0.01)	68895	0.23
	10 November 2017	1419	0.00	70314	0.24
	17 November 2017	3355	0.01	73669	0.25
	24 November 2017	732	0.00	74401	0.25
	1 December 2017	(6382)	(0.02)	68019	0.23
	8 December 2017	6869	0.02	74888	0.25
	15 December 2017	3060	0.00	77948	0.26
	22 December 2017	5683	0.00	83631	0.28
	29 December 2017	5210	0.02	88841	0.30
	5 January 2018	6721	0.02	95562	0.32
	12 January 2018	2278	0.01	97840	0.33
	19 January 2018	6090	0.02	103930	0.35
	26 January 2018	5628	0.02	109558	0.37
	2 February 2018	3679	0.01	113237	0.38
	9 February 2018	(2174)	(0.01)	111063	0.37
	16 February 2018	(1266)	0.00	109797	0.37
	23 February 2018	8666	0.03	118463	0.40
	2 March 2018	3560	0.01	122023	0.41
	9 March 2018	(20752)	(0.70)	101271	0.34
	16 March 2018	(18813)	(0.06)	82458	0.28
	23 March 2018	1282	0.00	83740	0.28
	31 March 2018	(1372)	0.00	82368	0.28
	At the end of the year			82368	0.28

iv) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.	Name	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	Saroj Kumar Poddar (individual capacity)	272989	0.93	272989	0.93
2	Saroj Kumar Poddar(HUF)	10457	0.04	10457	0.04
3	Saroj Kumar Poddar(as a Trustee to Saroj and JyotiPoddar Holdings Private Trust)	1200000	4.08	1200000	4.08
4	Jyotsna Poddar	71621	0.24	71621	0.24
5	Marco Wadia	2811	0.01	2811	0.01
6	Sachin Patil	100	0.00	100	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(₹ in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	1.51	1.51
ii) Interest due but not paid	-	-	0.90	0.90
iii) Interest accrued but not due	-	-	-	-
Total(i+ii+iii)	**-**	**-**	**2.41**	**2.41**
Change in Indebtedness during the financial year				
* Addition				
- Principal		3445.00	-	3445.00
- Interest		45.04	-	45.04
* Reduction				
- Principal		975.00	0.31	975.31
- Interest		45.04	0.84	45.88
Net Change		2470.00	(-) 1.15	2668.85
Indebtedness at the end of the financial year				
i) Principal Amount		2470.00	1.20	2471.20
ii) Interest due but not paid	-	-	0.06	0.06
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**2470.00**	**1.26**	**2471.06**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(₹ in lacs)

Sl. No.	Particulars of Remuneration	Managing Director	Whole-time Director	Total Amount
		Mr. N Suresh Krishnan	Mrs. Jyotsna Poddar	
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 undersection17(3) Income- taxAct,1961	182.56 2.08	63.60 -	246.16 2.08
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	- -	- -	- -
5.	Others, please specify (Contribution to Provident Fund, Superanuation Fund and Gratuity Premium under Group Gratuity Policy)	31.47	4.75	36.22
6.	Total(A)	216.11	68.35	284.46
	Ceiling as per the Act	10% of the Net Profit		

B. Remuneration to other Directors:

(₹ in lacs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount (₹)
		Mr. Marco Wadia	Mr. K.K. Gupta	Mr. J.N.Godbole	
1	Independent Directors				
	Fee for attending board committee meetings	4.23	3.18	4.06	11.47
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	4.23	3.18	4.06	11.47

Sr. No.	Particulars of Remuneration	Name of Director			Total Amount (₹)
		Mr. Saroj Kumar Poddar			
2.	Other Non-Executive Directors				
	Fee for attending board committee meetings	2.23			2.23
	Commission	-			-
	Others, please specify	-			-
	Total (2)	2.23			2.23
	Total (B)=(1+2)				13.70
	Total Managerial Remuneration				284.46
	Overall Ceiling as per the Act	10% of the Net Profit			

C. Remuneration to Key Managerial Personnel Other than MD /Manager /WTD (₹ in lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
		Mr. Sachin Patil	Mr. Vijay Kathuria	
1.	Gross salary (a)Salary as per provisions contained in section17(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	6.16	65.84	72.00
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as% of profit - others, specify...	-	-	-
5.	Others, please specify	0.28	5.23	5.51
6.	Total	6.44	71.07	77.51

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)
A. Company					
Penalty	None				
Punishment					
Compounding					
B. Directors					
Penalty	None				
Punishment					
Compounding					
C. Other Officers in Default					
Penalty	None				
Punishment					
Compounding					

Annexure 'F' to the Directors' Report

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,
Zuari Global Limited
Jai Kisaan Bhawan ,
Zuarinagar ,Goa, 403726

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ZUARI GLOBAL LIMITED**, (hereinafter called the "company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the ZUARI GLOBAL LIMITED'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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I 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 and according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

(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;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; ....***Not applicable to the Company during the period under review.***

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ....***Not applicable to the Company during the period under review.***

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), 2008; .... ***Not applicable to the Company during the period under review.***

(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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ....***Not applicable to the Company during the period under review.***

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ; ....***Not applicable to the Company during the period under review.***

(vi) Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

The following other Laws applicable specifically to the Company are:

1. The Real Estate (Regulation and Development) Act, 2016;
2. The Building and other construction workers (Regulation of Employment and Conditions of Service) Act, 1996;
3. Town and Country Planning Acts and Development Control Regulations & Building Byelaws as applicable at various locations.
4. Trademarks Act, 1999.

I further report that, based on the information provided by the Company, its officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads / Company Secretary / Executive Director/ Internal Auditor, taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor compliance with applicable general laws and other legislations.

I further report that the Compliance by the Company of applicable Financial laws like Direct & Indirect tax laws, GST and others detailed under Tax Legislations, have not been reviewed and I have relied on the representations made by the Company, its Officers and Reports issued by the Statutory Auditors..

I have also examined compliance with the applicable clauses of the:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and 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.

As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are adequate 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.

I further report that during the audit period the Company has ventured into the real estate and construction business and other than this there are no instances of major bearing on the company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. during the year under review

Sadashiv V Shet
Practicing Company Secretary
FCS No. 2477
C P No.: 2540

Date : 25h May, 2018
Place : Panaji- Goa

Annexure 'G' to the Directors' Report

Format of reporting of Corporate Social Responsibility(CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

   Driven by our passion to make a difference to society, Adventz Group Companies are committed to upholding the highest standards of corporate social responsibility, and have continued its progress on community initiatives with renewed vigour and devotion.

   With the commencement of the Companies Act, 2013, the CSR activities of the Company were re-visited and re-aligned as per the CSR provisions contained in Companies Act, 2013 and rules made there under. Company's CSR projects and initiatives are guided by our CSR Policy, and reviewed closely by the CSR Committee institutionalized and adopted by the Board of Directors as per the "Section 135 of the Companies Act, 2013".

   As a responsible business corporation, our companies have built sustainable and effective CSR initiatives that are vital towards fulfilling critical societal need gaps in the communities we operate in. We also believe that we have a larger responsibility towards making a difference within our industry and also society at large.

   Weblink to CSR Policy: http://www.adventz.com/html/pdfs/CORPORATE-SOCIAL-RESPONSIBILITY-POLICY_2.pdf

2. **The Composition of the CSR Committee:**

   K.K. Gupta – Chairman
   Marco Wadia – Member
   N. Suresh Krishnan – Member

3. **Average net profit of the Company for last three financial years:**

   Average of profit (in lacs) ₹ 3,072.50

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):**

   2% of Profit before tax (in lacs) ₹ 61.45

5. **Details of CSR spent during the financial year:**

   a) Total amount to be spent for the financial year (in lacs) ₹ 61.45

   b) Total amount spent during the financial year (in lacs) ₹ Nil

   c) No amount spent on CSR in March, 2018

6. **Manner in which the amount spent during the financial year is detailed below:**

   The two percent of the average net profit of the last three financial years for the Company is ₹ 61.45 Lacs.

Sl. No	CSR Project or activity Identified	Sector in which the project is covered	Projects or programs 1. Local area or other 2. Specify the state and District where projects or programs was undertaken	Amount outlay (budget)project or programs wise ₹ in lacs	Amount spent on the projects or programs Sub heads 1.Direct expenditure on projects or programs 2. Overheads	Amount spent: Direct or through implementing agency
1	Drinking water facility at Village level, in Bendurde and BalliVillages,in Goa	I & XII	Goa	20.00 lacs	NIL	NIL
2	Support to marginal and small farmers for livelihood promotion, Verna	I	Goa	1.00 lacs	NIL	NIL
3	Demonstration for "Poly Mulch" and Drip Irrigation" for small and marginal farmers for enhancing productivity, Verna,	I	Goa	1.00 lacs	NIL	NIL

The Company's proposed CSR expenditure during the financial year 2017-18, was less than the limits prescribed under Companies Act, 2013, which could not be spent due to unavoidable circumstances. Zuari Global Limited planned to address drinking water for rural areas, and livelihood promotion for marginal farmers in Goa with project outlay of ₹ 22 lacs. The implementation of the aforesaid CSR activities is slated to be completed as part of the activities planned in the subsequent financial year.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place: Gurgaon	**N. Suresh Krishnan**	**K. K. Gupta**
Date: 25th May, 2018	Managing Director	Chairman of CSR Committee
	DIN: 00021965	DIN: 00024221

Annexure 'H' to the Directors' Report

Statement of particulars pursuant to the provisions of section 197 (12) read with Rule 5 (1) of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18:

Sr. No.	Name of the Director	Ration of the remuneration to the median remuneration of the employees
1.	S.K.Poddar-Chairman*	NIL
2.	N.Suresh Krishnan-Managing Director	1:34
3.	Jyotsna Poddar-Whole Time Director	1:11
4.	J N Godbole-Independent Director*	NIL
5.	Marco Wadia-Independent Director*	NIL
6.	K.K.Gupta-Independent Director*	NIL

*Were paid sitting fees for attending meetings

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year;

Sr. No.	Name of the Director	Percentage increase in remuneration
1.	S.K.Poddar-Chairman*	NIL
2.	N.Suresh Krishnan-Managing Director	11%
3.	Jyotsna Poddar-Whole Time Director	NIL
4.	J N Godbole-Independent Director*	NIL
5.	Marco Wadia-Independent Director*	NIL
6.	K.K.Gupta-Independent Director*	NIL
7.	Vijay Kathuria	11%
8.	Sachin Patil	7%

*Were paid sitting fees for attending meetings

(iii) The percentage increase in the median remuneration of employees in the financial year:

7.24%

(iv) The number of permanent employees on the rolls of Company:

There are 19 permanent employees on the rolls of the Company

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in remuneration to employees other than Managerial Personnel was 7.24%

(vi) It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company.

On behalf of the Board of Directors

Place: Gurgaon
Date: 25th May, 2018

S. K. Poddar
Chairman
DIN:00008654

Annexure 'I' to the Directors' Report

Statement containing salient features of the Financial Statement of Subsidiaries Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Form AOC-1(PART-"A")

(All amounts in ₹ lacs, unless stated otherwise)

Sl. No.	Name of the subsidiary	Reporting Currency	Exchange Rate	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Invest-ments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxations	Proposed Dividend	% of share-holding	Country
Indian Subsidiaries															
1	Zuari Infraworld India Limited	INR	NA	4,655.00	10,585.59	38,016.48	22,775.89	12,326.80	663.28	94.65	(113.39)	(18.74)	-	100%	INDIA
2	Indian Furniture Products Limited	INR	NA	7009.95	(475.95)	22,033.53	15499.53	1,413.00	4378.4	(304.15)	2.07	(302.08)	-	72.45%	INDIA
	a) Soundaryaa IFPL Interiors Limited(Subsidiary of Indian Furniture Products Limited)	INR	NA	25.00	75.58	276.23	175.65	-	695.29	28.67	(5.35)	23.32	-	NA	INDIA
	b) Forte Furniture Products India Private Limited	INR	NA	2,801.00	(3,138.53)	5,122.86	5,460.39	-	5,084.23	(3,138.53)	-	(3,138.53)	-	NA	INDIA
3	Simon India Limited	INR	NA	500.00	9,882.99	21,276.32	10,893.33	4,560.09	19,007.02	(2,760.09)	659.68	(2,100.41)	-	100%	INDIA
4	Zuari Management Services Limited	INR	NA	5.00	23,329.40	25,252.28	1,917.88	24,805.84	353.47	(23.34)	(60.00)	(83.34)	-	100%	INDIA
5	Zuari Investments Limited	INR	NA	1,945.74	29,969.34	37,447.02	5,331.94	37,186.19	-	(395.55)	56.61	(338.94)	-	100%	INDIA
	a) Gobind Sugar Mills limited (Subsidiary of Zuari Investments limited)	INR	NA	320.00	11.24	94,843.87	94,512.63	17.33	29,432.87	(2,455.50)	398.14	(2,057.36)	-	NA	INDIA
6	Zuari Finserv Private Limited(Formerly known as Horizon View Developers Pvt. Ltd.)	INR	NA	1,799.84	243.30	3,637.06	1,593.92	435.00	1,010.01	25.00	230.79	255.79	-	100%	INDIA
	a) Zuari Commodity Traders Liimited (Subsidiary of Zuari Finserv Private limited)	INR	NA	160.00	(73.39)	158.88	72.27	-	9.22	(15.58)	(13.81)	(29.39)	-	NA	INDIA
	b) Zuari Insurance Brokers limited (Subsidiary of Zuari Finserv Private limited)	INR	NA	275.00	112.35	414.21	26.86	36.58	244.36	45.08	(12.54)	32.54	-	NA	INDIA
7	Zuari Sugar & Power Limited	INR	NA	1,490.00	(1,242.32)	10,599.03	10,351.35	2,869.40	572.99	(1,119.52)	-	(1,119.52)	-	100%	INDIA
Foreign Subsidiaries															
1	Zuari Infra Middle East Limited (Subsidiary of Zuari Infraworld India Ltd.)	AED	17.745	0.10	28.26	774.75	746.39	1.47	18.08	17.00	-	17.00	-	NA	UAE
2	Zuari Infra World SJM Propoerties L.L.C. (formerly know as SJM Elysium Properties LLC (Subsidiary of Zuari Infra Middle East Ltd.)	AED	17.745	3.00	(21.80)	954.60	973.40	-	-	(14.21)	-	(14.21)	-	NA	UAE

Note 1 : Figures of Foreign Subsidiaries are reported in AED Lacs .
Note 2 : Subsidiary which are yet to commence operations- Nil
Note 3 : Subsidiary which have been sold during the year- Nil

S. K. PODDAR
Chairman
DIN: 00008654

N. SURESH KRISHNAN
Managing Director
DIN : 00021965

MARCO WADIA
Director
DIN: 00244357

VIJAY KATHURIA
Chief Financial Officer

SACHIN PATIL
Asst. Company Secretary
ACS: 31286

Place: Gurgaon
Date: 25th May 2018

PART - B

Statement containing salient features of the Financial Statement of Joint Venture & Associates

(Pursuant to proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

₹ in lacs

		Joint Venture	Associate
	Name of the Company	**Zuari Indian Oiltanking Private Limited**	**Zuari Agro Chemicals Limited**
1.	Latest audited Balance sheet	31st March, 2018	31st March,2018
2.	Shares of Joint Ventures held by the Company on the year end		
	No.(No. of Shares)	1,00,20,040	1,34,90,510
	Amount of Investment in Joint Venture	1002.00	2145.92
	Extend of Holding	50.00%	32.08%
3.	Description of how there is significant influence	Based on the percentage of Holding in the Joint Venture Company	Based on the percentage of Holding in the Associate Company
4.	Reason why the Joint Venture is not consolidated	Not Applicable	Not Applicable
5.	Networth attributable to Shareholding as per latest audited Balancesheet	1747.76	48392.95
6.	Profit/(Loss) for the year{Profit/(Loss) after Tax}	145.38	15744.31
	i. Considered in Consolidation	72.69	5050.78
	ii. Not Considered in Consolidation	72.69	10693.53

Note 1 : Associates or Joint Ventures which are yet to commence operations-NIL

Note 2 : Joint Ventures which have been sold during the year-NIL

S. K. PODDAR
Chairman
DIN: 00008654

N. SURESH KRISHNAN
Managing Director
DIN : 00021965

MARCO WADIA
Director
DIN: 00244357

VIJAY KATHURIA
Chief Financial Officer

SACHIN PATIL
Asst. Company Secretary
ACS: 31286

Place: Gurgaon
Date: 25th May 2018

Independent Auditor's Report

To the Members of Zuari Global Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Zuari Global Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these standalone financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the 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 financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2018, its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

8. The standalone financial statements of the Company for the year ended 31 March 2017 were audited by predecessor auditor who expressed an unmodified opinion in the audit report dated 19 May 2017.

Report on Other Legal and Regulatory Requirements

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

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

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

   b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

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

   e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;

   f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 25 May 2018 as per Annexure B expressed an unqualified opinion;

   g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

      i) the Company, as detailed in Note 32B to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;

      ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund (IEPF) by the Company, except for Interest warrants amounting to ₹4,615.41, which were due to be transferred to the IEPF on various dates but transferred by Company on 1 March 2018.

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

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

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 25 May 2018

Annexure A to the Independent Auditor's Report of even date to the members of Zuari Global Limited on the standalone financial statements for the year ended 31 March 2018

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets in the nature of property, plant and equipment and intangible assets.

(b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phased manner over a period of two years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:

(a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the company's interest.

(b) the schedule of repayment of principal and payment of interest has been stipulated and the repayment/ receipts of the principal amount and the interest are regular;

(c) there is no overdue amount in respect of loans granted to such companies.

(iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and security.

(v) In our opinion, the Company has complied with the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 and other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted in earlier years. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal, in this regard.

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

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

(b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of Dues	Amount (₹in lakhs)	Amount paid under protest (₹in lakhs)	Period to which the amount relates (Assessment year)	Forum where dispute is pending
Income tax act, 1961	Income tax	114.62	79.16	1995-96	Hon'ble High Court of Bombay
Income tax act, 1961	Income tax	50.25	14.79	1996-97	Hon'ble High Court of Bombay
Income tax act, 1961	Income tax	35.45	Nil	1997-98	Hon'ble High Court of Bombay
Income tax act, 1961	Income tax	35.45	Nil	1998-99	Hon'ble High Court of Bombay
Income tax act, 1961	Income tax	114.58	Nil	1999-00	Assistant Commissioner of Income Tax
Income tax act, 1961	Income tax	7,035.62	4,687.84	2001-02	Honorable High Court of Bombay
Income tax act, 1961	Income tax	64.53	Nil	2002-03	Commissioner of Income Tax (Appeals)
Income tax act, 1961	Income tax	466.08	466.08	2007-08	Commissioner of Income Tax (Appeals)
Income tax act, 1961	Income tax	954.50	954.50	2012-13	Commissioner of Income Tax (Appeals)
Income tax act, 1961	Income tax	78.94	78.94	2013-14	Commissioner of Income Tax (Appeals)
Income tax act, 1961	Income tax	76.60	76.60	2014-15	Commissioner of Income Tax (Appeals)
Wealth tax act, 1957	Wealth tax	565.78	283.00	2006-07 to 2010-11	Commissioner of Income Tax (Appeals)

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank. The Company did not have any outstanding debentures, loan from financial institution or Government during the year.

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

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

(xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

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

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

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

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

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

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

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 25 May 2018

Annexure B to the Independent Auditor's Report of even date to the members of Zuari Global Limited on the standalone financial statements for the year ended 31 March 2018

Annexure B

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

1. In conjunction with our audit of the standalone financial statements of Zuari Global Limited ('the Company') as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that

the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 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.

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

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 25 May 2018

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Balance Sheet as at 31st March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

	Particulars	Notes	As at 31 March 2018	As at 31 March 2017
I	**ASSETS**			
	Non-current assets			
	Property, plant and equipment	3	214.00	231.62
	Investment property	4	160.50	164.13
	Other intangible assets	5	0.22	-
	Financial assets			
	Investments	6A	177,895.57	116,496.95
	Loans	6B	959.34	1,664.50
	Other financial assets	6C	0.97	0.97
	Income tax assets (net)	19A	829.53	910.50
	Total non-current assets		**180,060.13**	**119,468.67**
	Current assets			
	Inventories	7	23,555.56	23,259.72
	Financial assets			
	Trade receivables	8	31.81	-
	Cash and cash equivalents	9	994.88	388.14
	Other bank balances	10	22.79	27.27
	Loans	6B	8,610.21	5,563.05
	Other financial assets	6C	231.89	110.78
	Other current assets	11	290.29	381.69
			33,737.43	**29,730.65**
	Assets classified as held for sale	4	979.83	979.83
	Total current assets		**34,717.26**	**30,710.48**
	Total assets		**214,777.39**	**150,179.15**
II	**EQUITY AND LIABILITIES**			
	Equity			
	Equity share capital	12	2,944.11	2,944.11
	Other equity	13	203,499.75	141,904.82
	Total equity		**206,443.86**	**144,848.93**
	LIABILITIES			
	Non-current liabilities			
	Financial liabilities			
	Other financial liabilities	15	-	4.60
	Provisions	18	245.10	178.55
	Deferred tax liabilities (net)	19	55.25	9.63
	Total non-current liabilities		**300.35**	**192.78**
	Current liabilities			
	Financial liabilities			
	Borrowings	14	2,470.00	-
	Trade payables	15	438.76	539.03
	Other financial liabilities	16	1,040.35	280.54
	Other current liabilities	17	4,013.81	4,215.35
	Provisions	18	70.26	102.52
	Total current liabilities		**8,033.18**	**5,137.44**
	Total equity and liabilities		**214,777.39**	**150,179.15**

Summary of significant accounting policies 2.1

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

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

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

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 25 May 2018

For and on behalf of board of directors of **Zuari Global Limited**

S. K. Poddar
Chairman
DIN No: 00008654

N Suresh Krishnan
Managing Director
DIN: 00021965

Marco Wadia
Director
DIN: 00244357

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
Membership No. 31286

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

(All amounts in ₹ lakhs, unless stated otherwise)

	Particulars	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
I	**Revenue**			
	Revenue from operations	20	1,425.59	-
	Other income	21	2,655.35	3,378.01
	Total income (I)		**4,080.94**	**3,378.01**
II	**EXPENSES**			
	Project expenses	22	1,340.34	1,696.27
	Changes in inventories of finished goods, stock-in-trade and work in progress	23	(337.13)	(1,696.27)
	Employee benefits expense	24	546.28	574.77
	Finance costs	25	57.55	18.48
	Depreciation and amortization expense	26	15.81	21.90
	Other expenses	27	446.83	384.19
	Total expenses (II)		**2,069.68**	**999.34**
III	**Profit before tax (I-II)**		**2,011.26**	**2,378.67**
IV	**Tax Expenses:**	19A		
	Current tax		169.19	359.85
	Deferred tax		45.62	(30.45)
	Tax expense		**214.81**	**329.40**
V	**Profit for the year (III-IV)**		**1,796.45**	**2,049.27**
VI	**Other comprehensive income**		**60,152.82**	**41,564.16**
	Items that will not be reclassified to profit or loss			
	Re-measurement losses on defined benefit plans		(5.68)	(5.21)
	Income tax effect		1.64	1.80
	Net gain on equity instruments		60,156.86	41,567.57
VII	**Total comprehensive income for the year (V + VI)**		**61,949.27**	**43,613.43**
VIII	**Earnings per equity share (nominal value of shares of ₹ 10, 31 March 2017 : ₹ 10) :**			
	Basic (₹)	29	6.10	6.96
	Diluted (₹)	29	6.10	6.96

Summary of significant accounting policies 2.1

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

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

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

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 25 May 2018

For and on behalf of board of directors of **Zuari Global Limited**

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Chief Financial Officer

Sachin Patil
Asst. Company Secretary
Membership No. 31286

Statement of Cash Flows for the year ended 31st March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Sl. No.	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
A	**Cash Flow from operating activities**		
	Profit before tax	**2,011.26**	**2,378.67**
	Adjustment to reconcile profit before tax to net cash flows		
	Depreciation and amortisation expense	15.81	21.90
	Provision for doubtful debts and advances/(excess provision written back)	-	(5.11)
	Unclaimed balances written back	(21.18)	-
	Gain arising on financial assets as at fair value through profit and loss	(34.43)	(30.41)
	Finance costs	57.55	1,010.92
	Interest income	(721.30)	(1,546.72)
	Dividend income	(1,291.45)	(1,283.65)
	Income from financial guarantee	(96.69)	(18.40)
	Operating (loss)/ profit before working capital changes	**(80.43)**	**527.20**
	Movements in working capital:		
	Movement in trade payables	(79.09)	407.31
	Movement in provisions	28.60	48.03
	Movement in other current liabilities	(193.32)	899.18
	Movement in financial liabilities - other financial liabilities	(20.12)	68.05
	Movement in trade receivables	(31.81)	-
	Movement in Inventories	(289.89)	(1,736.90)
	Movement in loans and advances	4.98	44.24
	Movement in other current assets	(29.71)	(485.93)
	Cash used in operations	**(690.79)**	**(228.82)**
	Less: Income tax paid (net of refunds)	(86.58)	1,525.61
	Net cash flow (used in)/from operating activities (A)	**(777.37)**	**1,296.79**
B	**Cash Flow from Investing Activities:**		
	Purchase of fixed assets, including intangible assets, CWIP and capital advances	(0.74)	(33.48)
	Proceeds from sale of non-current investments	31.83	2,000.42
	Purchase of non-current investments	(361.69)	(1,187.50)
	Repayment of advance received for sale of shares	-	(11,920.00)
	Advance for sale of land	-	3,209.13
	Purchase of current investments	(2,217.64)	(2,653.49)
	Proceeds from sale/ maturity of current investments	2,217.64	7,827.92
	Purchase of investments in subsidiaries and joint ventures	-	(1.00)
	Receipt from unclaimed dividend bank account	3.68	3.17
	Receipt from interest warrants accounts	0.84	1.71
	Fixed deposits matured/Investments	(0.04)	0.50
	Dividends received on investments	1,291.45	1,283.65
	ICD / Loans given to bodies corporates	(5,032.00)	(1,339.45)
	ICD / Loans given to bodies corporates received back	2,671.90	9,477.52
	Interest received	734.42	1,692.05
	Net cash flow (used in)/from investing activities (B)	**(660.35)**	**8,361.15**

Statement of Cash Flows for the year ended 31st March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Sl. No.	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
C	**Net Cash Flow From Financing Activities:**		
	Repayment of borrowings (non-current)	-	(7,977.81)
	Repayment of borrowings (current)	(975.00)	-
	Repayment of unclaimed deposits	(1.77)	(0.26)
	Procceeds from borrowings (current)	3,445.00	-
	Repayment of preference share warrants	-	(5.79)
	Dividend paid on equity shares	(298.08)	(297.58)
	Tax on equity dividend paid	(59.93)	(59.93)
	Finance costs	(65.76)	(1,016.61)
	Net cash flow from/(used in) financing activities (C)	**2,044.46**	**(9,357.98)**
D	**Net Increase in cash and cash equivalents (A + B + C)**	**606.74**	**299.96**
	Cash and cash equivalents (Opening)	388.14	88.18
	Cash and cash equivalents (Closing)	**994.88**	**388.14**

	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
	CASH AND CASH EQUIVALENTS		
	Cash on hand	0.04	0.31
	Balance with banks		
	- on current accounts	44.84	237.83
	- on deposit accounts	950.00	150.00
	Total cash and cash equivalents	**994.88**	**388.14**

Summary of significant accounting policies 2.1

The accompanying notes forms an integral part of the financial statements.

This is the Statement of Cash Flows referred to in our report of even date.

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

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 25 May 2018

For and on behalf of board of directors of **Zuari Global Limited**

S. K. Poddar
Chairman
DIN No: 00008654

N Suresh Krishnan
Managing Director
DIN: 00021965

Marco Wadia
Director
DIN: 00244357

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
Membership No. 31286

Statement of Changes in Equity for the year ended 31st March 2018

(a) Equity share capital

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

	No. of shares	₹ in lakhs
As at 31 March 2017	29,440,604	2,944.06
Issue of share capital	-	-
As at 31 March 2018	**29,440,604**	**2,944.06**

(b) Other equity

For the year ended 31 March 2018:

Particulars	Reserves and surplus		Items of OCI	Total
	General reserve	Surplus in the statement of profit and loss	Equity instruments through OCI	
As at 1 April 2016	3,650.00	60,719.99	34,275.74	98,645.73
Profit for the year	-	2,049.27	-	2,049.27
Transfer from surplus to general reserve	50.00	(50.00)	-	-
Reclassification from OCI to retained earnings on disposal of investments		436.68	(436.68)	-
Other comprehensive income	-	(3.41)	41,567.57	41,564.16
Total comprehensive income	**3,700.00**	**63,152.53**	**75,406.63**	**142,259.16**
Dividends paid (refer note 28)	-	(294.41)	-	(294.41)
Dividend distribution tax (DDT) (refer note 28)	-	(59.93)	-	(59.93)
As at 31 March 2017	**3,700.00**	**62,798.19**	**75,406.63**	**141,904.82**
As at 1 April 2017	**3,700.00**	**62,798.19**	**75,406.63**	**141,904.82**
Profit for the year	-	1,796.45	-	1,796.45
Other comprehensive income	-	(4.04)	60,156.86	60,152.82
Reclassification from OCI to retained earnings on disposal of investments		(155.47)	155.47	-
Total comprehensive income	**3,700.00**	**64,435.13**	**135,718.96**	**203,854.09**
Dividends paid (refer note 28)	-	(294.41)	-	(294.41)
Dividend distribution tax (DDT) (refer note 28)	-	(59.93)	-	(59.93)
At 31 March 2018	**3,700.00**	**64,080.79**	**135,718.96**	**203,499.75**

Summary of significant accounting policies

The accompanying notes forms an integral part of the standalone financial statements

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

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

For and on behalf of board of directors of **Zuari Global Limited**

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 25 May 2018

S. K. Poddar
Chairman
DIN No: 00008654

N Suresh Krishnan
Managing Director
DIN: 00021965

Marco Wadia
Director
DIN: 00244357

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
Membership No. 31286

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

1. **Corporate information**

The standalone financial statements of Zuari Global Limited ('the Company' or 'ZGL') are for the year ended 31 March 2018. Zuari Global Limited ("the Company") is a Public Company domiciled in India. Its shares are listed on two recognized stock exchanges in India viz National Stock Exchange and Bombay Stock Exchange. The registered office of the Company is located at Jai Kisaan Bhawan, Zuari Nagar, Goa 403 726, India.

The Company's primary business activity is acquisition and development of land. The Company has acquired land with the objective of developing the land.

The standalone financial statements were approved for issue in accordance with a resolution of the directors dated 25 May 2018.

2. **Basis of preparation**

The separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) (Amendment) Rules, 2016. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013 ("the Act").

The financial statements have been prepared on a historical cost basis, except for the assets and liabilities which have been measured at fair value, as applicable.

The financial statements of the Company are presented in Indian Rupees (₹), which is also its functional currency and all amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III to the Act, unless otherwise stated.

2.1 **Summary of significant accounting policies**

a. **Basis of classification of current and non-current**

Assets and Liabilities in the balance sheet have been classified as either current or non-current based upon the requirements of Schedule III notified under the Companies Act, 2013.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

b. **Property, plant and equipment ('PPE')**

PPE and capital work-in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The cost of an item of PPE shall be recognised as an asset if, and only if:

a) it is probable that future economic benefits associated with the item will flow to the entity; and
b) the cost of the item can be measured reliably.

Subsequent expenditure related to an item of PPE is added to its book value only if it increased the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

at based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its property, plant and equipment.

Name of the asset	Useful live considered
Other buildings (RCC structures)	60 years
Porta cabins (Classified under building)	5 years
Furniture and fixtures	10 years
Office equipment	3 to 5 years
Vehicles	8 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

c. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization impairment losses, if any.

Recognition:

The costs of intangible asset are recognised as an asset if, and only if:

- it is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably. Intangibles representing computer software are amortized using the straight line method over their estimated useful lives of five years.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year end and adjusted prospectively, if appropriate treating them as changes in accounting estimates. The maintenance expenses on intangible assets with finite lives is recognised in the statement of profit and loss, unless such expenditure forms part of carrying value of an asset and satisfies recognition criteria.

Gains/(losses) arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is de-recognised.

Assets carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

d. Leases (other than land leases)

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to 01 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit or the lease payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

e. Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets of a "Cash Generating Unit" (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash- generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

f. Borrowing costs

General and specific borrowing costs directly attributed to the acquisition, construction or production of a qualifying asset are capitalised up to the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are expensed in the period in which they occur or accrue. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds

g. Foreign currency translation

Functional and presentation currency

The Company's financial statements are presented in Indian Rupee (₹), which is also it's functional currency.

Initial recognition

Transactions in foreign currencies are recorded in the functional currency, by applying to the foreign currency amount the spot rate between the functional currency and the foreign currency at the date the transaction first qualifies for recognition.

Conversion

Foreign currency monetary items are translated using the spot exchange rate prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value denominated in a foreign currency are, translated using the exchange rates that existed when the fair value was determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income (OCI) or profit and loss are also recognized in OCI or profit and loss, respectively).

h. Investments

Investment in subsidiaries and joint ventures are accounted for at cost in standalone financial statements. Investment in associates is accounted for at fair value through OCI.

Quoted investments of the Company are accounted for at fair value through OCI at the reporting date.

i. Inventories

The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Inventories are valued at the lower of Cost and Net Realizable Value.

The Cost is determined as follows:

Stock in trade including Land: Valued at lower of cost and net realizable value

Stock in Trade (others): The cost is determined on First in First Out Method.

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

- Construction work-in-progress of constructed properties projects includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development charges, construction costs, overheads, borrowing cost, development/ construction materials and is valued at lower of cost/estimated cost and net realisable value.
- Cost of construction/development material is valued at lower of cost or net realisable value.

j. Provisions, contingent liabilities and capital commitments

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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.

k. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend

Dividend is recognized when the Company's' right to receive payment is established by the balance sheet date.

Real estate revenue

Revenue from constructed properties for all projects is recognized in accordance with the 'Guidance Note on Accounting for Real Estate Transactions (Ind AS)' ('Guidance Note'). As per this Guidance Note, the revenue has been recognized on percentage of completion method and on the percentage of actual project costs incurred thereon to total estimated project cost, provided the conditions specified in Guidance Note are satisfied.

For projects, revenue is recognized in accordance with the term of duly executed, agreements to sell. Estimated project cost includes cost of land/ development rights, borrowing costs, overheads, estimated construction and development cost of such properties.

The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

Other

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

l. Taxes on income

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognised in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Un-recognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit or Loss (either in other comprehensive income or in equity).

m. Retirement and other employee benefits

Provident fund and family pension fund

Retirement benefits in the form of Provident Fund is defined benefit obligation and is provided for on the basis of actuarial valuation of projected unit credit method made at the end of each financial year. The difference between the actuarial valuation of the provident fund of employees at the year end and the balance of own managed fund is provided for as liability in the books in terms of the provisions under Employee Provident Fund and Miscellaneous Provisions Act, 1952. Any excess of plan asset over projected benefit obligation is ignored as such surplus is distributed to the beneficiaries of the trust.

Retirement benefit in the form of pension fund and National Pension Scheme are defined contribution scheme. The Company has no obligation, other than the contribution payable to the pension fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. The Company recognizes contribution payable to the pension fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

received before the balance sheet date, then excess is recognized as an asset to the extent that the pre–payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

The Company operates one defined benefit plan for its employees viz. gratuity liability. The cost of providing benefit under this plan is determined on the basis of actuarial valuation at each year end. Actuarial valuation is carried out for each plan using the projected unit credit method. The Company has taken an insurance policy under the Group Gratuity Scheme with the Life Insurance Corporation of India (LIC) to cover the gratuity liability of the employees. The difference between the actuarial valuation of the gratuity of employees at the year-end and the balance of funds with LIC is provided for as liability in the books.

Leave encashment

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months as long term employee benefit for measurement purpose. Such long term compensated absences are provided for based on actuarial valuation using the projected unit credit method at the year end. Re-measurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. Re-measurements are not classified to the profit or loss in subsequent periods.

The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non–current liability.

Superannuation and contributory pension fund

Retirement benefit in the form of Superannuation Fund and Contributory Pension Fund are defined contribution scheme. The Company has no obligation, other than the contribution payable to the Superannuation Fund and Contributory Pension Fund to Life Insurance Corporation of India (LIC) against the insurance policy taken with them. The Company recognizes contribution payable to the Superannuation Fund and Contributory Pension Fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre–payment will lead to, for example, a reduction in future payment or a cash refund.

Payments made/to be made under the voluntary retirement scheme are charged to the Statement of Profit and Loss immediately.

Re-measurements

Re-measurement, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

n. 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

- Debt instruments at amortised cost
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Fair value through Profit or Loss

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows,
   and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

   After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Amortised 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 amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. 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.

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 P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other 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 a subsequent period, 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 recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL 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 reporting date.

o. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including financial guarantee contracts and derivative financial instruments.

Subsequent measurement

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

De-recognition

A financial liability is de-recognised 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 de-recognition 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 or loss.

Offsetting of financial instruments

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

p. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

q. Dividend to equity holders

The Company recognizes a liability to make dividend distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity**.**

r. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the year.

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 are adjusted for the effects of all dilutive potential equity shares.

s. Investment property

The Company has elected to continue with the carrying value for all of its investment property as recognized in its previous GAAP financial statements as deemed cost at the transition date, viz., 1 April 2015.

Investment properties are measured initially at cost, including transaction costs.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

The Company depreciates building component of investment property as per Schedule II as mentioned in the policy of Depreciation, and in certain cases based on technical assessment made by technical expert and management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

t. Fair value measurement of financial instruments

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

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operation.

External valuers are involved for valuation of significant assets, such as properties and unquoted financial assets, and significant liabilities, such as contingent consideration, if any.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

u. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments.

v. Recent accounting pronouncements

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018 via notification dated 28 March 2018 to further amend Companies (Indian Accounting Standards) Rules, 2015, notifying a new revenue recognition standard Ind AS 115, 'Revenue from Contracts with Customer'. This amendment replaces Ind AS 18, 'Revenue' and Ind AS 11, 'Construction Contracts'. Also notifying an insertion of Appendix B, 'Foreign currency transaction and advance consideration' to Ind AS 21, 'The effect of change in foreign exchange rate', amendment to Ind AS 40, 'Investment property' and amendment to Ind AS 12, 'Income taxes'. The amendments are applicable to the Company from 01 April 2018.

Notification of Ind AS 115:

The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

a. Identify the contract(s) with a customer;
b. Identify the performance obligations;
c. Determine the transaction price;
d. Allocate the transaction price to the performance obligations;
e. Recognize revenue when or as an entity satisfies performance obligation.

The Company is evaluating the requirements of the amendment and its impact on the financial statements.

Insertion of Appendix B to Ind AS 21:

This Appendix applies to a foreign currency transaction (or part of it) when an entity recognizes a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income (or part of it). The amendment to Ind AS 21 requires the entities to consider exchange rate on the date of initial recognition of advance consideration (asset/liability), for recognising related expense/income on the settlement of said asset/liability.

This Appendix does not apply when an entity measures the related asset, expense or income on initial recognition:

a. At fair value; or
b. At the fair value of the consideration paid or received at a date other than the date of initial recognition of the non-monetary asset or non-monetary liability arising from advance consideration.

An entity is not required to apply this Appendix to:

a. income taxes; or
b. insurance contracts (including reinsurance contracts) that it issues or reinsurance contracts that it holds.

The Company is evaluating the requirements of the amendment and its impact on the financial statements.

Amendment to Ind AS 12

The amendment to Ind AS 12 requires the entities to consider restriction in tax laws in sources of taxable profit against which entity may make deductions on reversal of deductible temporary difference (may or may not have arisen from same source) and also consider probable future taxable profit.

The Company is evaluating the requirements of the amendment and its impact on the financial statements.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

3. Property, plant and equipment

	Buildings	Furniture and fixtures	Office equipment	Vehicles	Total
Gross block					
As at 01 April 2016	**153.69**	**0.62**	**3.90**	**65.99**	**224.20**
Additions	28.08	0.80	3.96	0.64	33.48
Deductions	-	-	-	-	-
As at 31 March 2017	**181.77**	**1.42**	**7.86**	**66.63**	**257.68**
As at 01 April 2017	**181.77**	**1.42**	**7.86**	**66.63**	**257.68**
Additions	-	0.21	0.23	-	0.44
Deductions	-	-	-	-	-
As at 31 March 2018	**181.77**	**1.63**	**8.09**	**66.63**	**258.12**
Accumulated depreciation					
As at 01 April 2016	**2.81**	**0.04**	**0.83**	**9.00**	**12.68**
Charge for the year	3.14	0.18	1.04	9.02	**13.38**
Deductions	-	-	-	-	**-**
As at 31 March 2017	**5.95**	**0.22**	**1.87**	**18.02**	**26.06**
As at 01 April 2017	**5.95**	**0.22**	**1.87**	**18.02**	**26.06**
Charge for the year	7.91	0.11	0.96	9.08	18.06
Deductions during the year	-	-	-	-	-
As at 31 March 2018	**13.86**	**0.33**	**2.83**	**27.10**	**44.12**
Net block					
As at 31 March 2018	**167.91**	**1.30**	**5.26**	**39.53**	**214.00**
As at 31 March 2017	175.82	1.20	5.99	48.61	231.62

Property, plant and equipment pledged as security

Refer note 32 for the information on plant, property and equipment pledged as security by the Company

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(All amounts in ₹ lakhs, unless stated otherwise)

4. Investment property

Particulars	As at 31 March 2018
Opening balance at 01 April 2016	**1,162.05**
Additions (subsequent expenditure)	-
Transferred to investment property held for sale	990.66
Closing balance at 31 March 2017	**171.39**
Opening balance at 01 April 2017	**171.39**
Additions (subsequent expenditure)	**-**
Transferred to investment property held for sale	-
Closing balance at 31 March 2018	**171.39**
Depreciation	
Opening balance at 1 April 2016	**8.93**
Depreciation	9.16
Transferred to investment property held for sale	10.83
Closing balance at 31 March 2017	**7.26**
Opening balance at 01 April 2017	**7.26**
Depreciation	3.63
Transferred to investment property held for sale	-
Closing balance at 31 March 2018	**10.89**
Net block	
As at 31 March 2018	**160.50**
As at 31 March 2017	**164.13**

Refer note 32 for the information on investment property pledged as security by the Company

(i) Amount recognised in Statement of Profit and Loss for investment properties

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Rental income derived from investment properties	230.78	265.95
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
Profit arising from investment properties before depreciation and indirect expenses	230.78	265.95
Less – depreciation	3.63	9.16
Profit arising from investment properties before indirect expenses	227.15	256.79

(ii) Leasing arrangements

The Company's investment property consist of land and building owned by the Company let out to other group companies, outside party for business purpose and also to an educational institution.

(iii) Fair value

Particulars	As at 31 March 2018	As at 31 March 2017
Investment properties*	16,652.36	14,484.75

* ₹ 3,214.92 lakhs (previous year: ₹ 3,214.92 lakhs) valuation of investment property held for sale is not included.

Continued ....

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Fair value hierarchy and valuation technique

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Company considers information from a variety of sources including -

1. Current prices in an active market of properties of different nature or recent prices of similar properties in less active market adjusted to reflect those differences.

2. Discounted cash flow projections based on reliable estimates of future cash flows.
3. Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All the resulting fair value estimates for investment properties are included in level 3.

These valuations are based on valuations performed by S V Kushte, an accredited independent valuer. He is a specialist in valuing these types of investment properties. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

The Company has entered into an agreement to sell land and building to a group company, Zuari Agro Chemicals Limited for a value of ₹ 3,209.13 lakhs (carrying value as on 31 March 2018 ₹ 979.83 Lakhs).

5. Other intangible assets

	Softwares
Gross block	
As at 01 April 2016	**-**
Additions	-
Disposals/adjustments	-
As at 31 March 2017	**-**
As at 1 April 2017	**-**
Additions	0.30
Disposals/adjustments	-
As at 31 March 2018	**0.30**
Accumulated amortisation	
As at 01 April 2016	**-**
Additions	-
Disposals/adjustments	-
As at 31 March 2017	**-**
As at 1 April 2017	**-**
Amortisation charge for the year	0.08
Disposals/adjustments for the year	-
Balance as at 31 March 2018	**0.08**
Net block as at 31 March 2018	**0.22**
Net block as at 31 March 2017	**-**
Intangible assets pledged as security	

Refer note 32 for the information on intangible assets pledged as security by the Company

(All amounts in ₹ lakhs, unless stated otherwise)

Financial assets

6A Investments

Particulars	Non Current As at 31 March 2018	Non Current As at 31 March 2017
I) Investment in equity instruments carried at cost		
Unquoted equity instruments		
Investment in subsidiaries		
50,785,794 (31 March 2017: 50,785,794) equity shares of ₹ 10/- each fully paid up of Indian Furniture Products Limited	5,103.34	5,103.34
5,000,000 (31 March 2017: 5,000,000) equity shares of ₹ 10/- each fully paid up of Simon India Limited	350.01	350.01
50,000 (31 March 2017: 50,000) equity shares of ₹ 10/- each fully paid up of Zuari Management Services Limited	5.00	5.00
46,550,000 (31 March 2017: 46,550,000) equity shares of ₹ 10/- each fully paid up of Zuari Infraworld India Limited	5,482.82	5,482.82
19,457,364 (31 March 2017: 37,445,790) equity shares of ₹ 10/- each fully paid up of Zuari Investments Limited (refer note 43)	3,258.99	5,057.83
14,900,000 (31 March 2017: 14,900,000) Equity Shares of ₹ 10/- each fully paid up of Zuari Sugar and Power Limited	1,639.00	1,639.00
17,998,426 (31 March, 2017 : 10,000) equity shares of ₹ 10/- each fully paid up of Zuari Finserv Private Limited (refer note 43)	1,799.84	1.00
Equity portion of redeemable convertible non-cumulative preference shares: Investment in subsidiary:		
- Indian Furniture Products Limited	771.69	771.69
Investment in equity instruments - joint venture		
Unquoted		
10,020,000 (31 March 2017: 10,020,000) equity shares of ₹ 10/- each fully paid up of Zuari Indian Oil tanking Private Limited	1,002.00	1,002.00
Equity portion of corporate guarantees given		
- Gobind Sugar Mills Limited	652.13	85.21
- Simon India Limited	199.94	2.38
- Indian Furniture Products Limited	172.53	59.53
- Zuari Infraworld India Limited	17.04	17.04
- Zuari Sugar and Power Limited	7.72	7.72
Sub total (i)	**20,462.05**	**19,584.57**
II) Investment in equity instruments carried at Fair value through OCI		
Investment in equity instruments - associate		
Quoted		
8,411,601 (31 March 2017: 8,411,601) equity shares of ₹ 10/- each fully paid up of Zuari Agro Chemicals Limited	40,543.92	30,538.32
Investment in equity instruments - others		
Unquoted		
100,000 (31 March 2017: 1,00,000) equity shares of ₹ 10/- each fully paid up of Biotech Consortium of India Limited	55.00	50.00
258,250 (31 March 2017: 2,58,250) equity shares of ₹ 100/- each fully paid up of Lionel India Limited	-	-

Continued ....

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Non Current	
	As at 31 March 2018	As at 31 March 2017
Quoted		
59,015,360 (31 March 2017: 5,90,15,360) equity shares of ₹ 10/- each fully paid up of Chambal Fertilisers and Chemicals Limited	97,168.79	51,077.81
24,760,712 (31 March 2017: 2,41,57,712) equity shares of ₹ 1/- each fully paid up of Texmaco Infrastructure and Holdings limited	15,203.08	9,566.45
4,035,000 (31 March 2017: 40,35,000) equity shares of ₹ 1/- each fully paid up of Texmaco Rail and Engineering Limited	3,365.19	3,732.38
9,030,095 (31 March 2017: 98,21,310) equity shares of ₹ 1/- each fully paid up of Nagarjuna Oil Refinery Limited	316.05	459.64
277,777* (31 March 2017: 2,222,222) equity shares of USD 0.01/- each fully paid up of Synthesis Energy System Inc.	484.22	1,224.94
Sub total (ii)	**157,136.25**	**96,649.54**
III) Investment in preference shares		
Investments at fair value through profit or loss		
Unquoted preference shares		
Investment in subsidiaries		
1,000,000 (31 March 2017: 1,000,000) 7% redeemable convertible non-cumulative preference shares of ₹ 100/- each fully paid up of Indian Furniture Products Limited ('IFPL')	297.27	262.84
Sub total (iii)	**297.27**	**262.84**
Total (i+ii+iii)	**177,895.57**	**116,496.95**

Aggregate amount of quoted investments	157,081.25	96,599.54
Aggregate market value of quoted investments	157,081.25	96,599.54
Aggregate amount of unquoted investments	20,814.32	19,897.41

* During the year, Synthesis Energy System Inc. has reversed split stock into 1 for 8 shares.

6B Loans

Particulars	Non Current		Current	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Security deposits				
Unsecured, considered good	0.24	0.24	2.45	2.45
Loans and advances to related parties				
Unsecured, considered good	946.45	1,650.45	8,603.78	5,539.68
Other loans and advances				
Secured, considered good				
Loans to -				
- Related parties (refer note 40)	-	3.60	3.60	4.80
- Employees (secured)	1.69	1.38	0.19	0.68
Interest accrued on loans to employees -				
- Related parties (refer note 40)	10.90	8.76	-	-
- Others	0.06	0.07	0.01	0.01
Interest accrued and due -				
- Related parties (refer note 40)	-	-	-	15.38
- Others	-	-	0.18	0.05
	959.34	**1,664.50**	**8,610.21**	**5,563.05**

- Loans to employees include amount due from an officer of the Company (Managing Director) ₹ 3.60 lakhs as on 31 March 2018. (₹ 8.40 lakhs in 31 March 2017).
- Interest accrued on employees' loan includes amount due from officers of the Company (Managing Director) ₹ 10.90 lakhs as on 31 March 2018 (31 March 2017: ₹ 8.76 lakhs)]

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

6C Other financial assets

Particulars	Non Current		Current	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Non-current bank balances	0.97	0.97	-	-
Unbilled revenue	-	-	18.75	-
Other receivables				
Related parties (refer note 40)	-	-	213.14	110.78
Total	**0.97**	**0.97**	**231.89**	**110.78**

Other receivables - related party include ₹ 13.48 lakhs (31 March, 2017 - ₹ 34.78 lakhs) receivable from Zuari Infra Middle East Limited for guarantee commission, ₹ 177.01 lakhs (31 March 2017- ₹ 76.00 lakhs) receivable from Gobind Sugar Mills Limited for management consultancy charges and ₹ 22.65 lakhs (31 March 2017 - Nil) receivable from Zuari Indian Oiltanking Limited for management consultancy charges.

Breakup of financial assets at amortised cost

Particulars	Non Current		Current	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Security deposits	0.24	0.24	2.45	2.45
Loans	948.14	1,655.43	8,607.57	5,545.16
Interest accrued on loans	10.96	8.83	0.19	15.44
Non current bank balance	0.97	0.97	-	-
Receivable - related parties	-	-	213.14	110.78
Unbilled trade receivables	-	-	18.75	-
Total financial assets carried at amortized cost	**960.31**	**1,665.47**	**8,842.10**	**5,673.83**

7. Inventories

Particulars	As at 31 March 2018	As at 31 March 2017
Stock in trade*	21,936.04	21,936.04
Project work in progress	1,619.52	1,323.68
Total inventory (at cost or NRV whichever is lower)	**23,555.56**	**23,259.72**

* stock in trade of ₹16,359.32 Lakhs (31st March 2016 ₹ 16,359.32 lakhs) is pending to be registered in the Company's name.

8. Trade receivables

Particulars	As at 31 March 2018	As at 31 March 2017
Trade receivables	31.81	-
	31.81	**-**

Break-up for security details:

Particulars	As at 31 March 2018	As at 31 March 2017
Unsecured-considered good	31.81	-
Unsecured-considered doubtful	-	19.90
	31.81	**19.90**
Less : Provision for doubtful debts	-	19.90
	31.81	**-**

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

9. Cash and cash equivalents

Particulars	As at 31 March 2018	As at 31 March 2017
Cash and cash equivalents		
a. Balances with banks		
- On current accounts	44.84	237.83
- On deposit accounts	950.00	150.00
b. Cash on hand	0.04	0.31
	994.88	**388.14**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between 1 day to 3 months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

10. Other bank balances

Particulars	As at 31 March 2018	As at 31 March 2017
Balance with banks - on interest warrants accounts	0.06	0.90
Balance with banks - on unpaid dividend account	22.19	25.87
Balance with banks - on fixed deposit account with remaining maturity period for less than 12 months	0.54	0.50
	22.79	**27.27**

11. Other current assets

Particulars	As at 31 March 2018	As at 31 March 2017
Prepaid expenses	5.15	4.68
Balance with statutory authorities	133.24	21.12
Advances to		
- related parties (refer note 40)	5.94	116.64
- other vendors	145.96	239.25
	290.29	**381.69**

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

12. Share Capital

Particulars	As at 31 March 2018	As at 31 March 2017
Authorised :		
115,000,000 (31 March 2017: 115,000,000) Equity Shares of ₹ 10/- each	11,500.00	11,500.00
2,075,000 (31 March 2017: 2,075,000) Redeemable Cumulative Preference shares of ₹ 100/- each	2,075.00	2,075.00
	13,575.00	**13,575.00**
Issued :		
29,448,655 (31st March 2017: 29,448,655) Equity Shares of ₹ 10/- Each Fully paid	**2,944.87**	**2,944.87**
Subscribed and Paid-up		
2,94,40,604 (31st March 2017: 2,94,40,604) Equity Shares of ₹10/- Each Fully paid	2,944.06	2,944.06
Add: 1,100 (31st March 2017: 1100) Forfeited Shares (amount paid-up) fully paid-up	0.05	0.05
	2,944.11	**2,944.11**

A. Reconciliation of shares outstanding at the beginning and end of the reporting year

Equity Shares	As at 31 March 2018		As at 31 March 2017	
	In Numbers	**₹ in lakhs**	**In Numbers**	**₹ in lakhs**
At the beginning of the year	29,440,604	2,944.06	29,440,604	2,944.06
Issued during the year	-	-	-	-
Outstanding at the end of the year	**29,440,604**	**2,944.06**	**29,440,604**	**2,944.06**

B. Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- Share. Each share holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year 31 March 2018, the amount of per share dividend proposed for distribution to equity share holders was ₹ 1 per share, subject to approval of shareholders (31 March 2017: ₹ 1 per share)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

C. Details of Shareholders holding more than 5% of equity shares in the Company

Name of Shareholders	As at 31 March 2018		As at 31 March 2017	
	No. of shares held	**% Holding in class**	**No. of shares held**	**% Holding in class**
Globalware Trading and Holdings Limited	7,491,750	25.45	7,491,750	25.45
SIL Investment Limited	1,240,000	4.21	2,790,000	9.48
Texmaco Infrastructure and Holdings Limited	2,757,941	9.37	2,757,941	9.37
Adventz Finance Private Limited	2,294,491	7.79	2,294,491	7.79
Reliance Capital Trustee Co Limited A/c - Reliance Regular Savings Fund Equity Option	1,932,756	6.56	1,600,000	5.43

As per records of the Company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

13. Other Equity

Particulars	As at 31 March 2018	As at 31 March 2017
Retained earnings		
Balance bought forward from last year	62,798.19	60,719.99
Add: Profit for the year	1,796.45	2,049.27
Less: Appropriation towards general reserve	-	(50.00)
Less/Add: Reclassification from OCI to retained earnings on disposal of investments	(155.47)	436.68
Less: Dividends paid (refer note 28)	(294.41)	(294.41)
Less: Dividend Distribution Tax (DDT) (refer note 28)	(59.93)	(59.93)
Less: Re-measurement losses on defined benefit plans	(4.04)	(3.41)
	64,080.79	**62,798.19**
General reserve		
Balance bought forward from last year	3,700.00	3,650.00
Add: Transfer from retained earnings	-	50.00
	3,700.00	**3,700.00**
FVTOCI reserve		
Balance bought forward from last year	75,406.63	34,275.74
Add/Less: Reclassification from OCI to retained earnings on disposal of investments	155.47	(436.68)
Add: Movement during the year	60,156.86	41,567.57
	135,718.96	**75,406.63**
	203,499.75	**141,904.82**

Nature and purpose of other reserve

FVTOCI reserve

The Company has elected to recognise changes in the fair value of certain investments in equity shares in other comprehensive income. These are accumulated in fair value through OCI reserve in OCI within the equity. The Company transfers this reserves to retained earnings when relevant equity investments are derecognised.

General reserve

The Company has transferred a portion of the net profit kept separately for future purpose is disclosed as a general reserve.

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(All amounts in ₹ lakhs, unless stated otherwise)

14. Borrowings (Current)

Particulars	As at 31 March 2018	As at 31 March 2017
Unsecured		
Loans from banks	2,470.00	-
	2,470.00	**-**

Borrowings from banks (Unsecured)

a) The Company has taken unsecured loan of of ₹1,500 Lakhs (31 March 2017 of ₹ Nil) for general business purposes from ICICI Bank Limited as unsecured short term loan, carried an Interest rate of MCLR-6M +Spread of 2% and the same will be payable within 6 month from the date of each drawl. The amount outstanding as on 31 March 2018 of ₹1500 Lakhs.

b) The Company has taken unsecured loan of of ₹1,000 Lakhs (31 March 2017 of ₹Nil) for general business purposes from Federal Bank Limited as unsecured short term working capital demand loan, carried an Interest rate of 10.35% annually and the same will be payable within 6 month from the date of first drawl. The amount outsanding as on 31 March 2018 of ₹970 Lakhs.

14.1 Changes in liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:

Particulars	Current borrowings
As at 1 April 2017	-
Cash adjustments	
Proceeds from current borrowings	3,445.00
Repayment of current borrowings	(975.00)
Interest payments	(45.05)
Non-cash adjustments	
Interest expense	45.05
As at 31 March 2018	**2,470.00**

15. Trade payables

Particulars	As at 31 March 2018	As at 31 March 2017
Trade payables		
Due to related parties (Refer note 40)	74.84	94.43
Due to others	363.92	444.60
	438.76	**539.03**

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2018	As at 31 March 2017
i) Principal amount due to suppliers under MSMED Act	146.13	-
ii) Interest accrued and due to suppliers under MSMED Act on the above amount	-	-
iii) Payment made to suppliers (other than interest) beyond appointed day during the year	-	-
iv) Interest paid to suppliers under MSMED Act		
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
vi) Interest due and payable to suppliers under MSMED Act towards payments already made	-	-
vii) Interest accrued and remaining unpaid at the end of the accounting year	-	-
viii) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-
	146.13	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

16. Other Financial Liabilities

Particulars	Non Current		Current	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Other financial liabilities at amortised cost				
Payable towards voluntary retirement scheme	-	4.60	4.60	18.67
Employee benefits payable	-	-	85.85	71.08
Other payable to related party (refer note 40)	-	-	-	16.22
Statutory liabilities to be credited to 'Investor's Education and Protection Fund' as and when due				
- Unclaimed deposits	-	-	1.55	2.49
- Unclaimed dividends	-	-	22.19	25.87
- Unclaimed Interest warrants	-	-	0.06	0.90
	-	**4.60**	**114.25**	**135.23**
Financial guarantee contracts	-	-	926.10	145.31
	-	**4.60**	**1,040.35**	**280.54**

Break up of financial liabilities carried at amortised cost

Particulars	Non Current		Current	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Borrowings (current) (refer note 14)	-	-	2,470.00	-
Trade payables (refer note 15)	-	-	438.76	539.03
Other financial liabilities (refer note 16)	-	4.60	114.25	135.23
	-	**4.60**	**3,023.01**	**674.26**

17. Other Current Liabilities

Particulars	Non Current		Current	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Statutory liabilities	-	-	30.12	75.99
Advances received from customers and others				
- Related parties*	-	-	34.66	59.92
- Others	-	-	739.90	862.10
Others (Interest on income Tax)	-	-	-	8.21
Advance towards sale of land/Investments (refer note 4 - Investment property for ₹3,209.13 lakhs advance)	-	-	3,209.13	3,209.13
Total	**-**	**-**	**4,013.81**	**4,215.35**

* Include advance received against sale of flat from Mrs. Rekha Krishnan (wife of Mr. N. Suresh Krishnan) ₹17.28 lakhs (31 March 2017 ₹29.36 lakhs) and Mr. Krishnan Kumar Gupta for ₹17.38 Lakhs (31 March 2017: ₹30.56 lakhs). For more details refer Note 40

(All amounts in ₹ lakhs, unless stated otherwise)

18. Provisions

Particulars	Non Current		Current	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits				
Gratuity (funded) (refer Note 39)	-	-	37.29	29.47
Compensated absences	245.10	178.55	32.97	73.05
	245.10	**178.55**	**70.26**	**102.52**

19. Deferred tax

Particulars	As at 01 April 2017	Provided during the year*	As at 31 March 2017	Provided during the year*	As at 31 March 2018
Deferred tax liability:					
Fixed assets Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	75.44	(2.09)	73.35	(7.02)	66.33
Income considered in the books but not in the income tax	38.23	(38.23)	-	-	-
Fair valuation of investment in preference shares	1.43	10.52	11.95	8.13	20.08
Amortisation of financial guarantee liability	2.83	6.36	9.19	26.70	35.89
Total deferred tax liability (A)	**117.93**	**(23.44)**	**94.49**	**27.81**	**122.30**
Deferred tax assets:					
Expenses allowable in Income tax on payment basis and deposition of statutory dues	76.03	8.83	84.86	(17.81)	67.05
Total deferred tax assets (B)	**76.03**	**8.83**	**84.86**	**(17.81)**	**67.05**
Deferred tax liability (Net) (A - B)	**41.90**	**(32.27)**	**9.63**	**45.62**	**55.25**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

* Includes ₹45.62 lakhs (previous year: ₹30.45 lakhs) provided for in statement of profit and loss and Nil (previous year: ₹1.80 lakhs) provided for in OCI.

19A. Income Tax

Profit and loss section

	As at 31 March 2018	As at 31 March 2017
Profit before tax	2,011.26	2,378.67
Tax expense:		
Current tax	173.59	401.22
Adjustments for current tax of prior periods	(4.40)	(41.37)
Deferred tax	45.62	(30.45)
Income tax expense reported in the statement of profit or loss	**214.81**	**329.40**

OCI section

	As at 31 March 2018	As at 31 March 2017
Re-measurement losses on defined benefit plans	(5.68)	(5.21)
Income tax effect	1.64	1.80

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31 March 2018 and 31 March 2017

Particulars	As at 31 March 2018	As at 31 March 2017
Accounting profit	2,011.26	2,378.67
Tax at the applicable tax rate of 28.84% (31 March 2017: 34.61%)	580.05	823.21
Tax effect of income that are not taxable in determining taxable profit:		
Dividend income	(372.45)	(444.25)
Deferred tax reversal of interest under section 244A	-	(38.23)
Employee expenses decreased due to Ind-AS impact	-	(1.77)
Tax effect of expenses that are not deductible in determining taxable profit:		
Disallowance U/s 14A	1.66	4.13
Interest on land compensation (taxable on receipts basis)	-	27.80
Other adjustments	2.17	(6.52)
Wealth tax refund	(5.18)	-
Donation	3.04	-
Interest on delayed payment of taxes and other disallowances	1.13	6.40
Previous year tax adjustment	4.39	(41.37)
Tax expense	**214.81**	**329.40**

An explanation of changes in the applicable tax rate(s) compared to the previous accounting period

In 2016-17, the Government enacted a Nil change in the national income tax rate.
In 2017-18, the Government enacted a change in the national income tax rate from 34.61% to 28.84%.

Income tax assets (net)

Particulars	As at 31 March 2018	As at 31 March 2017
Advance received - related parties (refer Note. 45)	(2,533.85)	(2,533.85)
Income tax assets- others	3,363.38	3,444.35
	829.53	**910.50**

20. Note: Revenue from operations

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Revenue from sale of constructed properties (refer note 38)	1,425.59	-
	1,425.59	**-**

21. Other income

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest on:		
Bank deposits	0.33	0.06
Intercorporate loans	669.25	1,209.35
Income tax refunds	49.45	337.17
Employee loans	2.27	0.14
Dividend from:		
Current investments	2.64	7.49
Long-term investments	1,288.81	1,276.15
Provisions written back (net)	-	5.11

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Loss/(gain) arising on financial assets as at fair value through profit and loss	34.43	30.41
Income from financials guarantee	96.69	18.40
Rent received	230.78	265.95
Management consulting income	210.00	190.00
Unclaimed balances written back	21.18	-
Miscellaneous income	49.52	37.78
	2,655.35	**3,378.01**

Total interest income (calculated using the effective interest method) for financial assets that are not at fair value through profit or loss

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
In relation to financial assets classified at amortised cost	671.85	1,209.55
	671.85	**1,209.55**

22. Project expenses

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Architect fees	40.30	50.29
Consultancy expenses	170.77	111.91
Civil work	873.46	519.88
Development management cost	219.01	-
Interest expenses	-	992.44
Miscellaneous expenses	36.80	21.75
	1,340.34	**1,696.27**

Project expenses above are in relation to real estate development project which are currently undertaken by the Company.

23. Changes in inventories

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Stock in trade		
Closing stock	21,936.04	21,936.04
Opening stock	21,936.04	21,522.16
(Increase) / decrease (A)	**-**	**(413.88)**
Project work in progress		
Closing stock	1,619.52	1,282.39
Opening stock	1,282.39	-
(Increase) / decrease (B)	**(337.13)**	**(1,282.39)**
Total (A+B)	**(337.13)**	**(1,696.27)**

24. Employee benefit expenses

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and bonus	491.10	519.95
Contribution to provident and other funds	49.73	46.20
Staff welfare expenses	5.45	8.62
	546.28	**574.77**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

25. Finance costs

	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expense	45.05	-
Other borrowing costs	12.50	18.48
	57.55	**18.48**

26. Depreciation and amortization expense

	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant and equipment	18.06	13.38
Amortisation of intangible assets	0.08	-
Depreciation of investment property	3.63	9.16
	21.77	**22.54**
Less: transferred to project expense	5.96	0.64
	15.81	**21.90**

27. Other expenses

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Rent	-	3.13
Rates and taxes	6.38	7.54
Insurance	2.82	0.51
Repairs and maintenance - Others	9.00	3.57
Payment to auditor (refer details below)	34.18	48.80
Exchange fluctuation (net)	0.73	0.98
Consultancy charges	119.42	139.74
Advertising and sales promotion	33.28	30.05
AGM expenses	45.50	43.95
Brokerage and commission	115.14	24.41
Donation	21.10	-
Directors sitting fees	13.69	19.31
Travelling and conveyance	32.12	40.38
Miscellaneous expenses	13.47	21.82
	446.83	**384.19**

Payments to statutory auditors as

As statutory auditors

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Audit fees	11.00	17.71
Tax audit fee	1.91	4.57
Limited review fees	9.65	5.69
In other capacity		
Certification fees, etc.	9.66	19.34
Reimbursement of expenses	1.96	1.49
	34.18	**48.80**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

28. Dividend

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Dividends on equity shares declared and paid:		
Final equity dividends: ₹1 per equity share (31 March 2017: ₹1 per equity share)	298.08	297.58
Dividend distribution tax on final dividend	59.93	59.93
	358.01	**357.51**
Proposed dividends on equity shares:		
Proposed final equity dividends: ₹1 per equity share (31 March 2017: ₹1 per equity share)	294.41	294.41
Tax on proposed equity dividend	59.93	59.93
	354.34	**354.34**

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at 31 March.

29. Note: Earnings per share (EPS)

Basic and diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

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

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit after taxation as per statement of profit and loss (₹in lakhs)	1,796.45	2,049.27
Weighted average number of shares used in computing earnings per share - basic and diluted	29,440,604	29,440,604
Earnings per share – basic and diluted (in ₹) (annualised)	6.10	6.96
Face value per share (in ₹)	10.00	10.00

30. Significant accounting judgements, estimates and assumptions

The preparation of the company's financial statements requires management to make judgements, 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 periods.

Judgements:

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

1) Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

2) Impairment of financial assets

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

3) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events

Estimates and assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting 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. 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.

1) Revenue and inventories

The Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information.

2) Useful life of property, plant and equipment

The management estimates the useful life and residual value of property, plant and equipment based on technical evaluation. These assumptions are reviewed at each reporting date.

3) Valuation of investment property

Investment property is stated at cost. However, as per Ind AS 40, there is a requirement to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date.

4) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

5) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation 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 reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 39.

6) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 35 for further disclosures.

(All amounts in ₹ lakhs, unless stated otherwise)

31. Disclosure of Interest in subsidiaries, joint arrangements and associates:

1) Disclosure of Interest in the following categories of Joint Arrangements:

Name	Method used to account for investments	Country of incorporation / principal place of business	Ownership interest of ZGL (%)	
			As on 31 March 2018	As on 31 March 2017
(i) Zuari Indian Oiltanking Private Limited	Cost	India	50.00%	50.00%

2) Disclosure of interest in the following subsidiaries:

Name	Method used to account for investments	Country of Incorporation / Principal place of business	Ownership interest of ZGL (%)	
			As on 31 March 2018	As on 31 March 2017
1 Indian Furniture Products Limited	Cost	India	86.05%	86.05%
2 Simon India Limited	Cost	India	100.00%	100.00%
3 Zuari Management Services Limited	Cost	India	100.00%	100.00%
4 Zuari Infraworld India Limited	Cost	India	100.00%	100.00%
5 Zuari Investments Limited	Cost	India	100.00%	100.00%
6 Zuari Sugar and Power Limited	Cost	India	100.00%	100.00%
7 Zuari Finserv Private Limited (Formerly Known as Horizon view Developers Private Limited)	Cost	India	100.00%	100.00%

3) Disclosure of interest in the following associates:

Name	Method used to account for investments	Country of incorporation / principal place of business	Ownership interest of ZGL (%)	
			As on 31 March 2018	As on 31 March 2017
(i) Zuari Agro Chemicals Limited	Fair value through OCI	India	32.08%	32.08%

32. Commitments and contingencies

A. Leases

a. Operating lease — as lessee

(i) Lease Rentals charged to the statement of profit and loss and maximum obligations on long term non-cancellable operating leases payable as per the rentals stated in the respective lease agreements

	For the year ended 31 March 2018	For the year ended 31 March 2017
Lease rentals recognized during the year	-	3.13
Lease Obligations		
- Within one year	-	-
- After one year but not more than five years	-	-
- More than five years	-	-

The lease has expired on 31 March 2017 and the Company has not renewed it.

The Company has obtained Vehicles on operating leases for the period ranging from 0-2 years. In all the cases, the agreements are further renewable at the option of the Company. There is escalation clause in the respective lease agreements.

b. Operating lease — as lessor

The lease rentals recognized as income in these statements as per the rentals stated in the respective agreements:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Lease rentals recognized during the year	230.78	265.95

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Investment properties	**For the year ended 31 March 2018**	**For the year ended 31 March 2017**
Gross carrying amount	171.39	171.39
Accumulated depreciation	10.89	7.26
Depreciation recognized in the statement of profit and loss	3.63	9.16

The Company has given land and buildings on operating lease for the period as per the agreement. In all the cases, the agreements are further renewable at the option of the Company. All these leases are cancellable in nature.

B. Contingent liabilities

Contingent liabilities not provided for:

	Particulars	**As at 31 March 2018**	**As at 31 March 2017**
i)	Tax demands in excess of provisions (pending in appeals):		
	- Income taxes	1,496.96	1,389.17
	- Wealth taxes	565.78	565.78

Based on management assessment and in-house legal team advice, the management believes that the Company has reasonable chances of succeeding before the courts/appellate authorities and does not foresee any material liability. Pending the final decision on the matters, no further provisions has been made in financial statements.

C. Corporate guarantees given in favour of banks / others on behalf of :

Particulars	**As at 31 March 2018**	**As at 31 March 2017**
Simon India Limited	12,500.00	5,000.00
Indian Furniture Products Limited	22,755.00	17,896.00
Gobind Sugar Mills Limited	35,091.93	24,208.00
Zuari Infraworld India Limited	15,000.00	15,000.00
Zuari Infra Middle East Limited	10,596.49	10,596.49
Zuari Sugar & Power Limited	10,000.00	10,000.00

D. The Company has provided following securities to Indusind Bank for extending loan to Zuari Sugar and power Limited (ZSPL), wholly owned subsidiary of the Company. As on 31 March 2018, loan disbursement amount is of ₹ 9,997.50 lakhs (31 March 2017 of ₹ 9,483.00 lakhs):

a. Exclusive charge on immovable PPE owned by the Company

b. The land collateral include of 6.89 acre for phase I residential development and 16 acre for phase II residential project being executed by the Company in Goa.

c. Exclusive charge by way of hypothecation over all present and future current and movable property, plant and equipment of the Company excluding all land (being carried as inventory) other than land to be mortgaged to Indusind bank Limited and excluding non-current investment of Synthesis Energy System Inc.

E. The Company has given a plot of land as security admeasuring an area about 1,26,549 Sq. mt. situated at Zuarinagar Sancoale, Goa within the limit of village panchayat of Sancoale, Taluka and Sub District of Mormugao, District of South Goa, in favour of State Bank of India, Mumbai to issue Standby Letter of Credit (SBLC) to the extent of AED 35 Million { ₹ 6,209 lakhs (previous year: ₹ 6,181 lakhs) at the closing rate of 1 AED = ₹ 17.74 (previous year: ₹ 17.66)} to Zuari Infra Middle East Limited, stepdown wholly owned subsidiary of the Company .

F. The Company has provided the following security to Nederlandse Financierings - Maatschappij Voor Ontwikkelingslanden N.V (FMO) for extending loan to Gobind Sugar Mills Limited (GSML), stepdown subsidiary of the Company.

Exclusive charge on Immovable property having survey No 119/1 admeasures 51,425 sq. mtrs, survey No 120/1 admeasures 8075 sq. mtrs,survey No 121 admeasures 32239 sq. mtrs,survey No 129/1 admeasures 24,625 sq. mtrs,survey No 130/1 admeasures 86175 sq. mtrs and survey No 131/1 admeasures 19,050 sq. mtrs situated at Sancoale within the limits of Village panchayant of Sancoale Goa, Mormugao Taluka, Sub Districity of Registration District of State of Goa.

(All amounts in ₹ lakhs, unless stated otherwise)

G. Assets pledged as security

The carrying amounts of asset pledged as security for contingent liabilities are:

Particulars	As at 31 March 2018	As at 31 March 2017
Current		
Financial assets		
i) Trade receivables	31.81	-
ii) Cash and cash equivalents	994.88	388.14
iii) Other bank balances	22.79	27.27
iv) Loans	8,610.21	5,563.05
v) Other financial assets	231.89	110.78
Other current assets	290.29	381.69
Non-financial assets		
i) Inventories	6,303.38	3,120.00
Total current assets pledged as security	**16,485.25**	**9,590.93**
Non-financial assets		
i) Property, plant & equipment	214.00	231.62
ii) Investment property	160.50	164.13
iii) Other intangible assets	0.22	-
Total non-current assets pledged as security	**374.72**	**395.75**
Total assets pledged as security	**16,859.97**	**9,986.68**

H. The Company has undertaken to provide continued financial support to Indian Furniture Products Limited, Zuari Commodity Trading Limited and Zuari Sugar & Power Limited, as and when required. As per the latest audited financial statements of these subsidiaries, they have accumulated losses which have resulted in erosion of substantial portion of its net worth.

33. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables, security deposits and employee liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds FVTOCI investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The financial risk committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

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. All financial assets and financial liabilities affected by market risk include loans and borrowings, deposits and FVTOCI investments.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31 March 2018.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations, provisions and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2018 and 31 March 2017.
- The sensitivity of equity is calculated at 31 March 2018 and 31 March 2017 for the effects of the assumed changes of the underlying risk.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

(i) Interest rate risk

Applicability - Financial liabilities

The company has short term loans from Federal Bank and ICICI bank.

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term debt obligations with floating interest rates. The Company always try to ensure minimal cash outflows. The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility.

Interest Rate exposure

Below is the overall exposure of the Company's to interest rate risk:

Particulars	31 March 2018	31 March 2017
Variable rate borrowings	1,500.00	-
Fixed rate borrowings	970.00	-

Interest rate sensitivity

	Effect on profit before tax	Effect on pre-tax equity
31 March 2018		
Interest rate- increased by 50 basis points	(0.06)	(0.06)
Interest rate- decreased by 50 basis points	0.06	0.06
31 March 2017		
Interest rate- increased by 50 basis points	-	-
Interest rate- decreased by 50 basis points	-	-

(ii) Foreign currency risk

Applicability -

Company operating activities (when revenue or expense is denominated in foreign currencies)

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.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of various currencies with INR, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets

	Change in AED rate	Effect on profit before tax	Effect on pre-tax equity
As at 31 March 2018	+5%	0.67	0.67
	-5%	(0.67)	(0.67)
As at 31 March 2017	+5%	1.74	1.74
	-5%	(1.74)	(1.74)

	Change in USD rate	Effect on profit before tax	Effect on pre-tax equity
As at 31 March 2018	+5%	-	-
	-5%	-	-
As at 31 March 2017	+5%	-	61.25
	-5%	-	(61.25)

The movement in the pre-tax effect is a result of a change in the fair value of financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in USD & AED where the functional currency of the entity is a currency other than USD & AED.

(iii) Equity price risk

Applicability

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to unlisted equity securities at fair value was ₹ 55 lakhs. Sensitivity analyses of these investments have been provided in Note 35.

At the reporting date, the exposure to listed equity securities at fair value was ₹157,081.25 lakhs. A decrease of 5% on the BSE/NSE market price could have an impact of approximately ₹7,854.06 lakhs on the OCI or equity attributable to the Company. An increase of 5% in the value of the listed securities would also impact OCI and equity. These changes would not have an effect on profit or loss.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

a) Real estate business

The Company's trade receivables does not have any expected credit loss as registry of properties sold is generally carried out once the Company receives the entire payment. During the periods presented, the Company made no write-offs of trade receivables and no recoveries from receivables previously written off.

b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis.

Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below summarises the maturity profile of the Company's financial liabilities based on **contractual undiscounted payments.**

	Less than 1	1 to 5 years	> 5 years	Total
Year ended 31 March 2018				
Borrowings	2,470.00	-	-	2,470.00
Trade payables	438.76	-	-	438.76
Other financial liabilities	114.25	-	-	114.25
Financial guarantee contracts*	926.10	-	-	926.10
	3,949.11	**-**	**-**	**3,949.11**
Year ended 31 March 2017				
Borrowings	-	-	-	-
Trade payables	539.03	-	-	539.03
Other financial liabilities	135.23	4.60	-	139.83
Financial guarantee contracts*	145.31	-	-	145.31
	819.57	**4.60**	**-**	**824.17**

* Based on the maximum amount that can be called for under the financial guarantee contract.

The Company has access to following financing facilities which were undrawn as at the end of reporting periods mentioned :-

	As at 31 March 2018	As at 31 March 2018
Unsecured working capital facilities		
Amount used	2,470.00	-
Amount unused	30.00	-
Total	**2,500.00**	**-**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Company to manage risk concentrations at both the relationship and industry levels.

34. 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 of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

	At 31 March 2018	At 31 March 2017
Borrowings	2,470.00	-
Trade payables	438.76	539.03
Less: Cash and cash equivalents	994.88	388.14
Net debts	**1,913.88**	**150.89**
Total Capital	**206,443.86**	**144,848.93**
Capital and net debt	**208,357.74**	**144,999.82**
Gearing ratio (%)	**0.92%**	**0.10%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

35. Fair values measurements

Financial instruments by category and set out below, is the comparison by the class of carrying amount and the fair value of the Group's financial instruments.

Particulars	Carrying value		Fair Value	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Financial assets				
A. FVTOCI financial instruments				
Quoted equity shares	157,081.25	96,599.54	157,081.25	96,599.54
Un-quoted equity shares	55.00	50.00	55.00	50.00
B. FVPL financial Instruments				
Redeemable convertible non-cumulative preference shares of IFPL	297.27	262.84	297.27	262.84
C. Amortised cost				
Loans and advances to related parties - unsecured, considered good	9,550.23	7,190.13	9,550.23	7,190.13
Security deposits	2.69	2.69	2.69	2.69
Loans to employees				
- Related parties	3.60	8.40	3.60	8.40
- Others (secured)	1.88	2.06	1.88	2.06

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Carrying value As at 31 March 2018	Carrying value As at 31 March 2017	Fair Value As at 31 March 2018	Fair Value As at 31 March 2017
Interest accrued on loan to employees				
- Related parties	10.90	8.76	10.90	8.76
- Others	0.07	0.08	0.07	0.08
Interest accrued and due				
- Related parties	-	15.38	-	15.38
- Others	0.18	0.05	0.18	0.05
Non current bank balance	0.97	0.97	0.97	0.97
Trade receivable	31.81	-	31.81	-
Cash and cash equivalents	994.88	388.14	994.88	388.14
Other bank balances	22.79	27.27	22.79	27.27
Other financial assets	231.89	110.78	231.89	110.78
D. Investments carried at cost as per IND AS 27				
Investment in subsidiaries and joint ventures (refer note iv)	18,641.00	18,641.00	18,641.00	18,641.00
Deemed Investment - corporate guarantee	1,049.36	171.88	1,049.36	171.88
Deemed investment in preference shares (refer note v)	771.69	771.69	771.69	771.69
	188,747.46	**124,251.66**	**188,747.46**	**124,251.66**
Financial liabilities				
A. FVPL financial Instruments				
Borrowings				
Unsecured loan from banks	2,470.00	-	2,470.00	-
Financial guarantee liability	926.10	145.31	926.10	145.31
B. Amortised Cost				
Other financials Liabilities				
Employee benefit payable	85.85	71.08	85.85	71.08
Payable towards voluntary retirement scheme	4.60	23.27	4.60	23.27
Statutory liabilities to be credited to 'Investor's Education and Protection Fund' as and when due	23.80	29.26	23.80	29.26
Other payables to related party	-	16.22	-	16.22
Trade payables	438.76	539.03	438.76	539.03
	3,949.11	**824.17**	**3,949.11**	**824.17**

Notes:

(i) The equity securities for which the company has made an irrevocable election at initial recognition to recognize charges in fair value through OCI rather than profit and loss are investments which are not held for trading purposes.

(ii) The management assessed that carrying value of financial assets and financial liabilities, carried at amortized cost, are approximately equal to their fair values at respective balance sheet dates and do not significantly vary from the respective amounts in the balance sheets.

(iii) The fair values of the unquoted equity shares and preference shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments and preference shares.

(iv) The Company holds investments in equity shares of its subsidiary companies and joint venture. These are recorded at cost in the Company's separate financial statements.

(v) Difference between the fair value of investments in preference shares of IFPL (the subsidiary company) and its transaction price is recorded as deemed investment in IFPL.

(vi) The fair value of loans from banks and financial guarantee liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2018 and 31 March 2017 are as shown below:

Description	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Biotech Consortium of India Limited	DCF method	Long-term growth rate for cash flows for subsequent years	31 March 2018: 4.5% - 5.5% (5.0%) 31 March 2017: 4.5% - 5.5% (5.0%)	0.5% (31 March 2017: 0.5%) increase in the growth rate would decrease in fair value by ₹ 0.19 lakhs (31 March 2017: ₹ Nil) and 0.5% (31 March 2017: 0.5%) decrease in the growth rate would deacrease in fair value by ₹ 0.87 lakhs (31 March 2017: 1 lacs).
Investment In Preference Shares of Indian Furniture Products Limited	DCF method	Cost of equity method	31 March 2018: 11.50% - 13.50% (12.50%) 31 March 2017: 11.50% - 13.50% (12.50%)	1.0% increase in the discount rate would decrease in the fair value of equity instrument by ₹25.05 Lacs (₹25.05 lakhs as on 31 March 2017) 1.0% decrease in the discount rate would increase the fair value of equity instrument by ₹ 28.21 Lakhs (₹ 28.21 as on 31 March 2017).
Corporate Guarantee - Indian Furniture Products Limited	DCF method	Long term growth rate	31 March 2018: 4.50% - 5.50% (5.00%) 31 March 2017: 4.50% - 5.50% (5.00%)	0.50% increase (31 March 2017 : 0.50%) in the growth rate would result in decrease in fair value by ₹12 lakhs. (31 March 2017: ₹8.60lakhs) 0.50% decrease (31 March 2017 : 0.50%) in the growth rate would result in the increase in fair value by ₹12 lakhs (31 March 2016: ₹9.40 lakhs)
Corporate Guarantee - Gobind Sugar Mills Limited	DCF method	Long term growth rate	31 March 2018: 2.50% - 4.50% (3.00%/4.00%) 31 March 2017: 1.50% - 3.50% (3.00%/2.50%)	0.50% increase (31 March 2017 : 0.50%) in the growth rate would result in decrease in fair value by ₹57.00 lakhs (31 March 2017: ₹15.51 lakhs) 0.50% decrease in the growth rate would result in the increase in fair value by ₹51 lakhs (31 March 2017: 21.08 lakhs)
Corporate Guarantee - Simon India Limited	DCF method	Long term growth rate	31 March 2018: 3.50% - 4.50% (4.00%) 31 March 2017: Nil	0.50% increase (31 March 2017 : Nil) in the growth rate would result in decrease in fair value by ₹14.00 lakhs (31 March 2017: ₹Nil Lakhs) 0.50% decrease in the growth rate would result in the increase in fair value by ₹51 lakhs (31 March 2017: 21.08 lakhs)
Corporate Guarantee - Zuari Infraworld India Limited	Asset approach	Asset volatility	31 March 2018: 30.36% - 31.36% (30.86%) 31 March 2017: Nil	0.50% increase (31 March 2017 : Nil) in the asset volatility would result in increase in fair value by ₹1.88 lakhs (31 March 2017: ₹Nil Lakhs) 0.50% decrease in the asset volatility would result in the decrease in fair value by ₹1.75 lakhs (31 March 2017: Nil)
Corporate Guarantee - Zuari Sugar and Power Limited	Asset approach	Asset volatility	31 March 2018: 21.85% - 22.85% (22.35%) 31 March 2017: Nil	0.50% increase (31 March 2017 : Nil) in the asset volatility would result in increase in fair value by ₹0.95 lakhs (31 March 2017: ₹Nil Lakhs) 0.50% decrease in the asset volatility would result in the decrease in fair value by ₹0.76 lakhs (31 March 2017: Nil)

(All amounts in ₹ lakhs, unless stated otherwise)

36. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2018:

	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value (31 March 2018)				
A. FVOCI financial instruments:				
Quoted equity shares	157,081.25	157,081.25	-	-
Unquoted equity shares	55.00	-	-	55.00
B. FVPL financial instruments:				
Redeemable convertible non-cumulative preference shares of IFPL	297.27	-	-	297.27
Financial liabilities measured at fair value (31 March 2018)				
A. Other financials Liabilities				
Liabilities measured at fair value				
Liability towards financial guarantees	926.10	-	-	926.10
Financial assets measured at fair value (31 March 2017)				
A. FVOCI financial instruments:				
Quoted equity shares	96,599.54	96,599.54	-	-
Unquoted equity shares	50.00	-	-	50.00
B. FVPL financial instruments:				
Redeemable convertible non-cumulative preference shares of IFPL	262.84	-	-	262.84
Financial liabilities measured at fair value (31 March 2017)				
A. Other financials Liabilities				
Liabilities measured at fair value				
Liability towards financial guarantees	145.31	-	-	145.31

There have been no transfers between Level 1 and Level 2 during the period.
There are not any non recurring fair value measurements.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

The following table presents the changes in level 3 items for the period ended 31 March 2018 and 31 March 2017

	Corporate guarantee liability	Redeemable convertible non-cumulative preference shares	Investment in Unquoted equity shares	Total
As at 1 April 2016	**42.38**	**232.43**	**52.92**	**327.73**
Additions	84.53	-	-	84.53
Gains recognised in statement of profit and loss	18.40	30.41	-	48.81
Loss recognised in other comprehensive income	-	-	(2.92)	(2.92)
As at 31 March 2017	**145.31**	**262.84**	**50.00**	**458.15**
Additions	684.10	**-**	**-**	684.10
Gains recognised in statement of profit and loss	96.69	34.43	-	131.12
Gains recognised in other comprehensive income	-	-	5.00	5.00
As at 31 March 2018	**926.10**	**297.27**	**55.00**	**1,278.37**

37. Disclosure relating to corporate social responsibility (CSR) expenditure

The disclosure in respect of CSR expenditure for FY 2017-18 is as under:

In light of Section 135 of the Companies Act 2013, the Company has incurred Nil lakhs during the current year on Corporate Social Responsibility (CSR) against gross amount required to be spent ₹61.45 lakhs (previous year ₹ 65.21 lakhs)

Particulars	31 March 2018	31 March 2017
(i) Gross amount required to be spent by the Company during the year	61.45	65.21
(ii) Amount spent during the year on the following in cash	-	-

38. Revenue related disclosures

Disclosure in respect of projects under the Guidance Note issued by Institute of Chartered Accountants of India on "Accounting for Real Estate transactions (for entities to whom Ind AS is applicable)":

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Amount of project revenue recognized as revenue during the year	1,425.59	-
Aggregate amount of costs incurred and profits recognized to date	1,425.59	-
Amount of advances received	737.95	885.42
Amount of work-in-progress and value of inventories	1,619.52	1,323.67
Excess of revenue recognized over actual bills raised (unbilled revenue)	18.75	-

39. Gratuity and other post-employment benefit plans

Particulars	31 March 2018	31 March 2017
Plans		
- Gratuity (funded)	(37.29)	(29.47)
Total	**(37.29)**	**(29.47)**

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with two insurance companies in the form of a qualifying insurance policies.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Net employee benefit expense (recognized in employee cost) for the year ended 31st March 2018

Particulars	Gratuity	
	31 March 2018	31 March 2017
Current service cost	(0.08)	4.07
Net interest cost	2.21	1.43
Total	**2.13**	**5.50**

Amount recognised in other comprehensive income for the year ended 31 March 2018

Particulars	Gratuity	
	31 March 2018	31 March 2017
Actuarial (gain)/ loss on obligations	5.58	6.52
Return on plan assets (excluding amounts included in net interest expense)	0.10	(1.31)
Total	**5.68**	**5.21**

Changes in the present value of the defined benefit obligation for the year ended 31st March, 2018 are as follows:

Particulars	Gratuity	
	31 March 2018	31 March 2017
Opening defined obligation	72.00	67.03
Current service cost	4.94	4.07
Interest cost	5.40	5.12
Re-measurement (or actuarial) (gain) / loss arising from:		
- change in demographic assumption	-	0.08
- change in financial assumptions	(0.77)	1.05
- experience variance (i.e. actual experiences assumptions)	6.35	5.39
Benefits paid	(11.45)	(10.74)
Past Services Cost including curtailment Gains/Losses	(5.02)	-
Defined benefit obligation	**71.45**	**72.00**

Changes in the fair value of plan assets are as follows:

Gratuity

Particulars	Gratuity	
	31 March 2018	31 March 2017
Fair value of plan assets	42.53	48.27
Interest income	3.18	3.69
Return on plan assets (excluding amounts included in net interest expense) - OCI	(0.10)	1.31
Benefits paid	(11.45)	(10.74)
Closing fair value of plan assets	**34.16**	**42.53**

The Company expects to contribute ₹ 7.84 lakhs (Previous year: ₹ 32.09 lakhs) towards gratuity during the year 2018-19.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	Gratuity	
	31 March 2018	31 March 2017
Investment with insurer (Life Insurance Corporation of India)	34.16	42.53

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	Gratuity	
	31 March 2018	31 March 2017
Discount rate (in %)	7.75%	7.50%
Salary escalation (in %)	9% for first 2 years and 7.5% thereafter	9% for first 2 years and 7.5% thereafter
Mortality rate (% of IALM 06-08)	100%	100%
Withdrawal rate (per annum)	1% - 3%	1% - 3%

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

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

Assumptions	Discount rate		Future salary increases	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Impact on defined benefit obligation	69.97	73.02	72.43	70.54

A quantitative sensitivity analysis for significant assumption as at 31 March 2017 is as shown below:

Assumptions	Discount rate		Future salary increases	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Impact on defined benefit obligation	68.74	75.52	74.57	69.59

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Maturity profile of defined benefit obligation

Expected cash value over the next 10 years (valued on undiscounted basis)

Particulars	Gratuity		Provident fund		Post retirement medical benefit plan	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs	₹ in lakhs
Within the next 12 months (next annual reporting period)	12.53	17.44	-	-	-	-
Between 2 and 5 years	37.22	26.47	-	-	-	-
Between 5 and 10 years	13.81	48.66	-	-	-	-
Beyond 10 years	7.90	14.42	-	-	-	-

40. Related party disclosures

A. The list of related parties as identified by the management is as under:

i) Subsidiaries and stepdown subsidiaries of the Company:

1) Indian Furniture Products Limited
2) Simon India Limited
3) Zuari Management Services Limited
4) Zuari Infraworld India Limited
5) Zuari Infra Middle East Limited (subsidiary of Zuari Infraworld India Limited)
6) Zuari Infraworld SJM Elysium Properties LLC (formerly known as SJM Elysium Properties LLC) (subsidiary of Zuari Infra Middle East Limited)
7) Zuari Sugar and Power Limited (formerly known as Zuari Financial Services Limited)
8) Zuari Investments Limited
9) Zuari Insurance Brokers Limited – Subsidiary of Zuari Finserv Private Limited
10) Zuari Commodity Trading Limited – Subsidiary of Zuari Finserv Private Limited
11) Gobind Sugar Mills Limited (subsidiary of Zuari Investments Limited
12) Zuari Finserve Private Limited (Formerly Known as Horizon View Developers Pvt. Ltd. - w.e.f 21 October 2016

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

ii) Joint Ventures of the Company:

1) Zuari Indian Oiltanking Private Limited
2) Forte Furniture Products India Private Limited (Joint venture of Indian Furniture Products Limited (w.e.f 1st Feb'2017)
3) Soundaryaa IFPL Interiors Limited, a Joint venture of Indian Furniture Products Limited

iii) Associates of the Company:

1) Brajbhumi Nirmaan Private Limited, an associate of Zuari Infraworld India Limited
2) Pranati Niketan Private Limited, an associate of Zuari Infraworld India Limited
3) Darshan Nirmaan Private Limited, an associate Zuari Infraworld India Limited
4) New EROS Tradecom Limited, an associate of Zuari Investments Limited
5) Zuari Agro Chemicals Limited, an associate of Zuari Global Limited
6) Mangalore Chemicals and Fertilisers Limited, a subsidiary of Zuari Agro Chemicals Limited
7) Zuari Maroc Phosphates Private Limited, a joint venture of Zuari Agro Chemicals Limited
8) Paradeep Phosphates Limited, a subsidiary of Zuari Maroc Phosphates Private Limited
9) MCA Phosphates Pte. Limited, a joint venture of Zuari Agro Chemicals Limited
10) Fosfatos del Pacifico S.A, an associate of MCA Phosphates Pte. Limited
11) Adventz Trading DMCC, a subsidiary of Zuari Agro Chemicals Limited
12) Saket Mansions Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
13) Suhana Properties Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
14) Beatle Agencies Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
15) Kushal Infraproperty Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
16) Divine Realdev Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
17) Hopeful Sales Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
18) Bahubali Tradecomm Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
19) Nexus Vintrade Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
20) Mayapur Commercial Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
21) Neobeam Agents Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
22) Rosewood Agencies Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited

iv) A. Enterprises having significant influence:

1. Globalware Trading and Holdings Limited

B. Enterprises where the Company is having significant influence:

1. Zuari Industries Limited Employees Provident Fund
2. Zuari Industries Limited Sr. Staff Superannuation Fund
3. Zuari Industries Limited Non Management Employees Pension Fund
4. Zuari Industries Limited Gratuity Fund

v) Key Management Personnel

1) Mr. S. K. Poddar, Chairman
2) Mr. N Suresh Krishnan, Managing Director
3) Mrs.Jyotsna Poddar, Executive director
4) Mr. Marco Wadia - Independent and Non-Executive Director
5) Mr. Krishan Kumar Gupta - Independent and Non-Executive director
6) Mr. Jayant N Godbole-Independent and Non-Executive director

vi) Relative of key management personnel

1) Mrs. Rekha Krishnan - wife of Mr. N. Suresh Krishnan.
2) Mr. Akshay Poddar, son of Mr. S.K Poddar

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

B. Related party transaction for Zuari Global Limited

Following transactions were carried out with related parties in the ordinary course of business

		Year ended 31 March 2018							Year ended 31 March 2017						
S.no.	Transaction details	Subsidiaries	Joint Ventures	Associates	Enterprises having Significant Influence	Enterprises where the Company is having significant influence	Key Management Personnel	Relatives of KMP	Subsidiaries	Joint Ventures	Associates	Enterprises having Significant Influence	Enterprises where the Company is having significant influence	Key Management Personnel	Relatives of KMP
1	**Payment made on their behalf:**														
	- Zuari Management Services Limited	14.16	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Zuari Infraworld India Limited	2.85	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Zuari Indian Oiltanking Private Limited	-	0.89	-	-	-	-	-	-	-	-	-	-	-	-
	- Gobind Sugar Mills Limited	20.66	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Zuari Investments Limited	2.85	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Indian Furniture Products Limited	1.10	-	-	-	-	-	-	1.25	-	-	-	-	-	-
	- Simon India Limited	521.73	-	-	-	-	-	-	3.10	-	-	-	-	-	-
2	**Payment made on our behalf:**														
	- Zuari Agro Chemicals Limited	-	-	0.03	-	-	-	-	-	-	7.26	-	-	-	-
	- Simon India Limited	0.17													
	- Zuari Investments Limited	-	-	-	-	-	-	-	2.29	-	-	-	-	-	-
	- Zuari Insurance Brokers Limited	-	-	-	-	-	-	-	0.02	-	-	-	-	-	-
3	**Sale of investments**														
	- Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	1,120.32	-	-	-	-	-	-
4	**Service charges / Brokerage paid/DMC Charges/ Purchase of furniture**														
	- Zuari Finserv Private Limited (refer note 7)	114.59	-	-	-	-	-	-	53.96	-	-	-	-	-	-
	- Zuari Infraworld India Limited	217.66	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Indian Furniture Products Limited	0.21	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Inter-corporate Deposits /Loans/ Advances/ Deposits given**														
	- Zuari Investments Limited	1,339.00	-	-	-	-	-	-	355.00	-	-	-	-	-	-
	- Zuari Sugar and Power Limited	2,078.00	-	-	-	-	-	-	195.00	-	-	-	-	-	-
	- Simon India Limited	200.00	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Zuari Management Services Limited	307.00	-	-	-	-	-	-	389.45	-	-	-	-	-	-
	-- Zuari Infraworld India Limited	1,108.00	-	-	-	-	-	-	400.00	-	-	-	-	-	-
6	**Receipt - repayment of ICDs/loans/advances/ deposits**														
	- Zuari Infraworld India Limited	148.00	-	-	-	-	-	-	760.00	-	-	-	-	-	-
	- Zuari Sugar and Power Limited	1,165.00	-	-	-	-	-	-	3,313.20	-	-	-	-	-	-
	- Zuari Investments Limited	1,293.90	-	-	-	-	-	-	5,364.32	-	-	-	-	-	-
	- Zuari Management Services Limited	65.00	-	-	-	-	-	-	40.00	-	-	-	-	-	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

		Year ended 31 March 2018							Year ended 31 March 2017						
S.no.	Transaction details	Subsidiaries	Joint Ventures	Associates	Enterprises having Significant Influence	Enterprises where the Company is having significant influence	Key Management Personnel	Relatives of KMP	Subsidiaries	Joint Ventures	Associates	Enterprises having Significant Influence	Enterprises where the Company is having significant influence	Key Management Personnel	Relatives of KMP
7	**Managerial Remuneration#**														
	- N. Suresh Krishnan	-	-	-	-	-	216.11	-	-	-	-	-	-	315.28	-
	- Jyotsna Poddar	-	-	-	-	-	68.35	-	-	-	-	-	-	65.32	-
	'#Primarily in the nature of short term employee benefits and does not include compensated absence expense and gratuity expense (being a termination benefit) as the same is provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be determined.														
8	**Interest Income**														
	- Zuari Investments Limited	364.21	-	-	-	-	-	-	756.38	-	-	-	-	-	-
	- Simon India Limited	0.26	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Zuari Sugar and Power Limited	56.32	-	-	-	-	-	-	253.10	-	-	-	-	-	-
	- Zuari Infraworld India Limited	120.82	-	-	-	-	-	-	97.44	-	-	-	-	-	-
	- Zuari Management Services Limited	127.64	-	-	-	-	-	-	102.43	-	-	-	-	-	-
9	**Dividend Received**														
	- Zuari Agro Chemicals Limited	-	-	84.12	-	-	-	-	-	-	-	-	-	-	-
	- Zuari Indian Oiltanking Private Limited	-	25.00	-	-	-	-	-	-	100.00	-	-	-	-	-
10	**Lease Rentals Received**														
	- Zuari Indian Oiltanking Private Limited	-	143.25	-	-	-	-	-	-	136.43	-	-	-	-	-
	- Zuari Fertilisers and Chemicals Limited	-	-	-	-	-	-	-	-	-	4.13	-	-	-	-
	- Zuari Agro Chemicals Limited	-	-	40.64	-	-	-	-	-	-	78.50	-	-	-	-
11	**Corporate Guarantee issued**														
	- Gobind Sugar Mills Limited	14,304.93	-	-	-	-	-	-	7,787.00	-	-	-	-	-	-
	- Indian Furniture Products Limited#	8,000.00	-	-	-	-	-	-	7,200.00	-	-	-	-	-	-
	- Zuari Infraworld India Limited	-	-	-	-	-	-	-	15,000.00	-	-	-	-	-	-
	--Zuari Infra Middle East Limited	-	-	-	-	-	-	-	10,589.95	-	-	-	-	-	-
	--Zuari Sugar & Power Limited	-	-	-	-	-	-	-	10,000.00	-	-	-	-	-	-
12	**Sitting fees Paid**														
	- S. K. Poddar	-	-	-	-	-	2.23	-	-	-	-	-	-	2.87	-
	- Marco Wadia	-	-	-	-	-	4.23	-	-	-	-	-	-	6.43	-
	-- D B Engineer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Krishan Kumar Gupta	-	-	-	-	-	3.18	-	-	-	-	-	-	5.92	-
	- Mr. Jayant N Godbole	-	-	-	-	-	4.06	-	-	-	-	-	-	4.08	-
13	**Management Fees / service charges Received**														
	- Zuari Indian Oiltanking Private Limited	-	30.00	-	-	-	-	-	-	10.00	-	-	-	-	-
	- Zuari Agri Sciences Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-- Simon India Limited	60.00	-	-	-	-	-	-	60.00	-	-	-	-	-	-
	-- Gobind Sugar Mills Limited	120.00	-	-	-	-	-	-	120.00	-	-	-	-	-	-
14	**Corporate guarantee cancelled/transferred**														
	- Gobind Sugar mills Limited	3,421.00	-	-	-	-	-	-	7,000.00	-	-	-	-	-	-
	- Indian Furniture Products Limited#	3,141.00	-	-	-	-	-	-	-	-	-	-	-	-	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

S.no.	Transaction details	Year ended 31 March 2018							Year ended 31 March 2017						
		Subsidiaries	Joint Ventures	Associates	Enterprises having Significant Influence	Enterprises where the Company is having significant influence	Key Management Personnel	Relatives of KMP	Subsidiaries	Joint Ventures	Associates	Enterprises having Significant Influence	Enterprises where the Company is having significant influence	Key Management Personnel	Relatives of KMP
15	**Dividend Paid**														
	- Globalware Trading and Holdings Limited	-	-	-	74.92	-	-	-	-	-	-	74.92	-	-	-
	- New Eros Tradecom Limited	-	-	11.97	-	-	-	-	-	-	11.97	-	-	-	-
	- S. K. Poddar	-	-	-	-	-	2.73	-	-	-	-	-	-	9.84	-
	- Akshay Poddar							2.38	-	-	-	-	-	-	1.37
	- Jyotsna Poddar	-	-	-	-	-	0.72	-	-	-	-	-	-	4.72	-
16	**Deposit given for Appointment of Director/Key Managerial person**														
	- Simon India Limited	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Indian Furniture Products Limited#	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Zuari Management Services Limited	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-
17	**Guarantee Commission received**														
	- Zuari Infra Middle East Limited	30.87	-	-	-		-	-	30.81	-	-	-	-	-	-
18	**Advance Against Purchase of Land**														
	- Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	-	-	3,209.13	-	-	-	-
19	**Advance against Taxation**														
	- Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	-	-	2,533.85	-	-	-	-
20	**Repayment of Advance against Sale of investment**														
	- Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	-	-	11,920.00	-	-	-	-
21	**Sale of investments**														
	- Zuari Investments Limited	-	-	-	-	-	-	-	880.09	-	-	-	-	-	-
	- Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	-	-	5,174.24	-	-	-	-
22	**Purchase of investment**														
	- Zuari Investments Limited	358.69	-	-	-	-	-	-	1,188.50	-	-	-	-	-	-
23	**Advance for sale of flat**														
	- Mrs. Rekha Krishnan	-	-	-	-	-	-	24.02	-	-	-	-	-	-	29.36
	- Mr. K K Gupta	-	-	-	-	-	22.92	-	-	-	-	-	-	30.56	-
24	**Payment recevied on their behalf**														
	- Zuari Agri Sciences Limited	-	-	3.00	-	-	-	-	-	-	-	-	-	-	-
25	**Income from financial gurantee**														
	- Gobind Sugar Mills Limited	41.42	-	-	-	-	-	-	5.02	-	-	-	-		
	- Simon India Limited	1.56	-	-	-	-	-	-	1.10	-	-	-	-		
	- Indian Furniture Products Limited	44.70	-	-	-	-	-	-	12.29	-	-	-	-		
	- Zuari Sugar and Power Limited	3.98	-	-	-	-	-	-	-	-	-	-	-		
	- Zuari Infraworld India Limited	5.04	-	-	-	-	-	-	-	-	-	-	-		
26	**Gain arising through financial asset**														
	- Indian Furniture Products Limited	34.43	-	-	-	-	-	-	30.41						
27	**Deposit of Provident Fund**														
	-Zuari Industries Limited Employees Provident Fund	-	-	-	-	83.73	-	-					78.73		
28	**Deposit of Superannuation Fund**														
	-Zuari Industries Limited Sr. Staff Superannuation Fund	-	-	-	-	4.00	-	-					7.20		
29	**Deposit of Non Management Employees Pension Fund**														
	-Zuari Industries Limited Non Management Employees Pension Fund	-	-	-	-	5.51	-	-					2.61		

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Balance Outstanding For The Period Ended 31st March 2018

S.no.	Transaction details	As at 31 March 2018							As at 31 March 2017						
		Subsidiaries	Joint Ventures	Associates	Enterprises having Significant Influence	Enterprises where the Company is having significant influence	Key Management Personnel	Relatives of KMP	Subsidiaries	Joint Ventures	Associates	Enterprises having Significant Influence	Enterprises where the Company is having significant influence	Key Management Personnel	Relatives of KMP
1	**Loan/ ICD given**														
	- Zuari Infraworld India Limited	22,755.00	-	-	-	-	-	-	1,248.00	-	-	-	-	-	-
	- Zuari Investments Limited	4,416.78	-	-	-	-	-	-	4,371.68	-	-	-	-	-	-
	- Simon India Limited	200.00	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Zuari Management Services Limited	1,782.45	-	-	-	-	-	-	1,540.45	-	-	-	-	-	-
	- Zuari Sugar and Power Limited	943.00	-	-	-	-	-	-	30.00	-	-	-	-	-	-
	- N Suresh Krishnan	-	-	-	-	-	3.60	-	-	-	-			8.40	-
2	**As trade payables**														
	- Zuari Management Services Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Zuari Infraworld India Limited	65.49	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Zuari Agri Science Limited	-	-	4.90	-	-	-	-	-	-	1.90	-	-	-	-
	- Zuari Agro Chemicals Limited	-	-	0.03	-	-	-	-	-	-	16.23	-	-	-	-
	- Zuari Finserv Private llmited (refer note 7)	4.42	-	-	-	-	-	-	17.21	-	-	-	-	-	-
3	**Managerial remuneration payable**														
	- N. Suresh Krishnan	-	-	-	-	-	64.65	-	-	-	-			49.94	-
4	**As Advances or deposits recoverable / as debtor**														
	- Simon India Limited	-	-	-	-	-	-	-	3.10	-	-	-	-	-	-
	- Zuari Indian Oiltanking Private Limited	-	22.65	-	-	-	-	-	-	-	-	-	-	-	-
	- Indian Furniture Products Limited	3.08	-	-	-	-	-	-	2.25	-	-	-	-	-	-
	- Zuari Rotem Speciality Fertilisers Limited	-	-	-	-	-	-	-	-	-	0.16	-	-	-	-
	- Zuari Infraworld India Limited	2.86	-	-	-	-	-	-	111.13	-	-	-	-	-	-
	- Zuari Infra Middle East Limited	13.48	-	-	-	-	-	-	34.78	-	-	-	-	-	-
	- Gobind Sugar Mills Limited	177.02	-	-	-	-	-	-	76.00	-	-	-	-	-	-
5	**Corporate guarantee**														
	- Indian Furniture Products Limited	22,755.00	-	-	-	-	-	-	17,896.00	-	-	-	-	-	-
	- Simon India Limited	12,500.00	-	-	-	-	-	-	5,000.00	-	-	-	-	-	-
	- Gobind Sugar Mills Limited	35,091.93	-	-	-	-	-	-	24,208.00	-	-	-	-	-	-
	- Zuari Infraworld India Limited	15,000.00	-	-	-	-	-	-	15,000.00	-	-	-	-	-	-
	- Zuari Infra Middle East Limited	10,596.49	-	-	-	-	-	-	10,596.49	-	-	-	-	-	-
	-Zuari Sugar & Power Limited	10,000.00	-	-	-	-	-	-	10,000.00	-	-	-	-	-	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

		As at 31 March 2018							As at 31 March 2017						
S.no.	Transaction details	Subsidiaries	Joint Ventures	Associates	Enterprises having Significant Influence	Enterprises where the Company is having significant influence	Key Management Personnel	Relatives of KMP	Subsidiaries	Joint Ventures	Associates	Enterprises having Significant Influence	Enterprises where the Company is having significant influence	Key Management Personnel	Relatives of KMP
6	**Interest on ICD/Loan**														
	- Zuari Management Services Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	- N Suresh Krishnan	-	-	-	-	-	10.90	-	-	-	-	-	-	8.76	-
	- Zuari Infraworld India Limited	-	-	-	-	-	-	-	15.38	-	-	-	-	-	-
7	**Advance against Purchase of Land/Investments**														
	- Simon India Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	- Zuari Agro Chemicals Limited	-	-	3,209.13	-	-	-	-	-	-	3,209.13	-	-	-	-
8	**Advance against Taxation**														
	- Zuari Agro Chemicals Limited	-	-	2,533.85	-	-	-	-	-	-	2,533.85	-	-	-	-
9	**Advance received against sale of flat**														
	- Rekha Krishnan	-	-	-	-	-	-	17.28							29.36
	- Krishan Kumar Gupta	-	-	-	-	-	17.38	-						30.56	
10	**Deposit of provident fund**														
	-Zuari Industries Limited Employees Provident Fund	-	-	-	-	6.76	-	-					6.47		
11	**Deposit of superannuation fund**														
	-Zuari Industries Limited Sr. Staff Superannuation Fund	-	-	-	-	1.33	-	-					-		
12	**Deposit of non-management employees pension fund**														
	-Zuari Industries Limited Non Management Employees Pension Fund	-	-	-	-	0.27	-	-					0.04		
13	**Receivable - Gratuity fund**														
	-Zuari Industries Limited Gratuity Fund	-	-	-	-	-	-	-					5.07		
14	**Financial support (refer note 6 below)**														
	--Indian Furniture Products Limited														
	--Zuari Sugar & Power Limited														
	--Zuari Commodity Trading Limited	-	-	-	-	-	-	-					5.07		

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Notes:

1. The Company has provided Corporate guarantee of USD 16.34 Million (₹10,596 lakhs closing rate of USD 1 = ₹ 64.85) to State Bank of India, for extending credit facility/Loan to Zuari Infra Middle East Limited (ZIMEL) step down wholly owned subsidiary of the Company. However, the Bank has not disbursed loan amount as on 31 March 2018.
2. Sale of flat to following KMP (or relative of KMP)-
   a. Rekha Krishnan -wife of Mr. N. Suresh Krishnan - Sale of flat for the amount of ₹ 77.40 lakhs against which net advance received is for ₹17.28 lakhs (31st March 2017 of Rs 29.36 Lakhs) after adjustment of taxes deposited on customer's behalf

   b. Krishan Kumar Gupta - Sale of flat for the amount of ₹ 77.40 lakhs against which net advance received is for ₹17.38 lakhs (31st March 2017 of ₹ 83.54 lakhs) after adjustment of taxes deposited on customer's behalf
3. The Company has provided Corporate guarantee for ₹10,000 lakhs to Indusind Bank for extending loan to Zuari Sugar and power Limited (ZSPL), wholly owned subsidiary of the Company. As on 31 March 2018, loan disbursement amount is of ₹ 9,997.50 lakhs (31st March 2017 of Rs 9483.00 Lakhs) and also provided following security:
   a. Exclusive charge on immovable fixed assets owned by the Company
   b. The land collateral should include at least 6.89 acre for phase I residential development and 16 acre for phase II residential project being executed by the Company in Goa.
   c. Exclusive charge by way of hypotheticationover all present and future current and movable property, plant & equipment of the Company excluding all land (Being carried as inventory) other than land to be mortgaged to Indusind bank Limited and excluding Non Current Investment of Synthesis Energy System Inc
4. The Company has given a plot of land as security admeasuring an area about 1,26,549 Sq.mtrs situated at Zuarinagar Sancoale, Goa within the limit of village panchayat of Sancoale, Taluka and Sub District of Mormugao, District of South Goa, in favour of State Bank of India, Mumbai to issue Standby Letter of Credit (SBLC) to the extent of AED 35 Million {₹6,209 lakhs (previous year: ₹6,181 lakhs at the closing rate of 1 AED = ₹17.74 (previous year: ₹17.66)} to Zuari Infra Middle East Limited, stepdown wholly owned subsidiary of the Company .
5. The Company has provided Corporate guarantee for ₹ 10,304.93 lakhs (USD 16 Million) to Nederlandse Financierings - Maatschappij Voor Ontwikkelingslanden N.V (FMO) for extending loan to Gobind Sugar Mills Limited (GSML), Indirect subsidiary of the Company. As on March 31, 2018, loan disbursement amount is of ₹ 9,008.90 lakhs and also provided following security:

a. Exclusive charge on Immovable property having survey No 119/1 admersures 51425 sq. mtrs ,survey No 120/1 admersures 8075 sq. mtrs,survey No 121 admersures 32239 sq. mtrs,survey No 129/1 admersures 24625 sq. mtrs,survey No 130/1 admersures 86175 sq. mtrs and survey No 131/1 admersures 19050 sq. mtrs situated at Sancoale within the limits of Village panchayant of Sancoale Goa, Mormugao Taluka, Sub Districity of Registration District of State of Goa.

6. The Company has undertaken to provide continued financial support, as and when required. As per the latest audited financial statements of these subsidiaries, they have accumulated losses which have resulted in erosion of substantial portion of its net worth.
7. Relevant transaction and closing balances of Demerged Company are shown in the name of Resulting Company as at and for the year ended 31 March 2018.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

41. Disclosure required under section 186(4) of Companies Act 2013

A. Disclosure of loan given:

S. No	Name of Loanee	Opening balance	Loan given	Loan repaid	Outstanding balance	Purpose
1	Zuari InfraWorld India Limited	1,248.00	1,108.00	148.00	2,208.00	General business purpose
2	Zuari Investment Limited	4,371.68	1,339.00	1,293.90	4,416.78	General business purpose
3	Zuari Management Services Limited	1,540.45	307.00	65.00	1,782.45	General business purpose
4	Zuari Sugar & Power Limited	30.00	2,078.00	1,165.00	943.00	General business purpose
5	Simon India Limited	-	200.00	-	200.00	General business purpose
		7,190.13	**5,032.00**	**2,671.90**	**9,550.23**	

B. Particulars of guarantee given:

S. No	Name of Entity	Opening balance	Guarantee given	Guarantee discharged	Outstanding balance	Purpose
1	Indian Furniture Products Limited	17,896.00	8,000.00	3,141.00	22,755.00	General business purpose
2	Gobind Sugar Mills Limited	24,208.00	14,304.93	3,421.00	35,091.93	General business purpose
3	Simon India Limited	5,000.00	7,500.00	-	12,500.00	General business purpose
4	Zuari InfraWorld India Limited	15,000.00	-	-	15,000.00	General business purpose
5	Zuari Infra Middle East Limited	10,596.49	-	-	10,596.49	General business purpose
6	Zuari Sugar & Power Limited	10,000.00	-	-	10,000.00	General business purpose
		82,700.49	**29,804.93**	**6,562.00**	**105,943.42**	

C. Particulars of investment made during the year

S. No	Name of the Investee	Investment made 31 March 2018	Investment made 31 March 2017	Purpose
1	Texmaco Infrastructure and Holdings Limited	361.69	1,187.50	Strategic investment
2	Zuari Finserv Private Limited	-	1.00	Strategic investment
		361.69	**1,188.50**	

42. Disclosure Under Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Loans and advances in the nature of loans to Subsidiaries

S No	Name of Loanee	Status	Outstanding balance on		Maximum balance during the year	
			31 March 2018	31 March 2017	31 March 2018	31 March 2017
1	Zuari InfraWorld India Limited	Subsidiary	2,208.00	1,248.00	2,208.00	1,608.00
2	Zuari Investment Limited	Subsidiary	4,416.78	4,371.68	5,458.68	9,636.00
3	Zuari Management Services Limited	Subsidiary	1,782.45	1,540.45	1,782.45	1,540.45
4	Zuari Sugar & Power Limited	Subsidiary	943.00	30.00	1,016.00	3,293.70
5	Simon India Limited	Subsidiary	200.00	-	200.00	-
			9,550.23	**7,190.13**	**10,665.13**	**16,078.15**

There are no transactions of loans and advances to subsidiaries/ associates/ firms/ joint ventures/ others in which Directors are interested other than as disclosed above.

There are no loans and advances in the nature of loans where there is no repayment schedule or repayment beyond seven years or no interest or interest below Section 186 of the Act.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

43 During the year ended 31 March 2018, the Hon'ble National Company Law Tribunal, Mumbai Bench, of Mumbai vide its order dated 09 November 2017 approved the arrangement as embodied in the Scheme of Arrangement (the "Scheme") of the Demerged Service Oriented Undertaking of Zuari Investments Limited ("ZIL" or "Demerged Company"), the wholly owned subsidiary of the Company with another wholly owned subsidiary of the Company, the Zuari Finserv Private Limited (formerly known as Horizonview Developers Private Limited) ("ZFPL" or "Resulting Company") and the same has been filed with Registrar of Companies on 5 January 2018 ("Effective Date"). On complying with the requisite formalities by the Company, the Scheme became effective from 1 April 2016 ("Appointed Date").

As an integral part of the Scheme, and, upon the coming into effect of the Scheme, with effect from the Appointed Date, the issued, subscribed and paid up equity share capital of the Demerged Company shall stand reduced by cancelling and extinguishing paid up equity share capital of the Demerged Company by ₹1,798.84 lakhs comprising of 17,988,426 equity shares of face value of ₹10 each.

Correspondingly, the share capital of the Resulting Company, shall without any further application, act, payment, consent, instrument or deed, issue and allot 17,988,426 fully paid up equity shares of the resulting company of face value of ₹10/- each to the Company who is holding the entire beneficial interest in the share capital of the Demerged Company, in accordance with the terms of the Scheme. Accordingly, ₹1,798.84 lakhs has been reduced from the investments amount in ZIL and corresponding, added to the investments value of ZFPL.

The Resulting Company has applied for the updation of records in regards to share capital with Registrar of Companies, Goa. However, the same are yet to be updated in the records with Registrar of Companies, Goa.

44 Under section 133A of the Income Tax Act, 1961, the income tax department carried out a survey at the company's premises in February, 2014. Pursuant to the discussion during the survey, the company had deposited a sum of ₹5,500 lakhs towards income tax demand mainly towards disallowance under section 14A of the Income Tax Act, 1961, disallowance for diminution in value of fertilizer bonds and disallowance under Section 36(1)(iii) of the Income Tax Act, 1961. The company is carrying the same amount of income tax provision including interest thereon provided in an earlier year for various assessment years aggregating to ₹3,916.13 lakhs.

Income Tax Appellate Tribunal has, during the current year issued favorable decisions for assessment years 2006-07, 2008-09,2009-10, 2010-11 and 2011-12. Appeal effect orders are not yet received from the department. Pending receipt of such orders, interest on income tax refund and provision towards additional income tax has not been recognised as the amount is presently not reasonably determinable.

45 The company had demerged its fertilizer undertaking to Zuari Agro Chemicals Limited (ZACL) with effect from 1 July 2011.

The Company has, during the year march 2017, based on Hon'ble High Court Order on demerger of fertilizer undertaking, identified the amount of income tax paid under protest pertaining to fertilizer undertaking demerged into ZACL.

The Company has exchanged letter of mutual understanding with ZACL wherein ZACL has paid such amount of tax paid under protest by the Company. During the previous year, the company has received ₹ 2,533.85 lakhs from ZACL on this account and adjusted the same from income tax assets pending completion of final assessment/litigation in respect of such financial years, out of which during the current year, the Company has received a favourable order of ₹ 145.18 lakhs in respect of assessment year 2008-09.

46 In line with the provisions of Ind AS 108 - "Operating Segments", the Company is engaged in real estate development, which constitute single reportable business segment. The Company is operating only in India and there is no other significant geographical segment.

47 Under instructions from Special Court (trial of offences relating to transactions in securities) Act, 1992 and in respect of shareholders who could not exercise their rights in view of deposits, mistakes, discrepancy in holdings etc., 8,051 (previous year 8,051) right's equity shares entitlement have been kept in abeyance pursuant to Section 126 of the Companies Act, 2013.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

48 During the year ended 31 March 2018, the Company reclassified/regrouped certain previous year's numbers i.e. 31 March 2017. Considering the nature of these reclassification/regrouping, the Company does not intend to present opening balance sheet of previous year reported. Refer below for the same.

As on 31 March 2017	Amount	Earlier reported grouping	Revised groupings
Advance recoverable in kind	355.89	Financial asset - Current	Other current assets
Balance with statutory authority	21.12	Financial asset - Current	Other current assets
Advance received against sale of land	3,209.13	Other financial liabilities-Current	Other current liabilities
Income tax assets	910.50	Current Income tax assets	Non-Current Income tax assets
Miscellaneous Payables	88.28	Trade payables	Other financial liabilities-Current
Receivable from sale of service and guarantee provided	110.78	Other current assets	Other financial assets-Current
Leave encashment provision	178.55	Current provision	Non-current provision

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

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

For and on behalf of board of directors of **Zuari Global Limited**

Neeraj Goel
Partner
Membership No.: 099514

S. K. Poddar
Chairman
DIN No: 00008654

N Suresh Krishnan
Managing Director
DIN: 00021965

Marco Wadia
Director
DIN: 00244357

Place: Gurugram
Date: 25 May 2018

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
Membership No. 31286

Independent Auditor's Report

To the Members of Zuari Global Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Zuari Global Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The Holding Company's Board of Directors and the respective Board of Directors/management of the subsidiaries included in the Group, and its associates and joint ventures are responsible for the design, implementation and maintenance of internal control 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. Further, in terms of the provisions of the Act, the respective Board of Directors/management of the companies included in the Group, and its associate companies and joint venture companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 11 and 12 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.

Basis for Qualified Opinion

8. We draw attention to Note 58(a) of the consolidated financial statement and the following qualification to the audit opinion on the financial statements of Zuari Agro Chemicals Limited ('ZACL'), an Associate of the Holding Company issued by an independent firm of Chartered Accountants vide its report dated 25 May 2018 reproduced by us as under:

   Attention is drawn to Note XX of the consolidated financial statements explaining the evaluation of recoverable amounts, as required under IND AS 36 to assess impairment provision, if any, on the Parent Company's investment of ₹11,943.48 lakhs in the rock phosphate mining project through MCA Phosphate Pte Ltd, a joint venture company. The joint venture company audited by another auditor has provided for diminution in the entire value of the said investment. The Parent company has received the valuation report; based on valuation carried out by external valuer; the value indicated is higher than the carrying amount. However, we were unable to review the valuation report; Pending such review and in the absence of other sufficient appropriate audit evidence, we are unable to comment on the adjustments, if any, required to be made to the financial statements, in this regard.

   In absence of quantification of the impact of above matter by the auditor of ZACL, we are unable to comment on the impact of the same on Share of profit/ (loss) of an associate and joint venture recorded in the total comprehensive income and its consequential impact on the accompanying consolidated financial statements.

Qualified Opinion

9. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (consolidated financial position) of the Group, its associates and joint ventures as at 31 March 2018,their consolidated profit (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Emphasis of Matters

10. We draw attention to Note 58(b) and 58(c) of the consolidated financial statements and the following Emphasis of Matter paragraphs included in the audit report dated 25 March 2018 on the consolidated financial statements of ZACL, issued by an independent firm of Chartered Accountants, reproduced by us as under:
    i) We draw attention to Note XX of the consolidated financial statements, wherein the Parent company is carrying receivable of ₹1,949.03 lakhs in relation to subsidy income accrued for the year ended 31 March 2013. The subsidy income is receivable since March 2013. Based on the legal opinion obtained by the Parent company, the amount is fully recoverable from the department of fertilisers. Pending settlement of the differential subsidy amount as more fully explained in note, the Parent company has not made any provision in this regard in the financial statements. Our opinion is not qualified in respect of this matter.
    ii) Attention is invited to Note XX to the consolidated financial statements regarding Urea Concession Income from the Government of India (GOI), which is being recognised by one of the subsidiaries based on estimates and changes, if any, are recognised in the year of finalization of the prices by the GOI under the scheme. Our opinion is not qualified in respect of this matter.

Other Matters

11. We did not audit the financial statements of four subsidiaries, whose financial statements reflect total assets of ₹ 93,127.21 lakhs and net assets of lakhs ₹ 38,744.60 lakhs as at 31 March 2018, total revenues of ₹ 2,019.71 lakhs and net cash inflows amounting to ₹ 364.59 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of ₹ 5,583.63 lakhs for the year ended 31 March 2018, as considered in the consolidated financial statements, in respect of 22 associates and two joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose report have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, is based solely on the reports of the other auditors.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

12. The consolidated financial statements include the Group's share of net loss ₹1,037.29 lakhs for the year ended 31 March 2018, as considered in the consolidated financial statement, in respect of one joint venture entity whose financial statements and other financial information has not been audited and whose unaudited financial statements, and other unaudited financial information has been furnished to us by the management. Our opinion, in so far as it relates to amounts and disclosure included in respect of the joint venture entity and our report in term of sub section (3) of the section 143 of the act is so far as it relates to the aforesaid joint venture entity is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial statement and other financial information are not material to the Group.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

13. The consolidated financial statements of the Holding Company for the year ended 31 March 2017 were audited by predecessor auditor who expressed an unmodified opinion in the audit report dated 19 May 2017. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

14. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint ventures, we report, to the extent applicable, that:
    a) We have sought and except for the possible effect of the matter described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the effects/ possible effects of the matters described in paragraph 8 of the Basis for Qualified Opinion paragraph with respect to the financial statements of the Zuari Agro Chemicals Limited, an associate of the Holding Company.
    c) the reports on the accounts of the branch office of its subsidiary company, covered under the Act, audited under Section 143(8) of the Act by branch auditors have been sent to us, as applicable, and have been properly dealt with in preparing this report;
    d) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
    e) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under Section 133 of the Act;

f) The matters described in paragraph 8 and paragraph 10 of the Basis for Qualified Opinion and Emphasis of Matters paragraph respectively, in our opinion, may have an adverse effect on the functioning of the Holding Company and Zuari Agro Chemicals Limited, an associate of the Holding Company.

g) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, associate companies and joint venture companies covered under the Act, none of the directors of the Group companies, its associate companies and joint venture companies covered under the Act, are disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act.

h) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary companies, associate companies and joint venture companies, referred in paragraph 11 and 12 and the operating effectiveness of such controls, refer to our separate report in 'Annexure A;

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 Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures:

   i) the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures as detailed in Note 37A(ii), 38(ii) and 43A, to the consolidated financial statements.

   ii) the provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, as detailed in Note 16 to the consolidated financial statements. However, the Group, its associates and joint ventures did not have any derivative contracts;

   iii) there are no delays in transferring amounts required to be transferred, to the investor Education and Protection Fund by the Holding Company, subsidiary companies, associate companies and joint ventures except for aggregate of ₹0.05 lakhs, which were due to be transferred to the IEPF on various dates but transferred by the Holding Company on 1 March 2018.

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

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

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 25 May 2018

Annexure A to the Independent Auditor's Report of even date to the members of Zuari Global Limited on the consolidated financial statements for the year ended 31 March 2018

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

1. In conjunction with our audit of the consolidated financial statements of Zuari Global Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), itsassociates and joint ventures as at and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Holding Company, its subsidiary companies,its associate companies and joint venture companies, which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies,its associate companies and joint venture companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control stated in the Guidance Note on the Audit of Internal Controls Over Financial Reporting issued by the Institute of Chartered Accountant of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the company's policies, the safeguarding of itsassets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company, its subsidiary companies, its associate companies andjoint venture companies,as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR,and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFRand their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, its subsidiary companies, its associate companies and joint venture companies as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

8. According to the information and explanation given to us and based on the consideration of the reports of the other auditors, the following material weakness has been identified as at 31 March 2018 with respect to an associate and a subsidiary company of the holding company. The possible effects of the following material weakness have been assessed as material but not pervasive to these consolidated financial statements:
   a. On the IFCoFR of Zuari Agro Chemicals Limited ('ZACL'), an associate of the Holding Company, issued by an independent firm of Chartered Accountants vide its report dated 25 May 2018, reproduced by us as under:

      "ZACL's internal financial controls over evaluation of provision for impairment in the value of investments were not operating effectively which could potentially result in the company not recognising provision for impairment in the value of investment leading to misstatements in the financial statements."
   b. Because of the following matter,we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion as at 31 March 2018, on the IFCoFRof Indian Furniture Products Limited ('IFPL'), a subsidiary of the Holding Company, issued by us vide our audit report dated 22 May 2018 reproduced by us as under:

      "The system of internal financial controls over financial reporting with regard to IFPL were not made available to us to enable us to determine if the company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at 31 March 2018."

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in IFCoFR, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.
10. In our opinion and based on the consideration of the reports of the other auditors on IFCoFR of thesubsidiary companies, associate companies and joint venture companies,except for the effects/possible effects of the material weaknesses described aboveon the achievement of the objectives of the control criteria,the Holding Company, its subsidiary companies, its associate companies and joint venture companies, which are companies covered under the Act,have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based onthe internal control stated in the Guidance Note issued by the ICAI.

11. We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Holding Company as at and for the year ended 31 March 2018, and these material weaknesses does not affect our opinion on the consolidated financial statements of the Company.

Other Matter

12. We did not audit the IFCoFR insofar as it relates to two subsidiaries,which are companies covered under the Act, whose financial statements reflect total assets of ₹ 63,268.75 lakhsand net assets of ₹ 38,575.00 lakhs as at 31 March 2018, total revenues of ₹ 1,702.14 lakhs and net cash inflows amounting to ₹ 382.23 lakhs for the year ended on that date; 20 associate companies and two joint venture companies, which are companies covered under the Act, in respect of which, the Group's share of net profit (including other comprehensive income) of ₹ 5,583.63 lakhs for the year ended 31 March 2018 has been considered in the consolidated financial statements. Our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company, its subsidiary companies, its associate companies and joint venture companies, which are companies covered under the Act, under Section 143(3)(i) of the Act insofar as it relates to the aforesaid subsidiaries, associates and jointly controlled companies, which are companies covered under the Act, is solely based on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.
13. We did not audit the IFCoFR insofar as it relates to one joint venture company, which is a company covered under the Act, in respect of which, the Group's share of net loss (including other comprehensive income) of ₹ 1,037.29 lakhs for the year ended 31 March2018 has been considered in the consolidated financial statements. The IFCoFR of this joint venture company, which is a company covered under the Act,is unaudited and our opinion under Section 143(3)(i) of the Act insofar as it relates to the aforesaid joint venture company, which is a company covered under the Act, is solely based on the corresponding IFCoFR reportcertified by the managementof such company. In our opinion and according to the information and explanations given to us by the management, these financial statementsare not material to the Group. Our report on adequacy and operating effectiveness of the IFCoFR of the Group does not include the IFCoFR assessment in respect of the aforesaid company. Our opinion is not modified in respect of the above matter with respect to our reliance on the IFCoFR reportcertified by the management.

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

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 25 May 2018

Consolidated Balance Sheet as at 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	As at 31 March 2018	As at 31 March 2017*	As at 1 April 2016*
I ASSETS				
Non-current assets				
Property, plant and equipment	3A	39,616.81	39,067.97	22,324.42
Capital work-in-progress	3A	757.26	1,207.55	14,213.29
Investment property	4	748.87	164.13	1,153.12
Goodwill	39	14,565.67	14,565.67	14,565.67
Other intangible assets	3B	68.29	56.50	68.72
Investments accounted for using the equity method	37A,38	56,860.52	52,783.38	50,357.28
Financial assets				
Investments	5A	164,004.90	107,223.86	88,367.94
Loans	5B	1,896.48	943.92	1,473.92
Other financial assets	5C	1,086.43	119.67	122.61
Deferred tax assets (net)	17B	12,477.39	11,203.95	10,786.28
Non-current tax assets (net)	17C	2,692.09	2,605.56	4,499.91
Other non-current assets	6	5,345.75	2,861.69	1,163.84
Total non-current assets		**300,120.46**	**232,803.85**	**209,097.00**
Current assets				
Inventories	7	85,354.85	59,467.03	50,492.10
Financial assets				
Investments	5A	616.00	-	4,407.45
Trade receivables	8	13,022.31	9,287.83	9,373.81
Cash and cash equivalents	9	3,126.62	4,013.95	3,478.69
Other bank balances	10	776.76	804.75	3,477.88
Loans	5B	2,149.72	2,290.35	3,102.09
Other financial assets	5C	3,799.73	6,682.35	5,599.90
Other current assets	6	7,609.71	7,075.75	7522.71
Current tax assets (net)		-	46.19	46.71
Total current assets		**116,455.70**	**89,668.20**	**87,501.34**
Assets classified as held for sale	11	979.83	979.83	-
Total assets		**417,555.99**	**323,451.88**	**296,598.34**
II EQUITY AND LIABILITIES				
Equity				
Equity share capital	12A	2,944.11	2,944.11	2,944.11
Other equity	12B	238,054.72	188,035.37	167,573.13
Equity attributable to equity holders of the Holding Company		**240,998.83**	**190,979.48**	**170,517.24**
Non controlling interests	36	1,098.77	2,377.10	1,853.60
Total equity		**242,097.60**	**193,356.58**	**172,370.84**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	13A	68,976.68	43,027.36	32,938.10
Trade payables	14	199.57	397.14	369.10

Consolidated Balance Sheet as at 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	As at 31 March 2018	As at 31 March 2017*	As at 1 April 2016*
Other financial liabilities	15	623.90	4.60	23.27
Provisions	16	805.46	451.95	470.86
Deferred tax liabilities (net)	17B	1,384.04	-	30.87
Other non-current liabilities	18	2,425.23	2,232.90	708.87
Total non-current liabilities		**74,414.88**	**46,113.95**	**34,541.07**
Current liabilities				
Financial liabilities				
Borrowings	13B	41,046.04	34,048.64	35,150.12
Trade payables	14	38,923.35	27,372.28	18,327.61
Other financial liabilities	15	7,951.99	9,015.50	30,161.07
Other current liabilities	18	11,816.78	12,318.28	5,662.43
Provisions	16	1,305.35	1,226.65	385.20
Total current liabilities		**101,043.51**	**83,981.35**	**89,686.43**
Total equity and liabilities		**417,555.99**	**323,451.88**	**296,598.34**

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 103 'Business Combinations'.

Summary of significant accounting policies 2.3

The accompanying notes forms an integral part of the financial statements

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

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

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 25 May 2018

For and on behalf of board of directors of **Zuari Global Limited**

S. K. Poddar
Chairman
DIN No: 00008654

N Suresh Krishnan
Managing Director
DIN: 00021965

Marco Wadia
Director
DIN: 00244357

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
ACS: 31286

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

(All amounts in ₹ lakhs, unless stated otherwise)

	Particulars	Notes	For the year ended 31 March 2018	For the year 31 March 2017*
I	**Revenue**			
	Revenue from operations	19	55,265.81	63,114.68
	Other income	20	7,277.46	4,696.09
	Total income (I)		**62,543.27**	**67,810.77**
II	**EXPENSES**			
	Cost of material consumed	21	42,680.25	32,704.63
	Purchases of stock in trade	22	851.72	2,268.62
	Project expenses	23	26,420.58	14,676.79
	Change in inventories of finished goods and work-in-progress	24	(26,309.89)	(8,960.31)
	Excise duty on sales of goods	25	530.11	2,775.72
	Employee benefits expense	26	6,267.24	7,463.51
	Finance costs	27	9,214.85	6,593.48
	Depreciation and amortization expense	28	1,998.94	1,482.46
	Other expenses	29	8,332.26	8,800.70
	Total expenses (II)		**69,986.06**	**67,805.60**
III	**Profit/(loss) before share of profit/(loss) of associates and joint ventures, exceptional items and tax (I-II)**		**(7,442.79)**	**5.17**
IV	Share of profit/ (loss) of associates and joint ventures (net of tax)	37,38	4,036.91	(505.66)
V	**Loss before exceptional items and tax (III-IV)**		**(3,405.88)**	**(500.49)**
VI	Exceptional items	30	-	(1,500.38)
VII	**Loss before tax (V+VI)**		**(3,405.88)**	(2,000.87)
VIII	**Tax expense:**	17A		
	Current tax		267.80	393.01
	Deferred tax		136.49	(367.40)
	Total tax expense		**404.29**	**25.61**
IX	**Loss for the year (VII-VIII)**		**(3,810.17)**	**(2,026.48)**
X	**Other comprehensive income (A+B)**		**51,996.55**	**23,361.27**
	A Items that will be reclassified to profit or loss		**(34.78)**	**(154.75)**
	Share of loss in associates	37,38	(30.99)	(69.18)
	Foreign currency translation reserve		(3.79)	(85.57)
	B Items that will not be reclassified to profit or loss		**52,031.33**	**23,516.02**
	Share of (Loss)/profit in associates and joint ventures	37,38	231.12	1,709.43
	Re-measurement gains (losses) on defined benefit plans		(214.42)	(125.68)
	Net (loss)/gain on FVTOCI equity securities		51,981.60	21,893.76
	Income tax relating to these items	17A	33.03	38.51
	Total comprehensive income for the year (IX + X)		**48,186.38**	**21,334.79**
	Profit/(loss) for the year			
	Attributed to:			
	Equity holders of the Holding Company		(2,807.61)	(2,587.87)
	Non controlling interest		(1,002.56)	561.39
			(3,810.17)	**(2,026.48)**

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

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Notes	For the year ended 31 March 2018	For the year 31 March 2017*
Other comprehensive income			
A Items that will be reclassified to profit or loss			
Attributed to:			
Equity holders of the Holding Company		(34.78)	(154.75)
Non controlling interest		-	-
B Items that will not be reclassified to profit or loss		**(34.78)**	**(154.75)**
Attributed to:			
Equity holders of the Holding Company		52,307.10	23,553.91
Non controlling interest		(275.77)	(37.89)
		52,031.33	**23,516.02**
Total comprehensive income for the year			
Attributed to:			
Equity holders of the Holding Company		49,464.71	20,811.29
Non controlling interest		(1,278.33)	523.50
		48,186.38	**21,334.79**
XI Earnings per equity share: nominal value of share of ₹ 10/- (31 March 2017: ₹ 10/-)			
(1) Basic	32	(9.54)	(8.79)
(2) Diluted	32	(9.54)	(8.79)

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 103 'Business Combinations'.

Summary of significant accounting policies 2.3

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

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

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

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 25 May 2018

For and on behalf of board of directors of **Zuari Global Limited**

S. K. Poddar
Chairman
DIN No: 00008654

N Suresh Krishnan
Managing Director
DIN: 00021965

Marco Wadia
Director
DIN: 00244357

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
ACS : 31286

Statement of Cash Flows for the year ended 31st March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Sl. No.	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017*
A	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Loss after exceptional items but before tax	**(3,405.88)**	**(2,000.87)**
	Share of (profit)/loss of associates and joint ventures (net of tax)	(4,036.91)	505.66
	Loss before share of loss of associates and joint ventures and tax	**(7,442.79)**	**(1,495.21)**
	Adjustment to reconcile profit before tax to net cash flows:-		
	Depreciation and amortization expense	1,998.94	1,482.46
	Molasses storage and maintenance reserve	2.69	5.29
	Excess provisions written back (net)	(1,375.27)	(114.09)
	Loss on sale of property, plant and equipment (net)	5.34	6.28
	Provision for doubtful debts, claims and advances	886.42	268.23
	Sundry balances written off	54.11	209.50
	Profit on sale of current investments (net)	(4.45)	(17.82)
	Income from fair valuation of mutual funds	(485.64)	(472.23)
	Unrealised gain on joint ventures	-	9.00
	Interest expense on loans	10,509.54	7,794.05
	Interest expense on preference shares	1,208.93	872.79
	Amortisation of deferred gains and deferred grants	(290.59)	(52.31)
	Interest income	(350.75)	(1,365.82)
	Dividend income	(1,397.99)	(1,415.55)
		10,761.28	**7,209.28**
	Operating profit before working capital changes	**3,318.49**	**5,714.57**
	Movement in working capital :		
	Movement in inventories	(25,871.78)	(8,941.43)
	Movement in trade receivables	(4,620.90)	(391.75)
	Movement in other assets	2,850.01	(2,461.45)
	Movement in loans and advances	(840.38)	1,243.59
	Movement in trade payables and other liabilities	12,694.08	13,544.96
	Movement in provisions	217.79	696.86
		(15,571.18)	**3,690.78**
	Cash generated (used in)/ from operations	**(12,252.69)**	**9,405.35**
	Direct taxes (paid) /refund	(308.14)	1,459.23
	Net cash flow (used in)/from operating activities (A)	**(12,560.83)**	**10,864.58**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment, including intangible assets, capital work-in-progress and capital advances	(2,830.07)	(4,157.69)
	Advance for sale of land	-	3,209.13
	Proceeds from sale of property, plant and equipment	13.28	36.23
	Repayment of advance received towards sale of shares	-	(11,920.00)
	Purchases of non-current investments	(9,168.64)	(1,400.50)
	Proceeds from sale of non-current investments	2,350.41	1,120.32
	Purchases of current investments	(13,164.94)	-
	Proceeds from sale of current investments	13,164.94	6,815.00

Statement of Cash Flows for the year ended 31st March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Sl. No.	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017*
	Loans given	(1,850.00)	-
	Loans received back from bodies corporate	1,000.00	90.00
	Receipt of unclaimed dividend	-	3.17
	Receipt of interest warrant	-	1.71
	Investment of bank deposits (having original maturity of more than 3 months)	(947.43)	2,674.33
	Interest received	141.78	1,468.57
	Dividends received	1,557.89	1,515.55
	Net Cash flow used in investing activities (B)	**(9,732.78)**	**(544.18)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of non-current borrowings	(8,915.45)	(20,997.22)
	Proceeds from non-current borrowings	31,297.32	22,213.47
	Proceeds from issue of preference shares	2,950.00	-
	Proceeds of current borrowings	11,947.40	5476.55
	Repayment of current borrowings	(4,950.00)	(6,578.02)
	Finance cost paid	(10,564.98)	(9,542.40)
	Dividend paid on equity shares	(298.08)	(297.59)
	Dividend distribution tax	(59.93)	(59.93)
	Net cash flow from/(used in) financing activities (C)	**21,406.28**	**(9,785.14)**
D	**Net (decrease)/ increase in cash and cash equivalents (A + B + C)**	**(887.33)**	**535.26**
	Cash and cash equivalents at the beginning of the year	4,013.95	3,478.69
	Cash and cash equivalents at the end of the year	**3,126.62**	**4,013.95**

	Components of cash and cash equivalents (refer note 9)	As at 31 March 2018	As at 31 March 2017
	Cash on hand	30.99	38.57
	Cheques/ drafts on hand	0.23	165.71
	With banks- on current account	1,946.70	1,809.64
	With banks- on saving account	-	0.03
	On deposits account	1,148.70	2,000.00
		3,126.62	**4,013.95**

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 103 'Business Combinations'.

This is the Consolidated Statement of Cash Flow Statment referred to in our report of even date.

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

For and on behalf of board of directors of **Zuari Global Limited**

Neeraj Goel
Partner
Membership No.: 099514

S. K. Poddar
Chairman
DIN No: 00008654

N Suresh Krishnan
Managing Director
DIN: 00021965

Marco Wadia
Director
DIN: 00244357

Place: Gurugram
Date: 25 May 2018

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
ACS : 31286

Consolidated Statement of Changes in Equity for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

(a) Equity share capital

Particulars	31 March 2018		31 March 2017	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹10 each issued, subscribed and fully paid				
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	29,440,604	2,944.06	29,440,604	2,944.06
Add: Issue of share capital	-	-	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	**29,440,604**	**2,944.06**	**29,440,604**	**2,944.06**

(b) Other equity

Particulars	Attributable to the equity holders of the Holding Company										
	Equity component of non-convertible preference shares	Reserves and surplus					Items of OCI		Equity attributable to equity holders	Non controlling interest	Total equity
		Share premium	General reserve	Capital reserve	Molasses and alcohol storage and maintenance reserve	Retained earnings	FVTOCI reserve	Foreign currency translation reserve			
As at 1 April 2016	**708.17**	**7,650.00**	**3,861.60**	**7,175.25**	**8.14**	**97,988.36**	**58,542.45**	**25.74**	**175,959.71**	**1,853.60**	**177,813.31**
Adjustment in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 103 'Business Combinations	2,550.01	(7,650.00)	-	-	-	(3,286.59)	-	-	(8,386.58)	-	(8,386.58)
Adjusted 1 April 2016	**3,258.18**	**-**	**3,861.60**	**7,175.25**	**8.14**	**94,701.77**	**58,542.45**	**25.74**	**167,573.13**	**1,853.60**	**169,426.73**
Profit/(Loss) for the year	-	-	-	-	-	(2,587.87)	-	-	(2,587.87)	561.39	(2,026.48)
Other comprehensive income/(loss) (refer note 31)	-	-	-	-	-	(3.42)	23,575.25	(172.67)	23,399.16	(37.89)	23,361.27
Total comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	**(2,591.29)**	**23,575.25**	**(172.67)**	**20,811.29**	**523.50**	**21,334.79**
Provided during the year	-	-	-	-	5.29	-	-	-	5.29	-	5.29
Appropriation towards general reserve	-	-	50.00	-	-	(50.00)	-	-	-	-	-
Dividends paid (refer note 33)	-	-	-	-	-	(294.41)	-	-	(294.41)	-	(294.41)
Dividend distribution tax (DDT) (refer note 33)	-	-	-	-	-	(59.93)	-	-	(59.93)	-	(59.93)
As at 31 March 2017	**3,258.18**	**-**	**3,911.60**	**7,175.25**	**13.43**	**91,706.14**	**82,117.70**	**(146.93)**	**188,035.37**	**2,377.10**	**190,412.47**
Profit/(Loss) for the year	-	-	-	-	-	(2,807.61)	-	-	(2,807.61)	(1,002.56)	(3,810.17)
Other comprehensive income/(loss) (refer note 31)	-	-	-		-	135.58	52,172.41	(35.67)	52,272.32	(275.77)	51,996.55
Total comprehensive income/ (loss)	**-**	**-**	**-**	**-**	**-**	**(2,672.03)**	**52,172.41**	**(35.67)**	**49,464.71**	**(1,278.33)**	**48,186.38**
Provided during the year	-	-	-	-	2.69	-	-	-	2.69	-	2.69
Equity component of preference shares issued during the year by the Subsidiary Company	969.81	-	-	-	-	-	-	-	969.81	-	969.81

Consolidated Statement of Changes in Equity for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Attributable to the equity holders of the Holding Company										
	Equity component of non-convertible preference shares	Reserves and surplus					Items of OCI		Equity attributable to equity holders	Non controlling interest	Total equity
		Share premium	General reserve	Capital reserve	Molasses and alcohol storage and maintenance reserve	Retained earnings	FVTOCI reserve	Foreign currency translation reserve			
Reclassification from OCI to retained earnings on disposal of investments	-	-	-	-	-	185.02	(185.02)	-	-	-	-
Dividends paid (refer note 33)	-	-	-	-	-	(294.41)	-	-	(294.41)	-	(294.41)
Dividend distribution tax (DDT) (refer note 33)	-	-	-	-	-	(59.93)	-	-	(59.93)	-	(59.93)
Others	-	-	-	-	-	(63.52)			(63.52)	-	(63.52)
As at 31 March 2018	**4,227.99**	**-**	**3,911.60**	**7,175.25**	**16.12**	**88,801.27**	**134,105.09**	**(182.60)**	**238,054.72**	**1,098.77**	**239,153.49**

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

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 25 May 2018

For and on behalf of Board of the Directors of **Zuari Global Limited**

S. K. Poddar
Chairman
DIN : 0008654

N. Suresh Krishnan
Managing Director
DIN : 0021965

Marco Wadia
Director
DIN : 00244357

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. CompanySecretary
ACS : 31286

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

1. Corporate Information

The consolidated financial statements of Zuari Global Limited ("the Holding Company" or "ZGL") and its subsidiaries (collectively, the Group) are for the year ended 31 March 2018.

The Holding Company is a Public Company domiciled in India. Its shares are listed on two recognized stock exchanges in India viz National Stock Exchange and Bombay Stock Exchange The registered office of the Holding Company is located at Jai Kisaan Bhawan, Zuari Nagar, Goa 403 726, India.

The Group's primary business activity is real estate, investment services, engineering services, manufacturing and trading of furniture, manufacturing and sale of sugar and its by products, generation of power and others.

2. General information and statement of compliance with Ind ASs

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Ind ASs notified by the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The consolidated financial statements of ZGL as at and for the year ended 31 March 2018 (including comparatives) were approved and authorised for issue by the board of directors on 25 May 2018.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries, associates and joint ventures as at 31 March 2018. Control is achieved when the Group has power over the investee, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

ZGL reassesses, whether it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of the financial statements of subsidiaries begins on the date control is established. Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the Non-controlling interests based on their respective ownership interests.

1.3 Summary of significant accounting policies

a. Business combination and Goodwill

Business combinations are accounted for using the acquisition method. The acquisition method involves the recognition of the acquiree's identifiable assets and liabilities, including contingent liabilities, regardless of whether they were recorded in the financial statements prior to acquisition. On initial recognition, the assets and liabilities of the acquired subsidiary are included in the consolidated balance sheet at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group's accounting policies. Goodwill is stated after separating out identifiable intangible assets. Goodwill represents the excess of acquisition cost over the fair value of the Group's share of the identifiable net assets of the acquiree at the date of acquisition. Any excess of identifiable net assets over acquisition cost is recognised in the other comprehensive income on the acquisition date and accumulated in equity as capital reserve.

Acquisition related costs are accounted for as expenses in the period in which they are incurred and the services are received.

b. Investment in associates and joint ventures

An Associate is an entity over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Investments in associates and joint ventures are accounted for using the equity method, unless the investment qualifies for specific exemption.

Under the equity method, on initial recognition the investment in an associate or a joint venture is recognised at cost. The carrying amount of the investment in associates and joint ventures is increased or decreased to recognise the Group's share of the profit or loss after the date of acquisition. The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Unrealised gains and losses on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

c. Property, plant and equipment ("PPE")

PPE are stated at acquisition cost less accumulated depreciation and cumulative impairment losses, if any. The cost comprises purchase price, including import duties and non- refundable purchase taxes, borrowing costs if recognition criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met, that is:-

(a) it is probable that economic benefits associated with the item will flow to the entity in future; and

(b) the cost of the item can be measured reliably.

Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing PPE beyond its previously assessed standard of performance. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Items of stores and spares that meet the definition of PPE are capitalized at cost. Otherwise, such items are classified as inventories.

Gains or losses arising from de–recognition of tangible assets are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

d. Depreciation

Depreciation is provided using the Straight Line Method as per the useful lives of the PPE (other than specific assets referred under para (b) to (d) below) as estimated by the management, which are equal to the rates prescribed under Schedule II of the Companies Act, 2013. Useful lives estimated by the management (years)

Name of assets	Useful live considered
Other buildings (RCC structures)	60 years
Porta Cabins (under building)	5 years
Other buildings (other than RCC structures)	30 years
Plant and equipment	5 to 25 years
Furniture and fixtures	10 years
Office equipment	3 to 5 years
Vehicles	8 years
Temporary structure (included under building)	1 year

a) Leasehold improvement are depreciated over the primary lease period.

b) In case of a subsidiary, the company based on technical assessment made by technical experts and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

c) Insurance/ capital/ critical stores and spares are depreciated over the remaining useful life of related plant and equipment or useful life of insurance/capital/ critical spares, whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization impairment losses, if any.

Recognition:

The costs of intangible asset are recognised as an asset if, and only if:

- it is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Intangibles representing computer software are amortized using the straight line method over their estimated useful lives of five years.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year end and adjusted prospectively, if appropriate treating them as changes in accounting estimates. The maintenance expenses on intangible assets with finite lives is recognised in the statement of profit and loss, unless such expenditure forms part of carrying value of an asset and satisfies recognition criteria.

Gains/(losses) arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is de-recognised.

Assets carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

f. Impairment testing of goodwill, other intangible assets and property, plant and equipment

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

of a "Cash Generating Unit" (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash- generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

g. Leases

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

Finance leases:

Management applies judgement in considering the substance of a lease agreement and whether it transfers substantially all the risks and rewards incidental to ownership of the leased asset. Key factors considered include:

i. the length of the lease term in relation to the economic life of the asset
ii. the present value of the minimum lease payments in relation to the asset's fair value, and
iii. whether the Group obtains ownership of the asset at the end of the lease term.

For leases of land and buildings, the minimum lease payments are first allocated to each component based on the relative fair values of the respective lease interest. If the minimum lease payments cannot be allocated reliably between the two components, entire lease is classified as a finance lease, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease. Each component is then evaluated separately for possible treatment as a finance lease, taking into consideration the fact that land normally has an indefinite economic life.

The interest element of lease payments is charged to profit or loss, as finance costs over the period of the lease.

Operating leases:

All leases other than finance lease are treated as operating leases. Where the Group is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term unless other systematic basis is more representative of the time pattern of the benefit derived from the asset taken on lease. Associated costs, such as maintenance and insurance, are expensed as incurred.

h. Borrowing costs

General and specific borrowing costs directly attributed to the acquisition, construction or production of a qualifying asset are capitalised up to the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are expensed in the period in which they occur or accrue. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds

i. Foreign currency translation

Functional and presentation currency

The Group's financial statements are presented in Indian Rupee (Rs.), which is also it's functional currency.

Initial recognition

Transactions in foreign currencies are recorded in the functional currency, by applying to the foreign currency amount the spot rate between the functional currency and the foreign currency at the date the transaction first qualifies for recognition.

Conversion

Foreign currency monetary items are translated using the spot exchange rate prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value denominated in a foreign currency are, translated using the exchange rates that existed when the fair value was determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income (OCI) or profit and loss are also recognized in OCI or profit and loss, respectively).

j. Inventories

The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost includes expenses, net of taxes recoverable, specifically attributable to construction and development of property intended for sale.

Construction work-in-progress of constructed properties projects includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development charges, construction costs, overheads, borrowing cost, development/ construction materials and is valued at lower of cost/ estimated cost and net realisable value.

Cost of construction/development material is valued at lower of cost or net realisable value.

Raw Materials, stores and spares are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Work-in-progress, finished goods and traded goods, are valued at lower of cost and net realizable value.

Finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition based on normal operating capacity.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on a weighted average basis.

By products and saleable scraps, whose cost is not identifiable, are valued by management at estimated net realizable value.

Cost of inventories is computed on a weighted average basis except in case of the Holding Company, the Cost is determined as follows:

Stock in trade including Land: Valued at lower of cost and net realizable value

Stock in Trade (others): The cost is determined on First in First out Method.

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

k. Provisions and Contingent liabilities

Provision for product warranties, legal disputes, onerous contracts or other claims are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements

l. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements.

Sales of goods

Revenue from sale of goods is recognized when the significant risk and rewards of ownership of the goods have passed to the customers, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. Revenue is measured net of returns, trade discounts and volume rebates.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the Group has assumed that recovery of excise duty flows to the Group on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Group on its own account, revenue includes excise duty.

However, sales tax/ value added tax (VAT) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

Revenue from sale of constructed properties

Revenue from sale of constructed properties for all projects is recognized in accordance with the 'Guidance Note on Accounting for Real Estate Transactions (Ind AS)' ('Guidance Note'). As per this Guidance Note, the revenue has been recognized on percentage of completion method and on the percentage of actual project costs incurred thereon to total estimated project cost, provided the conditions specified in Guidance Note are satisfied.

For projects, revenue is recognized in accordance with the term of duly executed, agreements to sell. Estimated project cost includes cost of land/ development rights, borrowing costs, overheads, estimated construction and development cost of such properties.

The estimates of the saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately.

Income from sale of engineering supplies and services

Income from sale of engineering supplies and service contracts is recognized on accrual basis to the extent the services have been rendered and invoices are raised in accordance with the contractual terms with the customers and recoveries are reasonably certain. Contract revenue earned in excess of billing has been reflected under other current assets and billing in excess of contract revenue has been reflected under current liabilities in the balance sheet.

In respect of income from engineering and other services contracts, in case total contract cost exceeds total contract revenue, the expected loss is recongised as an expense immediately.

Liquidated damages / penalties are provided for, based on management's assessment of the estimated liability, as per contractual terms and / or acceptances. Possible liquidated damages which can be levied by customers for delay in execution of project are accounted for on an estimate basis and are netted off against the revenue on estimate basis.

Interest income

Interest income and expenses are reported on an accrual basis using the effective interest method. Dividends, other than those from investments in associates and joint ventures, are recognised at the time the right to receive payment is established.

Renewable energy certificates income

Income from Renewable Energy Certificates (RECs) is recognised at estimated realisable value (floor price) on confirmation of RECs by the concerned Government authorities.

Power bank unit

Income from power banked units is recognised when the right to set off power banked units is established against the power to be purchased by the Group.

Revenue from sale of land and development rights

Revenue from sale of land and development rights is recognized upon transfer of all significant risks and rewards or ownership of such real estate/property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/agreements. Revenue from sale of land and development rights is only recognized when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.

m. Taxes on income

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax liabilities are generally recognised in full, although Ind AS 12, Income Taxes, specifies limited exemptions.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement" and grouped under Deferred Tax. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

n. Post-employment benefits and short-term employee benefits

Post-employment benefits plans

The Group provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans

The Group pays fixed contribution into independent entities in relation to several state plans and insurances for individual employees. The Group has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that related employee services are received.

Defined benefit plans

Under the Group's defined benefit plans, the amount of pension benefit that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Group, even if plan assets for funding the defined benefit plan have been set aside. Plan assets may include assets specifically designated to a long-term benefit fund as well as qualifying insurance policies.

The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date less the fair value of plan assets.

Management estimates the DBO annually with the assistance of independent actuaries. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension liability.

Service cost on the Group's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in finance costs. Gains and losses resulting from re-measurements of the net defined benefit liability are included in other comprehensive income.

Short term employee benefits

Short-term employee benefits, including holiday entitlement, are current liabilities included in pension and other employee obligations, measured at the undiscounted amount that the Group expects to pay as a result of the unused entitlement.

o. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value (based upon the level of inputs available) and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

p. Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Other components of equity include the following:

- Re-measurement of net defined benefit liability-comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets
- Translation reserve-comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities into INR.

All transactions with owners of the parent are recorded separately within equity.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

q. Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprises cash at bank and in hand and short term investments with an original maturity periods of three months or less.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

r. Earnings per share

Basic Earnings per Share (EPS) is calculated by dividing the net profit or loss for the year attributable to the equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

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

s. Investment property

Investment property is the property that is not occupied by the Group, and which is held to earn rentals or for capital appreciation, or both, and are accounted for using the cost based measurement method. Upon initial recognition, an investment property is measured at cost, including transaction costs, if any. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment loss, if any.

Any gain or loss on disposal of an investment property is recognised in profit or loss, unless any other standard specifically requires otherwise.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

The Group depreciates the investment property using the straight line method over the life mentioned in point (d) above from the date of put to use.

The fair value of investment property is disclosed in the notes. The Fair value is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

t. Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and, except for trade receivables which do not contain a significant financing component, these are measured initially at:

a) fair value, in case of financial instruments subsequently carried at fair value through profit or loss (FVTPL);

b) fair value adjusted for transaction costs, in case of all other financial instruments.

Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when the underlying obligation specified in the contract is discharged, cancelled or expires.

Equity investments

All equity investments in the scope of Ind AS 109, Financial Instruments, are measured at fair value. Equity instruments which are held for trading and contingent consideration has been recognised by an acquirer in a business combination to which Ind AS 103 applies, are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in OCI with 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 FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment.

There is no recycling of the amounts from OCI to profit or loss, 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 or loss.

Classification and subsequent measurement of financial liabilities

The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are measured subsequently at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

u. Fair value measurement

The group measures financial instruments, such as, derivatives 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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Refer note 45 for Fair Value Hierarchy.

v. Segment reporting

The Group has seven operating/reportable segments: engineering, furniture, real estate, sugar, power, investment service and other operations. In identifying these operating segments, management generally follows the Group's service lines representing its main products and services.

Each of these operating segments is managed separately as each requires different technologies, marketing approaches and other resources. All inter-segment transfers are carried out at arm's length prices based on prices charged to unrelated customers in standalone sales of identical goods or services.

For management purposes, the Group uses the same measurement policies as those used in its financial statements, except for certain items not included in determining the operating profit of the operating segments.

In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment.

There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss. No asymmetrical allocations have been applied between segments.

w. Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

x. Assets held for sale

Non-current assets are classified as held for sale if their carrying value will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

Such assets are not depreciated or amortised while they are classified as held for sale. Such assets classified as held for sale are presented separately from the other assets in the balance sheet.

y. Recent accounting pronouncements

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018 via notification dated 28 March 2018 to further amend Companies (Indian Accounting Standards) Rules, 2015, notifying a new revenue recognition standard Ind AS 115, 'Revenue from Contracts with Customer'. This amendment replaces Ind AS 18, 'Revenue' and Ind AS 11, 'Construction Contracts'. Also notifying an insertion of Appendix B, 'Foreign currency transaction and advance consideration' to Ind AS 21, 'The effect of change in foreign exchange rate', amendment to Ind AS 40, 'Investment property' and amendment to Ind AS 12, 'Income taxes'. The amendments are applicable to the Company from 01 April 2018.

Notification of Ind AS 115:

The new standard provides a control-based revenue recognition model and provides a five step application principle to be followed for revenue recognition:

a. Identify the contract(s) with a customer;
b. Identify the performance obligations;
c. Determine the transaction price;
d. Allocate the transaction price to the performance obligations;
e. Recognize revenue when or as an entity satisfies performance obligation.

The Company is evaluating the requirements of the amendment and its impact on the financial statements.

Insertion of Appendix B to Ind AS 21:

This Appendix applies to a foreign currency transaction (or part of it) when an entity recognizes a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognizes the related asset, expense or income (or part of it). The amendment to Ind AS 21 requires the entities to consider exchange rate on the date of initial recognition of advance consideration (asset/liability), for recognising related expense/income on the settlement of said asset/liability.

This Appendix does not apply when an entity measures the related asset, expense or income on initial recognition:

a. At fair value; or
b. At the fair value of the consideration paid or received at a date other than the date of initial recognition of the non-monetary asset or non-monetary liability arising from advance consideration.

An entity is not required to apply this Appendix to:

a. income taxes; or
b. insurance contracts (including reinsurance contracts) that it issues or reinsurance contracts that it holds.

The Company is evaluating the requirements of the amendment and its impact on the financial statements.

Amendment to Ind AS 12

The amendment to Ind AS 12 requires the entities to consider restriction in tax laws in sources of taxable profit against which entity may make deductions on reversal of deductible temporary difference (may or may not have arisen from same source) and also consider probable future taxable profit.

The Company is evaluating the requirements of the amendment and its impact on the financial statements.

z. Amended standards adopted by the Company

The amendments to Ind AS 7 require disclosure of changes in liabilities arising from financing activities, see note 13A.1

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

3A Property, plant and equipment

Particulars	Freehold land	Leasehold improvement	Buildings	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Total	Capital work in progress	Grand total
Gross block										
As at 01 April 2016	**486.86**	**199.12**	**4,699.05**	**16,854.40**	**363.95**	**340.30**	**113.21**	**23,056.89**	**14,213.29**	**37,270.18**
Additions (including borrowing cost)	-	-	4,049.32	13,906.16	9.99	106.08	159.81	18,231.36	4,898.57	23,129.93
Deletions	-	89.97	-	57.42	44.78	9.69	-	201.86	17,904.31	18,106.17
As at 31 March 2017	**486.86**	**109.15**	**8,748.37**	**30,703.14**	**329.16**	**436.69**	**273.02**	**41,086.39**	**1,207.55**	**42,293.94**
As at 01 April 2017	**486.86**	**109.15**	**8,748.37**	**30,703.14**	**329.16**	**436.69**	**273.02**	**41,086.39**	**1,207.55**	**42,293.94**
Additions (including borrowing cost)	129.34	35.86	168.52	2,647.33	12.76	100.11	22.88	3,116.80	1,828.32	4,922.44
Deletions	-	-	-	121.02	6.32	7.40	19.29	154.03	2,278.61	2,409.23
Transferred to Investment property	(98.69)	-	(531.78)	-	-	-	-	(630.47)	-	(630.47)
As at 31 March 2018	**517.51**	**145.01**	**8,385.11**	**33,229.45**	**335.60**	**529.40**	**276.61**	**43,418.69**	**757.26**	**44,175.95**
Accumulated depreciation										
As at 01 April 2016	**-**	**58.18**	**112.10**	**395.30**	**36.30**	**112.70**	**17.89**	**732.47**	**-**	**732.47**
Charge for the year	-	50.73	259.22	967.32	42.80	99.04	26.19	1,445.30	-	1,445.30
Deletions	-	84.40	-	52.86	14.31	7.78	-	159.35	-	159.35
As at 31 March 2017	**-**	**24.51**	**371.32**	**1,309.76**	**64.79**	**203.96**	**44.08**	**2,018.42**	**-**	**2,018.42**
As at 01 April 2017	**-**	**24.51**	**371.32**	**1,309.76**	**64.79**	**203.96**	**44.08**	**2,018.42**	**-**	**2,018.42**
Charge for the year	-	15.05	317.83	1,482.67	32.78	71.12	41.52	1,960.97	-	1,960.97
Deletions	-	-	-	108.39	2.88	5.81	18.33	135.41	-	135.41
Transferred to Investment property	-	-	(42.10)	-	-	-	-	(42.10)	-	(42.10)
As at 31 March 2018	-	**39.56**	**647.05**	**2,684.04**	**94.69**	**269.27**	**67.27**	**3,801.88**	**-**	**3,801.88**
Net block										
As at 31 March 2017	486.86	84.64	8,377.05	29,393.38	264.37	232.73	228.94	39,067.97	1,207.55	40,275.52
As at 31 March 2018	**517.51**	**105.45**	**7,738.06**	**30,545.41**	**240.91**	**260.13**	**209.34**	**39,616.81**	**757.26**	**40,374.07**

(i) Contractual obligations

Refer note 43B for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Property, plant and equipment have been pledged as security for liabilities, for details refer note 13A.

(iii) Preoperative expenses (pending allocation) (included in Capital work-in-progress)

Particulars	As at 31 March 2018	As at 31 March 2017
Employee benefits expense	12.14	92.25
Power and fuel	98.19	426.06
Rates and taxes	-	34.03
Insurance	-	85.88
Miscellaneous expenses	210.79	439.40
Finance costs	164.10	2,192.94
	485.22	**3,270.56**
Less: Capitalised during the year	(315.20)	(3,098.37)
Closing balance carried forward	**170.02**	**172.19**

(iv) Borrowing cost

CWIP include ₹ 139.46 lakhs (31 March 2017: ₹ 1,137.21 lakhs) towards borrowing costs capitalised during the year. The rate used to determine the amount of borrowing costs eligible for capitalisation was 12.03% (31 March 2017: 12.69%), which is the effective interest rate of the general borrowing.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018
(All amounts in ₹ lakhs, unless stated otherwise)

3B Other intangible assets

Particulars	Software
Gross block	
As at 01 April 2016	**156.44**
Additions	49.28
Deletions	-
As at 31 March 2017	**205.72**
As at 01 April 2017	**205.72**
Additions	62.17
Deletions	-
As at 31 March 2018	**267.89**
Amortization	
As at 01 April 2016	**87.72**
Charge for the year	61.50
Deletions	
As at 31 March 2017	**149.22**
As at 01 April 2017	**149.22**
Charge for the year	50.38
Deletions	
As at 31 March 2018	**199.60**
Net block	
As at 31 March 2017	**56.50**
As at 31 March 2018	**68.29**

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018
(All amounts in ₹ lakhs, unless stated otherwise)

Note 4: Investment property

Particulars	Amount
As at 01 April 2016	**1,162.05**
Additions (subsequent expenditure)	-
Transferred to investment property held for sale	990.66
As at 31 March 2017	**171.39**
As at 01 April 2017	**171.39**
Additions (subsequent expenditure)	-
Transferred from PPE (refer note 3A)	630.47
As at 31 March 2018	**801.86**
Depreciation	
As at 1 April 2016	**8.93**
Depreciation	9.16
Transferred to investment property held for sale	10.83
As at 31 March 2017	**7.26**
As at 01 April 2017	**7.26**
Depreciation	3.63
Transferred from PPE (refer note 3A)	42.10
As at 31 March 2018	**52.99**
Net block	
As at 31 March 2017	164.13
As at 31 March 2018	**748.87**

(i)Amount recognised in profit and loss for investment properties

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Rental income derived from investment properties	675.60	265.95
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-
Profit arising from investment properties before depreciation and indirect expenses	675.60	265.95
Less – depreciation	3.63	9.16
Profit arising from investment properties before indirect expenses	671.97	256.79

(ii) Leasing arrangements

Group's investment property consist of building and land owned by the Group let out to other group companies, outside party for business purpose and also to an educational institution. Minimum lease payments receivable under non-cancellable operating lease of investment properties are as follows:

Particulars	31 March 2018	31 March 2017
Receivable within 1 year	494.25	-
Receivable between 1-5 years	1,482.76	-
Receivable after 5 years	-	-

(iii) Fair value

Particulars	As at 31 March 2018	As at 31 March 2017
Investment properties	28,752.36	14,484.75

Fair value hierarchy and valuation technique

The Group obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources including -

1. Current prices in an active market of properties of different nature or recent prices of similar properties in less active market adjusted to reflect those differences.
2. Discounted cash flow projections based on reliable estimates of future cash flows.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

3. Capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All the resulting fair value estimates for investment properties are included in level 3

These valuations are based on valuations performed by S V Kushte, an accredited independent value. Mr. Kushte is a specialist in valuing these types of investment properties. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.

The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Note 5: Financial assets

A. Investments

Particulars	Non Current		Current	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Investment in Joint Venture				
1,045,000 (31 March 2017: 1,045,000) Equity Shares of Omani Riyal 1/- each fully paid-up in Simon Engineering and Partners LLC , Sultanate of OMAN)	-	-	-	-
Investment in equity instruments - Others				
Investments at fair value through OCI (fully paid)				
Unquoted				
100,000 (31 March 2017: 100,000) equity shares of ₹10/- each fully paid up of Biotech Consortium of India Limited	55.00	50.00	-	-
19,092 (31 March 2017: 19,092) equity shares of ₹100/- each fully paid up of Lionel Edward Limited	53.13	43.34	-	-
258,250 (31st March 2017: 258,250) equity shares of ₹100/- each fully paid up of Lionel India Limited	-	-	-	-
Investment in equity instruments - Others				
Investments at fair value through OCI (fully paid)				
Quoted				
61,620,147 (31 March 2017: 61,620,147) Equity Shares of ₹10/- each fully paid up of Chambal Fertilisers and Chemicals Limited	101,458.57	53,333.04	-	-
37,571,612 (31 March 2017: 37,571,612) Equity Shares of ₹1/- each fully paid up of Texmaco Infrastructure and Holdings limited	23,024.13	15,019.20	-	-
32,998,000 (31 March 2017: 32,998,900) Equity Shares of ₹1/- each fully paid up of Texmaco Rail and Engineering Limited	27,521.08	30,610.87	-	-
14,000 (31 March 2017: 14,000) Equity Shares of ₹10/- each fully paid up of Ess Dee Aluminum Limited	6.35	6.10	-	-
180,240 (31 March 2017: 180,240) Equity Shares of ₹10/- each fully paid up of Premium Exchange and finance Limited	5.59	5.59	-	-
188,469 (31 March 2017: 188,469) Equity Shares of ₹10/- each fully paid up of Master Exchange & Finance Limited	5.90	5.90	-	-
24,700 (31 March 2017: 24,700) Equity Shares of ₹10/- each fully paid up of Duke Commerce Limited	0.64	0.64	-	-
29,334,310 (31 March 2017: 29,334,310) Equity Shares of ₹1/- each fully paid up of Nagarjuna Oil Refinery Limited	958.64	1,316.87	-	-
277,777* (31 March 2017: 2,222,222) Equity Shares of USD 0.01/- each fully paid up of Synthesis Energy System Inc.	484.22	1,224.94	-	-
Investment in joint venture carried at demeed cost				
Equity portion of compound financial instrument (Preference shares)				
500,000 (31 March 2017: 500,000) 1% Redeemable Non Cumulative optionally convertible Preference Shares of ₹100/- each fully paid up of Brajbhumi Nirmaan Private Limited	394.62	394.62	-	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018
(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Non Current		Current	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Investment in Preference Shares				
Investment in joint venture				
500,000 (31 March 2017: 500,000) 1% Redeemable Non Cumulative optionally convertible Preference Shares of ₹100/- each fully paid up of Brajbhumi Nirmaan Private Limited	259.53	259.53	-	-
Investment in Others				
Investments at fair value through Profit and loss (fully paid)				
660,000 (31 March 2017: 660,000) 6% Redeemable Non Cumulative non convertible Preference Shares of ₹100/- each fully paid up of Adventz Investment Company Private Limited	-	616.00	616.00	-
Investment in Mutual Funds				
Investments at fair value through Profit and Loss				
Unquoted				
5,000,000 (31 March 2017: 5,000,000) units in ICICI Prudential Fixed Maturity plan Series (77-1473 Days Plan C) of ₹10/- each	637.93	594.33	-	-
10,000,000 (31 March 2017: 10,000,000) units in ICICI Prudential Fixed Maturity plan (78-1130 Days Plan T) of ₹10/- each	1,175.45	1,096.28	-	-
5,000,000 (31 March 2017: 5,000,000) units in ICICI Prudential Fixed Maturity plan Series (78-1156 Days Plan T) of ₹10/- each	584.06	545.13	-	-
10,000,000** (31 March 2017: 10,000,000) units in SBI Debt Fund Series B-17(1100 Days) of ₹ 10/- each under lien for the SBLC facility from SBI	1,254.93	1,171.47	-	-
8,500,000 (31 March 2017: 8,500,000) units in SBI Debt Fund Series B-36 (1131 Days) of ₹10/- each	993.24	929.01	-	-
8,500,000 (31 March 2017: Nil) units in SBI Debt Fund Series C-1 (1100 Days)	1,572.50	-	-	-
17,357,242.175** (31 March 2017: Nil) units in SBI Short Term Debt Fund	3,558.39	-	-	-
Investment in Government Securities				
5 Years National Saving Certificates	1.00	1.00	-	-
	164,004.90	**107,223.86**	**616.00**	**-**
Aggregate amount of quoted investments	153,465.12	101,523.15	-	-
Aggregate market value of quoted investments	153,465.12	101,523.15	-	-
Aggregate book value of quoted investments in mutual funds	9,776.50	4,336.22	-	-
Aggregate net asset value of mutual funds	9,776.50	4,336.22	-	-
Aggregate value of unquoted investments	763.28	1,364.49	616.00	-

*During the year, Synthesis Energy System Inc. has reversed split stock into 1 for 8 shares.

**The Management intends to reinvest the proceeds on maturity, accordingly these investments are classified as Non-current.

(All amounts in ₹ lakhs, unless stated otherwise)

B. Loans (at amortised cost)

Particulars	Non Current		Current	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Security deposits				
Unsecured, considered good	633.83	926.37	832.29	796.32
	633.83	**926.37**	**832.29**	**796.32**
Loans and advances to related parties				
Unsecured, considered good	-	-	-	0.16
	-	-	-	0.16
Inter corporate deposit				
Unsecured, considered good	1,250.00	-	720.00	1,120.00
Unsecured, considered doubtful	1,125.00	1,125.00	-	-
	2,375.00	**1,125.00**	**720.00**	**1,120.00**
Less: Impairment for doubtful deposits	(1,125.00)	(1,125.00)		
	1,250.00	**-**	**720.00**	**1,120.00**
Other loans and advances				
Secured				
Loans considered good				
Related party (refer note 47)	-	3.60	3.60	4.80
Employees	1.69	5.12	0.19	7.30
Loans to employees considered doubtful	-	0.35	-	-
	1.69	**9.07**	**3.79**	**12.10**
Less: Provision for doubtful advances	-	(0.35)	-	-
	1.69	**8.72**	**3.79**	**12.10**
Unsecured, considered good, except other wise stated				
Loans to employees	-	-	56.78	1.43
Interest accrued on loans to employees				
Related party (refer note 47)	10.90	8.76	-	-
Employees (secured)	0.06	0.07	0.01	0.01
Interest accrued but not due	-	-	0.18	0.05
Interest accrued and due	-	-	536.67	360.28
	10.96	**8.83**	**593.64**	**361.77**
	1,896.48	**943.92**	**2,149.72**	**2,290.35**

-Loans to employees include amount due from officer of the Holding Company (Managing Director) ₹3.60 lakhs lakhs as on 31 March 2018 (31 March 2017: ₹8.40 lakhs).

-Interest accrued on employee's loan includes amount due from officers of the Holding Company (Managing Director) ₹10.90 lakhs as on 31 March 2018 (31 March, 2017: ₹8.76 lakhs)

-Loans are non-derivative financial assets which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.

C. Other financial assets (at amortised cost)

Particulars	Non Current		Current	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Non current bank balance (refer note i)	1,083.43	108.01	-	-
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	185.49	118.86
Unsecured, considered good to related parties (refer note 47)	-	-	22.64	-
Unsecured, considered doubtful	-	10.78	-	-
	-	**10.78**	**208.13**	**118.86**
Less: Impairment for doubtful advances	-	(10.78)	-	-
	-	-	208.13	118.86
Unbilled revenue	-	-	1,160.00	4,717.18
Interest reimbursement from government of Uttar Pradesh under Sugar Industry, Co-generation and Distillery Promotion Policy, 2013 (refer note ii)	-	-	1,494.23	1,761.80

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018
(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Non Current		Current	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Amounts held with Central Electricity Regulatory Commission (CERC) (refer note iii)	-	-	102.25	
Assistance to sugar mills for sugar cane purchase (refer note iv)	-	-	680.44	-
Duty credit scrips	-	-	41.75	-
Marked to market receivable on forward contract	-	-	-	1.74
Interest accrued but not due	3.00	11.66	112.93	82.77
	1,086.43	**119.67**	**3,799.73**	**6,682.35**

i. Majorly non-current bank balance includes the following:
  (a) ₹ 51.00 lakhs (31 March 2017: ₹ 51.11 lakhs) pledged to Bombay Stock Exchange, National Stock Exchange and IL&FS Securities Services Limited as deposits which are maturing within 12 months of reporting date. However, considering the compulsion to renew the same, they have been treated as non current.
  (b) ₹ 22.00 lakhs (31 March 2017: ₹22.00 lakhs) lien with Insurance Regulatory and Development Authority of India for meeting minimum base capital requirement presecribed under Regulation 12 of Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2013.
  (c) ₹ 7.50 lakhs is under lien to National Commodity and Derivatives Exchange Limited (NCDEX) and ₹7.50 lakhs is under lien to Multi Commodity Exchange of India Limited (MCX) maturing within 12 months of the reporting date (considering the compulsion to renew the same it is treated as non-current) and ₹ 1.12 lakhs with clearing member ISSL Settlement & Transaction Services Limited. [Previous year in addition to these ₹7.50 lakhs was placed with MCX which has now been withdrawn.]
  (d) ₹ 227.50 lakhs (31 March 2017: Nil) which is pledged in favour of IndusInd Bank Limited as a security against interest payment on the term loan facility provided by the bank to the subsidiary company.
  (e) ₹763.17 lakhs (31 March 2017: Nil) pertains to Debt Service Reserve Account (DSRA) created in favour of Tata Capital Finance Service Limited and Bajaj Finance Limited.

ii. During the year ended 31 March 2018, the subsidiary has reported incentive receivables from central and state governments under respective schemes under "other financial assets" in accordance with recent Ind AS Transition Facilitation Group (ITFG) Clarification Bulletin 15.

iii. ₹500 per REC unit sold has been deducted and held by respective power exchanges for onward submission to CERC on behalf of the Company being a RE generator with reference to Hon'ble Supreme Court order dated 14 July 2017. Total amount held is ₹102.25 lakhs (31 March 2017 Nil) as on dates.

iv. The Central Government pursuant to Notification No. 1(5)/2018-S.P.-I dated 9 May 2018 issued by Ministry of Consumer Affairs (Department of Food and Public Distribution), has notified a scheme of assistance to sugar mills against sugar cane crushed during sugar season 2017-18. Accordingly, during the year ended 31 March 2018, the subsidiary has accounted for such grant amounting to ₹680.44 lakhs.

Note 6: Other assets

Particulars	Non Current		Current	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Capital advances				
Unsecured considered good	151.15	49.76	-	-
Advance for investment (refer note i)	3,726.45	1,853.78	-	-
Advances recoverable in cash or kind				
Unsecured, considered good				
Related party	-	-	-	86.75
Others (refer note ii, iii and iv)	850.17	917.74	4,560.39	4,994.44
Unsecured, considered doubtful	-	-	-	26.19
	850.17	**917.74**	**4,560.39**	**5,107.38**
Less: Impairment for doubtful advances	-	-	-	(26.19)
	850.17	917.74	4,560.39	5,081.19
Balances with customs, port trust and excise authorities	611.01	28.36	2,275.82	1,406.78
Prepaid expenses (refer note v)	2.53	2.64	251.19	211.95
Prepaid lease	4.44	9.41	6.79	7.03
Power bank	-	-	49.73	48.79
Renewable energy certificate receivable	-	-	465.79	320.01
Claim receivable (considered doubtful)	-	0.59	-	-
Less: Impairment for doubtful advances	-	(0.59)	-	-
	5,345.75	**2,861.69**	**7,609.71**	**7,075.75**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Notes

i) This represents advance amount paid by Zuari Infraworld SJM Elysium Properties LLC (formerly known as SJM Elysium Properties LLC) to a party to joint venture for a 50% shareholding in a company (as per agreement) owning a plot of land valued at AED 140 million on which the project is under development. This amount will be adjusted against future distributable profit on the completion of the project.

ii) Includes recoverable advances to a Sub-contractor aggregating to ₹210.56 lakhs (2017: ₹278.13 lakhs) in respect of which the sub-contractor vendor has furnished bank guarantee to the extent of ₹237.13 lakhs (31 March 2017: ₹237.13 lakhs) which was valid upto 31 December, 2017 and the same is pending for renewal.

iii) Under the Development Management Agreement, the Agency is entitled to a percentage of income calculated in the manner specified under the agreement. The subsidiary has made advance payments aggregating to ₹639.61 lakhs till 31 March 2018 (31 March 2017: ₹639.61 lakhs). The amount will be adjusted in the year when the agency becomes entitled to share of income as per agreement or recovered. The Management expects to adjust/ recover the same in full and hence is of the view that no adjustment is necessary at this stage.

iv) Includes recoverable advances to a sub-contractor aggregating to ₹2,246.49 lakhs (31 March 2017: ₹2,246.47 lakhs). The Management is in negotiation with party for its recovery and is confident that this advance will be recovered at its full value, hence no impairment is considered necessary.

v) Includes ₹21.78 lakhs (31 March 2017: ₹94.56 lakhs) on account of brokerage & sales commission paid to an agency for services, on gross sale consideration receivable from customers. As per the agreement, in the event of non-completion of sale transaction, such commission is refundable by the agency. The commission paid is charged to the Statment of Profit and Loss as and when revenue is recognized.

Note 7: Inventories

Particulars	As at 31 March 2018	As at 31 March 2017
Raw materials	1,223.30	630.42
Land and construction work-in-progress (refer note i and ii)	45,612.82	38,042.52
Stock-in-trade (others) (refer note iii)	-	41.27
Work-in-progress (refer note iv)	811.43	307.48
Finished goods (refer note v)	34,254.89	18,256.33
Stock in trade	-	904.61
Stores and spares	752.74	621.34
Packing materials	3.84	12.48
Valued at estimated realisable value:		
Molasses	2,297.01	436.31
Scrap	318.75	189.71
Pressmud	80.07	24.56
	85,354.85	**59,467.03**

Notes

i) Stock in trade (land) of ₹16,359.32 lakhs (31 March 2017 ₹16,359.32 lakhs) is pending to be registered in the Holding Company's name.

ii) The Management has reviewed the carrying value of its project work-in-progress by assessing the net realisable value of the project which is determined by forecasting sales rates, expected sale prices and estimated costs to complete (including escalations and cost overrun). This review by the management did not result any loss and thus no adjustments/ provisions to the carrying value of project work-in-progress is considered necessary by the Management.

iii) Stock in trade (others) include stock of steel and cement

iv) The Company has valued its inventory of finished goods and work in progress based on net realisable value (NRV) which is lower than cost of finished goods and work in progress for sugar.

v) Write down of inventories of finished goods and work in process for sugar, to net realisable value on account of higher cost of production amounts to ₹3,033.27 lakhs. This was recognized as an expense during the year and included in 'changes in inventories' in the Statement of Profit and Loss.

vi) For inventories pledged as securities against financial liabilities, refer note 13A

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Note 8: Trade receivables

Particulars	As at 31 March 2018	As at 31 March 2017
Trade receivables - related parties (refer note 47)	404.02	1,225.43
Trade receivables - others	12,618.29	8,062.40
	13,022.31	**9,287.83**

Break-up for security details:

Particulars	As at 31 March 2018	As at 31 March 2017
From related parties		
Secured, considered good	-	-
Unsecured, considered good	404.02	1,225.43
Unsecured, considered doubtful	-	20.09
From others		
Secured, considered good	591.40	1,439.27
Unsecured, considered good	12,026.89	6,623.13
Unsecured, considered doubtful	1,381.37	502.69
	14,403.68	**9,810.61**
Less : Impairment for doubtful debts	(1,381.37)	(522.78)
	13,022.31	**9,287.83**

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Note 9: Cash and cash equivalents

Particulars	As at 31 March 2018	As at 31 March 2017
Cash and cash equivalents		
Balances with banks		
- On current accounts	1,946.70	1,809.64
- On saving accounts	-	0.03
- On deposit accounts	1,148.70	2,000.00
Cash on hand	30.99	38.57
Cheque on hand	0.23	165.71
	3,126.62	**4,013.95**

Cash at banks except on Current Accounts earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between 1 day to 3 months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

Note 10: Other bank balances

Particulars	As at 31 March 2018	As at 31 March 2017
Balances with banks:		
Balance with banks-on on fixed deposit account with remaining maturity period for more than 3 months but less than 12 months	149.63	490.10
Balance with banks - on fixed deposit account with remaining maturity period for less than 3 months	0.54	0.50
Balance with banks - on interest warrants accounts	0.06	0.90
Balance with banks - on unpaid dividend account	22.19	25.87
Margin money deposits (refer note below)	604.34	287.38
	776.76	**804.75**

Notes:

1) Includes fixed deposit receipts pledged with banks and sales tax authorities for ₹128.98 lakhs (31 March 2017: ₹145.36 lakhs) as margin money.
2) Includes margin money deposit with carrying amount of ₹475.36 lakhs (31 March 2017 ₹142.02 lakhs) are subject to first charge to secure the Group's bank guarantee and debt service reserve account (DSRA).

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Note 11: Assets classified as held for sale

Particulars	As at 31 March 2018	As at 31 March 2017
Investment property held for sale (refer note 4)	979.83	979.83
	979.83	**979.83**

The Group has entered into an agreement to sell land and building to an associate, Zuari Agro Chemicals Limited for a value of ₹3,209.13 lakhs (Carrying Value as on 31 March 2018 ₹979.83 Lakhs). Such sale is expected to be concluded before the end of March 2019.

Note 12A: Share capital

Particulars	As at 31 March 2018	As at 31 March 2017
Authorised:		
115,000,000 (31 March 2017: 115,000,000) equity shares of ₹10/- each	11,500.00	11,500.00
2,075,000 (31 March 2017: 2,075,000) redeemable cumulative preference shares of ₹100/- each	2,075.00	2,075.00
	13,575.00	**13,575.00**
Issued:		
29,448,655 (31 March 2017: 29,448,655) Equity shares of ₹ 10/- each fully paid	**2,944.87**	**2,944.87**
Subscribed and paid-up* :		
29,448,655 (31 March 2017: 29,440,604) Equity shares of ₹ 10/- each fully paid	2,944.06	2,944.06
1,100 (31 March 2017: 1,100) Forfeited shares (amount paid up) fully paid up	0.05	0.05
	2,944.11	**2,944.11**

*Under instructions from the Special Court (Trial of Offences relating to Transactions in Securities) Act, 1992 and in respect of shareholders who could not exercise their rights in view of disputes, mistakes, discrepancy in holdings, etc., 8,051 (previous year 8,051) Rights' Equity Shares entitlements have been kept in abeyance pursuant to Section 126 of the Companies Act, 2013.

A. Reconciliation of equity shares outstanding at the beginning and end of the reporting year

Equity shares	As at 31 March 2018		As at 31 March 2017	
	In numbers	Amount	In numbers	Amount
At the beginning of the year	29,440,604	2,944.06	29,440,604	2,944.06
Issued during the year	-	-	-	-
Outstanding at the end of the year	**29,440,604**	**2,944.06**	**29,440,604**	**2,944.06**

B. Terms/Rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of ₹10/- per share. Each share holder of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year 31 March 2018, the amount of per share dividend recognised for distribution to equity share holders was ₹1 per share, subject to approval of shareholders (31 March 2017: ₹1 per share)

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

C. Details of Shareholders holding more than 5% of equity shares in the Company

Name of Shareholder	31 March 2018		31 March 2017	
	No. of Shares held	% Holding in Class	No. of Shares held	% Holding in Class
Globalware Trading and Holdings Limited	7,491,750	25.45	7,491,750	25.45
SIL Investment Limited	1,240,000	4.21	2,790,000	9.48
Texmaco Infrastructure and Holdings Limited	2,757,941	9.37	2,757,941	9.37
Adventz Finance Private Limited	2,294,491	7.79	2,294,491	7.79
Reliance Capital Trustee Co Limited A/c - Reliance Regular Savings Fund Equity Option	1,932,756	6.56	1,600,000	5.43

As per records of the Holding Company, including its register of shareholders/member and other declarations received from shareholders regarding beneficial interest, the above holding represents both legal and beneficial ownership of shares.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Note 12B: Other Equity

Particulars	As at 31 March 2018	As at 31 March 2017
Retained earnings		
Balance bought forward from last year	91,706.14	97,988.36
Add: Adjustment in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 103 'Business Combinations'. (refer note 55)*	-	(3,286.59)
Add: Loss for the year	(2,807.61)	(2,587.87)
Add: Reclassification from OCI to retained earnings on disposal of investments	185.02	-
Add/(Less): Other comprehensive income (refer note 31)	135.58	(3.42)
Less: Appropriation towards general reserve	-	(50.00)
Less: Dividends paid (refer note 33)	(294.41)	(294.41)
Less: Dividend Distribution Tax (DDT) (refer note 33)	(59.93)	(59.93)
Less: Others	(63.52)	-
	88,801.27	**91,706.14**
General reserve		
Balance bought forward from last year	3,911.60	3,861.60
Add: Transfer from surplus	-	50.00
	3,911.60	**3,911.60**
FVTOCI reserve		
Balance bought forward from last year	82,117.70	58,542.45
Add: Movement during the year	52,172.41	23,575.25
Less: Reclassification from OCI to retained earnings on disposal of investments	(185.02)	-
	134,105.09	**82,117.70**
Capital reserve		
Balance bought forward from last year	7,175.25	7,175.25
Add: Movement during the year	-	-
	7,175.25	**7,175.25**
Molasses and alcohol storage and maintenance reserve		
Balance bought forward from last year	13.43	8.14
Add: Provided during the year	2.69	5.29
	16.12	**13.43**
Foreign currency translation reserve		
Balance bought forward from last year	(146.93)	25.74
Less: Other comprehensive income (refer note 31)	(35.67)	(172.67)
	(182.60)	**(146.93)**
Share premium		
Balance bought forward from last year	-	7,650.00
Less: Adjustment in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 103 'Business Combinations'. (refer note 55)*	-	(7,650.00)
	-	-
Equity component of non convertible preference shares		
Balance bought forward from last year	3,258.18	708.17
Add: Adjustment in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 103 'Business Combinations'. (refer note 55)*	-	2,550.01
Add: Equity component of preference shares issued during the year by the Subsidiary Company	969.81	-
	4,227.99	**3,258.18**
	238,054.72	**188,035.37**

*Aggregate of adjustment in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 103 'Business Combinations' amounting to ₹8,386.58 lakhs.

(All amounts in ₹ lakhs, unless stated otherwise)

Nature and purpose of other reserve

Retained earnings

Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

General reserve

The Group has transferred a portion of the net profit of the group or a portion of net profit kept separately for future propose is disclosed as general reserve.

FVTOCI reserve

The Group has elected to recognise changes in the fair value of certain investments in equity shares in other comprehensive income. These are accumulated in Fair value through OCI reserve in OCI within the equity. The Company transfers this reserves to retained earnings when relevant equity investments are derecognised.

Capital reserve

Where the preference shares are redeemed out of the profits available for distribution, a sum equivalent to the nominal amount of shares being redeemed shall be transferred to the Capital Redemption Reserve.

Molasses and alcohol storage and maintenance reserve

The above mentioned reserve is created under Molasses Control Order 1961 which requires every sugar factory to set aside a amount as mentioned in the order. The amount credited in said account shall be utlised only for purposes of construction or erection of storage facilities for molasses.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.

Share premium

Security premium reserve is created when the Company issue shares at the premium. The aggregate amount of premium received on the shares is transferred to a separate account called "security premium reserve". The same will be utilised in accordance with the provisions of the Companies Act, 2013 and related provisions.

Note 13A: Non current borrowings

Particulars	As at 31 March 2018	As at 31 March 2017
Secured		
Term loans		
Rupee loan		
-from banks	28,710.02	30,414.35
-from financial institutions	21,625.82	9,061.86
Foreign currency loan		
Foreign currency loan	13,609.78	-
Vehicle loan	20.81	-
Liability Component of financial instrument		
-7% Non-convertible redeemable preference shares (NCRPS)	86.93	74.27
-8.5% Non-convertible cumulative redeemable preference shares (NCRPS)	10,198.58	7,022.11
Unsecured		
loan from Body Corporate	-	2,000.00
	74,251.94	**48,572.59**
Amount disclosed under the head "other current financial liabilities" (refer note 15)	5,275.26	5,545.23
	68,976.68	**43,027.36**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

13A.1 Changes in liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:

Particular	Opening balance	Cash adjustment	Non-cash adjustment	Closing balance
Non-current and Current borrowings (included interest accrued)				
Opening balance	83,038.01	-	-	83,038.01
Proceeds received of non-current borrowings	-	31,297.32	-	31,297.32
Proceeds from issue of preference shares		2,950.00		2,950.00
Repayment of non-current borrowings	-	(8,915.45)	-	(8,915.45)
Proceeds of short-term borrowings	-	11,947.40	-	11,947.40
Repayment of short-term borrowings	-	(4,950.00)	-	(4,950.00)
Finance cost paid	-	(10,404.98)	-	(10,404.98)
Transaction cost paid on borrowings taken during the year	-	(160.00)	-	(160.00)
Forex adjustments	-	-	94.59	94.59
Finance cost incurred during the period	-	-	10,509.54	10,509.54
Interest recorded on preference shares	-	-	1,208.93	1,208.93
Deemed equity portion of preference shares	-	-	(969.81)	(969.81)
Others	-	-	287.18	287.18
	83,038.01	**21,764.29**	**11,130.43**	**115,932.74**

1. Rupees term loans from banks

a. Facility of ₹8,629.87 lakhs consisting two term loans, first of ₹4,660.33 lakhs (31 March 2017 : ₹5,914.10 lakhs) [(including current maturities ₹1,252.00 lakhs (31 March 2017: ₹1,252.00 lakhs)] and second term loan of ₹3,969.54 lakhs (31 March 2017 : ₹ Nil) [(including current maturities ₹ Nil (31 March 2017: ₹ Nil)] bearing interest rate of 12.25% p.a. (31 March 2017: 12.30% p.a. - 12.25% p.a.) and 12.30% p.a. -11.40% p.a. (31 March 2017: Nil) respectivily . The loan taken from State Bank of India, is secured by first mortgage / charge, pari passu, on entire fixed assets of the subsidiary company, situated at 62.318 acres of land at Aira Estate, Khamaria Pandit, Distt Lakhimpur Kheri, Uttar Pradesh and a new peice of land of 27.045 acres at Village Allipur, Paragana Dhauraha, District Kheri, Uttar Pradesh together with building, moveable and immovable machinery and other fixed and current assets, present and future of the subsidiary company, on pari pasu basis, with other term lenders.

   The first term loan is repayable in 24 quarterly instalments commencing from 31 March 2016. The 1st to 23rd quarterly instalments will be of ₹313 lakhs each and the 24th instalment will be of ₹301 lakhs.

   The second term loan is repayable in 16 equal quarterly installments commencing from 1 April 2019 and ending on 1 January 2023.

b. Facility of ₹1,449.29 lakhs (31March 2017: ₹1,652.85 lakhs) [(including current maturities ₹416.00 lakhs (31 March 2017: ₹208.00 lakhs)] bearing interest rate 11.55% p.a.-10.95%p.a. (31 March 2017: 11.60%-11.55%). The loan taken from State Bank of India is secured by first mortgage / charge on entire fixed assets of the subsidiary company, situated at 62.318 acres of land at Aira Estate, Khamaria Pandit, Distt Lakhimpur Kheri, Uttar Pradesh and a new peice of land of 27.045 acres at Village Allipur, Paragana Dhauraha, District Kheri, Uttar Pradesh together with building, moveable and immovable machiney and other fixed and current assets, present and future of the subsidiary company, on pari pasu basis with other term lenders.

   The aforesaid loan is repayable in 16 equal quarterly installments commencing from 1 October 2017 and ending on 1 July 2021.

c. Facility of ₹12,488.63 lakhs (31 March 2017: ₹10,648.63) (including current maturities ₹833.33 lakhs (31 March 2017: NIL)) bearing interest rate MCLR for 12 months tenor at 8.95% plus 3.05% spread (i.e., effective rate of 12% p.a.) subject to yearly MCLR review with monthly compounding (31 March 2017: 8.95% plus 3.05% spread). The loan is taken from Federal Bank Limited and is repayable in 36 monthly instalment of ₹416 lakhs each, commencing from 31.03.2019 with a moratorium period of 24 months. . The loan is secured by equitable mortgage on the Land and Building to be constructed under project name "Zuari Garden City " in area admeasuring to 50 Acres and 35 Guntas located in Mysore District . It is covered by first charge on the Escrow account into which all project receipt will be deposited, DSRA ('Debt Service Reserve Account') equivalent to 3 months interest during the moratorium.

d. Facility of ₹5,399.10 lakhs (31 March 2017: ₹9,139.18 lakhs) {including current maturities of ₹600 lakhs (31 March 2017: ₹Nil)} from Indusind Bank Limited ('IBL') is secured by -

   i) pledge of non convertible redeemable preference shares of Gobind Sugar Mills Limited;

   ii) exclusive charge by way of hypothecation over all present and future current and moveable fixed assets of the Company;

   iii) exclusive charge on immovable fixed assets owned by Holding Company.

   iv) land collateral of 6.89 acres for Phase I residential development and 16 acres of Phase II residential project being executed by Holding Company in Goa;

   v) exclusive charge by way of hypothecation over all present and future current assets and moveable fixed assets of Holding Company excluding all land (being carried as inventory) other than land to be mortgaged to IBL and excluding current investments of Nagarjuna Fertilizers and Synthesis Energy Systems Inc.;

   vi) DSRA equal to 6 months interest to be kept undrawn from the facility;

vii) corporate guarantee of Holding Company.

The aforesaid loan is repayable in 16 quarterly installments commencing from June 2018 and carries interest @ 10.35% - 10.15% (10.25%) (effective interest rate being 13.05% p.a.) The first four quarterly installments will be of ₹250.00 lakhs each and rest will be for ₹750.00 lakhs each.

Further processing fees of ₹700.00 lakhs (plus taxes) was payable for the facility, which was to be paid per below mentioned schedule:

-₹300.00 lakhs to be paid on acceptance of sanction letter, which was paid in previous year.

-₹50.00 lakhs each quarter from 30 June 2017 upto 31 March 2018 and ₹25.00 lakhs each of next ensuing eight quarters.The same has been paid in full during the current quarter.

e) Facility under Financial Assistance Scheme to Sugar Units under SEFASU 2014 from banks (Excise Duty Loan) of ₹743.12 lakhs (31 March 2017: ₹1423.40 lakhs) [(including current maturities ₹ 683.43 lakhs (31 March 2017: ₹ 683.43 lakhs)].

-Loan under financial assistance scheme to Sugar Units under SEFASU 2014 of ₹426.05 lakhs (31 March 2017: ₹ 793.70 lakhs) [(including current maturities ₹ 59.67 lakhs (31 March 2017: ₹ 366.36 lakhs)] from District Co-operative Bank is repayable in 5 years with 2 years of moratorium period and carry interest of 12% p.a. As per the scheme, the interest is payable by the Government of India/National Bank for Agriculture and Rural Development (NABARD). As per the terms of the sanction letter, the loan is secured by charge on residual assets of the subsidiary company. This charge is yet to be created.

The term loan carries a effective rate of interest of 0.73% p.a.

-Loan under financial assistance scheme to Sugar Units under SEFASU 2014 of ₹317.07 (31 March 2017: ₹629.70 lakhs) [(including current maturities ₹317.07 lakhs (31 March 2017: ₹ 317.07 Lakhs)] from State Bank of India is secured by first charge, pari passu, basis on the hypothecated current assets, both present and future and second charge, pari passu basis , on the moveable fixed assets of the subsidiary company with other working capital lenders. The said loan is repayable in 12 quartely installments starting from 30 June 2016 and carry interest of 12.00%-11.70% (31 March 2017 12.50%-12.00% p.a.) As per the scheme, the interest to the extent of 12% p.a. is payable directly by the Government of India/National Bank for Agriculture and Rural Development (NABARD) to State Bank of India.

The loan received under financial assistance scheme to Sugar Units under SEFASU 2014 are received at rate of interest below than market rate. Therefore, the said loans have been fair valued using discounted cash flow technique for initial recognition and subsequently carried at amortised cost. The discount rate which has been used for initial recognition i.e. 12.5% p.a. is bench marked to other secured financial liabilities of the subsidiary company.

f. Facility of Nil (31 March 2017: ₹16.60 lakhs) [(including current maturities Nil (31 March 2017: ₹ 16.60 lakhs)] is repayable in 48 equal instalments starting from April 2014 onwards. Term loan bearing interest rate Nil (31 March 2017: 15.25% p.a.). The term loan from Axis Bank is secured against first charge on the movable fixed assets (Present) and to be purchased out of the term loan (other than funded by other bankers/institutions). The loan is also secured by hypothecation of entire current assets of the subsidiary company both present and future.

g. Facility of Nil (31 March 2017: ₹1,401.01 lakhs) [(including current maturities Nil lakhs (31 March 2017: ₹372.69 lakhs)] is repayable in 48 equal instalments of ₹ 31.25 lakhs first instalment is due from January 2017 (13 months from the drawdown date). Term loan carries with interest Nil (31 March 2017: 12.10%). The term loan from ICICI Bank Limited is secured against first, paripassu, charge on the immovable and movable fixed asset purchased. The said loan is secured by second pari passu charge by way of hypothecation of entire current assets (both present and future) of the subsidiary company.

h. Facility of Nil (31 March 2017: ₹218.53 lakhs) [(including current maturities Nil (31 March 2017: ₹124.83 lakhs)] is taken from Axis Bank and is repayable in 48 equal monthly installments of ₹10.40 lakhs starting from January 2015 onwards. The term loan bearing interest of 13.5% - 14%p.a. (31 March 2017: 13.5%p.a. - 14%p.a.). The WCLT is secured against first charge, pari passu, with Ratnakar Bank over the entire Current Assets of the subsidiary company, both present and future, first charge, pari passuu, over the movable fixed assets of the Company (except which are specfically funded out of Axis Bank) and second charge, pari passu, over movable fixed assets of the subsidiary company funded out of the term loan).

2. Term Loan from Financial Institution

a) Facility of ₹5,856.97 lakhs (31 March 2017: ₹6,636.20 lakhs) [(including current maturities ₹787.86 lakhs (31 March 2016: ₹787.68 lakhs)] bearing interest of 12.15%p.a.-11.14%p.a. (31 March 2017 @ 12.15% p.a.) from Indian Renewal Energy Development Agency Limited (IREDA) is secured by first mortgage / charge, pari passu, on entire fixed assets of the subsidiary company, situated at 62.318 acres of land at Aira Estate, Khamaria Pandit, Distt Lakhimpur Kheri, Uttar Pradesh and a new peice of land of 27.045 acres at Village Allipur, Paragana Dhauraha, District Kheri, Uttar Pradesh together with building, moveable and immovable machinery and other fixed assets, present and future of the subsidiary company, on pari pasu basis with other term lenders. Further, the loan is secured by second pari-passu charge on current assets of the subsidiary company (excluding receivables from the power project on which there is a first pari-passu charge) along with other lenders. The said loan is repayable in 40 quarterly installments starting from expiry of 1 year from the date of commissioning of co-generation project.

b) Facility of ₹297.90 lakhs (31 March 2017: ₹1,485.00 lakhs) [(including current maturities ₹297.90 lakhs (31 March 2017: ₹100.00 lakhs)] bearing interest @12.50% p.a. from Infrastructure Leasing and Financial Servcies (IL&FS) is secured by first charge on the immovable and movable fixed asset purchased. The second charge, pari passu, is by hypothecation of entire current assets (both present and future) of the subsidiary company The said loan is repayable in 15 equal instalments of ₹100 lakhs starting from 31 March 2018.

c) Facility of ₹3,628.70 lakhs (31 March 2017: ₹ Nil lakhs) and ₹3,630.35 lakhs (31 March 2017: ₹ Nil lakhs) [(including current maturities ₹ Nil (31 March 2016: ₹ Nil)] from Tata Capital Financial Services Limited and Bajaj Finance Limited respectively and bearing Interest of 11.30% pa. and 10.50% p.a. respectively.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

It is repayable in 15 equal quarterly instalment of ₹ 266.67 lakhs with an initial monatarioum of 15 months.

These loan are secured by -

Collateral - First pari passu charge on immovable fixed assets owned by the company.

Collateral - First pari passu Charge by way of hypothecation over all present and future moveable fixed and Current assets.

d) Facility under Sugar Development Fund of ₹4,211.90 lakhs consiting term loan 1 of ₹2,852.31 lakhs (31 March 2017: ₹ Nil lakhs) and term loan 2 of ₹1,359.59 lakhs(31 March 2017: ₹ 940.66 lakhs) carries a fixed rate of interest @4.75% p.a. and @ 4.50% p.a. respectivily and for a time period of 10 years.

It is secured by first charge on, pari passu basis, all moveable and immoveable fixed assets of the subsidiary company, situated at 62.318 acres of land at Aira Estate, Khamaria Pandit, Distt Lakhimpur Kheri, Uttar Pradesh and a new piece of land of 27.045 acres at Village Allipur, Paragana Dhauraha, District Kheri, Uttar Pradesh.

The said term loan 1 is repayable in 10 quarterly installments starting from 28 April 2020.

The said term loan 2 is repayable in 10 quarterly installments starting from 31 January 2022.

The loan received from Sugar Development Fund is received at rate of interest below than market rate. Therefore, the said loan has been fair valued using discounted cash flow technique for initial recognition and subsequently carried at amortised cost. The discount rate which has been used for initial recognition i.e. 12.50%p.a. - 12.30% p.a. is bench marked to other secured financial liabilities of the subsidiary company.

e) Facility of ₹4,000.00 lakhs (31 March 2017: Nil) from Tata Capital Services Limited ('TCSL') including (current maturities of ₹400 lakhs (previous year: Nil). The total sanction amount is of ₹10,000.00 lakhs by Indusind Bank Limited ('IBL') and 40% i.e. ₹4,000.00 lakhs of the loan has been sold by IBL to TCSL from 1 March 2018. All other terms and covenants to the said loan remain same. No separate security is created in the name of Tata Capital Services Limited by the Company directly. However, as per the agreement signed, Tata Capital Services Limited has proportionate share in all the securities created by Indusind Bank Limited for the said loan. Refer (d) under point 1 i.e. Rupee term loan from banks for the same.

3. Foreign currency loan

a) Facility of ₹8,927.10 (31 March 2017: Nil) [(including current maturities ₹ Nil (31 March 2017: ₹ Nil)] is taken from Netherlandse Financierings Maatschappij Voor Ontwikkelingsladen N.V. (F.M.O) bearing the interest of 5.60%p.a. and is repayable in 15 equal half yearly installments commencing from 10 January 2020.

The said term loan is secured by -
Exclusive charge on Immovable property of Holding Company having survey no. 119/1 admersures 51425 sq. mtrs ,survey no. 120/1 admersures 8075 sq. mtrs,survey No 121 admersures 32239 sq. mtrs,survey No 129/1 admersures 24625 sq. mtrs,survey No 130/1 admersures 86175 sq. mtrs and survey No 131/1 admersures 19050 sq. mtrs situated at Sancoale within the limits of Village panchayant of Sancoale Goa, Mormugao Taluka, Sub Districity of Registration District of State of Goa.

b) Facility of ₹4,682.68 lakhs (31 March 2017: Nil) [AED 165 million (USD 44.92 million)] is taken from State Bank of India, DIFC Dubai, U.A.E for residential real estate development project being undertaken by the subsidiary company. The loan amount is repayable before 31 March 2021.The term loan is secured against irrevocable and unconditional standby letter of comfort of USD 28,580,000 issued by CAG Mumbai (Part of which has been given to National Bank of Fujairah) by CAG Mumbai and corporate guarantee of Holding Company to the extent of USD 16,340,000. In addition, there are various conditions and financial covenants attached to the bank facility, which are in the normal course of business.

4. Vehicle Loan

Facility of ₹20.81 lakhs (31 March 2017: Nil) (including current maturities ₹4.92 lakhs (31 March 2017: NIL) taken in the month of December 2017 from HDFC Bank Limited bearing interest of 8.51%p.a. The loan is payable in 48 structured monthly instalment commencing January 2018 of ₹0.54 Lakhs. The loan is Hypothecation on the vehicle.

5. Preference Shares

(a) The Non-Convertible Redeemable Preference Shares (NCRPS) of ₹86.93 lakhs (31 March 2017: ₹74.27 lakhs) carrying dividend @ 7.00% per annum. These shares are redeemable at par in one single lot after the expiry of 12th year from the date of allotment of shares with a right vested in the board of directors to redeem earlier subject to the consent of subscribers. The Board reserves the right to pay the dividend earlier with the consent of the subscribers but subject to the availability of profit. In case of loss or inadequacy of profit, the right of holders of NCRPS to receive the dividend shall expire.

NCRPS have been initially recorded at fair value by discounting the cash flow at maturity of instruments with discount rate of 16% p.a. (interest rate applicable to similar other borrowings of the subsidairy company).

(b) Non-Convertible Redeemable Preference Shares (NCRPS) of ₹10,198.58 lakhs (31 March 2017: ₹7,022.11 lakhs) carry dividend @ 8.50% p.a. which are cumulative in nature and redeemable on 31 March 2020. These shares are redeemable at a price band of ₹125 - ₹150 per preference share. Each holder of preference shares is entitled to one vote per share on resolutions placed before the subsidiary company, which directly affect the rights attached to the preference share.

NCRPS have been initially recorded at fair value by discounting the cash flow at maturity of instruments with discount rate of 14% p.a. (interest rate applicable to similar other borrowings of the subsidairy company).

6. Loan from Body Corporate

Unsecured facility of Nil (31 March 2017: ₹2,000.00 lakhs) [including current maturities of Nil lakhs (31 March 2017: ₹2,000.00 lakhs)] from Adventz Finance Private Limited bearing interest of Nil (31 March 2017: 14%) repayable in June 2017.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Note 13B. Current borrowings

Particulars	As at 31 March 2018	As at 31 March 2017
Secured		
Term loan from banks	10,232.96	7,120.07
Cash credit from banks	20,899.25	19,356.05
Buyers credit from banks	-	311.16
Term loan from others	-	2,976.29
Unsecured		
Working capital loan from banks	2,470.00	-
Loans from others	7,443.83	4,285.07
	41,046.04	**34,048.64**

1. **Term loan from banks (Secured)**
   a. Facility of ₹1,500.00 lakhs (31 March 2017: Nil) from ICICI Bank Limited is secured by the exclusive charge over the trade receivables (other than project receivables) of the Company and equitable mortgage over the land at Vrindavan, Uttar Pradesh owned by Brajbhumi Nirman Private Limited ("BNPL") , an associate entity. Further, irrevocable and unconditional corporate guarantee from BNPL. The loan is repayable within 180 days of drawdown i.e. 28 March 2018 and bearing interest MCLR Plus spread of 1.25%. (31 March 2017: Nil p.a.)

   b. Facility of ₹7,314.49 lakhs (31 March 2017: ₹ 7,012.57 lakhs) carries an interest rate of 4.235% p.a. (31 March 2017: 4.235% p.a.) represents term loan of AED 39,720,000 (previous year AED 397.20 lakhs) from National Bank of Fujairah for residential real estate development project being undertaken by the subsidiary company. The loan amount is availed for one year and rolled over quarterly for a maximum tenor of four years. The term loan is secured against irrevocable and unconditional standby letters of credit of AED 419.00 lakhs issued by State Bank of India in favour of National Bank of Fujairah. In addition, there are various conditions and financial covenants attached to the bank facility, which are in the normal course of business.This is further secured by pledge of units of mutual fund of ₹1,500 lakhs by a subsidiary company and first and paramount charge on specific land provided by the Holding Company.

   c. Facility of ₹153.77 lakhs (31 March 2017: ₹107.50 lakhs) availed by a subsidiary company bearing an interest rate 6.58% p.a and @ 7.47% p.a. (31 March 2017: 6.58 % p.a and 7.47%p.a.). It is secured by hypothecation of vehicle purchased out of loan.

   d. Facility of ₹1,064.70 lakhs (31 March 2017: Nil) availed by a step down subsidiary company, carries an interest rate of @ 12.00% p.a (31 March 2017: Nil). from the unrelated party which is repayable within period of 2 year. This loan is secured against development properties.

   e. Facility ₹200.00 lakhs (31 March 2017: Nil) availed by a subsidiary company from HDFC Bank Limited, bearing an interest rate of marginal cost of funds based lending rate (MCLR) (31 March 2017: Nil) and will be repaid in the month of August 2018. The said loan is secured by fixed deposit of ₹100.00 lakhs provided by the Subsidiary Company to the bank.

2. **Cash credit from banks**
   a. Cash credit of ₹466.44 lakhs (31 March 2017: ₹2,211.39 lakhs) bearing interest 13.75% p.a -14.00% p.a. (31 March 2017: 13.75%p.a. -14.00% p.a.) from Axis Bank is secured against pari passu first charge over the entire current assets both present and future and paripassu second charge over movable fixed assets of the subsidiary company funded out of Axis Bank term loan. The cash credit is repayable on demand.

   b. Cash credit from bank of Nil (31 March 2017: ₹1,671.44 lakhs) from Ratnakar Bank is secured against pari passu first charge over entire current and fixed assets (except vehicle) both present and future of the Subsidiary Company. The cash credit is repayable on demand and bearing interest Nil (31 March 2017: 14% p.a.)

   c. Cash credit of ₹5,493.83 lakhs (31 March 2017: ₹1,480.43 lakhs) bearing interest at 14.10%-11.65% p.a. (31 March 2017: 14.30%p.a.-14.10%p.a.) from State Bank of India is secured by hypothecation of entire current assets including book debts both present and future on pari passu basis and also by first charge on pari passu basis with other lenders on the fixed assets of the subsidiary company.

   d. Cash credit of ₹5,973.32 lakhs (31 March 2017: ₹5,132.20 lakhs) bearing interest 10.05% p.a. (31 March 2017: 11.25% p.a.) from District Cooperative Bank Limited, Lakhimpur Kheri. As per the sanction letter, the said limit is secured by pledge of some stock of finished goods and also by immovable fixed assets on pari-passu basis and The said charge is yet to be created.

   e. Cash credit of ₹1,756.01 lakhs (31 March 2017: ₹1,757.11 lakhs) bearing interest 11.25%-10.25% p.a. (31 March 2017: 11.25% p.a.) from District Cooperative Bank Limited, Barabanki, as per the sanction letter is secured by pledge of some stock of finished goods and The said charge is yet to be created.

   f. Cash credit of ₹3,116.05 lakhs (31 March 2017: ₹3,997.08 lakhs) bearing interest 12.25%-11.25% p.a (31 March 2017: 13.45%-11.25% p.a.) from Ratnakar Bank Limited is secured by first mortgage / charge of entire current assets, immovable and movable fixed assets ranking pari pasu with other lenders of the subsidiary company.

   g. Cash credit of ₹2,200.00 lakhs (31 March 2017: ₹1,499.94 lakhs) bearing interest 11.20%-10.05 p.a. (31 March 2017: 11.25% p.a.) from District Cooperative Bank Limited, Pilibhit, as per the sanction letter is secured by pledge of some stock of finished goods and The said charge is yet to be created.

   h. Cash credit of ₹1,893.59 lakhs (31 March 2017: ₹1,606.46 lakhs) bearing interest 12.25%-11.25% p.a.(31 March 2017: 13.45%-11.25% p.a.) from District Cooperative Bank Limited, Shahjahanpur, as per the sanction letter is secured by pledge of some stock of finished goods.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

3. Buyer credits from banks

Buyers credit of Nil (31 March 2017: ₹ 311.16 lakhs) for the import LC payment. Each buyer credit will be payable to the buyers credit party with different agreed date along with interest. Buyers credit is secured against first paripasu charges on all current assets of the subsidiary company, both present and future. First paripasu charge on all movable fixed assets (except vehicles & movable fixed assets funded out of term Loan from Axis bank) of the subsidiary company , both present and future. First pari passu charge on land and factory building of the subsidiary company located at G-106, SIDCO Industrial estate, Kakkalur, Tiruvallur, Tamilnadu. Second paripasu charge on movable fixed assets funded out of term loan from Axis Bank Limited The Buyers credit carries a rate of interest Nil (31 March 2017: 1.73% p.a.) and is repayable over a tenure of 60-90 days (31 March 2017: 60-90 days)

4. Term Loan from financial institution

In respect of short term loan of Nil (31 March 2017: ₹2,976.29 lakhs) from Indian Renewable Energy Development Agency Limited is availed by a subsidiary company, carries an interest rate of Nil (31 March 2017: 12.70%) repayable on or before end of two years from the date of 1 disbursement or upon release of SDF Loan, whichever is earlier. It is secured by first equitable mortgage/charge on, pari passu basis, all moveable and immoveable fixed assets of the subsidiary company, situated at 62.318 acres of land at Aira Estate, Khamaria Pandit, Distt Lakhimpur Kheri, Uttar Pradesh and a new piece of land of 27.045 acres at Village Allipur, Paragana Dhauraha, District Kheri, Uttar Pradesh, and second pari-passu charge on current assets of the subsidiary company (excluding receivables from the power project on which IREDA and State Bank of India will have exclusive first pari-passu charge), on pari passu basis with other lenders.

5. Working capital loan from banks

a. Facility of ₹1,500 Lakhs (31 March 2017 of Nil) from ICICI Bank Limited as unsecured short term loan, carried an Interest of MCLR-6M plus spread of 2% and MCLR-3M plus spread of 2% and the same will be payable within 6 month from the date of each drawal. The amount outsanding as on 31st March 2018 of ₹1500 lakhs.

b. Facility of ₹1,000 lakhs (31 March 2017 of Nil) from Federal Bank Limited as unsecured short term working capital demand loan, carried an Interest of 10.35% annually and the same will be payable within 6 month from the date of first drawal.The amount outsanding as on 31 March 2018 of ₹970 lakhs.

6. Loans from others

(a) Facility of ₹1,078.00 lakhs (31 March 2017: ₹485.07 lakhs) taken from Duke Commerce Limited bearing interest of 13% p.a. -17% p.a.(31 March 2017: 13% p.a. -17% p.a.) and are repayable on demand.

(b) Facility of ₹2,000.00 lakhs (31 March 2017: ₹2,000.00 lakhs) from Adventz Finance Private Limited bearing interest of 14% p.a.(31 March 2017: 14% p.a.) and such deposit is due for payment on 30 June 2018.

(c) Facility of ₹1,300.00 lakhs (31 March 2017: ₹1,300.00 lakhs) from Taxmaco Infrastructure & Holdings Limited, bearing an interest 16% p.a. (31 March 2017: 16%p.a.) and repayable on demand.

(d) Facility of ₹1,500.00 lakhs (31 March 2017: ₹2,500.00 lakhs) from Adventz Investment & Holdings Limited, bearing an interest rate 13.50%-12.50% p.a. (31 March 2017: 13.50% p.a.) and repayable on demand.

(e) Facility of ₹80.00 lakhs (31 March 2017: Nil) from Adventz Security Enterprises Limited, bearing an interest of 12.50% p.a. (31 March 2017: Nil) and repayable on demand.

(f) Facility of ₹1,485.83 lakhs (31 March 2017: Nil) bearing interest of 0% - 12% p.a.(31 March 2017: Nil) and are repayable on demand.

Note 14: Trade payables

Particulars	Non Current		Current	
	31 March 2018	**31 March 2017**	**31 March 2018**	**31 March 2017**
Trade payables (including acceptance)				
Due to related party (refer note 47)	-	-	1.85	845.08
Due to others (refer note 14A below for details of dues to micro, small and medium enterprises)	199.57	397.14	38,921.50	26,527.20
	199.57	**397.14**	**38,923.35**	**27,372.28**

Note 14A: Disclosure as per Section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006

Particulars	31 March 2018	31 March 2017
i) Principal amount due to suppliers under MSMED Act	963.31	154.48
ii) Interest accrued and due to suppliers under MSMED Act on the above amount	7.22	0.13
iii) Payment made to suppliers (other than interest) beyond appointed day during the year		
iv) Interest paid to suppliers under MSMED Act	-	119.24
v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	0.92
vi) Interest accrued and remaining unpaid at the end of the accounting year	8.27	1.05
vii) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	8.27	-

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30-60 day terms

For explanation on the Group's credit risk management processes, refer to note 48

(All amounts in ₹ lakhs, unless stated otherwise)

Note 15: Other financial liabilities

Particulars	Non Current		Current	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Other financial liabilities at amortised cost				
Current maturities of long term borrowings (refer note 13A)	-	-	5,275.26	5,545.23
Payable for voluntary retirement scheme	-	4.60	4.60	18.67
Advance towards sale of land (refer note 47)	-	-	700.00	-
Interest accrued but not due on borrowings	-	-	634.76	225.83
Interest accrued and due on borrowings^	-	-	-	190.95
Security deposits received	26.01	-	346.32	583.96
Other payables	597.89	-	967.25	2,422.58
Statutory liabilities to be credited to 'Investor's Education and Protection Fund' as and when due :				
Unclaimed dividends	-	-	22.19	25.87
Unclaimed deposits and interest warrants	-	-	1.61	2.41
Total other financial liabilities	**623.90**	**4.60**	**7,951.99**	**9,015.50**

^The Management is of the view that the settlement / service of interest debited by the bank on the day subsequent to such debit is not a default.

Note 16: Provisions (current and non-current)

Particulars	Non Current		Current	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Provision for employee benefits				
Provision for leave encashment	507.61	326.19	99.14	345.79
Gratuity (refer note 40)	297.85	125.76	241.96	311.98
Staff end of service benefits	-	-	20.16	-
	805.46	**451.95**	**361.26**	**657.77**
Others provisions				
Provision for warranty*	-	-	899.97	104.30
Provision for expected loss**	-	-	44.12	464.58
	-	**-**	**944.09**	**568.88**
	805.46	**451.95**	**1,305.35**	**1,226.65**

***Provision for warranty (period upto one year)**

Particulars	31 March 2018	31 March 2017
Opening balance	**104.30**	**45.83**
Additions during the year	822.94	58.47
Amount used during the year	11.25	-
Unused amount reversed during the year	16.02	-
Closing balance	**899.97**	**104.30**

* In respect of a subsidiary of the Group engaged in the business of manufacturing and trading and sale of ready to assemble furniture, provisions for warranty related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty related costs is revised annually. The Subsidiary Company gives warranty for products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Warranty provisions are made for expected future cash outflows and computed on total sales made during the year based on past experience. No reimbursements are expected. In case of another subsidiary company, it has assessed the year end provision for expected claims/expenditure on construction contracts on the basis of the best estimate.

Provision for expected loss

Particulars	31 March 2018	31 March 2017
Opening balance	464.58	-
Addition during the year	-	464.58
Amount used during the year	-	-
Reversal during the year	420.46	-
Closing balance	**44.12**	**464.58**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Note 17A Income tax

The major components of income tax expense for the years ended 31 March 2018 and 31 March 2017 are:

Profit or loss section

Particulars	31 March 2018	31 March 2017
Current income tax:		
Current income tax charge/(credit)	267.80	393.01
Deferred tax:		
Relating to origination and reversal of temporary differences	136.49	(367.40)
Income tax expense/(credit) reported in the statement of profit or loss	**404.29**	**25.61**

OCI section

Deferred tax related to items recognised in OCI during in the year:

Particulars	31 March 2018	31 March 2017
Net loss/(gain) on remeasurements of defined benefit plans	(214.42)	(125.68)
Deferred tax charge/(credit) to OCI	33.03	38.51
Net (loss)/gain on FVTOCI equity securities	51,981.60	21,893.76
Deferred tax charge /(credit) to OCI	-	-

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and 31 March 2017.

Particulars	As at 31 March 2018	As at 31 March 2017
Accounting profit/(loss) before Income tax	**(3,405.88)**	**(2,000.87)**
Tax at the applicable tax rate of 34.608% (31.3.2016: 34.608%)	1,178.71	692.46
Losses of subsidiary on which no tax liability was created (net of consolidation adjustments)	(666.84)	(1,368.20)
Adjustments in respect of loss of associate and joint ventures	(286.46)	(175.02)
Dividend income	331.48	450.91
Interest on land compensation (taxable on receipt basis)	-	(27.80)
Impact of restatement made on preference shares of the Subsidiary Company	(380.96)	(274.50)
Impact of change in tax rate	(190.56)	37.37
Additional deduction on investment allowance	-	722.00
Tax effect on expiry of bought forward losses	(293.60)	-
Other	(96.06)	(82.83)
Tax expense	**(404.29)**	**(25.61)**

Note 17B Deferred tax assets (net):

Particulars	As at 1 April 2016	Provided during the year	As at 31 March 2017	Provided during the year	As at 31 March 2018
Deferred tax assets:					
Provision for doubtful debts	6.79	(0.59)	6.20	128.92	135.12
Expenses allowable in Income tax on payment basis and deposition of Statutory dues	525.66	132.80	658.46	(64.08)	594.38
Unabsorbed depreciation	4,504.21	3,271.07	7,775.28	683.99	8,459.27
Carry forward of unused tax losses and unused tax credits	4,389.84	595.15	4,984.99	1,920.96	6,905.95
Deferred government grants	184.46	(12.55)	171.91	173.39	345.30
Provision for expected loss	-	143.56	143.56	(131.06)	12.50
Interest accrued on preference shares	22.38	22.75	45.13	15.15	60.28
MAT credit entitlement	50.55	42.63	93.18	(7.14)	86.04
Unrealised profit on sale of land (refer note 55)	1,787.87	-	1,787.87	-	1,787.87
Others	868.49	(27.23)	841.26	(898.07)	(56.81)
Total deferred tax assets (A)	**12,340.25**	**4,167.60**	**16,507.84**	**1,822.06**	**18,329.90**

Particulars	As at 1 April 2016	Provided during the year	As at 31 March 2017	Provided during the year	As at 31 March 2018
Deferred tax liability:					
Property, plant and equipment impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	1,480.91	3,678.77	5,159.68	1,451.48	6,611.16
Income considered in the books but not in the income tax	38.23	(38.23)	-	-	-
Fair valuation of investment	27.76	91.86	119.62	96.90	216.52
Others	37.94	(13.35)	24.59	384.28	408.87
Total deferred tax liability (B)	**1,584.84**	**3,719.05**	**5,303.89**	**1,932.66**	**7,236.55**
Deferred tax assets (net) (A - B)	**10,755.41**	**448.55**	**11,203.95**	**(110.60)**	**11,093.35**

*Deferred tax assets (net) of ₹11,093.35 lakhs as at 31 March 2018 comprises of deferred tax liability (net) of ₹1,384.04 lakhs and deferred tax assets (net) of ₹12,477.39 lakhs, of respective entities of the Group.

Reconciliation of deferred tax assets (net):

Particulars	31 March 2018	31 March 2017
Opening balance	**11,203.95**	**10,755.41**
Tax (credit)/expense during the year recognised in statement of profit or loss	(136.49)	367.40
Tax (credit)/expense during the year recognised in OCI	33.03	38.51
MAT credit entitlement	(7.14)	42.63
Closing balance	**11,093.35**	**11,203.95**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The Group has till date recognised ₹ 86.04 lakhs (31 March 2017: ₹93.18 lakhs) as Minimum Alternate Tax (MAT) credit entitlement which represents that portion of the MAT Liability, the credit of which would be available based on the provision of Section 115JAA of the Income Tax Act, 1961. The management based on the future profitability projections is confident that there would be sufficient taxable profits in future which will enable the Group to utilize the above MAT credit entitlement.

Note 17C: Tax assets

Particulars	Non Current		Current	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Income tax assets- others	5,225.94	5,139.41	-	46.19
Advance received - related parties (refer note 56)	(2,533.85)	(2,533.85)	-	-
	2,692.09	**2,605.56**	**-**	**46.19**

Note 18: Other liabilities

Particulars	Non Current		Current	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Statutory liabilities	-	-	1,632.88	1,987.31
Advances received for sale of land				
Related parties (refer note 47)	-	-	3,209.13	3,909.13
Advances received from customers and others				
Related parties (refer note 47)	-	-	34.66	59.92
Others	-	-	6,445.46	6,153.49
Deferred revenue	-	-	179.41	28.73
Deferred gain on preference shares issued to others	179.84	190.02	10.19	8.71
Deferred government grant 5% - Sugar refinery	476.18	497.23	21.05	21.05
Deferred government grant 5% - Power Plant	468.27	489.84	21.58	21.57
Deferred government grant from Sugar Development Fund	1,300.94	1,055.81	262.42	64.15
Others (interest on income tax)	-	-	-	64.22
	2,425.23	**2,232.90**	**11,816.78**	**12,318.28**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Note 19: Revenue from operations

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Operating revenues		
Sale of finished, traded and by products (including excise duty and cess)	28,364.65	46,792.17
Sale of power	5,208.48	3,959.24
Sale of services		
Engineering supplies and other services	19,598.66	11,074.17
Revenue from sale of constructed properties	1,869.86	1,257.80
Other operating revenue		
Scrap sales	224.16	31.30
	55,265.81	**63,114.68**

Note 20: Other income

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest income on:		
Bank deposits	128.39	185.87
Intercorporate loans	151.27	152.59
Overdue debtors and others	405.16	87.51
Income tax refunds	71.09	358.62
Dividend income from:		
Current investments	69.57	84.96
Long-term investments	1,328.42	1,330.59
Excess provisions written back (net)	1,375.27	114.09
Exchange fluctuations (net)	-	0.53
Income from fair valuation of mutual funds	485.64	472.23
Rent received	735.90	266.45
Profit on sale of investments (net)	4.45	17.82
Renewable energy certificate income	375.78	307.58
Government grant:		
Interest reimbursement from U.P Government under Sugar Industry, Cogeneration and Distillery Promotion Policy, 2013	838.36	581.23
Assistance to sugar mills for sugar cane purchase	680.44	-
Government grants on excise term loans and cane soft loans	136.33	308.70
Amortisation of:		
Deferred government grant recognised on loan from Sugar Development Fund	239.26	15.22
Deferred government grant 5% - Power Coogeneration Plant	21.57	8.08
Deferred government grant 5% - Sugar expansion	21.05	21.57
Deferred gain on NCRPS	8.71	7.44
Miscellaneous income	200.80	193.51
	7,277.46	**4,696.09**

Total interest income (calculated using the effective interest method) for financial assets that are not at fair value through profit or loss

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
In relation to financial assets classified at amortised cost	684.82	425.97
	684.82	**425.97**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Note 21: Cost of raw materials consumed

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Opening stock	630.42	787.30
Purchases and procurement expenses	43,273.13	32,647.65
	43,903.55	**33,434.95**
Less: Closing stock	1,223.30	630.42
	42,680.25	**32,804.53**
Less: Internal generated bagasse transferred to pre-operative expense (pending allocation) under power and fuel	-	99.90
	42,680.25	**32,704.63**

Note 22: Purchase of stock in trade

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Furniture and accessories	851.72	2,268.62
	851.72	**2,268.62**

Note 23: Project expenses

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Project supplies	11,810.74	3,934.97
Architect fees	53.43	606.42
Consultancy fee	170.77	121.54
Travelling and conveyance	172.36	231.75
Sub-contracting fee	4,781.69	2,217.79
Legal and professional fees	1,423.91	697.64
Site office expenses	90.50	109.18
Project staff costs	1,013.36	794.77
Interest on loans	2,649.07	2,895.63
Project expenses	3,570.47	1,958.55
Provision for expected loss (reversed)/recognised (refer note 16)	(420.46)	464.58
Provision for warranties (refer note 16)	802.96	58.46
Miscellaneous expenses	538.80	585.51
	26,657.60	**14,676.79**
Less : Warranty provision of earlier years reversed	(16.02)	-
Less: Balances no longer required, written back	(221.00)	-
	26,420.58	**14,676.79**

Note 24: Change in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Closing stock		
Finished products	34,254.89	18,256.33
Land and construction work-in-progress	45,612.82	38,042.52
Work-in-progress	811.43	307.48
Molasses	2,297.01	436.31
Pressmud	80.07	24.56
Traded products	-	904.61
Scrap	318.75	189.71
	83,374.97	**58,161.52**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Less :		
Opening stock		
Finished products	18,256.33	13,719.28
Land and construction work-in-progress	38,042.52	32,136.96
Work-in-progress	307.48	389.87
Molasses	436.31	808.48
Pressmud	24.56	27.47
Traded products	904.61	2,001.23
Scrap	189.71	40.00
	58,161.52	**49,123.29**
(Increase) / decrease		
Finished products	(15,998.56)	(4,537.05)
Land and construction work-in-progress	(7,570.31)	(5,905.56)
Work in progress	(503.95)	82.39
Molasses	(1,860.70)	372.17
Pressmud	(55.52)	2.91
Traded products	904.61	1,096.62
Scrap	(129.04)	(149.71)
Adjustment for excise duty and cess on inventories	**(1,096.42)**	**77.92**
	(26,309.89)	**(8,960.31)**

Note 25: Excise duty on sale of goods

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Excise duty on sale of goods	530.11	2,775.72
	530.11	**2,775.72**

Note 26: Employee benefits expense

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and bonus	5,727.61	6,871.05
Contribution to provident and other funds	351.57	387.52
Staff welfare expenses	188.06	204.94
	6,267.24	**7,463.51**

Note 27: Finance costs

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expense	11,718.48	9,170.06
Other borrowing costs	145.44	319.05
	11,863.92	9,489.11
Less: Transfer to project expenses	2,649.07	2,895.63
	9,214.85	**6,593.48**

Capitalisation of the Borrowing cost is not required to be suspended when substantial technical and administrative work is carried out or when there is a temporary delay which is a necessary part of the process of getting an asset ready for sale. The management of one of the subsidiary is of the view that the slow progress of various real estate projects are temporary in nature considering the nature of industry and the economic conditions prevailing in the industry. Accordingly, capitalisation (transfer to inventory) of interest cost is not suspended during the current year.

(All amounts in ₹ lakhs, unless stated otherwise)

Total interest expense (calculated using the effective interest method) for financial liabilities that are not at fair value through profit or loss

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
In relation to financial liabilities classified at amortised cost	11,718.48	9,170.06
	11,718.48	**9,170.06**

Note 28: Depreciation and amortization expense

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of property, plant and equipment	1,960.97	1,445.30
Amortisation of intangible assets	50.38	61.50
Depreciation on investment property	3.63	9.16
	2,014.98	**1,515.96**
Less: transferred to project	(16.04)	(33.50)
	1,998.94	**1,482.46**

Note 29: Other expenses

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Consumption of stores and spares	682.74	544.17
Consumption of packing materials	389.36	499.11
Job work charges	475.87	-
Consignment charges	149.91	-
Power, fuel and water	174.17	480.82
Outward freight and handling	584.72	1,169.10
Rent	590.48	1,654.33
Rates and taxes	274.55	276.85
Insurance	118.45	146.25
Repairs and maintenance		
Building	47.08	42.49
Machinery	773.46	418.76
Others	409.16	375.64
Payment to auditors (refer details below)	96.81	118.40
Consultancy charges	663.08	529.31
Balances written off	54.11	209.50
Impairment of doubtful debts and advances	886.42	268.23
Loss on foreign exchange (net)	28.48	-
Loss on sale of property, plant and equipment (net)	5.34	6.28
Commission on sales	86.88	61.40
Business promotion expenses	522.03	-
Advertisement	127.09	394.01
Molasses storage and maintenance reserve	2.70	5.29
Donation	21.61	8.29
Assets written off	150.48	27.10
Communication	128.52	158.48
Travelling and conveyance	221.90	267.00
Miscellaneous expenses	666.85	1,139.89
	8,332.26	**8,800.70**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Payments to statutory auditors
As statutory auditors

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Audit fees	54.55	65.89
Tax audit fee	7.91	13.04
Limited review fees	16.15	10.94
Certification fees, etc.	11.16	21.81
Reimbursement of expenses	7.04	6.72
	96.81	**118.40**

Note 30: Exceptional items

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Income	**-**	**-**
	-	**-**
Expenses		
Cane Subsidy written off by the Subsidiary Company*	-	1,500.38
	-	**1,500.38**
	-	**1,500.38**

*The Government of Uttar Pradesh issued press release for grant of subsidy for Sugar industry for the crushing season 2015-2016 linked to average selling price of sugar and by-products during the period 1 October 2015 to 31 May 2016. Total subsidy recognized for the said crushing season amounted to ₹1,500.38 lakhs, based on estimated average selling prices of the period mentioned above.

Note 31: Components of other comprehensive income attibutable to equity shareholders

The disaggregation of changes to OCI be each type of reserve in equity is shown below:

For the year ended 31 March 2017

Particulars	FVTOCI reserve	Foreign currency translation reserve	Retained earnings	Total
A Items that will be reclassified to profit or loss				
Share of (loss)/profit in associates and joint ventures (net of tax)	17.92	(87.10)	-	**(69.18)**
Foreign currency translation reserve	-	(85.57)	-	**(85.57)**
B Items that will not be reclassified to profit or loss				
Share of profit in associates and joint ventures (net of tax)	1,663.57	-	45.86	**1,709.43**
Re-measurement losses on defined benefit plans	-	-	(125.68)	**(125.68)**
Net gain on FVTOCI equity securities	21,893.76	-	-	**21,893.76**
Income tax effect on above	-	-	38.51	**38.51**
Non controlling interest	-	-	37.89	**37.89**
	23,575.25	**(172.67)**	**(3.42)**	**23,399.16**

For the year ended 31 March 2018

Particulars	FVTOCI Reserve	Foreign Currency Translation Reserve	Retained Earnings	Total
A Items that will be reclassified to profit or loss				
Share of loss in associates and joint venture (net of tax)	0.89	(31.88)	-	**(30.99)**
Foreign currency translation reserve	-	(3.79)	-	**(3.79)**
B Items that will not be reclassified to profit or loss				
Share of profit in associates (net of tax)	189.92	-	41.20	**231.12**
Re-measurement gains (losses) on defined benefit plans	-	-	(214.42)	**(214.42)**
Net (loss)/gain on FVTOCI equity securities	51,981.60	-	-	**51,981.60**
Income tax effect on above	-		33.03	**33.03**
Non controlling interest	-	-	275.77	**275.77**
	52,172.41	**(35.67)**	**135.58**	**52,272.32**

(All amounts in ₹ lakhs, unless stated otherwise)

Note 32: Earnings per share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year.

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

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Profit/(loss) after taxation as per statement of Profit and Loss (₹ in lakhs)	(2,807.61)	(2,587.87)
Weighted average number of shares used in computing earnings per share -Basic and Diluted	29,440,604	29,440,604
Earnings per share – Basic and diluted (in ₹) (annualised)	(9.54)	(8.79)
Face value per share (in ₹)	10.00	10.00

Note 33: Distributions made and proposed

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Dividends on equity shares paid:		
Equity dividends: ₹1 per equity share (31 March 2017: ₹1 per equity share)	298.08	297.59
Dividend distribution tax on above	59.93	59.93
	358.01	**357.52**
Proposed dividends on equity shares:		
Proposed final equity dividends: ₹1 per equity share (31 March 2017: ₹1 per equity share)	294.41	294.41
Tax on proposed equity dividend	59.93	59.93
	354.34	**354.34**

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at 31 March.

Note 34: Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, 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 periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

1) **Evaluation of indicators for impairment of assets**
The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

2) **Impairment of financial assets**
At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

3) **Contingencies**
Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events

4) **Recoverability of advances / receivables**
At each balance sheet date, based on historical default rates observed over expected life, the Management assesses the expected credit losses on outstanding receivables and advances.

5) **Recognition of deferred tax assets**
The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting 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. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

1) **Revenue and inventories**

The Group recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Group used the available contractual and historical information.

The Group estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future demand or other market-driven changes that may reduce future selling prices.

2) **Useful life of property, plant and equipment**

The management estimates the useful life and residual value of property, plant and equipment based on technical evaluation. These assumptions are reviewed at each reporting date.

3) **Valuation of investment property**

Investment property is stated at cost. However, as per Ind AS 40, there is a requirement to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date.

4) **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

5) **Defined benefit plans**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation 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 reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 40.

6) **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 48 for further disclosures.

Note 35: Disclosure of Interest in subsidiaries, joint arrangements and associates:

1) **Disclosure of Interest in the following categories of Joint Arrangements:**

(a) **Joint ventures:**

Name of the Company	Country of incorporation /principal place of business	Proportion of ownership interest (%)	
		As on 31 March 2018	As on 31 March 2017
(i) Zuari Indian Oiltanking Private Limited	India	50.00%	50.00%

2) Disclosure of interest in the following subsidiaries:

	Name of the Company	Country of incorporation /principal place of business	Proportion of ownership interest (%)	
			As on 31 March 2018	As on 31 March 2017
1	Indian Furniture Products Limited (IFPL) consolidated including its joint ventures (refer note (i) below)	India	86.05%	86.05%
2	Simon India Limited (refer note (ii) below)	India	100.00%	100.00%
3	Zuari Management Services Limited	India	100.00%	100.00%
4	Zuari Infraworld India Limited (ZIIL) consolidated including its subsidiaries and joint ventures (refer note (iii) below)	India	100.00%	100.00%
5	Zuari Investments Limited consolidated including its subsidiaries and associates (refer note (iv) below)	India	100.00%	100.00%
6	Zuari Sugar and Power Limited	India	100.00%	100.00%
7	Zuari Finserv Private Limited (formerly known as Horizon View Developers Private Limited) (refer note (v) below)	India	100.00%	100.00%

3) Disclosure of interest in the following associates:

	Name of the Company	Country of incorporation /principal place of business	Proportion of ownership interest (%)	
			As on 31 March 2018	As on 31 March 2017
1	Zuari Agro Chemicals Limited (including subsidiaries and Joint Ventures) (refer note (vi) below)	India	32.08%	32.08%

i) Consolidated including its joint ventures –Soundaryaa IFPL Interiors Limited 50% and Forte Furniture Products India Private Limited 50% (w.e.f. 1 February 2017)

ii) The subsidiary company had 49% interest in the assets, liabilities, expenses and output of the Simon Engineering & Partners LLC, incorporated in Sultanate of Oman (JV Company), which is involved in Engineering, Construction and Procurement Services. However, the subsidiary company's interest in Simon Engineering & Partners LLC had been reduced to 29% unilaterally in the year ended 31 December 2010. The Subsidiary Company is of opinion that they did not have any control on the functioning of the JV Company, the change in shareholding pattern came to light when the termination agreement was in discussion. Hence, JV Company has not been consolidated as required under Ind AS 28- Investment in Joint Venture and Associate as specified under Section 133 of the Act and the Companies (Indian Accounting Standards) Rules, 2015, as amended. However, the subsidiary company had created a provision for diminution in the value of investment in the share capital of the JV company of ₹10.45 lakhs and provision against amount receivable of ₹19.89 lakhs (31 March 2017: ₹20.09 lakhs) from JV company against the invoices raised by the subsidiary company in the financial statements.

iii) Consolidated including its subsidiary and joint ventures –

a) Following subsidiary has been consolidated on line by line basis:

Name of the company	Country of Incorporation / Principal place of business	Proportion of Ownership Interest (%)	
		As on 31 March 2018	As on 31 March 2017
Zuari Infra Middle East Limited (based on consolidated financial statement of its subsidiary) (Refer note (b) below)	UAE	100.00%	100.00%

b) The information relating to the subsidiary of Zuari Infra Middle East Limited is given below :

Name of the company	Country of Incorporation / Principal place of business	Proportion of Ownership Interest (%)	
		As on 31 March 2018	As on 31 March 2017
Zuari Infraworld SJM Elysium Properties LLC (formerly known as SJM Elysium Properties LLC) (refer note below)	UAE	100.00%	100.00%

Note: Shareholding of Zuari Infraworld SJM Elysium Properties LLC includes 51% held by a nominee shareholder as per the Shareholders Agreement dated 18 August 2014 effective from 21 December 2015 (on finalization of project structuring). As per this agreement, the Group has complete management. Hence, this company has been considered as a subsidiary with 100% interest and accordingly consolidated.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018
(All amounts in ₹ lakhs, unless stated otherwise)

c) Following associates have been consolidated on Basis Equity Method:

Name of the company	Country of Incorporation / Principal place of business	Proportion of Ownership Interest (%)	
		As on 31 March 2018	As on 31 March 2017
Braj Bhumi Nirmaan Private Limited (based on consolidated financial statement of its subsidiaries) (refer note (d) below)	India	25.00%	25.00%
Pranati Niketan Private Limited	India	25.00%	25.00%
Darshan Nirmaan Private Limited	India	25.00%	25.00%

d) The information relating to the subsidiaries of Braj bhumi Nirmaan Private Limited are given below:

Name of the company	Country of Incorporation / Principal place of business	Proportion of Ownership Interest (%)	
		As on 31 March 2018	As on 31 March 2017
Rosewood Agencies Private Limited	India	100.00%	100.00%
Neobeam Agents Private Limited	India	100.00%	100.00%
Mayapur Commercial Private Limited	India	100.00%	100.00%
Nexus Vintrade Private Limited	India	100.00%	100.00%
Bahubali Tradecomm Private Limited	India	100.00%	100.00%
Hopeful Sales Private Limited	India	100.00%	100.00%
Divine Realdev Private Limited	India	100.00%	100.00%
Kushal Infraproperty Private Limited	India	100.00%	100.00%
Beatle Agencies Private Limited	India	100.00%	100.00%
Suhana Properties Private Limited	India	100.00%	100.00%
Saket Mansions Private Limited	India	100.00%	100.00%

iv) The information relating to the subsidiaries and associates of Zuari Investment Limited

Name of the company	Country of Incorporation / Principal place of business	Proportion of Ownership Interest (%)	
		As on 31 March 2018	As on 31 March 2017
Subsidiaries			
Gobind Sugar Mills Limited	India	51.27%	51.27%
Zuari Commodity Trading Limited	India	0.00%	100.00%
Zuari Insurance Brokers Limited	India	0.00%	100.00%
Associate			
New Eros Tradecom Limited	India	45.05%	45.05%

v) The information relating to the subsidiaries of Zuari Finserv Private Limited

Name of the subsidiaries company	Country of Incorporation /Principal place of business	Proportion of Ownership Interest (%)	
		As on 31 March 2018	As on 31 March 2017
Zuari Commodity Trading Limited	India	100.00%	0.00%
Zuari Insurance Brokers Limited	India	100.00%	0.00%

During the year ended 31 March 2018, the Hon'ble National Company Law Tribunal, Mumbai Bench, of Mumbai vide its order dated 09 November 2017 approved the arrangement as embodied in the Scheme of Arrangement (the "Scheme") of the Demerged Service Oriented Undertaking of Zuari Investments Limited along with entire investments held by it in Zuari Insurance Brokers Limited and Zuari Commodity Trading Limited, its wholly owned subsidiaries, with the Zuari Finserv Private Limited and the same has been filed with Registrar of Companies on 5 January 2018 ("Effective Date"). On complying with the requisite formalities by the both the subsidiary companies, the Scheme became effective from 1 April 2016 ("Appointed Date").

(All amounts in ₹ lakhs, unless stated otherwise)

vi) The information relating to the subsidiaries and joint ventures of Zuari Agro Chemicals Limited

Name of the company	Country of Incorporation / Principal place of business	Proportion of Ownership Interest (%)	
		As on 31 March 2018	As on 31 March 2017
Subsidiaries Companies			
Managlore Chemicals and Fertilizers Limited*	India	53.03%	53.03%
Adventz Trading DMCC	United Arab Emirates	100.00%	0.00%
Joint ventures			
Zuari Maroc Phosphates Private Limited (including its 80.45% subsidiary-Paradeep Phosphates Limited)	India	50.00%	50.00%
MCA Phosphates Pte Limited (including its associate Fosfatos del Pacifico S.A.)	Singapore	30.00%	30.00%

Pursuant to the Scheme of Amalgamation ["the Scheme"] under Section 391 to 394 of the Companies Act 1956 among the Zuari Agro and Chemicals Limited ('ZACL') and its erstwhile wholly owned subsidiary companies, namely Zuari Fertilizers and Chemicals Limited ("ZFCL"), Zuari Speciality Fertilisers Limited ("ZSFL") and Zuari Agri Sciences Limited ("ZASL"), [Transferor Companies] approved by Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") vide its order dated 14th September 2017, the Transferor Companies stand merged with the Parent Company w.e.f. April 1, 2015 (the appointed date). A certified true copy of the Order has been received by the Transferor Companies and ZACL on November 07, 2017 and the ZACL has filed the order with the Registrar of Companies (ROC), Goa.

Note 36: Material partly owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below :

Proportion of equity interest held by non-controlling interests

Name	Country of incorporation and operation	31 March 2018	31 March 2017
Indian Furniture Products Limited (IFPL)	India	13.95%	13.95%
Gobind Sugar Mills Limited (GSML)	India	48.73%	48.73%

Information regarding non-controlling interests

Name	31 March 2018	31 March 2017
Accumulated balances of material non-controlling interests	**1,098.77**	**2,377.10**
Indian Furniture Products Limited (IFPL)	592.51	798.97
Gobind Sugar Mills Limited (GSML)**	506.26	1,578.13
Profit/(Loss) allocated to material non-controlling interests	**(1,278.33)**	**523.50**
Indian Furniture Products Limited (IFPL)	(206.46)	(337.11)
Gobind Sugar Mills Limited (GSML)	(1,071.87)	860.61

The summarised financial information of these subsidiaries are provided below. This information is based on amounts before inter company eliminations.

Summarised statement of profit and loss of Indian Furnitures Product Limited

Particulars	31 March 2018	31 March 2017
Revenue	4,378.40	11,422.71
Other income	1,541.12	211.84
	5,919.52	**11,634.55**
Cost of materials consumed	(808.19)	(2,310.09)
Purchases of stock in trade	(851.72)	(2,268.62)
Changes in inventories of finished goods, stock-in-trade and work in progress	(1,050.57)	(1,108.13)
Excise duty on sale of goods	(186.84)	(779.13)
Employee benefits expense	(70.05)	(1,705.46)
Finance costs	(1,209.27)	(1,052.13)
Depreciation and amortization expense	(171.74)	(230.20)
Other expenses	(1,875.29)	(4,250.83)
	(6,223.67)	**(13,704.58)**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	31 March 2018	31 March 2017
Profit/(loss) before share of profit/(loss) of joint ventures and tax	**(304.15)**	**(2,070.03)**
Share of profit/(loss) of joint ventures	(1,177.90)	(324.58)
Profit/(loss) before tax	**(1,482.05)**	**(2,394.61)**
Income tax (expense)/credit	2.07	2.70
Profit/(loss) for the year	**(1,479.98)**	**(2,391.91)**
Other comprehensive income	-	(24.65)
Total comprehensive income	**(1,479.98)**	**(2,416.56)**
	13.95%	13.95%
Attributable to non-controlling interests	**(206.46)**	**(337.11)**

Summarised balance sheet of Indian Furnitures Product Limited

Particulars	31 March 2018	31 March 2017
Non-current assets	16,621.02	14,916.13
Current assets	3,897.58	7,914.98
Non-current liabilities	(9,869.80)	(5,081.07)
Current liabilities	(5,629.73)	(11,251.05)
	5,019.08	**6,498.99**
Less: deemed equity share capital	(771.69)	(771.69)
Total Equity	**4,247.39**	**5,727.29**
Attributable to		
Equity holders of Holding Company	3,654.88	4,928.33
Non controlling interest	592.51	798.97

Summarised cash flow of Indian Furnitures Product Limited

Particulars	31 March 2018	31 March 2017
Cash flow from operating activities	483.54	1,104.60
Cash flow from Investing activities	(830.69)	(1,373.08)
Cash flow from financing activities	353.07	141.37
Net increase /(decrease) in cash and cash equivalent	5.93	(127.11)

Summarised statement of profit and loss of Gobind Sugar Mills Limited

Particulars	31 March 2018	31 March 2017
Revenue	29,432.87	40,489.27
Other income	2,516.83	1,603.72
	31,949.70	**42,092.99**
Cost of materials consumed	(41,872.06)	(30,394.54)
Changes in inventories of finished goods, stock-in-trade and work in progress	20,910.29	4,268.21
Excise duty on sale of goods	(343.27)	(2,101.91)
Employee benefits expense	(1,997.40)	(2,039.93)
Finance costs	(6,179.43)	(4,759.32)
Depreciation and amortization expense	(1,697.97)	(1,146.60)
Other expenses	(3,225.36)	(2,471.60)
	(34,405.20)	**(38,645.69)**
Profit/(loss) before exceptional items and tax	**(2,455.50)**	**3,447.30**
Exceptional item	-	(1,500.38)
Profit/(loss) before tax	**(2,455.50)**	**1,946.92**
Income tax (expense)/credit	398.14	(110.14)
Profit for the year	**(2,057.36)**	**1,836.78**
Other comprehensive income	(142.24)	(70.71)
Total comprehensive income	**(2,199.60)**	**1,766.07**
Attributable to non-controlling interests	**(1,071.87)**	**860.61**

(All amounts in ₹ lakhs, unless stated otherwise)

Summarised balance sheet of Gobind Sugar Mills Limited

Particulars	31 March 2018	31 March 2017
Non-current assets	49,373.15	47,728.64
Current assets	45,470.72	23,639.90
Non-current liabilities {including financial liabilities ₹30,727.74 (31 March 2017: ₹17,121.71 lakhs)}	(35,736.28)	(21,903.23)
Current liabilities {including financial liabilities ₹56,805.40 (31 March 2017: ₹45,089.04 lakhs)}	(58,776.35)	(46,937.15)
	331.24	**2,528.16**
Less: deemed equity share capital	(7,821.00)	(7,821.00)
Total equity	**(7,489.76)**	**(5,292.84)**
Attributable to		
Equity holders of Holding Company	(3,840.00)	(2,713.65)
Non controlling interest	(3,649.76)	(2,579.21)

Summarised cash flow of Gobind Sugar Mills Limited

Particulars	31 March 2018	31 March 2017
Cash flow from operating activities	(5,806.86)	11,985.19
Cash flow from Investing activities	(3,498.54)	(5,845.62)
Cash flow from financing activities	9,329.08	(6,202.51)
Net increase /(decrease) in cash and cash equivalent	23.68	(62.94)

**Profit or loss and each component of other comprehensive income (OCI) are attributable to the equity holders of the Holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having deficit balance. However, using the exemption provided by Ind AS 101, the minority has been restricted to zero on the transition date i.e. 01 April 2015 and the accumulated losses attributable to minorities in excess of their equity on the transition date, in the absence of the contractual obligation on the minorities, the same has been accounted for by the Holding Company.

Note 37: Investment in joint ventures and associates

Particulars	31 March 2018			31 March 2017		
	Carrying amount of investment	Share of profit/ (loss)	Share of OCI	Carrying amount of investment	Share of profit/ (loss)	Share of OCI
Interest in joint venture (refer note 37A)						
a) Zuari Indian Oiltanking Private Limited	1,747.76	67.60	0.10	1,705.06	214.76	(1.10)
b) Soundaryaa IFPL Interiors Limited	50.29	11.66	0.00	38.63	38.63	0.00
c) Forte Furniture Products India Private Limited	-	(1,037.29)	0.00	1,037.29	(363.20)	0.00
Interest in associates (refer note 38)						
a) Zuari Agro Chemicals Limited*	48,392.95	4,984.60	(430.28)	43,973.53	(411.65)	389.16
b) New Eros Tradecom Limited	4,361.78	14.73	630.31	3,716.74	5.91	1,250.19
c) Darshan Nirmaan Private Limited	(0.04)	(0.11)	0.00	0.07	(0.06)	-
d) Pranati Nirmaan Private Limited	0.02	(0.05)	0.00	0.07	(0.05)	-
e) Brajbhumi Nirmaan Private Limited	2,307.76	(4.23)	0.00	2,311.99	10.00	-
	56,860.52	**4,036.91**	**200.13**	**52,783.38**	**(505.66)**	**1,638.25**

*Fair market value of Zuari Agro Chemicals Limited as on 31 March 2018 ₹65,024.30 lakhs (31 Marrch 2017: ₹48,977.30 lakhs)

Note 37A: Interest in joint venture

The Group's interest in joint venture is accounted for using the equity method in the consolidated financial statements.

i. Financial information of joint ventures is provided below:

Proportion of equity interest held in joint venture:

Name of the Company	Country of Incorporation and operation	31 March 2018	31 March 2017
a) Zuari Indian Oiltanking Private Limited	India	50.00%	50.00%
b) Soundaryaa IFPL Interiors Limited	India	50.00%	50.00%
c) Forte Furniture Products India Private Limited	India	50.00%	50.00%

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Information regarding joint ventures

Name of the Company	31 March 2018	31 March 2017
Carrying amount of investment		
Zuari Indian Oiltanking Private Limited	1,747.76	1,705.06
Soundaryaa IFPL Interiors Limited	50.29	38.63
Forte Furniture Products India Private Limited	-	1,037.29
	1,798.05	**2,780.98**
Share of profit/(loss) of joint ventures		
Zuari Indian Oiltanking Limited	67.60	214.76
Soundaryaa IFPL Interiors Limited	11.66	38.63
Forte Furniture Products India Private Limited	(1,037.29)	(363.20)
	(958.03)	**(109.81)**
Share of other comprehensive income of joint ventures		
Zuari Indian Oiltanking Limited	0.10	(1.10)
Soundaryaa IFPL Interiors Limited	-	-
Forte Furniture Products India Private Limited	-	-
	0.10	**(1.10)**

Summarised financial information of the joint ventures, based on its Ind AS financial statements and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

(A) ZUARI INDIAN OILTANKING LIMITED

Summarised balance sheet

Particulars	31 March 2018	31 March 2017
Current assets, including cash and cash equivalents ₹15.84 lakhs (31 March 2017: ₹172.00 lakhs)	2,033.66	1,913.88
Non-current assets	3,139.04	3,315.13
Current liabilities including financial liability ₹1,197.27 lakhs (31 March 2017: ₹1,120.93 lakhs)	(1,229.55)	(1,388.52)
Non-current liabilities, including deferred tax ₹447.63 lakhs (31 March 2017: ₹430.37 lakhs)	(447.63)	(430.37)
Equity	**3,495.52**	**3,410.12**
Carrying amount of the investment	1,747.76	1,705.06

Summarised statement of profit and loss

Particulars	31 March 2018	31 March 2017
Revenue	1,546.28	1,508.45
Other income (including interest income ₹97.14 lakhs (31 March 2017: ₹109.84 lakhs)	102.13	118.62
	1,648.41	**1,627.07**
Employee benefits expense	(200.35)	(189.03)
Finance costs (including interest expenses of ₹3.80 lakhs (31 March 2017: ₹25.76 lakhs)	(7.66)	(48.56)
Depreciation and amortization expense	(282.07)	(269.91)
Other expenses	(963.43)	(951.13)
	(1,453.51)	**(1,458.63)**
Profit/(loss) before exceptional items and tax	**194.89**	**168.44**
Exceptional items	12.26	391.84
Profit/(loss) before tax	**207.16**	**560.28**
Income tax (expense)/credit	(61.78)	(90.07)
Profit/(loss) for the year	**145.38**	**470.22**
Other comprehensive income	0.19	(2.19)
Total comprehensive income	**145.57**	**468.03**

Particulars	31 March 2018	31 March 2017
	50%	50%
Group's share of profit/(loss) for the year before dividend distribution tax ('DDT')	**72.69**	**235.11**
Less: Adjustment of DDT (being proportionate share of Zuari Group)	5.09	20.35
Group's share of profit/(loss) for the year after DDT	**67.60**	**214.76**
Group's share of other comprehensive income for the year	**0.10**	**(1.10)**

(B) SOUNDARYAA IFPL INTERIORS LIMITED

Summarised balance sheet

Particulars	31 March 2018	31 March 2017
Current assets, including cash and cash equivalents ₹25.78 lakhs (March 31 2018: ₹1.30 lakhs)	230.26	799.62
Non-current assets	45.97	38.65
Current liabilities including financial liability ₹157.62 lakhs lakhs (31 March 2018: ₹576.66 lakhs)	(175.65)	(760.87)
Non-current liabilities, including deferred tax Nil lakhs (31 March 2018: ₹0.15 lakhs)	-	(0.15)
Equity	**100.58**	**77.25**
Carrying amount of the investment	50.29	38.63

Summarised statement of profit and loss

Particulars	31 March 2018	31 March 2017
Revenue	695.29	4,063.60
Interest income	0.31	0.42
	695.60	**4,064.03**
Cost of materials consumed	(27.03)	(1,677.83)
Change in inventories of finished goods, stock in trade and work in progress	(496.97)	313.98
Direct operating expenses	(73.08)	(660.46)
Employee benefit expenses	(1.70)	(105.24)
Interest expense	-	(3.03)
Depreciation and amortization expenses	(1.98)	(2.30)
Other expenses	(66.16)	(1,619.04)
	(666.92)	**(3,753.94)**
Profit/(Loss) before exceptional items and tax	**28.68**	**310.10**
Exceptional items		
Profit/(loss) before tax	**28.68**	**310.10**
Income tax (expense)/credit	(5.35)	(23.26)
Profit/(loss) for the year	**23.33**	**286.84**
Other comprehensive income	**-**	**-**
Total comprehensive income	**23.33**	**286.84**
Group's share of profit/(loss) for the year* **	**11.66**	**143.42**

(C) FORTE FURNITURE PRODUCTS INDIA PRIVATE LIMITED#

Summarised balance sheet

Particulars	31 March 2018	31 March 2017
Current assets, including cash and cash equivalents ₹24.97 lakhs (31 March 2017: ₹2,698.04 lakhs)	4,580.92	2,800.57
Non-current assets	385.25	-
Current liabilities {including financial liabilities of ₹3,493.45 lakhs (31 March 2017: Nil)}	(3,948.01)	(725.99)
Non-current liabilities	(1,324.09)	-
Equity	**(305.93)**	**2,074.58**
Carrying amount of the investment	(152.96)	1,037.29

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Summarised statement of profit and loss

Particulars	31 March 2018	31 March 2017
Revenue	5,082.22	2.01
Interest income	35.14	-
	5,117.37	2.01
Cost of raw materials and components consumed	(1,958.24)	-
Purchase of traded goods	(2,187.97)	-
(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods	1,745.79	-
Excise duty on goods	(50.10)	-
Employee benefits expense	(1,765.45)	-
Finance costs {including interest expense of ₹ 106.46 lakhs (31 March 2017: Nil)}	(225.16)	-
Depreciation and amortization expense	(1.12)	-
Other expenses	(3,055.60)	(728.42)
	(7,497.84)	(728.42)
Profit/(loss) before tax	**(2,380.48)**	**(726.42)**
Income tax (expense)/credit	**-**	**-**
Profit/(loss) for the year	**(2,380.48)**	**(726.42)**
Other comprehensive income	**-**	**-**
Total comprehensive income	**(2,380.48)**	**(726.42)**
Group's share of profit/(loss) for the year* **	**(1,190.24)**	**(363.21)**

Based on unaudited financial statements for the period from 1 April 2017 to 31 March 2018

*****As per Para 38 of Ind AS 28 Investment in Associate and Joint Ventures:**

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

ii. Contingent liabilities and commitment of joint ventures*

Particulars	31 March 2018	31 March 2017
Contingent liabilities not provided for:		
a) Bank guarantee given by the companies**	7.62	417.44
b) Claim against the company not acknowledged as debts as the company has filed counter claim of ₹74.02 lakhs (being the proportionate share of Zuari Group) against the supplier	33.52	33.52
c) Demand/audit objections raised by central excise department but disputed by Company	4.21	13.06
d) Estimated amount of contracts remaining to be executed on capital account not provided for	33.12	16.06

*Being share of Zuari Group in the joint venture companies.

** Bank guarantee of ₹7.62 lakhs (31 March 2017: ₹7.62 lakhs) are secured by pledge of fixed deposits receipts of ₹7.00 lakhs (31 March 2017: ₹ 7.00 lakhs) with the bank as security

Note 38: Interest in associates

The Group's interest in associate is accounted for using the equity method in the consolidated financial statements.

i. Financial information of associates is provided below:

Proportion of equity interest held in associates

Name	Country of incorporation and operation	31 March 2018	31 March 2017
a) Zuari Agro Chemicals Limited	India	32.08%	32.08%
b) New Eros Tradecom Limited	India	45.05%	45.05%
c) Darshan Nirmaan Private Limited	India	25.00%	25.00%
d) Pranati Nirmaan Private Limited	India	25.00%	25.00%
e) Brajbhumi Nirmaan Private Limited	India	25.00%	25.00%

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Information regarding associates

Particulars	31 March 2018	31 March 2017
Carrying amount of investments		
Zuari Agro Chemicals Limited#	48,392.95	43,973.53
New Eros Tradecom Limited	4,361.78	3,716.74
Darshan Nirmaan Private Limited	(0.04)	0.07
Pranati Nirmaan Private Limited	0.02	0.07
Brajbhumi Nirmaan Private Limited	2,307.76	2,311.99
	55,062.46	**50,002.40**
#Fair market value of Zuari Agro Chemicals Limited as on 31 March 2018 ₹65,024.30 lakhs (31 Marrch 2017: ₹48,977.30 lakhs)		
Share of profit/(loss) of an associate		
Zuari Agro Chemicals Limited	4,984.60	(411.65)
New Eros Tradecom Limited	14.73	5.91
Darshan Nirmaan Private Limited	(0.11)	(0.06)
Pranati Nirmaan Private Limited	(0.05)	(0.05)
Brajbhumi Nirmaan Private Limited	(4.23)	10.00
	4,994.92	**(395.86)**
Share of other comprehensive income of an associate		
Zuari Agro Chemicals Limited	(430.28)	389.16
New Eros Tradecom Limited	630.31	1,250.19
Darshan Nirmaan Private Limited	-	-
Pranati Nirmaan Private Limited	-	-
Brajbhumi Nirmaan Private Limited	-	-
	200.03	**1,639.35**

Summarised financial information of the material associates, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

(A) ZUARI AGRO CHEMICALS LIMITED

Summarised balance sheet

Particulars	31 March 2018	31 March 2017
Current assets, including cash and cash equivalents ₹14,738.96 lakhs (31 March 2017: ₹6,564.80 lakhs)	519,648.02	452,432.78
Non-current assets, including deferred tax ₹9,208.20 lakhs (31 March 2017: ₹897.18 lakhs)	312,162.86	307,254.75
Current liabilities, including financial liabilities ₹5,68,169.17 lakhs (31 March 2017: ₹513,495.49 lakhs)	(589,626.34)	(532,160.73)
Non-current liabilities, including deferred tax ₹1,337.85 lakhs (31 March 2017: ₹1,494.93 lakhs), including financial liabilities ₹52,571.03 lakhs (31 March 2017: ₹51,046.70 lakhs)	(55,548.16)	(54,388.14)
Non controlling interest	(39,002.91)	(36,442.93)
Equity	**147,633.47**	**136,695.73**
Carrying amount of the investment	48,392.95	43,973.53

Summarised statement of profit and loss

Particulars	31 March 2018	31 March 2017
Revenue	727,085.57	640,682.43
Other income (including interest income ₹6,356.18 lakhs (31 March 2017: ₹4,868.47 lakhs)	8,713.76	5,635.12
	735,799.33	**646,317.55**
Cost of materials consumed	(347,515.58)	(298,874.39)
Purchases of stock in trade	(205,746.24)	(157,381.88)
Changes in inventories of finished goods, stock-in-trade and work in progress	34,569.94	(1,202.31)
Excise duty on sale of goods	(608.17)	(2,997.25)
Employee benefits expense	(16,310.49)	(16,051.25)
Finance costs	(40,358.35)	(43,953.76)
Depreciation and amortization expense	(8,252.77)	(7,733.46)
Other expenses	(137,963.05)	(117,094.54)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	31 March 2018	31 March 2017
	(722,184.71)	**(645,288.85)**
Profit/(loss) before share of profit/(loss) of a joint venture, exceptional items and tax	**13,614.62**	**1,028.70**
Share of profit/(loss) of joint ventures	5,848.78	3,252.78
Profit/(loss) before exceptional items and tax	**19,463.40**	**4,281.48**
Exceptional items	(1,393.53)	(6,433.04)
Profit/(loss) before tax	**18,069.87**	**(2,151.56)**
Income tax (expense)/credit	(2,325.66)	868.35
Profit/(loss) for the year	**15,744.31**	**(1,283.21)**
Other comprehensive income	**(1,341.28)**	**1,213.11**
Total comprehensive income /(loss)	**14,403.03**	**(70.10)**
Group's share of profit/(loss) for the year before dividend distribution tax ('DDT')	**5,050.78**	**(411.65)**
Less: Adjustment of DDT (being proportionate share of Zuari Group)	66.18	-
Group's share of profit/(loss) for the year after DDT	**4,984.60**	**(411.65)**
Group's share of other comprehensive income for the year	**(430.28)**	**389.16**

(B) NEW EROS TRADECOM LIMITED

Summarised balance sheet

Particulars	31 March 2018	31 March 2017
Current assets, including cash and cash equivalents ₹38.24 lakhs (31 March 2017: ₹77.18 lakhs)	121.56	86.11
Non-current assets	9,379.68	7,464.30
Current liabilities	(3.96)	(1.96)
Deferred tax liabilities	-	(3.64)
Equity	**9,497.28**	**7,544.81**
	4,278.53	**3,398.94**
Goodwill	661.40	661.40
Carrying amount of the investment	**4,939.93**	**4,060.34**
Less: fair valuation of shares of Holding Company reversed	**(578.15)**	**(343.61)**
	4,361.78	**3,716.74**

Summarised statement of profit and loss

Particulars	31 March 2018	31 March 2017
Other income (including interest income: Nil (31 March 2017: Nil)	38.01	21.07
	38.01	**21.07**
Other expenses	(8.94)	(7.70)
	(8.94)	**(7.70)**
Profit before tax	**29.07**	**13.37**
Income tax expense	3.63	(0.26)
Profit/(loss) for the year	**32.71**	**13.11**
Other comprehensive income	**1,919.76**	**3,233.47**
Total comprehensive income	**1,952.47**	**3,246.59**
Group's share of profit/(loss) for the year	**14.73**	**5.91**
Group's share of other comprehensive income for the year	**864.85**	**1,456.68**
Adjustment for fair valuation of shares of Holding Company reversed	(234.54)	(206.49)
Net Group's share of other comprehensive income for the year	**630.31**	**1,250.19**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

(C) BRAJBHUMI NIRMAAN PRIVATE LIMITED

Summarised balance sheet

Particulars	31 March 2018	31 March 2017
Current assets including cash and cash equivalents ₹34.76 lakhs (31 March 2017: ₹21.75 lakhs)	15,736.82	14,328.56
Non-current assets including deferred tax ₹3.13 lakhs (31 March 2017: ₹3.32 lakhs)	51.13	57.72
Current liabilities including financial liabilities ₹8,750.73 lakhs (31 March 2017: ₹8,370.73 lakhs)	(10,172.67)	(8,395.92)
Non-current financial liabilities	(2,250.28)	(2,608.43)
Less: Deemed equity	(421.54)	(421.54)
Equity	**2,943.46**	**2,960.40**
Proportion of the Group's ownership	735.87	740.10
Goodwill	1,599.01	1,599.01
Adjustments for unrealised profits	(27.12)	(27.12)
Carrying amount of the investment****	2,307.76	2,311.99

Summarised statement of profit and loss

Particulars	31 March 2018	31 March 2017
Revenue	65.84	232.50
Other income	1.59	1.70
	67.43	**234.20**
Purchase of stock in trade	(1,411.19)	(1,707.29)
Change in inventories of finished goods, work in progress and stock in trade)	1,346.54	1,472.85
Employee benefits expense	(0.80)	(0.28)
Finance Cost	(3.51)	-
Depreciation and amortization expense	(2.22)	(2.08)
Other expenses	(12.30)	(15.22)
	(83.48)	**(252.02)**
Profit/(loss) before tax	**(16.05)**	**(17.82)**
Income tax (expense)/credit	(0.89)	(47.98)
Profit for the year	**(16.94)**	**(65.80)**
Other comprehensive income	-	-
Total comprehensive income	**(16.94)**	**(65.80)**
Group's share of profit/(loss) for the year*****	**(4.23)**	**(16.45)**

*****Before adjustment of amount disclosed under Income Disclosure Scheme of Nil (31 March 2017: ₹ 26.44 lakhs) (being proportionate share of Zuari Group).

Note:

As per Ind AS 112 'Disclosure of Interests in Other Entities', the Holding Company is required to disclose the summarised financial information of associates which are material to the Holding Company. Accordingly, the Holding Company has not shown the summarised financial information of Darshan Nirmaan Private Limited and Pranati Nirmaan Private Limited, as not considered material.

ii. Contingent liabilities and commitment of associates**

Particulars	31 March 2018	31 March 2017
Contingent liabilities not provided for:		
Demand/claims from government authorities	7,906.55	7,566.83
Other claims against the company not acknowledge as debts	4,054.11	770.13
Aggregate amount of guarantees issued by the banks to various government authorities and others	3,920.98	4,758.87
Commitments		
Estimated amount of contracts remaining to be executed on capital account (not provided for)	2,346.85	3,554.79

**Being share of Zuari Group in the associate companies

As per the audited consolidated Ind AS financial statements of Brajbhumi Nirmaan Private Limited, an associate company the erstwhile landowners have lodged cases against that Company for the procession of land. The Company is assessing the impact of these cases. However, the Management is of the view that impact, if any will be insignificant.

As per the audited consolidated Ind AS financial statements of Darshan Nirman Private Limited, an associate company few cases have been filed in the court of Tehsildar, Mathura in respect of some of the land purchased by the Company. The Company's Management is of the view that impact of these cases will be insignificant and will not affect the title over the land held by the Company.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Note 39: Goodwill

Goodwill appearing in the financial statements denotes the goodwill in respect of subsidiaries acquired by the Holding Company as per details given below. Such goodwill has been tested for impairment using the cash flow projections, which are based on most recent financial budgets/ forecasts approved by the management.

Company	31 March 2018	31 March 2017
Zuari Investments Limited	970.93	970.93
Zuari Infraworld India Limited	829.36	829.36
SJM Elysium Properties LLC	58.75	58.75
Gobind Sugar Mills Limited	12,368.62	12,368.62
Indian Furniture Products Limited	338.01	338.01
	14,565.67	**14,565.67**

Note 40: Defined benefits plans-Gratuity

Policy for recognising actuarial gains and losses:

Actuarial gains and losses of defind benefit plan arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognised in other comprehensive income. Risks associated with the plan provisions are actuarial risks. These risks are investment risk, interest rate risk, mortality risk, withdrawals and salary increase.

(a) Interest rate risk

The present value of the defined benefit liability is calculated using a discount rate determined by reference to market yields of high quality corporate bonds. The estimated term of the bonds is consistent with the estimated term of the defined benefit obligation and it is denominated in ₹. A decrease in market yield on high quality corporate bonds will increase the Company's defined benefit liability, although it is expected that this would be offset partially by an increase in the fair value of certain of the plan assets.

(b) Investment risk

If plan is funded then assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

(c) Mortality risk

Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

(d) Salary increase

Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

(e) Withdrawals

Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

Particulars	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	Funded		Unfunded	
- Gratuity plan- asset/ (liability)	(444.24)	(187.27)	(95.57)	(250.45)
	(444.24)	**(187.27)**	**(95.57)**	**(250.45)**

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

In respect of the Holding Company and two of the subsidiary companies, scheme is funded with two insurance companies in the form of qualifying insurance policies.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Net employee benefit expense (recognized in employee cost) for the year ended 31 March 2018

Particulars	31 March 2018	31 March 2017	2017-18	31 March 2017
	Funded		Unfunded	
Current service cost	53.59	67.83	14.40	52.11
Past Service cost	-	-	1.84	-
Net interest cost	34.89	1.29	5.57	17.35
	88.48	**69.12**	**21.81**	**69.46**

* In case of a subsidiary company, Nil (31 March 2017: ₹4.37 lakhs) has been debited to project costs disclosed.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Amount recognised in other comprehensive income for the year ended 31 March 2018

Particulars	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	Funded		Unfunded	
Actuarial (gain)/ loss on obligations	212.01	93.60	5.03	5.24
Return on plan assets (excluding amounts included in net interest expense)	1.77	26.84	(4.39)	-
	213.78	**120.44**	**0.64**	**5.24**

Changes in the present value of the defined benefit obligation for the year ended 31 March, 2017 are as follows:

Particulars	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	Funded		Unfunded	
Opening defined obligation	**641.03**	**494.96**	**250.45**	**211.29**
Current service cost	81.05	67.83	19.86	52.11
Interest cost	48.08	39.36	5.57	17.35
Past Service cost	(3.47)	-	1.84	-
Re-measurement (or actuarial) (gain) / loss arising from:				
- change in demographic assumption	-	8.45	-	0.84
- change in financial assumptions	(13.98)	48.34	(0.05)	31.58
- experience variance (i.e. actual experiences assumptions)	239.24	36.80	(155.14)	(27.19)
Benefits paid	(100.66)	(54.71)	(26.96)	(35.53)
Acquisition adjustment	(4.98)	-	-	-
Defined benefit obligation	**886.31**	**641.03**	**95.57**	**250.45**

Changes in the fair value of plan assets are as follows:

Particulars	31 March 2018	31 March 2017
Fair value of plan assets	**453.75**	**477.83**
Interest income	34.23	38.05
Return on plan assets (excluding amounts included in net interest expense) - OCI	(1.29)	(26.84)
Contribution by employer	56.04	19.42
Benefits paid	(100.66)	(54.71)
Closing fair value of plan assets	**442.07**	**453.75**

The Group expects to contribute ₹ 453.68 lakhs (31 March 2017: ₹ 166.21 lakhs) towards gratuity during the year 2017-18.

Particulars	31 March 2018	31 March 2017
Investment with insurer	442.07	453.75

The principal assumptions used in determining benefit obligation for the Company's plans are shown below:

Particulars	31 March 2018	31 March 2017
Discount rate (in %)	7.48%-8.00%	6.69%-8.00%
Salary escalation (in %)	9.00% for first 2 years and 7.50% thereafter; in case of a subsidiary 9.00%	9.00% for first 2 years and 7.50% thereafter; in case of a subsidiary 9.00%
Retirement age (years)	58 years- 60 years	58 years- 60 years
Mortality rate (% of IALM 06-08)	100%	100%
Withdrawal rate (per annum)	Varying between Nil to 15.00% per annum depending upon the duration and age of the employees	Varying between Nil to 15.00% per annum depending upon the duration and age of the employees

Notes:

(i) The actuarial valuation of plan assets and the present valuation of defined benefit obligation were computed at year end. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected unit credit method.

(ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is computed after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

In case of Group Company, a quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below:

Particulars	31 March 2018		31 March 2018	
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity level	0.5 % increase	0.5 % decrease	0.5 % increase	0.5 % decrease
Impact on defined benefit obligation	(26.13)	28.20	27.43	(25.99)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

In case of Group Company, a quantitative sensitivity analysis for significant assumption as at 31 March 2017 is as shown below:

Assumptions	31 March 2017		31 March 2017	
	Discount rate		Future salary increases	
Sensitivity level	0.5 % increase	0.5 % decrease	0.5 % increase	0.5 % decrease
Impact on defined benefit obligation	(29.04)	28.14	29.79	(28.29)

Sensitivities due to mortality and withdrawal are not material, hence impact of change not calculated.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Maturity profile of defined benefit obligation
Expected cash value over the next 5 years

Particulars	31 March 2018	31 March 2017
Within the next 12 months (next annual reporting period)	207.12	153.68
Between 2 and 5 years	202.31	207.86
Beyond 5 years	579.01	591.02

Note 41: Segment information

Identification of segment

*Primary Segment - The Zuari Group has disclosed business segment as the primary segment. Segments have been identified and reported taking into account the nature of products and services, the differing risks and returns, the organization structure and the internal reporting system. The identified reportable segments for the year under review are engineering services, furniture, real estate, investment services, sugar, power and others. Engineering services segment includes technology, basic engineering, detailed engineering, project management, procurement and construction services in the engineering and contracting sector. Furniture segment includes manufacturing, sale and trading of furniture products. Real estate segment includes development of real estates. Investment services includes capital market related services. Sugar division includes extraction of Sugar from Sugar Cane. Power division includes co-generation of power using by product of sugar division i.e. bagassee.

*Secondary Segment – Geographical segment. The Zuari Group mainly caters to the needs of the domestic market. The export turnover is not significant in the context of total turnover. Hence there are no reportable geographical segments

Financial information about business segments for the year ended 31 March 2018 is presented below:

Particulars	Engineering	Furniture	Real estate	Sugar	Power	Investment services	Others	Unallocated	Total
A. Segment revenue:									
External sales/ income	19,456.41	5,322.97	1,953.80	26,403.69	5,175.12	1,288.95	4,116.90	-	63,717.84
Inter-segment sales/income	(228.49)	-	-	(4,360.53)	(3,516.47)	(146.54)	(200.00)	-	(8,452.03)
	19,227.92	**5,322.97**	**1,953.80**	**22,043.16**	**1,658.65**	**1,142.41**	**3,916.90**	**-**	**55,265.81**
B. Segment results	**(3,326.34)**	**579.75**	**(759.65)**	**(937.92)**	**3,006.79**	**79.95**	**-**	**-**	**(1,357.42)**
C. Reconcilation of segment results with profit after tax									
Segment results	(3,326.34)	579.75	(759.65)	(937.92)	3,006.79	79.95	-	-	(1,357.42)
Add: Share of profit of associates and joint ventures	-	-	-	-	-	-	-	4,036.91	4,036.91
Less: Finance costs	-	-	-	-	-	-	-	(9,214.84)	(9,214.84)
Add: Unallocated income net off unallocated expenses	-	-	-	-	-	-	-	3,129.47	3,129.47
Less: Tax expenses	-	-	-	-	-	-	-	(404.29)	(404.29)
Profit after tax as per statememt of profit and loss									**(3,810.17)**
D. Other information:									
Segment assets	10,473.08	3,996.03	61,041.67	61,350.66	21,062.41	2,014.59	-	257,617.55	417,555.99
Segment liabilities	10,395.74	2,721.66	8,308.21	15,141.74	-	994.08	-	137,896.96	175,458.39
Non controlling interests	-	-	-	-	-	-	-	1,098.77	1,098.77
Capital expenditure	131.29	-	46.82	2,631.56	-	20.40	-	-	2,830.07
Depreciation and amortization	71.73	171.73	58.96	1,060.44	637.54	12.32	2.26	-	2,014.98
Impairment of doubtful debts and advances	396.56	480.00	-	-	-	9.86	-	-	886.42
Excess provisions written back (net)	366.36	944.56	-	41.96	-	22.40	-	-	1,375.27

Revenue of ₹6,619.89 lakhs are derived from a single external cutomer. These revenue is the attributed to the Engineering Division.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Financial information about business segments for the year ended 31 March 2017 is presented below:

Particulars	Engineering	Furniture	Real estate	Sugar	Power	Investment services	Other operations	Unallocated	Total
A. Segment revenue:									
External sales/ income	9,010.69	10,500.77	1,732.99	39,823.12	6,430.64	1,561.27	-	-	69,059.48
Inter-segment sales/income	-	-	180.30	3,293.10	2,471.40	-	-	-	5,944.80
Segment revenue	**9,010.69**	**10,500.77**	**1,552.69**	**36,530.02**	**3,959.24**	**1,561.27**	**-**	**-**	**63,114.68**
B. Segment results	(1,740.90)	(1,042.05)	(419.21)	4,251.85	2,471.62	183.07	(17.50)	-	3,686.88
C. Reconcilation of segment results with profit after tax									
Segment results	(1,740.90)	(1,042.05)	(419.21)	4,251.85	2,471.62	183.07	(17.50)	-	3,686.88
Less: Share of loss of associates and joint ventures	-	-	-	-	-	-	-	(505.66)	(505.66)
Less: Finance costs	-	-	-	-	-	-	-	(6,593.49)	(6,593.49)
Less: Exceptional Items	-	-	-	-	-	-	-	(1,500.38)	(1,500.38)
Add: Unallocated income net off unallocated expenses	-	-	-	-	-	-	-	2,911.78	2,911.78
Less: Tax expenses	-	-	-	-		-	-	(25.61)	(25.61)
Profit after tax as per statememt of profit and loss								**(5,713.36)**	**(2,026.48)**
D. Other information:									
Segment assets	**7,583.52**	**7,857.41**	**52,959.89**	**41,692.00**	**20,409.84**	**501.64**	**68.11**	**192,379.47**	**323,451.88**
Segment liabilities	6,588.12	5,366.78	6,293.93	22,511.90	-	1,545.65	40.68	87,748.24	130,095.30
Non controlling interests	-	-	-	-	-	-	-	2,377.10	2,377.10
Capital expenditure	27.09	15.18	188.74	4,978.36	26.14	9.01	-	-	5,244.52
Depreciation and amortization	49.52	230.20	72.33	512.97	633.63	14.12	3.19	-	1,515.96
Impairment of doubtful debts and advances	-	266.46	-	-	-	1.77	-	-	268.23

Note 42: Lease commitments

Operating lease: as lessee

The Group has obtained vehicles, office premises, godowns, cane purchasing centres, office permises etc. on operating leases for the period ranging from 0-9 years and are further renewable by mutual consent on mutually agreed terms or at the option of the Group. There are no restrictions imposed by lease agreements. In some of lease, there is escalation clause in the respective lease agreements which is in line with general infltaion rates. Lease rentals charged to the Statement of Profit and Loss during the current year are ₹590.48 lakhs (31 March 2017: ₹1,654.33 lakhs).

Future minimum rental payable under non cancellable operating lease as at 31 March 2018 are as follows:

Particulars	31 March 2018	31 March 2017
i) Payable for a period not later than one year	464.11	575.33
ii) Payable for a period later than one year and not later than 5 years	679.84	1,566.34
iii) Payable for the period later than 5 years	321.97	470.28

Operating lease: as lessor

The lease rentals recognized as income in these statements as per the rentals stated in the respective agreements:

Particulars	31 March 2018	31 March 2017
Lease rentals recognized during the year	735.90	266.45

Investment Properties	31 March 2018	31 March 2017
i) Gross carrying amount	801.86	171.39
ii) Accumulated depreciation	52.99	7.26
iii) Depreciation recognized in the Statement of Profit and Loss	3.63	9.16

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

The Group has given buildings and land on operating lease for the period as per the agreement. In all the cases, the agreements are further renewable at the option of the Company.There is no escalation clause in the respective lease agreements. Minimum lease payments receivable under non-cancellable operating lease of investment properties are as follows:

	Particulars	31 March 2018	31 March 2017
i)	Receivable within 1 year	494.25	-
ii)	Receivable between 1-5 years	1,482.76	-
iii)	Receivable after 5 years	-	-

Note 43A: Contingent liabilities:

Particulars	As at 31 March 2018	As at 31 March 2017
I. Demands / claims by various government authorities and others not acknowledged as debts and contested by the Company		
(A) Excise duty and service tax	256.43	246.12
(B) Sales tax	101.98	211.59
(C) Income tax	2,968.94	2,596.02
	3,327.35	**3,053.73**
II. Other claims against the Group not acknowledged as debts	**37.06**	**191.01**
III. Dividend liability on Non-Convertible redeemable cumulative preference shares	**294.61**	**152.55**

Notes:

a) Based on management assessment and in-house legal team advice, the management believes that the Group has reasonable chances of succeeding before the courts/appellate authorities and does not foresee any material liability. Pending the final decision on the matters, no further provisions has been made in financial statements.

b) One of the subsidiary company, has sold molasses to certain parties without charging sales tax on the basis of stay order by Hon'ble Supreme Court. In case the order is decided against the parties by the Hon'ble Supreme Court, the subsidiary company would be liable to collect and pay VAT/Sales tax to the department along with interest and penalty. Amount involved is considered indeterminate by the subsidiary company.

c) Under Section 133A of the Income Tax Act, 1961, the income tax department carried out a survey at the Holding Company's premises in February, 2014. Pursuant to the discussion during the survey, the Holding Company had deposited a sum of ₹5,500 lakhs towards income tax demand mainly towards disallowance under section 14A of the Income Tax Act, 1961, disallowance for diminution in value of fertilizer bonds and disallowance under Section 36(1)(iii) of the Income Tax Act, 1961. The Holding Company is carrying the same amount of income tax provision including interest thereon provided in an earlier year for various assessment years aggregating to ₹3,916.13 lakhs.

   Income Tax Appellate Tribunal has, during the previous year issued favorable decisions for Assessment years 2006-07, 2008-09, 2009-10, 2010-11 and 2011-12. Appeal effect orders are not yet received from the department. Pending receipt of such orders, interest on income tax refund and provision towards additional income tax has not been recognised as the amount is presently not reasonably determinable

Note 43B: Capital and other commitments

Capital commitments contracted at the end of the reporting period but not recignised as liabilties is as follows:-

Particulars	As at 31 March 2018	As at 31 March 2017
Property, plant and equipment	4,215.00	500.61
	4,215.00	**500.61**

Note 44 Fair values measurements

Financial instruments by category and set out below, is the comparison by the class of carrying amount and the fair value of the Group's financial instruments.

Particulars	Carrying value		Fair value	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Financial assets				
A. FVOCI financial Instruments				
Investment in quoted equity shares	153,465.12	101,523.15	153,465.12	101,523.15
Investment in unquoted equity shares	108.13	93.34	108.13	93.34

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Carrying value		Fair value	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
B. FVPL financial Instruments				
Investment				
Investment in deemed equity share of joint venture	394.62	394.62	394.62	394.62
Investment in preference share of joint venture	259.53	259.53	259.53	259.53
Investment in quoted mutual funds	9,776.50	4,336.22	9,776.50	4,336.22
Un-Quoted Preference Shares	616.00	616.00	616.00	616.00
Loans and Other Financial Assets				
Security deposits	1,466.12	1,722.69	1,466.12	1,722.69
Forward Contract	-	1.74	-	1.74
C. Amortised Cost				
Loans and Other Financial Assets				
Loans and advances to related parties - Unsecured, considered good	-	0.16	-	0.16
Inter corporate deposit - Unsecured, considered good	1,970.00	1,120.00	1,970.00	1,120.00
Loans to employees (secured , considered good)				
- Related parties	3.60	8.40	3.60	8.40
- Others	1.88	12.42	1.88	12.42
Loans to employees (unsecured , considered good)	56.78	1.43	56.78	1.43
Interest accrued on loan to employees				
- Related Parties	10.90	8.76	10.90	8.76
- Others	0.07	0.08	0.07	0.08
Interest accrued and due	-	-		
- Others	536.67	360.28	536.67	360.28
Interest accrued but not due	116.11	94.48	116.11	94.48
Advances recoverable in cash or kind	185.49	118.86	185.49	118.86
Non-current bank balance	1,083.43	108.01	1,083.43	108.01
Unbilled revenue	1,160.00	4,717.18	1,160.00	4,717.18
Trade receivables	13,022.31	9,287.83	13,022.31	9,287.83
Cash and cash equivalents	3,126.62	4,013.95	3,126.62	4,013.95
Balances with banks	172.42	517.37	172.42	517.37
Margin money deposits	604.34	287.38	604.34	287.38
Investment in Government Securities	1.00	1.00	1.00	1.00
Others	2,341.31	1,761.80	2,341.31	1,761.80
	190,478.95	**131,366.68**	**190,478.95**	**131,366.68**

Particulars	Carrying value		Fair value	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Financial liabilities				
A. Amortised Cost				
Borrowings				
Long Term Borrowings	68,976.68	43,027.36	68,976.68	43,027.36
Short Term Borrowings	41,046.04	34,048.64	41,046.04	34,048.64
Other Financial Liabilities				
Current maturities of long term borrowings	5,275.26	5,545.23	5,275.26	5,545.23
Payable for voluntary retirement scheme	4.60	23.27	4.60	23.27
Advance towards sale of land/Investments	700.00	-	700.00	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Particulars	Carrying value		Fair value	
	As at 31 March 2018	As at 31 March 2017	As at 31 March 2018	As at 31 March 2017
Interest accrued but not due on borrowings	634.76	24.81	634.76	24.81
Interest accrued and due on borrowings	-	391.97	-	391.97
Security deposits received	372.33	583.96	372.33	583.96
Payable towards purchase of capital goods	1,565.14	2,422.58	1,565.14	2,422.58
Other payables	-	-	-	-
Unclaimed dividends	22.19	25.87	22.19	25.87
Unclaimed deposits and interest warrants	1.61	2.41	1.61	2.41
Trade payables	39,122.92	27,769.42	39,122.92	27,769.42
	157,721.53	**113,865.52**	**157,721.53**	**113,865.52**

The following methods and assumptions were used to estimate the fair values:

- The management assessed that carrying value of financial assets and financial liabilities, carried at amortized cost, are approximately equal to their fair values at respective balance sheet dates and do not significantly vary from the respective amounts in the balance sheets.
- Long-term fixed-rate and variable-rate receivables/Borrowings are evaluated by the Group based on parameters such as interest Rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.
- The fair values of the quoted equity shares are based on price quotations at the reporting date. The fair value of unquoted preference shares is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- Derivative financial instruments - The fair value of forward foreign exchange contracts is determined using the forward exchange rates at the balance sheet date.
- Mutual Funds - The fair value of Mutual Funds is determined using the NAV at the balance sheet date.
- The fair values of the Group's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31 March 2018 was assessed to be insignificant.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2018 and 31 March 2017 are as shown below:

Description	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Investment in equity shares of Biotech Consortium of India Limited	DCF method	Long-term growth rate for cash flows for subsequent years	31 March 2018: 4.5% - 5.5% (5.0%) 31 March 2017: 4.5% - 5.5% (5.0%)	0.5% (31 March 2017: 0.5%) increase in the growth rate would decrease in fair value by ₹ 0.19 lakhs (31 March 2017: ₹ Nil) and 0.5% (31 March 2017: 0.5%) decrease in the growth rate would deacrease in fair value by ₹0.87 lakhs (31 March 2017: 1 lakhs).
Investment in equity shares of Lionel Edward Limited	DCF method	Long-term growth rate for cash flows for subsequent years	31 March 2018: 12.5% - 11.50% (12%) 31 March 2017: 12.5% - 11.50% (12%)	0.5% (31 March 2017: 0.5%) increase in the growth rate would decrease in fair value by ₹2.66 lakhs (31 March 2017: ₹2.17 lakhs) and 0.5% (31 March 2017: 0.5%) decrease in the growth rate would increase in fair value by ₹2.66 lakhs (31 March 2017: 2.17lakhs).
Investment in preference shares of Brajbhumi Nirmaan Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years	31 March 2018: 17.84% - 18.84% (18.34%) 31 March 2017: 17.84% - 18.84% (18.34%)	0.5% (31 March 2017: 0.5%) increase in the growth rate would decrease in fair value by ₹11.27 lakhs (31 March 2017: ₹11.27 lakhs) and 0.5% (31 March 2017: 0.5%) decrease in the growth rate would increase in fair value by ₹11.50 lakhs (31 March 2017: 11.50 lakhs).

Description	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Investment in preference shares of Adventz Investment Company Private Limited	DCF method	Long-term growth rate for cash flows for subsequent years	31 March 2018: 12.50% - 11.50% (12.00%) 31 March 2017: 12.50% - 11.50% (12.00%)	0.5% (31 March 2017: 0.5%) increase in the growth rate would decrease in fair value by ₹10.61 lakhs (31 March 2017: ₹10.61 lakhs) and 0.5% (31 March 2017: 0.5%) decrease in the growth rate would increase in fair value by ₹10.61 lakhs (31 March 2017: 10.61 lakhs).

Note 45 Fair values measurements

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2018:

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
A. FVOCI financial Instruments				
Quoted equity shares	153,465.12	153,465.12	-	-
Unquoted equity shares	108.13	-	-	108.13
B. FVPL financial Instruments				
Investment				
Investment in deemed equity share of joint venture	394.62	-	-	394.62
Investment in preference share of joint venture	259.53	-	-	259.53
Investment in quoted mutual funds	9,776.50	9,776.50	-	-
Unquoted Preference Shares	616.00	-	-	616.00
	164,619.90	**163,241.62**	**-**	**1,378.28**

There have been no transfers between Level 1 and Level 2 during the period.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2017:

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:				
A. FVOCI financial Instruments				
Quoted equity shares	101,523.15	101,523.15	-	-
Unquoted equity shares	93.34	-	-	93.34
B. FVPL financial Instruments				
Investment				
Investment in deemed equity share of joint venture (refer note b below)	394.62	-	-	394.62
Investment in preference share of joint venture	259.53	-	-	259.53
Investment in quoted mutual funds	4,336.22	4,336.22	-	-
Unquoted Preference Shares (refer note b below)	616.00	-	-	616.00
Other Financial Assets				
Forward covers	1.74	-	1.74	-
	107,224.60	**105,859.37**	**1.74**	**1,363.49**

Notes

a) There have been no transfers between Level 1 and Level 2 during the year period.

b) These has been reclassed from level 2 to level 3. Such amounts were classified under level 2 instead of level 3 in previous year.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

The following table presents the changes in level 3 items for the period ended 31 March 2018 and 31 March 2017

Particulars	Redeemable non-cumulative non-convertible preference shares	Redeemable non-cumulative optionally convertible preference shares	Investment in Unquoted equity shares	Total
As at 1 April 2016	**616.00**	**654.15**	**96.26**	**1,366.41**
Gains recognised in statement of profit and loss	-	-	-	-
Loss recognised in other comprehensive income	-	-	(2.92)	(2.92)
As at 31 March 2017	**616.00**	**654.15**	**93.34**	**1,363.49**
Gains recognised in statement of profit and loss	-	-	-	-
Gains recognised in other comprehensive income	-	-	14.79	14.79
As at 31 March 2018	**616.00**	**654.15**	**108.13**	**1,378.28**

Note 46

The Holding Company holds more than 20% of the voting power of Lionel India Limited and the Holding Company along with a subsidiary company holds more than 20% of the voting power of Texmaco Infrastructure and Holdings Limited. The Holding Company have been legally advised that they do not have 'Significant Influence' in the said entities, as defined in Ind AS 28 'Investments in Associates and Joint Ventures' and accordingly, have not considered the above investees as related parties under Ind AS 24 "Related Party Disclosures" and has not consolidated the financial statements of the said entities as an Associates.

Note 47: Related Party disclosures

A. The list of related parties as identified by the management is as under:

i) Joint Ventures of the Company:

1. Zuari Indian Oiltanking Private Limited
2. Forte Furniture Products India Private Limited (Joint venture of Indian Furniture Products Limited (w.e.f 1 February 2017)
3. Soundaryaa IFPL Interiors Limited, a Joint venture of Indian Furniture Products Limited
4. Simon Engineering and Partners, LLC

ii) Associates of the Company:

1. Brajbhumi Nirmaan Private Limited, an associate of Zuari Infraworld India Limited
2. Pranati Niketan Private Limited, an associate of Zuari Infraworld India Limited
3. Darshan Nirmaan Private Limited, an associate Zuari Infraworld India Limited
4. New EROS Tradecom Limited, an associate of Zuari Investments Limited
5. Zuari Agro Chemicals Limited, an associate of Zuari Global Limited
6. Mangalore Chemicals and Fertilisers Limited, a subsidiary of Zuari Fertilizers and Chemicals Limited
7. Zuari Maroc Phosphates Private Limited, a joint venture of Zuari Agro Chemicals Limited
8. Paradeep Phosphates Limited, a subsidiary of Zuari Maroc Phosphates Private Limited
9. MCA Phosphates Pte. Limited, a joint venture of Zuari Agro Chemicals Limited
10. Fosfatos del Pacifico S.A, an associate of MCA Phosphates Pte. Limited
11. Adventz Trading DMCC, a subsidiary of Zuari Agro Chemicals Limited
12. Saket Mansions Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
13. Suhana Properties Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
14. Beatle Agencies Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
15. Kushal Infraproperty Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
16. Divine Realdev Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
17. Hopeful Sales Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
18. Bahubali Tradecomm Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
19. Nexus Vintrade Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
20. Mayapur Commercial Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
21. Neobeam Agents Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
22. Rosewood Agencies Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

iii) Enterprises having significant influence:

1. Globalware Trading and Holdings Limited

iv) Key Management Personnel

1. Mr. S. K. Poddar, Chairman
2. Mr. N Suresh Krishnan, Managing Director
3. Mrs.Jyotsna Poddar, Executive Director
4. Mr. Marco Wadia - Independent - Non - Executive Director
5. Mr. Krishan Kumar Gupta - Independent - Non - Executive Director
6. Mr. Jayant N Godbole - Independent - Non - Executive Director

v) Relative of Key Management Personnel

1. Mrs. Rekha Krishnan - wife of Mr. N. Suresh Krishnan.
2. Ms. Kavita Kathuria - wife of Mr. Vijay Kathuria
3. Mr. Akshay Poddar - son of Mr. S. K. Poddar

vi) Funds for Post-employment benefit plan

1. Zuari Industries Limited Employees Provident Fund
2. Zuari Industries Limited Employees Pensions Fund
3. Zuari Industries Limited Sr. Staff Superannuation Fund
4. Zuari Industries Limited Non Management Employees Pension Fund
5. Zuari Industries Limited Gratuity Fund
6. Simon India Ltd. Staff Superannuation Fund
7. Simon India Ltd Gratuity Fund

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

B. Related Party Transaction For Zuari Global Limited

Following transactions were carried out with related parties in the ordinary course of business for the year ended 31 March 2018 :

		For the year ended March 2018						For the year ended 31 March 2017					
S. no.	Transaction details	Joint Ventures	Associates	Enterprises having Significant Influence	Key Management Personnel	Funds for Post employment benefit plan	Relatives of KMP	Joint Ventures	Associates	Enterprises having Significant Influence	Key Management Personnel	Funds for Postemployment benefit plan	Relatives of KMP
1	**Payment made on their behalf:**												
	- Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	21.83	-	-	-	-
	- Zuari Indian Oiltanking Private Limited	0.89	-	-	-	-	-	-	-	-	-	-	-
	--Brajbhumi Nirmaan Private Limited	100.37	-	-	-	-	-	-	-	-	-	-	-
	--Soundaryaa IFPL Interiors Limited	96.80	-	-	-	-	-	838.54	-	-	-	-	-
	Payment made on our behalf:												
	- Zuari Agro Chemicals Limited	-	0.03	-	-	-	-	-	0.56	-	-	-	-
	--Soundaryaa IFPL Interiors Limited												
2	**Sale of Investments**												
	- Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	1,120.32	-	-	-	-
3	**Managerial Remuneration**												
	- N. Suresh Krishnan	-	-	-	216.11	-	-	-	-	-	315.28	-	-
	- Jyotsna Poddar	-	-	-	68.35	-	-	-	-	-	65.32	-	-
	'#Primarily in the nature of short term employee benefits and does not include compensated absence expense and gratuity expense (being a termination benefit) as the same is provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures cannot be determined.												
4	**Dividend Received**												
	- Zuari Agro Chemicals Limited	-	134.91	-	-	-	-	-	-	-	-	-	-
	- Zuari Indian Oiltanking Private Limited	25.00	-	-	-	-	-	100.00	-	-	-	-	-
5	**Lease Rentals Received**												
	- Zuari Indian Oiltanking Private Limited	143.25	-	-	-	-	-	156.21	-	-	-	-	-
	- Zuari Fertilisers and Chemicals Limited	-	-	-	-	-	-	-	4.74	-	-	-	-
	- Zuari Agro Chemicals Limited	-	40.64	-	-	-	-	-	84.27	-	-	-	-
6	**Sitting fees Paid**												
	- S. K. Poddar	-	-	-	2.23	-	-	-	-	-	2.87	-	-
	- Marco Wadia	-	-	-	10.33	-	-	-	-	-	10.53	-	-
	- Krishan Kumar Gupta	-	-	-	5.86	-	-	-	-	-	5.92	-	-
	- Mr. Jayant N Godbole	-	-	-	4.06	-	-	-	-	-	4.08	-	-
7	**Management Fees / service charges received**												
	- Zuari Indian Oiltanking Private Limited	30.00	-	-	-	-	-	10.00	-	-	-	-	-
	--Soundaryaa IFPL Interiors Limited	20.00	-	-	-	-	-	370.29	-	-	-	-	-
	--Forte Furniture Products India Private Limited	-	-	-	-	-	-	739.08	-	-	-	-	-
	--Brajbhumi Nirmaan Private Limited	-	-	-	-	-	-	56.25	-	-	-	-	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

		For the year ended March 2018						For the year ended 31 March 2017					
S. no.	Transaction details	Joint Ventures	Associates	Enterprises having Significant Influence	Key Management Personnel	Funds for Post employment benefit plan	Relatives of KMP	Joint Ventures	Associates	Enterprises having Significant Influence	Key Management Personnel	Funds for Postemployment benefit plan	Relatives of KMP
8	**Dividend paid**												
	- Globalware Trading and Holdings Limited	-	-	74.92	-	-	-	-	-	74.92	-	-	-
	- New Eros Tradecom Limited	-	11.97	-	-	-	-	-	11.97	-	-	-	-
	- S. K. Poddar	-	-	-	2.73	-	-	-	-	-	9.84	-	-
	- Akshay Poddar	-	-	-	-	2.38	-	-	-	-	-	-	1.37
	- Jyotsna Poddar	-	-	-	0.72	-	-	-	-	-	4.72	-	-
9	**Advance against sale of investment property**												
	- Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	3,209.13	-	-	-	-
10	**Advance against taxation**												
	- Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	2,533.85	-	-	-	-
11	**Purchase of property, plant and Equipments**												
	- Forte Furniture India Private Limited	3.94	-	-	-	-	-	-	-	-	-	-	-
12	**Repayment of advance against sale of investment**												
	- Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	11,920.00	-	-	-	-
13	**Sale of investment**												
	--Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	5,174.24	-	-	-	-
14	**Advance for sale of flat**												
	--Mrs. Rekha Krishnan	-	-	-	-	-	24.02	-	-	-	-	-	29.36
	--Mr. K K Gupta	-	-	-	22.92	-	-	-	-	-	30.56	-	-
15	**Reimbursement of employee compensation received/receivable**												
	--Brajbhumi Nirmaan Private Limited	561.35	-	-	-	-	-	20.00	-	-	-	-	-
16	**ICD converted to equity**												
	--Brajbhumi Nirmaan Private Limited	-	-	-	-	-	-	150.00	-	-	-	-	-
17	**ICDs given to**												
	--Soundaryaa IFPL Interiors Limited	-	-	-	-	-	-	-	-	-	-	-	-
	--Forte Furniture Products India Private Limited	400.00	-	-	-	-	-	-	-	-	-	-	-
18	**Receivable converted to ICDs**												
	- Forte Furniture Products India Private Limited	1,050.00	-	-	-	-	-	-	-	-	-	-	-
19	**Payment received on their behalf**												
	-Zuari Agro Chemicals Limited	-	3.00	-	-	-	-	-	-	-	-	-	-
	--Forte Furniture Products India Private Limited	1,019.87	-	-	-	-	-	-	-	-	-	-	-
20	**Sale of goods to**												
	--Zuari Agro Chemicals Limited	-	116.19	-	-	-	-	-	51.03	-	-	-	-
	--Soundaryaa IFPL Interiors Limited		-	-	-	-	-	55.50	-	-	-	-	-
	--Forte Furniture Products India Private Limited	1,873.91	-	-	-	-	-	105.00	-	-	-	-	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

		For the year ended March 2018						For the year ended 31 March 2017					
S. no.	Transaction details	Joint Ventures	Associates	Enterprises having Significant Influence	Key Management Personnel	Funds for Post employment benefit plan	Relatives of KMP	Joint Ventures	Associates	Enterprises having Significant Influence	Key Management Personnel	Funds for Postemployment benefit plan	Relatives of KMP
21	**Purchase of goods from**												
	--Forte Furniture Products India Private Limited	394.58	-	-	-	-	-	-	-	-	-	-	-
22	**Interest income on ICDs**												
	--Forte Furniture Products India Private Limited	53.41	-	-	-	-	-	-	-	-	-	-	-
	--Soundaryaa IFPL Interiors Limited	-	-	-	-	-	-	2.73	-	-	-	-	-
23	**Lease rental received from**												
	--Forte Furniture Products India Private Limited	494.25	-	-	-	-	-	-	-	-	-	-	-
24	**Conversion charges and consignment paid**												
	--Forte Furniture Products India Private Limited	617.33	-	-	-	-	-	-	-	-	-	-	-
25	**Transactions with funds for post employment benefit trust**												
	--Zuari Industries Limited Employees Provident Fund	-	-	-	-	83.73	-	-	-	-	-	78.73	-
	--Zuari Industries Limited Sr. Staff Superannuation Fund	-	-	-	-	4.00	-	-	-	-	-	7.20	-
	--Zuari Industries Limited Non Management Employees Pension Fund	-	-	-	-	5.51	-	-	-	-	-	2.61	-
	--Simon India Ltd Gratuity Fund	-	-	-	-	1.00	-	-	-	-	-	11.60	-
	--Simon India Ltd. Staff Superannuation Fund	-	-	-	-	4.52	-	-	-	-	-	7.29	-
	--Simon India Ltd Gratuity Fund	-	-	1.00	-	-	-	-	-	-	-	11.60	-
	--Simon India Ltd. Staff Superannuation Fund	-	-	4.52	-	-	-	-	-	-	-	7.29	-

Balance Outstanding For The Period Ended 31 March 2018

		As at 31 March 2018						As at 31 March 2017					
S. no.	Transaction details	Joint Ventures	Associates	Enterprises having Significant Influence	Key Management Personnel	Funds for Post employment benefit plan	Relatives of KMP	Joint Ventures	Associates	Enterprises having Significant Influence	Key Management Personnel	Funds for Post employment benefit plan	Relatives of KMP
1	**Loan given**												
	- N Suresh Krishnan	-	-	-	3.60	-	-	-	-	-	8.40	-	-
2	**Trade payables**												
	- Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	785.99	-	-	-	-
	- Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	784.09	-	-	-	-
3	**Other payables**												
	- Zuari Agro Chemicals Limited	-	4.93	-	-	-	-	-	-	-	-	-	-
4	**Advance received for sale of land**												
	- Zuari Agro Chemicals Limited	-	700.00	-	-	-	-	-	700.00	-	-	-	-
5	**Managerial Remuneration Payable**												
	- N. Suresh Krishnan	-	-	-	64.45	-	-	-	-	-	49.94	-	-

(All amounts in ₹ lakhs, unless stated otherwise)

		As at 31 March 2018						As at 31 March 2017					
S. no.	Transaction details	Joint Ventures	Associates	Enterprises having Significant Influence	Key Management Personnel	Funds for Post employment benefit plan	Relatives of KMP	Joint Ventures	Associates	Enterprises having Significant Influence	Key Management Personnel	Funds for Post employment benefit plan	Relatives of KMP
6	**Trade receivable**												
	-Brajbhumi Nirmaan Private Limited	-	-	-	-	-	-	404.02	-	-	-	-	-
	- Simon Engineering and Partners, LLC	19.89	-	-	-	-	-	20.09	-	-	-	-	-
	- Soundaryaa IFPL Interiors Limited	63.48	-	-	-	-	-	177.09	-	-	-	-	-
	- Forte Furnitures India Product Private Limited	1,029.03	-	-	-	-	-	642.00	-	-	-	-	-
	- Zuari Agro Chemicals Limited	-	29.94	-	-	-	-	-	2.32	-	-	-	-
	- Zuari Indian Oiltanking Private Limited	22.65	-	-	-	-	-	-	-	-	-	-	-
	- Forte Furniture India Private Limited	1.91	-	-	-	-	-	-	-	-	-	-	-
7	**Impairment allowance of doubtful debts**												
	- Simon Engineering and Partners, LLC	19.89	-	-	-	-	-	20.09	-	-	-	-	-
8	**Advances or deposits recoverable/ debtors**												
	- Zuari Speciality Fertilisers Limited	-	-	-	-	-	-	-	0.16	-	-	-	-
9	**Other Recoverable**												
	-Brajbhumi Nirmaan Private Limited	-	-	-	-	-	-	86.75	-	-	-	-	-
10	**Interest on ICD/Loan**												
	- N Suresh Krishnan	-	-	-	10.90	-	-	-	-	-	8.76	-	-
11	**Advance against Purchase of Land/ Investments**												
	- Zuari Agro Chemicals Limited	-	3,209.13	-	-	-	-	-	3,209.13	-	-	-	-
12	**Advance against Taxation**												
	- Zuari Agro Chemicals Limited	-	2,533.85	-	-	-	-	-	2,533.85	-	-	-	-
13	**Advance received against sale of flat**												
	- Rekha Krishnan	-	-	-	-	-	17.28	-	-	-	-	-	29.36
	- Krishan Kumar Gupta	-	-	-	17.28	-	-	-	-	-	30.56	-	-
14	**Deposit of non-management employ-ees pension fund**												
	--Zuari Industries Limited Non Manage-ment Employees Pension Fund	-	-	-	-	-	-	-	-	0.04	-	-	-
15	**Receivable - Gratuity fund**												
	--Zuari Industries Limited Gratuity Fund	-	-	-	-	-	-	-	-	5.07	-	-	-
16	**Deposit of provident fund**												
	--Zuari Industries Limited Employees Providend Fund	-	-	-	-	6.76	-	-	-	-	-	6.47	-
17	**Deposit of superannuation fund**												
	--Zuari Industries Limited Sr. Staff Superannuation Fund	-	-	-	-	1.33	-	-	-	-	-	-	-
18	**Deposit of non-management employ-ees pension fund**												
	--Zuari Industries Limited Non Management Employees Pension Fund	-	-	-	-	0.27	-	-	-	-	-	0.04	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Note 48: Financial risk management objectives and policies

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables, advances from customers, deferred revenue security deposits and employee liabilities. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group also holds FVTOCI investments.

The Group is exposed to market risk, credit risk, equity price risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Group. The financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

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. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments. The sensitivity analyses in the following sections relate to the position as at 31 March 2017 and 31 March 2016.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31 March 2018.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities of foreign operations.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2018 and 31 March 2017.
- The sensitivity of equity is calculated at 31 March 2018 and 31 March 2017 for the effects of the assumed changes of the underlying risk.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate sensitivity

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

	Increase/ decrease in basis points	Effect on profit before tax
31 March 2018		**₹ lakhs**
INR Borrowings	+50	355.22
INR Borrowings	-50	(355.22)
31 March 2017		
INR Borrowings	+50	373.75
INR Borrowings	-50	(373.75)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

(b) 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.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of various currencies with INR, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

	Change in USD rate	Effect on profit before tax	Effect on pre-tax equity
		₹ lakhs	**₹ lakhs**
31 March 2018	+5%	(436.95)	(436.95)
	-5%	436.95	436.95
31 March 2017	+5%	(3.20)	61.25
	-5%	3.20	(61.25)

	Change in SAR rate	Effect on profit before tax	Effect on pre-tax equity
		₹ lakhs	₹ lakhs
31 March 2018	+5%	0.49	0.49
	-5%	(0.49)	(0.49)
31 March 2017	+5%	1.55	1.55
	-5%	(1.55)	(1.55)

	Change in AED rate	Effect on profit before tax	Effect on pre-tax equity
			₹ lakhs
31 March 2018	+5%	3.37	3.37
	-5%	(3.37)	(3.37)
31 March 2017	+5%	3.43	3.43
	-5%	(3.43)	(3.43)

The movement in the pre-tax effect is a result of a change in the fair value of financial instruments not designated in a hedge relationship and monetary assets and liabilities denominated in USD and SAR, where the functional currency of the entity is a currency other than USD and SAR.

Equity price risk

Applicability

The Group's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Holding Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to unlisted equity securities at fair value was ₹55 lakhs. Sensitivity analyses of these investments have been provided in Note 44.

At the reporting date on 31 March 2018, the exposure to listed equity securities at fair value was ₹157,081.25 lakhs. A decrease of 5% on the NSE/ BSE market price could have an impact of approximately ₹7,854.06 lakhs on the OCI or equity attributable to the Group. An increase of 5% in the value of the listed securities would also impact OCI and equity. These changes would not have an effect on profit or loss.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

(a) Trade receivable

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings for extension of credit to customer. The Group monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

Reconciliation of loss allowance provisions- Trade receivable

Particulars	Amount
Impairment allowance on 1 April 2016	284.28
Impairment loss recognised during the year*	238.50
Impairment allowance on 31 March 2017	522.78
Impairment loss recognised during the year*	858.59
Impairment allowance on 31 March 2018	1,381.37

*net of reversal and bad debts actualisation

b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the guidelines framed by the board of directors of the Holding Company. Guidelines broadly covers the selection criterion and over all exposure which the Group can take with a particular financial institution or bank. Further the guideline also covers the limit of overall deposit which the Group can make with a particular bank or financial institution. The Group does not maintain the significant amount of cash and deposits other than those required for its day to day operations.

Liquidity risk

The Group monitors its risk of a shortage of funds using a liquidity planning tool.

The Group's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Group relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/ long term expansion needs. The Group monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
Year ended 31 March 2018				
Borrowings#	42,340.01	69,036.02	23,429.32	134,805.35
Trade payables	38,923.35	199.57	-	39,122.92
Other financial liabilities	2,676.73	623.90		3,300.63
	83,940.09	**69,859.49**	**23,429.32**	**177,228.91**
Year ended 31 March 2017				
Borrowings#	41,438.46	43,456.55	4,484.09	89,379.11
Trade payables	27,372.28	397.14	-	27,769.42
Other financial liabilities	3,470.27	4.60	-	3,474.87
	72,281.01	**43,858.29**	**4,484.09**	**120,623.40**

#The same includes contractual interest cash outflows related to the borrowings.

Note 49: Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	As at 31 March 2018	As at 31 March 2017
Borrowings (including debt portion of preference shares)	115,297.98	82,621.23
Trade payables	39,122.92	27,769.42
Less: cash and cash equivalents	3,126.62	4,013.95
Net debts	**151,294.28**	**106,376.70**
Equity	240,998.83	190,979.48
Total capital	**240,998.83**	**190,979.48**
Capital and net debt	**392,293.11**	**297,356.18**
Gearing ratio₹%)	**38.57%**	**35.77%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

50. Disclosures relating to Projects (as required under Ind-AS 11 on Construction Contracts)*:

In respect of a subsidiary company engaged in engineering and contracting sector, disclosures relating to project revenue recognized as per Ind AS - 11 on Construction Contracts* are as under:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Contract revenue recognized as revenue in (para 39(a))	18,391.13	8,170.29
Aggregate amount of cost incurred and recognized profits up to the reporting date on contract under progress (para 40(a))	64,545.89	47,567.60
Amount of advance received on contract under progress and outstanding at year end. (para 40(b))	2,614.56	1,986.30
Amount of retention on contract under progress (para 40(c))	3,886.05	1,702.08
Gross amount due from customers for contract work as an asset (para 42(a))	158.21	1,728.21
Gross amount due to customers for contract work as a liability (para 42(b))	179.41	28.73
Method used to determine contract revenue recognised during the year (para 39(b))	Refer accounting policy for revenue recognition	Refer accounting policy for revenue recognition
Method used to determine the stage of completion of contracts in progress (para 39(c))	Refer accounting policy for revenue recognition	Refer accounting policy for revenue recognition

* Excluding engineering and other monthly service contracts.

(All amounts in ₹ lakhs, unless stated otherwise)

51. Revenue related disclosures

Disclosure in respect of projects (except developed plots) under the Guidance Note issued by Institute of Chartered Accountants of India on "Accounting for Real Estate transactions (for entities to whom Ind AS is applicable)":

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Amount of project revenue recognized as revenue during the year	1,787.86	1,178.34
Aggregate amount of costs incurred and profits recognized to date	29,994.25	20,793.99
Amount of advances received	2,704.86	3,089.74
Amount of work-in-progress and value of inventories	30,822.69	23,158.41
Excess of revenue recognized over actual bills raised (unbilled revenue)	199.47	2,456.00

Note 52. Change in estimated cost and revenue on projects

The management update its estimate of budgeted cost on every reporting date and consider cumulative adjustment to revenue. Such changes in budget are results of changes in cost due to better understanding of requirement as well as changes in prices, and also as a result of changes in work order. More often than not, cost changes are cumulative effects of more than factor. Therefore, it is impracticable to disclose effect of such changes on current period and future period for each individual factor.

Note 53: Disclosure relating to Corporate Social Responsibility (CSR) Expenditure

The disclosure in respect of CSR expenditure for the year ended 31 March 2018 is as under:

In light of Section 135 of the Companies Act 2013, the Group has incurred ₹9.31 lakhs (31 March 2017: Nil) during the current year on Corporate Social Responsibility (CSR) against gross amount required to be spent ₹61.45 lakhs (31 March 2017: ₹ 65.21 lakhs)

Particulars	31 March 2018	31 March 2017
Promoting education	9.31	-

Note 54: Disclosure required under section 186(4) of Companies Act 2013

A. Particulars of investment made during the year

S. No	Name of the investee	31 March 2018	31 March 2017	Purpose
1	Forte Furniture Products India Private Limited	-	1,400.50	Strategic Investment
		0.00	**1,400.50**	

B. Disclosure of loan given:

S.No	Name of Loanee	Opening balance	Loan given	Loan repaid	Outstanding balance	Purpose
1	Forte Furniture Products India Private Limited	-	1,450.00	200.00	1,250.00	General Business Purpose
2	ANS Industries Limited	1,120.00	-	800.00	320.00	General Business Purpose
3	Dhoot Industrial Finance Limited	-	400.00	-	400.00	General Business Purpose
		1,120.00	**1,850.00**	**1,000.00**	**1,970.00**	

Note 54A: Disclosure Under Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

S.No	Name of Loanee	Status	Outstanding balance on		Maximum balance during the year	
			31 March 2018	31 March 2017	31 March 2018	31 March 2017
1	Forte Furniture Products India Private Limited	Joint venture	1,250.00	-	1,450.00	-

Note 55 Restatement of previously reported financial information

The Group, in order to comply with Ind AS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 103 'Business Combination', has restated its previously issued financial information. The Company has restated the comparative amounts for the comparative period presented by effecting opening balance sheet of earliest comparative period presented. Refer below for details:

Balance Sheet as at 1 April 2016 (Extract)	Footnotes	Audited	Adjustments	Restated
ASSETS				
Non-current assets				
Investments accounted for using the equity method	**(a)**	49,412.12	945.16	50,357.28
Deferred tax assets(net)	**(b)**	8,998.41	1,787.87	10,786.28
Non-current tax assets (net)	**(e)**	-	4,499.91	4,499.91

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Balance Sheet as at 1 April 2016 (Extract)	Footnotes	Audited	Adjustments	Restated
Current assets				
Inventories	**(b)**	55,738.20	(5,246.10)	50,492.10
Other financial assets	**(e)**	4,945.90	654.00	5,599.90
Current tax assets (net)	**(e)**	4,546.61	(4,499.90)	46.71
Other current assets	**(e)**	8,176.71	(654.00)	7,522.71
		131,817.95	**(2,513.06)**	**129,304.89**
EQUITY AND LIABILITIES				
Equity				
Total equity#		180,757.42	(8,386.58)	172,370.84
LIABILITIES				
Non-current liabilities				
Financial Liabilities (Borrowings)	**(c)**	27,270.77	5,667.33	32,938.10
Provisions	**(e)**	193.67	277.19	470.86
Other non-current liabilities	**(d)**	511.39	197.48	708.87
Current liabilities				
Provisions	**(e)**	662.39	(277.19)	385.20
Other current liabilities	**(d)**	5,653.72	8.71	5,662.43
		215,049.36	**(2,513.06)**	**212,536.30**

Balance Sheet as at 31 March 2017 (Extract)	Footnotes	Audited	Adjustments	Restated
ASSETS				
Non-current assets				
Investments accounted for using the equity method	**(a)**	50,843.27	1,940.11	52,783.38
Financial Assets (loans)	**(e)**	1,644.76	(700.84)	943.92
Deferred tax assets(net)	**(b)**	9,416.08	1,787.87	11,203.95
Non-current tax assets (net)	**(e)**	-	2,605.56	2,605.56
Other non current assets	**(e)**	1,007.91	1,853.78	2,861.69
Current assets				
Inventories	**(b)**	64,713.13	(5,246.10)	59,467.03
Loans	**(e)**	1,589.51	700.84	2,290.35
Other financial assets	**(e)**	4,920.55	1,761.80	6,682.35
Other current assets	**(e)**	10,691.32	(3,615.57)	7,075.75
Current tax assets (net)	**(e)**	2,651.75	(2,605.56)	46.19
		147,478.28	**(1,518.11)**	**145,960.17**
EQUITY AND LIABILITIES				
Equity				
Total equity#		201,533.99	(8,177.41)	193,356.58
LIABILITIES				
Non-current liabilities				
Financial Liabilities (Borrowings)	**(c)**	36,566.79	6,460.57	43,027.36
Provisions	**(e)**	125.76	326.19	451.95
Other non-current liabilities	**(d)**	2,042.89	190.01	2,232.90
Current liabilities				
Trade payables	**(e)**	27,309.08	63.20	27,372.28
Other financial liabilities	**(e)**	12,891.49	(3,875.99)	9,015.50
Other current liabilities	**(e)&(d)**	8,496.77	3,821.51	12,318.28
Provisions	**(e)**	1,552.84	(326.19)	1,226.65
		290,519.61	**(1,518.11)**	**289,001.50**

#Refer 'Reconciliation of total share holder's equity' in next pages.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Statement of Profit and Loss for the year ended 31 March 2017 (Extract)	Footnotes	Audited	Adjustments	Restated
Income				
Other incomes	**(d)**	4,688.65	7.44	4,696.09
		4,688.65	**7.44**	**4,696.09**
Expenses				
Change in inventories of finished goods, work-in-progress and stock-in-trade	**(e)**	(9,038.23)	77.92	(8,960.31)
Excise duty on sale of goods	**(e)**	2,853.64	(77.92)	2,775.72
Finance costs	**(c)**	5,800.24	793.24	6,593.48
		(384.35)	**793.24**	**408.89**
Share of profit/(loss) of associates and joint ventures	**(a)**	**(1,500.62)**	**994.96**	**(505.66)**
Loss for the year		**(2,235.64)**	**209.16**	**(2,026.48)**
Other comprehensive income for the year		**23,361.27**	**-**	**23,361.27**
Total comprehensive income for the year		**21,125.63**	**209.16**	**21,334.79**
Loss attributed to:				
Owners of the Holding Company		(2,797.03)	209.16	(2,587.87)
Non Controlling Interest		561.39	-	561.39
Other comprehensive income attributed to :				
Owners of the Holding Company		23,399.16	-	23,399.16
Non Controlling Interest		(37.89)	-	(37.89)
Earnings per share:				
Basic		(9.50)	0.71	(8.79)
Diluted		(9.50)	0.71	(8.79)

Reconciliation of total share holder's equity	Footnotes	1 April 2016	31 March 2017
Amounts as per audited fiancial statements		**180,757.42**	**201,533.99**
Adjustments			
Amount related to merger of certain entities with an associate	**(a)**	945.16	1,940.11
Profit elimination in respect of intercompany transaction of earlier years	**(b)**	(3,458.22)	(3,458.22)
Treatment of NCRPS issued by a subsidiary company	**(c)**	(5,667.33)	(6,460.57)
Consolidation adjustment relating to earlier years	**(d)**	(206.19)	(198.73)
		(8,386.58)	**(8,177.41)**
Restated amounts		**172,370.84**	**193,356.58**

Due to the aforesaid corrections in the comparative amounts for the comparative periods, there is no change in net cash flow from operating activity, financing activity and investing activity.

Footnotes:

(a) Merger of certain entities with an associate

Hon'ble National Company Law Tribunal ('NCLT'), Bench at Mumbai has sanctioned the Scheme of Amalgamation (the 'Scheme') between Zuari Fertilizers and Chemicals Limited ('ZFCL'), Zuari Specialty Fertilizers Limited ('ZSFL') and Zuari Agri Sciences Limited ('ZASL') with Zauri Agro Chemicals Limited ('ZACL'), an associate of the Company, effective date being 1 April 2015, vide its order dated 14 September 2017. The Scheme has become effective from 13 November 2017. ZACL has accounted for the amalgamation of ZSFL as per acquisition method as prescribed in Ind AS 103 and, for ZFCL and ZACL, as per pooling of interest method as prescribed in 'Appendix C' of Ind AS 103. Consequently, the figures for the twelve-month period ended 31 March 2017 and total shareholder's equity have been revised and restated giving effect of the Scheme. For quantitative details, refer 'Statement of Profit and Loss for the year ended 31 March 2017 (Extract)' and 'Reconciliation of total share holder's equity' as at 1 April 2016 and 31 March 2017 above.

(b) Elimination of effects of upstream transactions:

The Company, in year ended 31 March 2015, has bought a land from its associate i.e. Zuari Agro Chemicals Limited ("Zuari Agro") on which the Zuari Agro has booked the profit of ₹ 16,353.19 lacs. The land is currently held as inventory of the Company. The Company holds 32.08% investments in Zuari Agro. As the transaction was between the Company and its associate, therefore, being an upstream transaction, the unrealised profit element needs to be eliminated in the consolidated retained earnings in the year of transaction which amounts to ₹ 5,246.10 lakhs. Such amount has been eliminated in the opening balance sheet as at 01 April 2016. Tax effects on the same amounted to ₹ 1,787.87 lakhs.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

(c) Treatment of non-convertible redeemable preference shares ('NCRPS') issued by Zuari Infraworld India Limited (the subsidiary company) to promoters of the group:

The NCRPS issued by the subsidiary company having face value of ₹ 10 each and are issued at premium of ₹ 90 each. Also, the same are mandatorily redeemable at premium of ₹ 125 to ₹ 150 each per share. (refer note 13A for terms and conditions relating to the instrument). Upto last year, the Company in its CFS, has recognised securities premium received on issue as separate reserve and presented under ""other equity"" and has not accounted for additional premium payable on redemption of NCRPS. The same is not in accordance with Ind AS 109, the instrument needs to be accounted for as financial liability using effective interest method after taking impact of all premiums received and payable on redemption through discounting cash flows.

Impacts:

Particulars	As at 1 April 2016	Impacts of restatements	Restated amounts
Security premium	7,650.00	(7,650.00)	-
Deemed equity part of NCRPS	424.95	2,761.96	3,186.91
Retained earnings	10.41	(779.29)	(768.88)
Financial liability part of NCRPS	492.75	5,667.33	6,160.08

Particulars	As at 31 March 2017	Impacts of restatements	Restated amounts
Security premium	7,650.00	(7,650.00)	-
Deemed equity part of NCRPS	424.95	2,761.96	3,186.91
Retained earnings	67.70	(779.29)	(711.59)
Financial liability part of NCRPS	561.54	6,460.57	7,022.11
Finance cost on financial liability part of NCRPS	68.80	793.24	862.04

(d) Treatment of NCRPPS issued by Gobind Sugar Mills Limited (the subsidiary company) to various group companies:

Upto 31 March 2017, in its consolidated financial statements, the Company has accounted for difference in fair value of NCRPS issued to promotors of the group and its transaction price as "deemed equity".

During the year ended 31 March 2018, the management of the Company has decided to change its accounting policy in respect of these NCRPS and has applied it retrospectively from year of issue for more reliable and relevant information. The difference previously recognized as deemed equity is now treated as deferred gain from date of issue and amortized accordingly which is in lines with initial measurement requirements of Ind AS 109. Deferred gain has presented under other non-current and current liabilities along with annual amortisation impacts.

(e) Material reclassifications

During the year ended 31 March 2018, the Company has made certain reclassifications in the previously issued financial statements with effects from 1 April 2016. Considering their material impacts, the Company has made such correction by restating opening balances of earliest reported comparative period i.e. as on 1 April 2016. Refer below for details:

As at 1 April 2016	Amount	Earlier heading	Revised heading
Current income tax assets- others	4,499.91	Current income tax assets- others	Non-current tax assets
Interest subventions from government authorities	654.00	Other current assets	Other financial assets (current)
Provision for leave encashment	277.19	Provisions (current)	Provisions (non-current)

As at 31 March 2017	Amount	Earlier heading	Revised heading
Current income tax assets- others	2,605.56	Current income tax assets- others	Non-current tax assets
Security deposits (others)	700.84	Financial assets - loans (non-current assets)	Financial assets - loans (current assets)
Other non current assets - advances for investments	1,853.78	Other current assets	Other non current assets
Interest subventions from government authorities	1,761.80	Other current assets	Other financial assets (current)
Provision for leave encashment	326.19	Provisions (current)	Provisions (non-current)
Employee related payables	666.84	Other financial liabilities	Trade payables
Advances received from customer	603.67	Trade payables	Other current liabilities
Advances received	3,209.15	Other financial liabilities	Other current liabilities
Excise duty on sale of goods	77.92	Change in inventories of finished goods, work-in-progress and stock-in-trade	Excise duty on sale of goods

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Note 56

The Holding Company had demerged its fertilizer undertaking to Zuari Agro Chemicals Limited (ZACL) with effect from 01 July 2011.

The Holding Company has, during the year 2017, based on Hon'ble High Court Order on demerger of fertilizer undertaking, identified the amount of income tax paid under protest pertaining to fertilizer undertaking demerged into ZACL.

The Holding Company has exchanged letter of mutual understanding with ZACL wherein ZACL has paid such amount of tax paid under protest by the Company. During the previous year, the Holding Company had received ₹ 2,533.85 lakhs from ZACL on this account and adjusted the same from income tax assets pending completion of final assessment/litigation in respect of such financial years, out of which during the current year, the Holding Company has received a favourable order of ₹ 145.18 lakhs in respect of the assessment year 2008-09.

Note 57 Statutory Group Information

S. No.	Name of the Entity	Net Assets, i.e., total assets minus total liabilities as at 31 March 2018		Share in Profit or Loss for the year ended 31 March 2018		Share in Other comprehensive Income for the year ended 31 March 2018		Share in Total comprehensive Income for the year ended 31 March 2018	
		As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit or loss	Amount (₹ in lakhs)	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit or loss	Amount (₹ in lakhs)
1	**Holding Company**								
	Zuari Global Limited	85.66	206,443.92	(63.99)	1,796.46	115.08	60,152.82	125.24	61,949.28
2	**Indian Subsidiaries**								
	Indian Furniture Products Limited	2.71	6,534.06	10.83	(304.12)	-	-	(0.61)	(304.12)
	Simon India Limited	4.31	10,382.97	74.81	(2,100.41)	3.29	1,720.46	(0.77)	(379.95)
	Zuari Finserv Limited (Formerly known as Horizon View Develpors Private Limited)	0.85	2,043.14	(9.11)	255.79	0.00	1.26	0.52	257.05
	Zuari Management Services Limited	9.68	23,334.40	2.97	(83.34)	11.55	6,039.95	12.04	5,956.61
	Zuari Infraworld India Limited	6.32	15,240.59	0.67	(18.74)	0.00	1.16	(0.04)	(17.58)
	Zuari Sugar and Power Limited	0.10	247.68	39.87	(1,119.52)	-	-	(2.26)	(1,119.52)
	Zuari Investments Limited	13.24	31,915.07	12.07	(338.94)	0.21	110.67	(0.46)	(228.27)
	Zuari Insurance Brokers Limited	0.16	387.35	(1.16)	32.54	(0.00)	(0.06)	0.07	32.48
	Zuari Commodity Trading Limited	0.04	87.54	1.04	(29.14)	0.00	0.10	(0.06)	(29.04)
	Gobind Sugar Mills Limited	0.14	331.24	73.28	(2,057.36)	(0.27)	(142.24)	(4.45)	(2,199.60)
3	**Foreign Subsidiaries**								
	Zuari Infra Middle East Limited	0.21	503.24	(10.74)	301.62	-	-	0.61	301.62
	Zuari Infraworld SJM Elysium Properties LLC (formerly known as SJM Elysium Properties LLC)	(0.14)	(333.64)	8.98	(252.24)	-	-	(0.51)	(252.24)
4	**Minorities Interest in subsidiaries**								
	Indian Furniture Products Limited	(0.25)	(592.51)	(7.35)	206.46	-	-	0.42	206.46
	Gobind Sugar Mills Limited	(0.21)	(506.26)	(28.35)	796.10	0.53	275.77	2.17	1,071.87
5	**Indian Joint Venture**								-
	Zuari Indian Oil Tanking Private Limited	-	-	(2.41)	67.60	0.00	0.10	0.14	67.70
	Soundaryaa IFPL Interiors Limited	-	-	(0.42)	11.66			0.02	11.66
	Forte Furnitures Private Limited	-	-	36.95	(1,037.29)	-	-	(2.10)	(1,037.29)
6	**Associates**								
	Zuari Agro Chemicals Limited	-	-	(177.54)	4,984.60	(0.82)	(430.28)	9.21	4,554.32
	New Eros Tradecom Ltd	-	-	(0.52)	14.73	1.21	630.31	1.30	645.07
	Darshan Nirmaan Private Limited	-	-	0.00	(0.11)	-	-	(0.00)	(0.11)
	Pranati Nirmaan Private Limited	-	-	0.00	(0.05)	-	-	(0.00)	(0.05)
	Brajbhumi Nirmaan Private Limited	-	-	0.15	(4.23)	-	-	(0.01)	(4.23)
7	Eliminations and adjustments due to consolidation	(22.83)	(55,019.97)	139.97	(3,929.70)	(30.78)	(16,087.72)	(40.47)	(20,017.42)
		100.00	**240,998.83**	**100.00**	**(2,807.63)**	**100.00**	**52,272.30**	**100.00**	**49,464.67**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Note 57 Statutory Group Information (Cont'd)

S. No.	Name of the Entity	Net Assets, i.e., total assets minus total liabilities as at 31 March 2017		Share in Profit or Loss for the year ended 31 March 2017		Share in Other comprehensive Income for the year ended 31 March 2017		Share in Total comprehensive Income for the year ended 31 March 2017	
		As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit or loss	Amount (₹ in lakhs)	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit or loss	Amount (₹ in lakhs)
1	**Holding Company**								
	Zuari Global Limited	75.85	144,848.93	(79.19)	2,049.27	177.63	41,564.16	209.57	43,613.43
2	**Indian Subsidiaries**								
	Indian Furniture Products Limited	3.58	6,836.08	79.89	(2,067.35)	(0.11)	(24.65)	(10.05)	(2,092.00)
	Simon India Limited	5.64	10,762.91	35.78	(925.95)	2.96	692.50	(1.12)	(233.45)
	Zuari Finserv Limited (Formerly known as Horizon View Develpors Private Limited)	0.00	0.06	0.04	(0.94)	-	-	(0.00)	(0.94)
	Zuari Management Services Limited	9.10	17,377.79	13.50	(349.40)	48.24	11,287.91	52.56	10,938.51
	Zuari Infraworld India Limited	6.60	12,608.40	(7.02)	181.66	(0.34)	(80.20)	0.49	101.46
	Zuari Sugar and Power Limited	0.72	1,367.20	5.01	(129.57)	-	-	(0.62)	(129.57)
	Zuari Investments Limited	17.80	33,986.01	60.14	(1,556.29)	(7.12)	(1,666.15)	(15.48)	(3,222.44)
	Zuari Insurance Brokers Limited	0.19	354.88	(3.32)	85.93	(0.00)	(0.02)	0.41	85.91
	Zuari Commodity Trading Limited	0.06	115.90	(0.24)	6.31	0.00	0.83	0.03	7.14
	Gobind Sugar Mills Limited	1.32	2,528.17	(70.98)	1,836.78	(0.30)	(70.71)	8.49	1,766.07
3	**Foreign Subsidiaries**								
	Zuari Infra Middle East Limited	0.11	200.59	(5.97)	154.45	-	-	0.74	154.45
	Zuari Infraworld SJM Elysium Properties LLC (formely known as SJM Elysium Properties LLC)	(0.04)	(80.99)	(2.90)	74.98	-	-	0.36	74.98
4	**Minorities Interest in subsidiaries**								
	Indian Furniture Products Limited	(0.42)	(798.97)	(12.89)	333.67	0.01	3.44	1.62	337.11
	Gobind Sugar Mills Limited	(0.83)	(1,578.13)	34.59	(895.07)	0.15	34.46	(4.14)	(860.61)
5	**Indian Joint Venture**								
	Zuari Indian Oil Tanking Private Limited	-	-	(8.30)	214.75	(0.00)	(1.10)	1.03	213.65
	Soundaryaa IFPL Interiors Limited	-	-	(1.49)	38.63	-	-	0.19	38.63
	Forte Furnitures India Private Limited	-	-	14.03	(363.20)	-	-	(1.75)	(363.20)
6	**Associates**								
	Zuari Agro Chemicals Limited	-	-	15.91	(411.65)	1.67	391.16	(0.10)	(20.49)
	New Eros Tradecom Ltd	-	-	(0.23)	5.91	5.34	1,250.19	6.04	1,256.10
	Braj bhumi Nirmaan Private Limited	-	-	(0.39)	10.00	-	-	0.05	10.00
	Pranati Niketan Private Limited	-	-	0.00	(0.05)	-	-	(0.00)	(0.05)
	Darshan Nirmaan Private Limited	-	-	0.00	(0.05)	-	-	(0.00)	(0.05)
7	Eliminations and adjustments due to consolidation	(19.66)	(37,549.36)	34.03	(880.69)	(128.14)	(29,982.66)	(148.30)	(30,863.32)
		100.00	**190,979.48**	**100.00**	**(2,587.87)**	**100.00**	**23,399.16**	**100.00**	**20,811.29**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amounts in ₹ lakhs, unless stated otherwise)

Note 58. Notes reproduced from consolidated financial statements of Zuari Agro Chemicals Limited (an Accociate of the Holding Company) for the year ended 31 March 2018.

a) In respect of Parent Company's investment of ₹11,943.48 lakhs (31 March 2017: ₹11,943.48 lakhs) in the rock phosphate mining project (which is under development) through MCA Phosphare Pte Ltd, a joint venture Company, the Parent Company has not considered any impairment loss based on the fair valuation of the said investment done by an independent valuer, which indicates a value higher than the carrying amount, however review by statutory auditors is still in process. The joint venture company had provided for diminution in the entire value of said investment, which the Parent Company is not in agreement with since the same is not in accordance with the shareholders agreement with the joint venture company, and also the project company where the MCA phosphate Pte Ltd has made an investment, has not made any provision for any impairment.

b) The Parent Company is carrying a receivable of ₹1,949.03 lakhs for the period February 2013 & March 2013 on account of accrual of subsidy income at higher rate in comparison to rate at which subsidy is granted. However, as per the office Memorandum dated 16 April 2018 issued by the Department of Fertilizer, the Government has ex-post facto approved the subsidy paid on specific quantity of P&K fertilizer received in the district during February 2013 and March 2013 months in different year since 2012-13 as the rates fixed for the next financial year which were lower than the rate approved by cabinet /CCEA for that year. The Parent Company has represented to the Department of Fertilizer that the material moved in February 2013 and March 2013 was part of the approved movement plan of January 2013 and hence NBS rates of 2013 should be applicable. The Parent Company has obtained a legal opinion and if required will take appropriate recourse to recover this amount. The Parent Company is hopeful to realize the aforesaid amount hence no provision for ₹ 1949.03 lakhs has been made in the accounts.

c) A subsidiary recognises urea concession income from the Government of India (GOI) based on estimates and changes, if any, are recognised in the year of finalisation of the prices by the GOI under the scheme. Accordingly, sales of products for the year include differential urea concession income of ₹2,068.68 lakhs (31 March 2017: ₹ 2,309.77 lakhs) relating to immediately preceeding financial year recognised on finalisation of escalation/ de-escalation claim.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

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

Neeraj Goel
Partner
Membership No.: 099514

Place: Gurugram
Date: 25 May 2018

For and on behalf of the Board of Directors of **Zuari Global Limited**

S. K. Poddar
Chairman
DIN : 00008654

N. Suresh Krishnan
Managing Director
DIN : 00021965

Marco Wadia
Director
DIN : 00244357

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
ACS : 31286

Zuari Global Limited
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