adventz

52nd Annual Report 2019-20

Zuari Global Limited

DIRECTORS	:	Mr. Saroj Kumar Poddar, Chairman Mr. R. S. Raghavan, Managing Director Mrs. Jyotsna Poddar, Whole Time Director Mr. Dipankar Chatterji, Independent Director Mr. Marco Wadia, Independent Director Mrs. Manju Gupta, Independent Director Mr. Vijay Vyankatesh Paranjape, Independent Director Mr. J. N. Godbole, Independent Director upto September 29, 2019 Mr. K. K. Gupta, Independent Director upto July 30, 2019 Mr. N. Suresh Krishnan, Managing Director upto February 14, 2020
CHIEF FINANCIAL OFFICER	:	Mr. Vijay Kathuria
COMPANY SECRETARY	:	Mr. Laxman Aggarwal
BANKERS	:	State Bank of India Indusind Bank Limited
LEGAL ADVISERS	:	Khaitan & Co
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 2019-20

To the Members,

1. Your Directors place before you the Fifty-Second Annual Report of the Company together with Statement of Accounts for the accounting year ended 31st March, 2020.

2. **Financial Results and Appropriation:**

(Rs in lakhs)

Particulars	Standalone Current Year 2019-20	Standalone Previous Year 2018-19	Consolidated Current Year 2019-20	Consolidated Previous Year 2018-19
Profit/(loss) for the year before depreciation Amortization and taxation	1,766.33	3,284.09	(3,052.24)	(3,174.93)
Less: Depreciation for the year	24.53	15.92	2,546.62	(2,092.28)
Profit/(loss) before tax and share of Loss from Associates	1,741.80	3,268.17	(5,598.86)	(5,267.21)
Less: Tax Expense				
a) Current Tax (Including adjustment of earlier years)	171.29	(837.95)	320.62	(828.58)
b) Deferred Tax Charge	278.10	78.42	6,777.99	(913.29)
Profit/(loss) after tax	1,292.41	4,027.70	(12,697.47)	(3,525.34)
Add: Share in profit/(losses) from Associates	-	-	(26,886.24)	(11,240.89)
Profit/(loss) for the year before Minority Interest	1,292.41	4,027.70	(39,583.71)	(14,766.23)
Less: Share of Minority interest in profits/(losses)	-	-	(2,888.90)	(1,923.40)
Profit/(loss) for the year	1,292.41	4,027.70	(36,694.81)	(12,842.83)
Add : Balance of profit brought forward	65,505.45	64,080.79	71,310.74	87,921.03
Add: Other adjustments	-	(202.67)	262.21	(522.62)
Add: Reclassification from OCI to retained earnings on disposal of investments.	-	(2,051.29)	(81.04)	(2,880.06)
Add: Other comp. income on defined benefit	(0.85)	5.85	6.07	(9.85)
Less : Transfer to general reserve		-		
Less : Dividends paid	294.41	294.41	294.41	294.41
Less : Tax on dividend (Including Surcharge)	60.52	60.52	60.52	60.52
Balance of profit carried forward	66,442.08	65,505.45	34,448.24	71,310.74
Earnings per share (EPS)	Rs.4.39	Rs.13.68	Rs.(124.64)	Rs. (43.62)

A. **Review of Operations**:

The revenue from operations (Standalone) for the year ended 31st March, 2020 was Rs. 5,716.47 lakhs as compared to Rs. 247.69 lakhs for the year ended 31st March 2019.

The Profit before tax for the year ended 31st March, 2020 was Rs.1,741.80 lakhs as compared to Rs. 3,268.17 lakhs for the year ended 31st March, 2019. The Profit after tax stood at Rs 1,292.41 lakhs for the year ended 31st March, 2020 as compared to Rs. 4,027.70 lakhs for the previous year ended 31st March, 2019.

The revenue from operations (Consolidated) for the year ended 31st March, 2020 was 77,102.89 lakhs as compared to Rs. 77,418.90 lakhs for the previous year.

The Consolidated Loss before tax for the year ended 31st March, 2020 was Rs. 32,485.10 lakhs as compared to a loss of Rs. 16,508.10 lakhs for the year ended 31st March, 2019. The Loss after tax stood at Rs. 39,583.71 lakhs for the year ended 31st March, 2020 as compared to loss of Rs. 14,766.23 lakhs 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 Director's Report.

B. **Reserves:**

During the year, amount transferred to General Reserves is Nil. An amount of Rs. 66,442.08 lakhs 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 Rs. 10/- each for financial year 2019-20 (Re. 1/- per equity share in the previous year).

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

A. **Conservation of Energy:**

The Company is not engaged in manufacturing activities; hence no information on Conservation of Energy is required to be provided.

B. Technology Absorption:

(i) The efforts made towards technology absorption - Not Applicable

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution – Not Applicable

iii) Imported technology (imported during the last 3 years reckoned from the beginning of the financial year) - Not Applicable

iv) The expenditure incurred on Research and Development - Not Applicable

No new technology was absorbed during the year 2019-20.

C. Foreign Exchange and Outgo:

The expenditure in foreign currency for the year ended 31st March, 2020 was Rs. 27.90 lakhs as compared to Rs. 11.21 lakhs during the previous year. The foreign exchange earnings for the year ended 31st March, 2020 was Rs. 62.86 lakhs as compared to Rs. 44.74 lakhs during the previous year

5. Industrial Relations:

The industrial relations with the employees continue to be harmonious.

6. Extract of Annual Return:

Extract of Annual Return (MGT-9) referred to in Section 92(3) of the Companies Act, 2013 is available on the website of the Company at www.adventz.com.

7. Related Party Transactions:

All related party transactions that were entered into during the financial year u/s 188 of the Companies Act, 2013 were on an arm's length basis. All related party transactions are approved by the Audit Committee and the Board of Directors. There were no 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. The details of related party transactions as per Form AOC-2 is enclosed as **Annexure 'K'.**

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. 45 of the Standalone 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-Policy-ZGL-3419.pdf

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 enclosed as **Annexure 'H'** to this Report.

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 is enclosed as **Annexure 'I'.**

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 effective from 25th June 2020:

- Dipankar Chatterji (Chairman)
- R S Raghavan
- Marco Wadia
- V. Paranjape

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. Laxman Aggarwal, Company Secretary as the Secretary of the Committee with effect from 01st July 2020. During the Financial Year 2019-20, only one meeting of the Committee was held on 24th May, 2019.

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
Dipankar Chatterji*	Chairman	Non-Executive Independent Director	-
Vijay Paranjape**	Member	Non-Executive Independent Director	-

^ upto 30-07-2019
% upto 14-02-2020
* w.e.f. 24-10-2019
** w.e.f. 27-12-2019

The 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 enclosed 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 16 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 enclosed as **Annexure 'A'** to this report.

Mr. N. Suresh Krishnan ceased to be Managing Director of the Company w.e.f. 14th February, 2020. Mr. K.K. Gupta and Mr. J. N. Godbole ceased to be Independent Directors of the Company w.e.f. 31st July, 2019 and 30th September, 2019 respectively upon completion of their term.

The Board placed on record its appreciation for the valuable services provided by Mr. Krishnan, Mr. Gupta and Mr. Godbole during their respective tenures as members of the Board of Directors of the Company.

Mr. R. S. Raghavan has been appointed as the Managing Director and Key Managerial Personnel for a period of 2 years, w.e.f. 15th February, 2020 subject to the approval of the shareholders at the forthcoming AGM.

Mr. Dipankar Chatterji, Mr. Vijay Paranjape and Mrs. Manju Gupta have also been appointed as Additional/ Independent Directors of the Company for a period of 3 years w.e.f. 24th October, 2019, 27th December, 2019 and 28th March, 2020 respectively.

The Board recommends to the members of the Company for according their approval for the appointment of above Directors at the forthcoming AGM.

Accordingly, as on the date of this report, the Company is having Four Non Executive Independent Directors (including one Woman Director), One Non Executive Director (Chairman) and Two Executive Directors (including one Managing Director) having experience in vast and varied fields.

Post closure of financial year 2019-20, the Board appointed Mr. Laxman Aggarwal (Membership No. A-19861) as Company Secretary (Key Managerial Person) and Compliance Officer of the Company in terms of Regulation 6(1) of SEBI (LODR), Regulations, 2015 in place of Mr. Sachin Patil.

Pursuant to regulation 17(1A) of SEBI Listing Obligation and Disclosure Requirement) Regulations, 2015, approval of the shareholders is sought at the ensuing Annual General Meeting of the Company for continuation of Directorship of Mr. Saroj Kumar Poddar.

Mr. R.S. Raghavan, Managing Director, Mr. Vijay Kathuria, Chief Financial Officer and Mr. Laxman Aggarwal, 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, Eight Board meetings were held on : 24th May, 2019, 26th June, 2019, 14th August, 2019, 22nd August, 2019, 24th October, 2019, 14th November, 2019, 27th December, 2019 and 14th February, 2020. 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. The Company has not accepted any deposits during the year under review.

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. 38 of Standalone 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 prevention and detection of fraud and errors, accuracy and completeness of accounting records and timely preparation

The Company has also appointed M/s Sameer Mittal & Associates, Internal Auditors for Internal Financial Controls over Financial Reporting ("IFCoFR") under the Companies Act, 2013. Along with the Internal Audit Report, M/s Sameer Mittal & Associates have also submitted their opinion on adequacy of IFCoFR and operative effectiveness of such control as at 31st March, 2020. During the year under review, the Company continued to implement the suggestions and recommendations of Internal Auditors to improve the financial control. The findings under Internal Financial Control have been discussed by the Audit Committee on an ongoing basis to improve the efficiency in operations. The scope of internal financial control includes review of processes for safeguarding the assets of the Company, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The Company uses a state-of-the-art ERP (SAP/Tally) systems 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. A Certificate on compliance of Corporate Governance by a Practicing Company Secretary 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 'E'** to this report and Secretarial Audit Report is enclosed as **Annexure 'F'** to this report.

20. Statutory Auditors:

As per section 139 of the Companies Act, 2013 and Rules made thereunder, M/s. Walker Chandiok & Co LLP, Chartered Accountants are Statutory Auditors of the Company.

The Standalone & Consolidated Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors.

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 2019-20 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 during the year.

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.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on our website at www.adventz.com.

25. Compliance of Secretarial Standards:

The Company has complied with all the applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

26. Scheme of Amalgamation

Subsequent to financial year 2019-20, the Board of Directors vide its meeting held on 17th July 2020 approved a Scheme of Amalgamation (the Scheme) for merger of Gobind Sugar Mills Limited (GSML) with Zuari Global Limited (ZGL) in accordance with the provisions of Sections 230 to 232 and other applicable provisions of Companies Act, 2013 and rules framed thereunder as the same would benefit the respective companies and their respective stakeholders on account of the following reasons:

(i) Streamlining and rationalization of the group structure through consolidation of GSML, leading to reduction in compliance and administrative cost of the group;

(ii) Imparting better management focus, facilitating administrative convenience and ensuring optimum utilization of various resources of the Companies;

(iii) Bring about synergy in operations, economies in costs and other benefits resulting from the economies of scale;

(iv) The net worth and regular stream of revenue of the post-merger ZGL would facilitate requisite cost effective fund-raise for the future business operations of the ZGL; and

(v) Proposed business re-alignment will create enhanced value for the stakeholders of both the Companies. This Scheme is not expected to be in any manner prejudicial to the interest of the concerned members, creditors, employees or general public at large.

The Appointed Date of the Scheme is April 1, 2020 and it will be subject to the requisite approvals of the jurisdictional National Company Law Tribunal (NCLT), Securities and Exchange Board of India (SEBI), Bombay Stock Exchange (BSE), National Stock Exchange (NSE) and Metropolitan Stock Exchange (MSE) and other regulatory authorities as may be applicable.

The consideration to the shareholders as approved by the Board of Directors for the Scheme are as follows:

For equity shareholders of GSML:

a. 100 (One Hundred) equity shares of ZGL of face value of INR 10 (Rupees Ten) each for every 285 (Two Hundred and Eighty Five) equity shares of GSML of face value of INR 10 (Rupees Ten) each;

or

b. 10,000 (Ten Thousand) 10.5% Non-Convertible Redeemable Preference Shares of ZGL of face value of INR 10 (Rupees Ten) each for every 1,006 (One Thousand and Six) equity shares of GSML of face value of INR 10 (Rupees Ten) each.

The equity shareholders of GSML shall have the option to take either equity shares or 10.5% Non-Convertible Redeemable Preference Shares in ZGL. ZGL shall send to the equity shareholders of GSML an appropriate intimation and option form requiring them to exercise their option.

In case no written response to the option provided by ZGL is received from the equity shareholders of GSML within the deadline fixed therefor, such equity shareholders shall be issued 10.5% Non-Convertible Redeemable Preference Shares in ZGL on the basis of the above mentioned swap ratio.

The new equity shares issued by ZGL pursuant to the Scheme would be listed on the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE') and shall rank pari passu with the existing equity shares of ZGL.

For preference shareholders:

I (One) 7% Non-Convertible Redeemable Preference Share of ZGL of face value of INR 10 (Rupees Ten) each for every 1 (One) 7% Non-Convertible Redeemable Preference Share of GSML of face value of INR 10 (Rupees Ten) each.

This Scheme is subject to consent / approval of requisite majority of shareholders and creditors of ZGL and GSML and sanction of the jurisdictional NCLT and all other regulatory approvals as may be necessary for the implementation of the Scheme.

27. 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 with projects across different cities in India & Outside.

The dual impact of GST & RERA implementations is still felt by real estate developers in various parts of the country as evidenced by less number of new launches happening during year 2019 compared to earlier times across the country. The residential real estate market in 2019 has seen an increased number (445836 units) of unsold inventory across the cities having age of this unsold inventory across the cities equivalent to 50 months of sales, as sales velocity continuously decreased. Government of India carried out corrective measures to boost investment & infuse liquidity in the economy by: 1) Setting up a Rs. 25,000 Cr Fund for last mile funding of stalled projects, 2) Reducing GST to 1% (affordable segment) & 5% from 8% & 12% respectively, 3) Making Interest subsidy available through PMAY scheme for house purchases costing < Rs. 45 lacs, 4) Providing Rs.1.5 lacs additional home loan interest exemption for first time buyers against purchase of house costing < Rs.45 lacs & 5) Reducing REPO rate and slashing corporate tax rates. The majority of the sale (254,861 units) that happened in 2019 was in the affordable segment (properties valued less than Rs.50 lacs) as developers struggled to sell high-end/ luxury units across India. A big number of unfinished/ stalled projects in various parts of India especially in NCR area have necessitated Government intervention in the form of corrective measures but still a significant number of developers have closed their business in these challenging times. On the other hand, the commercial real estate market performance was very strong in year 2019 as the transaction volume (60.6 Mn Sq. ft.) has shown a growth of 27% on Y-o-Y basis with Bangalore, Hyderabad & NCR leading the pack. Significant amount of new supplies (61.3 Mn Sq. ft.) were made in year 2019 registering growth of 56% in comparison to year 2018. Office rentals have remained stable on Y-o-Y basis across the top cities thereby making Office transactions the most lucrative business proposition for the real estate developers. Retail sector has also seen high growth due to the ease of restrictions on FDI policy and other government initiatives taken during the last few years. Approx. 6.2Bn USD of Strategic Investment has been done by key Private Equity players across various retail entities in India in Year 2019 – Brookfield invested in Equinox Business Park, Blackstone participated in India's first REIT along with Embassy Group are some of the high value transactions completed during this period.

Outlook for Year 2021 is dim as the onset of COVID-19 pandemic has given a huge jolt in the operation of Real Estate sector and has impacted both Sales and Construction fronts equally. Social Distancing, Lockdown measures, Job losses and disruption of supply chain and movement of people have forced all the real estate developers to extend their timeline of completion of ongoing projects. With national & international economies bearing the brunt of this pandemic, there lies a very uncertain and tough time ahead for the real estate developers across the country where the need of the hour will be to re-organize and re-structure their operations to sustain their businesses. As people mindset in this pandemic situation will tend towards conserving their money due to the uncertain future, sales of residential units across the country are expected to diminish to a great extent in year 2021.

ZIIL, a subsidiary of your company has done a commendable job during this period of COVID-19 by taking care of its laborers in Mysore & Goa project sites and ensuring that they stay at the work site to resume construction post removal of lockdown restrictions. The details of the projects managed by ZIIL is provided in Management Discussion and Analysis.

Standalone

ZIIL's total revenue for the year ended 31st March, 2020 was Rs. 3,879.39 Lakhs as compared to Rs. 3,329.84 lakhs for the year ended 31st March, 2019.

The Profit before tax for the year ended 31st March, 2020 was Rs. 243.22 lakhs as compared to Rs. 175.52 lakhs for the year ended 31st March, 2019.

The Profit/(Loss) after tax for the year ended 31st March, 2020 was Rs. 94.34 lakhs as compared to Rs 29.52 lakhs for the year ended 31st March, 2019.

Consolidated

ZIIL's total revenue for the year ended 31st March, 2020 was Rs. 3,685.48 Lakhs as compared to Rs. 2,691.86 lakhs for the year ended 31st March, 2019.

The Loss before tax for the year ended 31st March, 2020 was Rs. 108.38 Lakhs as compared to Rs. 548.27 lakhs for the year ended 31st March, 2019.

The Loss after tax for the year ended 31st March, 2020 was Rs.257.26 Lakhs as compared to Rs.694.28 lakhs for the year ended 31st March, 2019.

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 2019-20:

- **1.34 MMTPA LPG Terminal for Mundra LPG Terminal Limited (MLTPL), Mundra Port, Kutch, Gujarat -** The project was awarded in May, 2017 and Mechanically completed in Aug 2019. The PGTR for this project completed in October 2019 while the PGTR report received in Dec 2019. The Provisional Acceptance Certificate is expected to be received in August 2020.
- **Spent Caustic Wash Project for SABIC, KSA on EPC basis** – The engineering activities of the project are complete except for the As Built drawings & Final Documentation. Procurement for this project is almost complete except for the few items. Almost half of the construction work is over while the balance is held up since Oct '2019 due to Effluent Disposal/Dewatering issue. Site is indefinitely closed since March,

2020 due to Covid-19 Global Pandemic. Project Contractual completion is 30th April 2020; however, PO extension till 30th September 2020 has been given by SABIC for ID purpose only.

- **Di Calcium Phosphate Project, Ecophos GNFC India Limited (EGIL), Dahej.** Ecophos GNFC India Limited awarded an Engineering & Procurement project to Simon India on cost plus basis in April' 2018 and contract has been signed in Nov'2018. In Nov, 2019 Client issued a letter regarding suspension of work due to non-sanction of bank loan against the project. SIL has written contractual letter to EGIL for immediate release of overdue payment, however, no communication from Client is received yet.
- **Nitric Acid Concentration and Ammonia Plant Upgradation by Gujarat Narmada Valley Fertilisers & Chemicals (GNFC).** LOI issued by the Client in June 2018 for the work of Consultancy Services for 1) 150MTD Capacity Concentrated Nitric Acid plant and 2) Ammonia Revamp Syngas make up gas Converter loop at Bharuch. SIL submitted final Techno Economic Feasibility Report (TEFR) for concentrated nitric acid plant project and draft TEFR for Ammonia Plant Revamp. Draft Techno Economic Feasibility Report (TEFR) for Ammonia Plant Revamp also submitted. Final TEFR of ammonia plant revamp is delayed due to pending inputs from Client as GNFC has not received final negotiated price from the Licensor (i.e. HTAS).
- **10,000 MT Phosphoric Acid Tank for GSFC at Sikka Shore Terminal.** LOI for this EPC project received in March, 2019. Mechanical completion, Commissioning and filling up of Phosphoric acid tank achieved in March, 2020. Site closure has been delayed due to lockdown and is expected to close in May 2020.
- **Engineering Services for OSBL Facilities Of 2x15 TPH New Gypsum Granulation Plant at Paradeep.** LOI for this Engineering services job for OSBL facilities receipt from PPL in March'2019. The project is on Hold since Oct, 2019 due to lack of complete inputs from Client for proceeding with detailed engineering.
- **Engineering Services for 4th Evaporator Project at Paradeep for Paradeep Phosphate Limited (PPL).** Service Order received in Sept, 2019, detailed engineering work is under progress and is expected to be completed by June 2020.
- **Extended Basis Design Package for Acetone to Isopropyl Alcohol (IPA) Project-ADDAR-Saudi Arabia.** LOI for the EDP from ADDAR Chemicals received in Jan, 2020. Basic Engineering is in progress and the scope is expected to get completed by May,2020.
- **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 is operating satisfactorily. The Plant has been commissioned successfully and Site is closed.

SIL's revenue from operations for the year ended 31st March, 2020 was Rs. 6,992.50 lakhs as compared to Rs. 25,168.14 lakhs for the year ended 31st March, 2019.

The total Revenue for the year ended 31st March, 2020 was Rs. 8,220.09 lakhs as compared to Rs. 26,020.22 lakhs for the year ended 31st March, 2019. The Loss before tax for the year ended 31st March, 2020 was Rs. 1,766.57 lakhs as compared to Rs. 989.51 lakhs for the year ended 31st March, 2019.

The Loss after tax for the year ended 31st March, 2020 was Rs. 1,349.91 lakhs as compared to Rs. 700.05 lakhs for the year ended 31st March, 2019.

C. Indian Furniture Products Limited (IFPL):

Your, Company holds 72.45% share in IFPL.

IFPL is into the business of trading of Ready-To-Assemble (RTA) Furniture and Mattresses and also providing services for office furnishing.

IFPL's revenue from operations for the year ended 31st March, 2020 was Rs. 597.32 Lakhs as compared to Rs. 1,750.04 Lakhs for the year ended 31st March, 2019.

The Loss before tax for the year ended 31st March, 2020 was Rs. 952.67 Lakhs as compared to Rs. 2007.09 Lakhs for the year ended 31st March, 2019.

The Loss after tax for the year ended 31st March, 2020 was Rs. 950.29 Lakhs as compared to Rs. 2,005.00 Lakhs for the year ended 31st March, 2019.

i. **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 Rs. 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.

Due to depressed market conditions SIFPL was unable to procure any project related orders during the year under 2019-20.

SIFPL total revenue for the year ended 31st March, 2020 was Rs.4.33 lakhs as compared to Rs.15.13 lakhs for the year ended 31st March, 2019. The Profit /(loss) before tax for the year ended 31st March, 2020 was Rs. 0.94 Lakh as compared to Rs. (5.82) lakhs for the year ended 31st March, 2019. The Profit/(Loss) after tax for the year ended 31st March, 2020 was Rs. 0.69 Lakh as compared to Rs. (5.81) lakhs for the year ended 31st March, 2019.

D. Zuari Investments Limited (ZIL):

Zuari Investments Limited, a wholly owned subsidiary of Zuari Global Limited, is engaged in the business of strategic investments.

The Company had filed an application to the Reserve Bank of India (RBI) for registration of the Company as Non-Banking Financial Company (NBFC) under the category of Systemically Important Core Investment Company (CIC-ND-SI) in the year 2018-19 and the same is under process during the financial year under review.

Standalone

ZIL's Total Revenue for the year ended 31st March, 2020 was Rs. 1,146.40 Lakhs as compared to Rs. 495.35 Lakhs for the year ended 31st March, 2019.

The Loss before tax for the year ended 31st March, 2020 was Rs. 1,771.20 Lakhs as compared to Rs. 504.57 lakhs for the year ended 31st March, 2019.

The Loss after tax for the year ended 31st March, 2020 was Rs. 1,771.20 lakhs as compared to Rs. 504.57 lakhs for the year ended 31st March, 2019.

i. Gobind Sugar Mills Limited

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

During the year under review, GSML crushed 143.20 lakhs Qtls (previous year 126.20 Lakhs Qtls) of sugar cane achieving sugar recovery rate of 11.66% (Previous year 11.66%). Sugar production was 16,69,665 Qtls (previous year 14,71,172 Qtls) and Molasses production was 6,76,323 Qtls (Previous year 5,83,087 Qtls).

During the year, your Company was awarded for "Excellence in Performance" by Sugar Technologies Association of India in its Annual meeting held at Kolkata on 17th July 2019.

The Gross Sales (inclusive of Excise Duty & GST) of the Company for the year ended 31st March, 2020 increased by 24.83% to Rs. 57,900.03 lakhs from Rs. 46,384.92 lakhs for the year 2018-19. The profit before interest, depreciation and tax for the year under review stood at Rs.7,043.21 lakhs as compared to previous year's figure of Rs. 6,118.14 lakhs. However, the Net Loss after tax of Rs. 7,456.06 lakhs was recorded for the year ended 31st March, 2020 mainly due to the Company electing to exercise the option of reduced income tax rates permitted under Section 115 BBA of Income Tax Act 1961 leading to re-measurement of Deferred Tax Assets (Net) on the basis of rates prescribed in the said section. The full impact of this change of Rs. 4,535.71 Lacs is recognized in the year 2019-20.

A perusal of Cash Flow statement for the year ended 31st March 2020 attached to the accounts reveal that Cash generated from operations during the year 2019-20 was Rs. 8,234.53 lakhs as against Negative Rs. 1,369.49 lakhs in the previous year. This means that your Company's operations during the year 2019-20 generated cash of Rs. 9,604.02 lakhs.

PROJECT IMPLEMENTATION

During the year under review, the state-of-art Distillery Plant was commissioned and the Company started the commercial production of the Ethanol at 60 KLPD capacity with effect from 01st December 2019. The relevant statutory approvals in connection with the increase in the capacity from 60 KLPD to 100 KLPD are under process. State Level Environmental Impact Assessment Authority, Uttar Pradesh) on 16 July 2020 cleared our application for enhancing the capacity to 100 KLPD.

The Company has sufficient ethanol to cope up the demand of sanitizer for in house as well as nearby areas. On seeing the shortage of hand sanitizer in market, the Company decided to make the hand sanitizer at our distillery. With the support of Government of Uttar Pradesh, the Company entered into manufacturing and distribution of hand sanitizers under the name "Zuarisol" (packed in 100 ml, 200 ml and 5 Litre bottles) with effect from 28th March 2020 in an effort to support the Central and State Governments in the fight against Covid-19 virus.

SALES PERFORMANCE

During the year under review, the Sugar sales realization was Rs. 3,294.21 per Qtls (prev. year Rs. 3,079.27 per Qtls). Government of India (GoI) increased MSP from Rs. 29/kg to Rs 31/Kg and continuing monthly release quota for sale of sugar in domestic market. The Company also sold 44,000 Qtl sugar in retail market under the brand name "Zuari Sugar". Our consumer (retail) pack sugar are well placed in northern market and increasing market share on regular basis.

We participated in Ethanol tender floated by Oil Marketing Companies (OMC) for Ethanol blending in petrol and successfully supplied 5,508KL Ethanol to different depots at UP and MP for FY 19-20. GoI has fixed ethanol prices based on raw materials used for ethanol production. Price for ethanol produced from C heavy molasses is Rs. 43.75/BL and from B heavy molasses is Rs. 54.27/BL. We are continuing power export to UPPCL under PPA.

In addition, to boost up the financial health of sugar mills, reduce the cane arrears and to liquidate the surplus stock of Indian sugar, GoI has allocated mill wise export quota with export subsidy of Rs. 10,448/- per MT of sugar exported for SS 19-20. The Company was allocated a Maximum Admissible Export Quota (MAEQ) of 28,440 MT. The Company explored the export opportunities across the globe for its sulphur free refined sugar and was able to export the full MAEQ by mid of March, 2020. Sugar quality are well accepted in international market and considering the continuous enquiry from global market, the Company applied for additional MAEQ and was allocated further 4,390 MT which also was subsequently exported by end June, 2020. Whole export quantity of 32,830 MT was contracted by the Company through direct sales to end buyers as well as global trading houses. The Sulphur free double refined sugar of the Company elicited very good response in global markets such as Canada, Middle East, South East Asia and other Asian markets and helped us in commanding premium and improving realization better than global and domestic prices (after considering incentives announced by GoI on MAEQ). The average export realization was Rs. 3,308/- per qtl inclusive of export subsidy which is better than the average domestic sales realization of Rs. 3,294/- per qtl during the year 2019-20.

E. Zuari Sugar & Power Limited (ZSPL):

Zuari Sugar & Power Limited (ZSPL), 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.

The Gross Sales (inclusive of Excise Duty & GST) of the Company for the year ended 31st March, 2020 was Rs. 16,960.40 lakhs as compared to Rs. 17,455.30 Lakhs for the year ended 31st March 2019. The Loss before tax for the year ended 31st March, 2020 stood at Rs. 1,772.49 lakhs as compared Rs. 1,607.39 lakhs for the year ended 31st March 2019. However, the Net Loss after tax of Rs. 1,772.49 lakhs was recorded for the year ended 31st March, 2020.

The Company generated cash flow from operating activities of Rs. 849.73 lakhs during the year ended 31st March, 2020 as compared to negative cashflow of Rs. 1,721.22 lakhs in the previous year.

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, 2020 was Rs. 2,442.12 lakhs as compared to Rs. 1,839.03 Lakhs for the year ended 31st March, 2019.

The Loss before tax for the year ended 31st March, 2020 was Rs. 364.74 lakhs as compared to Rs. 391.57 Lakhs for the year ended 31st March, 2019.

The Loss after tax for the year ended 31st March, 2020 was Rs. 390.14 lacs as compared to Rs. 391.57 Lakhs for the year ended 31st March, 2019.

G. Zuari Finserv Limited (ZFL):

Zuari Finserv Limited (Formerly known as Zuari Finserv Private Limited), 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.

ZFL is a member of both, National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE), for cash, derivative and currency segments and providing trading services to its clients. It is a depository participant with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) 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.

Standalone

ZFL's total revenue for the year ended 31st March, 2020 was Rs. 1,119.69 lakhs as compared to Rs. 924.04 lakhs for the year ended 31st March, 2019. The Loss before tax for the year ended 31st March, 2020 was Rs. 145.44 lakhs as compared to the profit of Rs. 23.52 lakhs for the year ended 31st March, 2019. The Loss after tax for the year ended 31st March, 2020 was Rs. 195.27 lakhs as compared to the profit of Rs. 17.45 lakhs for the year ended 31st March, 2019.

Consolidated

ZFL's total Revenue for the year ended 31st March, 2020 was Rs. 1,559.52 lakhs as compared to Rs. 1,225.95 lakhs for the year ended 31st March, 2019. The Profit before tax for the year ended 31st March, 2020 was Rs. 66.63 lakhs as compared to Rs. 111.83 lakhs for the year ended 31st March, 2019. The Loss after tax for the year ended 31st March, 2020 was Rs. 36.75 lakhs as compared to profit of Rs. 82.78 lakhs for the year ended 31st March, 2019.

i. Zuari Insurance Brokers Limited (ZIBL):

Zuari Insurance Brokers Limited (ZIBL), a wholly owned subsidiary of Zuari Finserv 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, 2020 was Rs. 439.95 Lakhs as compared to Rs. 302.42 Lakhs for the year ended 31st March, 2019. The Profit before tax for the year ended 31st March, 2020 was Rs. 212.09 Lakhs as compared to Rs. 88.34 Lakhs for the year ended 31st March, 2019. The Profit after tax for the year ended 31st March, 2020 was Rs. 158.54 Lakhs as compared to Rs. 65.37 Lakhs for the year ended 31st March, 2019.

ii. Zuari Commodity Trading Limited (ZCTL):

Zuari Commodity Trading limited (ZCTL), was a wholly owned subsidiary of Zuari Finserv Limited (ZFL) which was merged with ZFL after the application filed under fast track route for merging of entire business and whole of the undertaking of Zuari Commodity Trading Limited into ZFL was duly approved by the Hon'ble Regional Director, Western Region, Mumbai Bench vide order dated May 09, 2019.

28. Joint Ventures:

Zuari Indian Oiltanking Private Limited:

Zuari Indian Oiltanking Private limited (ZIOPL), has 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 2019-20, the Oil Terminal has achieved a throughput of KL 6,44,384.

ZIOPL's revenue for the year ended 31st March 2020 was Rs. 1,935.88 lakhs as compared to Rs. 1,635.09 lakhs for the previous year ending 31st March 2019. The profit before tax for the year ended 31st March, 2020 is Rs. 300.37 lakhs as compared to Rs. 106.86 lakhs for the year ended 31st March, 2019. The profit after tax for the year ended 31st March 2020 is Rs. 263.03 lakhs as compared to Rs. 77.20 lakhs for the year ended 31st March 2019.

Forte Furniture Products India Private Limited (FFIPL):

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 and selling of furniture and furniture related products in Europe.

FFIPL's total revenue for the year ended 31st March, 2020 was Rs. 6,691.40 lakhs as compared to Rs. 8,941.39 lakhs for the year ended 31st March, 2019. The loss before tax for the year ended 31st March, 2020 was Rs. 2,594.14 lakhs as compared to Rs. 1,550.42 lakhs for the year ended 31st March, 2019. The Loss after tax for the year ended 31st March, 2020 was Rs. 2,594.14 lakhs as compared to Rs. 1,550.42 lakhs for the year ended 31st March, 2019.

29. 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 (Standalone) for the year ended 31st March, 2020 was Rs. 2,07,841.67 lakhs as compared to Rs. 4,79,928.25 lakhs for the previous year ended 31st March, 2019. The loss before tax from continuing operations for the year ended 31st March, 2020 was Rs. 15,624.51 lakhs as compared to Loss of Rs. 36,773.77 lakhs for the year ended 31st March, 2019. The loss after Tax from continuing operations stood at Rs. 18,647.74 lakhs for the year ended 31st March, 2020 as compared to loss of Rs. 34,580.25 lakhs for the previous year.

The loss before tax from discontinued operations for the year ended 31st March 2020 was Rs. 336.16 lakhs as compared to profit of Rs. 2,713.21 lakhs for the year ended 31st March 2019. The loss after tax from discontinued operations stood at Rs. 253.16 lakhs for the year ended 31st March 2020 as compared to profit of Rs. 1,685.99 lakhs for the previous year.

The Gross revenue (Consolidated) for the year ended 31st March, 2020 was Rs. 5,06,063.79 lakhs as compared to Rs. 8,14,842.00 lakhs for the previous year. The Consolidated loss before tax for the year ended 31st March, 2020 was Rs.73,567.95 lakhs as compared to profit before tax of Rs. 26,604.17 lakhs for the year ended 31st March, 2019. The loss after tax adjustment stood at Rs.77,228.29 lakhs for the year ended 31st March, 2020 as compared to a profit after tax of Rs. 27,293.17 lakhs for the previous year.

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

30. Cost Records & Cost Audit :

The Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

31. 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 .

32. 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

R. S. Raghavan	**Dipankar Chatterji**
Managing Director	Director
DIN: 00362555	DIN: 00031256

Place: Gurugram
Date : 14th August, 2020

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 seven members including Managing Director, a Whole Time Director and five Non-Executive Directors. More than half of the Board comprises of Independent Directors. The other related information concerning the Board is given hereunder.

During the year under review, Eight Board meetings were held on: 24th May, 2019, 26th June, 2019, 14th August, 2019, 22nd August, 2019, 24th October, 2019, 14th November, 2019, 27th December, 2019 and 14th February, 2020.

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

Name of Director	Category of Director-ship #	No. of Director-ships in other companies as on 31.03.2020*	No. of Board Meetings Attended	No. of shares held	Attendance at last AGM	No. of Board Committees of other companies** as on 31.03.2020	
						Chairman	Member
S.K.Poddar $	Promoter Group/ Chairman-NED	11	6	1483446	No	-	-
N.Suresh Krishnan *$	Managing Director	6	6	NIL	No	1	3
J.N. Godbole $$	NED / I	5	3	NIL	Yes	1	3
Jyotsna Poddar +	Promoter Group/ Whole Time Director	10	4	71621	No	-	-
Marco Wadia	NED / I	13	7	3608	Yes	4	4
K.K. Gupta ++	NED/I	0	2	NIL	No	-	-
Dipankar Chatterji^	NED/I	12	3	NIL	No	7	6
V Paranjape ©	NED/I	1	1	NIL	No	-	-
Manju Gupta#*	NED/I	7	-	NIL	No	-	-
R S Raghavan+*	Managing Director	8	-	NIL	No	4	2

I- Independent, NED-Non-Executive Director
* The number of directorships in other Public and Private Limited Companies
** Includes Audit Committee and Stakeholders Relationship Committee in Public Companies
$ shares include held in individual capacity, Karta and as a trustee
*$ Ceased to be Managing Director w.e.f 14th February, 2020
$$ Ceased to be a director w.e.f. 30th September, 2019
+ Wife of Mr. S.K. Poddar, Chairman
++ Ceased to be a director w.e.f. 31st July, 2019
^ Appointed as Additional Director w.e.f. 24th October, 2019
© Appointed as Additional Director w.e.f. 27th December, 2019
#* Appointed as Additional Director w.e.f. 28th March, 2020
+* Appointed as Director & Managing Director w.e.f. 15th February, 2020

Name of the Director	Name of the other Listed Entities where the Director of the Company is Director as on 31.03.2020	Category of Directorship of the listed Entities where the Director of the Company is Director as on 31.03.2020
Saroj Kumar Poddar	Chambal Fertilisers and Chemicals Limited	Chairman-Non-Executive-Non-Independent Director
	Texmaco Infrastructure & Holdings Limited	Chairman-Non Executive Director
	Texmaco Rail & Engineering Limited	Chairman-Executive Director
	Zuari Agro Chemicals Limited	Chairman-Non Executive Director
Narayanan Suresh Krishnan	Gobind Sugar Mills Limited	Non-Executive Director-Chairman
	Mangalore Chemicals & Fertilizers Limited	Managing Director
	Zuari Agro Chemicals Limited	Non-Executive Director

Name of the Director	Name of the other Listed Entities where the Director of the Company is Director as on 31.03.2020	Category of Directorship of the listed Entities where the Director of the Company is Director as on 31.03.2020
Marco Wadia	Gobind Sugar Mills Limited	Non Executive Independent Director
	Chambal Fertilisers And Chemicals Limited	Non-Executive Independent Director
	Josts Engineering Company Limited	Non-Executive Independent Director
	Stovec Industries Limited	Non-Executive - Independent Director
	Zuari Agro Chemicals Limited	Non- Executive Independent Director
Jayant Narayan Godbole	J. K. Cement Limited.	Non-Executive - Independent Director
	Emami Paper Mills Limited	Non-Executive - Independent Director
	Saurashtra Cement Limited	Non-Executive - Independent Director
	Kesar Terminals & Infrastructure Limited	Non-Executive - Independent Director
Jyotsna Poddar	Ronson Traders Ltd	Non-Executive Director
	Texmaco Infrastructure & Holdings Limited	Non-Executive & Non independent Director
K. K. Gupta	-	-
Vijay Paranjape	-	-
Dipankar Chatterji	Hindusthan National Glass & Industries Limited	Non-Executive - Independent Director
	Zuari Agro Chemicals Limited	Non-Executive - Independent Director
	Nicco Parks & Resorts Ltd	Non-Executive - Independent Director
	Jagaran Microfin Private Limited	Non-Executive - Independent Director
	Mangalore Chemicals and Fertilisers Limited	Non-Executive - Independent Director
Manju Gupta	The Birla Cotton Spinning and Weavingmills Limited	Non-Executive - Independent Director
R. S. Raghavan	Gobind Sugar Mills Ltd.	Executive Director

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

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

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 74, 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 Rashtriya Samman 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, M/S. 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 other Companies in which Mr. Saroj Kumar Poddar is a Director as on 31st March 2020 :

Sr. No.	Names of the Companies/Firms
	Public Companies
1	Chambal Fertilisers and Chemicals Limited
2	Lionel India Limited
3	Paradeep Phosphates Limited
4	Texmaco Infrastructure & Holdings Limited
5	Texmaco Rail & Engineering Limited
6	Zuari Agro Chemicals Limited
	Private Companies
1	Adventz Finance Private Limited
2	Hettich India Private Limited
3	Adventz Homecare Private Limited
4	Hepo India Private Limited
5	Forte Furniture Products India Private Limited

4. **The list of core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board;**

Sr. No.	Name of Director	Expertise in Specific Functional Areas
1	Mr. Saroj Kumar Poddar	Business Management
2	Mr. N.Suresh Krishnan	Corporate Finance, Corporate Strategy, Project Planning, Operations and Business Development.
3	Mrs. Jyotsna Poddar	Strategic & Business Leadership skill. She is the Chairperson of Lionel India Limited
4	Mr. J.N. Godbole	Financial Management
5	Mr. Marco Wadia	Legal profession having specialised in corporate matters and mergers and acquisitions.
6	Mr. K.K.Gupta	Business Development.
7	Mr. Dipankar Chatterji	Chartered Accountant by profession and is an expert in the field of Finance, Taxation, Accounts and Laws.
8	Mr.Vijay Paranjape	Over 40 years of experience with project engineering companies, functions of which include quality, procurement, project controls in addition to operations.
9	Mrs. Manju Gupta	Business Strategy and General Management.
10	Mr. R. S Raghavan	Chartered Accountant having over 48 years of experience in industries such as Fertilisers, Chemicals, Steel, Textile and Electronics

5. **Confirmation as regards Independence of Independent Directors**

In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified under section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and are independent of the management.

The Independent Directors have also confirmed that they have complied with the Code for Independent Directors prescribed under Schedule IV of the Companies Act, 2013.

6. **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.

7. **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.

8. **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.

9. **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*

Familiarization programme was planned for the new Directors in the last week of March, 2020. Due to prevailing Coronavirus (Covid-19) lockdown, the programme could not be held but the same will be held after country is declared Covid free.

10. 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.

11. Independent Directors Meeting:

In compliance with Schedule IV to the Companies Act, 2013 and regulation 25(3) of the SEBI Listing Regulations, 2015, during the year, the meeting of the Independent Directors was held on 24th May, 2019 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.

12. Board Committees:

The Committees of the Board are as follows:

a) Audit Committee:

The Audit Committee comprises of three Non-Executive Independent Directors. The Company Secretary is the Secretary of the Committee. The Committee met four times during the financial year ended 31st March, 2020 on : 24th May, 2019, 14th August, 2019, 14th November, 2019, 14th February, 2020

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
Marco Wadia	Chairman	Non-Executive Independent Director	4
K.K. Gupta*	Member	Non-Executive Independent Director	1
J.N. Godbole**	Member	Non-Executive Independent Director	1
N. Suresh Krishnan^	Member	Managing Director	4
D. Chatterji#	Member	Non-Executive Independent Director	2
V. Paranjape $	Member	Non-Executive Independent Director	1

*Upto 30th July, 2019
**Upto 29th September, 2019
^Upto 14th February, 2020
# w.e.f. 24th October, 2019
$ w.e.f. 27th December, 2019

b) Stakeholders' Relationship Committee:

Stakeholders' Relationship Committee comprises three Non-Executive Independent Directors. The Board has designated Company Secretary, as the Secretary to the Committee. The Committee met four times during the financial year ended 31st March, 2020 on 24th May, 2019, 14th August, 2019, 14th November, 2019, 14th February, 2020

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 no complaints received from the shareholders as on 31st March, 2020.

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

Name of the member	Status	Nature of Directorship	No. of meetings attended
J.N. Godbole *	Chairman	Non- Executive Independent Director	1
Marco Wadia	Member	Non- Executive Independent Director	4
N. Suresh Krishnan^	Member	Managing Director	4
K.K. Gupta**	Member	Non- Executive Independent Director	1
D. Chatterji#	Chairman	Non- Executive Independent Director	2
V. Paranjape ##	Chairman	Non- Executive Independent Director	1
Saroj Kumar Poddar$	Chairman	Non-Executive	1

*Upto 29th September, 2019
^Upto 14th February, 2020
**Upto 30th July, 2019
#w.e.f. 24th October, 2019
##w.e.f. 27th December, 2019
$ From 24th October, 2019 upto 27th December, 2019

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 Company Secretary as the Secretary to the Committee. The Committee met four times during the financial year ended 31st March, 2020 on: 24th May, 2019, 24th October, 2019, 27th December, 2019 and 14th February, 2020.

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
J.N. Godbole*	Chairman	Non- Executive Independent Director	1
Marco Wadia	Member	Non- Executive Independent Director	3
K.K. Gupta**	Member	Non- Executive Independent Director	1
Saroj Kumar Poddar	Member	Non- Executive Non Independent Director	4
D. Chatterji#	Chairman	Non- Executive Independent Director	2
V. Paranjape##	Member	Non- Executive Independent Director	1

*Upto 29th September, 2019

**Upto 30th July, 2019

#w.e.f. 24th October, 2019

##w.e.f. 27th December, 2019

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 Remuneration Committee, the Board and the Shareholders. The remuneration comprises salary, incentives, perquisites, contribution to the Provident Fund, Superannuation Fund and Gratuity.

(Rs. in Lakhs)

Executive Directors	Salary	Perquisites	Retirement Benefits	Total
Jyotsna Poddar	63.60	-	4.75	68.35
Suresh Krishnan*	108.64	1.68	34.59	144.91
R.S. Raghavan**	-	-	-	-

*Upto 14th February, 2020

**w.e.f 15th February, 2020

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 2 years w.e.f. 15th February, 2020. The notice period for the termination of the appointment of the Whole Time Director and Managing Director is three months and six months from either side respectively.

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 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 31.03.2020 for attending the meetings of the Board and the Committees thereof is given below:

Sr. No.	Name of Director	Amount (Rs.)
1.	S.K. Poddar	375000
2.	Marco Wadia	585000
3.	K.K. Gupta	185000
4.	J.N. Godbole	205000
5.	D. Chatterji	260000
6.	V. Paranjape	105000
7.	Manju Gupta	NIL

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 Rs. 2.79 lakhs 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.

13. Annual General Meetings

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

Year	Location	Date	Time		Particulars of special resolutions passed
2018-19	Jai Kisaan Bhawan, Zuarinagar, Goa-403726	06-09-2019	2.30 p.m.	1	Re-appointment of Mr. Marco Wadia as an Independent Director.
2017-18		10-09-2018	2.30 p.m.	1	Re-appointment and remuneration payable to Mr. N. Suresh Krishnan as Managing Director of the Company.
				2	Reclassification of Pilani Investment and Industries Corporation Limited from "Promoter and Promoter Group" Category to "Public" Category
				3	Enhancement in the Limits of Investments/ Loans and Guarantees.
2016-17		28-09-2017	10.00 a.m.		N.A

Details of the Special Resolutions Passed through Postal Ballot during the financial year 2019-20

Brief procedure for postal Ballot	Postal Ballot conducted as per sec. 110 of the Companies Act, 2013 and Companies(Management and administration) Rules, 2014
Type of meeting	Postal Ballot
Date of Postal Ballot Notice	18th March, 2019
Type of Resolution	Special resolutions
Items of Resolution passed through the Postal Ballot	Giving Guarantee or Security under Section 185 of Companies Act, 2013 Continuation of Directorship of Mr. Krishan Kumar Gupta, Independent Director
Details of voting pattern	1. Votes in favour : 11803437 (99.99%) Votes against : 470 (0.004%) Invalid votes : 37 2. Votes in favour : 14899760 (99.99%) Votes against : 332 (0.02%) Invalid votes : 37
Name of Scrutinizer for conducting Postal Ballot	Mr. Shivaram Bhat, Practicing Company Secretary
Date of declaration of result and date of approval	25th April, 2019 , 24th April, 2019

Brief procedure for postal Ballot	Postal Ballot conducted as per sec. 110 of the Companies Act, 2013 and Companies (Management and administration) Rules, 2014
Type of meeting	Postal Ballot

Date of Postal Ballot Notice	24th May, 2019
Type of Resolution	Special resolutions
Items of Resolution passed through the Postal Ballot	1) Giving of Loan or Guarantee or Security 2) To approve the loan to Zuari Agro Chemicals Limited under Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Details of voting pattern	3. Votes in favour : 15525243(92.88%) Votes against : 1190980 (7.12%) Invalid votes : 0 4. Votes in favour : 3913757 (76.67%) Votes against : 1190833 (23.33%) Invalid votes : 2326991
Name of Scrutinizer for conducting Postal Ballot	Mr. Shivaram Bhat, Practicing Company Secretary
Date of declaration of result and date of approval	4th July, 2019 and 3rd July, 2019

Brief procedure for postal Ballot	Postal Ballot conducted as per sec. 110 of the Companies Act, 2013 and Companies (Management and administration) Rules, 2014
Type of meeting	Postal Ballot
Date of Postal Ballot Notice	26 June, 2019
Type of Resolution	Special resolution
Items of Resolution passed through the Postal Ballot	Creation of security on the properties of the company under Section 180(1)(a) of the Companies Act, 2013
Details of voting pattern	1. Votes in favour : 12161286 (100%) Votes against : 3 (0%) Invalid votes : 0
Name of Scrutinizer for conducting Postal Ballot	Mr. Shivaram Bhat, Practicing Company Secretary
Date of declaration of result and date of approval	19th August, 2019 and 18th August, 2019

14. Disclosures:

A) Mr. Marco Wadia, Partner of Crawford Bayley & Co., Solicitors & Advocates, has a professional relationship with the Company. The professional fees of Rs. 2.79 lakhs paid to Crawford Bayley & Co. during the year is not material transaction 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/WhistleBlowerPolicyZGLa17619.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-POLICY-ZGL-3419.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/RELATEDPARTYPOLICYZGL1422020.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.

15. Means of communication:

a. Half-yearly Unaudited Financial Results:

Unaudited financial results for the half-year ended 30th September, 2019 were sent to each household of shareholders, apart from publishing in one English National Daily and one Local daily news paper, 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.

16. 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.

17. Code of Conduct to Regulate, Monitor and Report Trading in Securities of the Company:

The Company has adopted a code of conduct to regulate, monitor and report trading in securities of the company, pursuant to SEBI (Prohibition of Insider Trading Regulations), 2015.

Effective from 01st July, 2020, the Board has designated Mr. Laxman Aggarwal, Company Secretary as the Compliance officer and has authorized Managing Director to monitor compliance of said Regulation.

18. General Shareholders Information:

a. Annual General Meeting:

The Annual General Meeting will be held on Monday, 14th September, 2020 at 2:00 P.M. through Video Conference ("VC") / Other Audio Visual Means ("OAVM").

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

c. Financial calendar (Tentative)

Results for the quarter ended 30th June, 2020– on or before 2nd week of August, 2020 which was extended by SEBI vide circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/140 Dated 29th July, 2020 upto 15th September, 2020 in view of COVID-19.

Results for the half-year ended 30th September, 2020–on or before 2nd week of November, 2020.

Results for the quarter ended 31st December, 2020– on or before 2nd week of February, 2021

Audited Annual Results 2020-21 – on or before 30th May, 2021

d. Date of book closure:

Tuesday, 08th September 2020 to Monday, 14th September 2020 (inclusive of both days).

e. Dividend payment date:

The Dividend payment date is on or after 18th September, 2020 but within the stipulated time under the Companies Act, 2013.

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

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

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001

The National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai-400051

The Company has paid the annual listing fees to the Stock Exchanges for the Financial Year 2019-20.

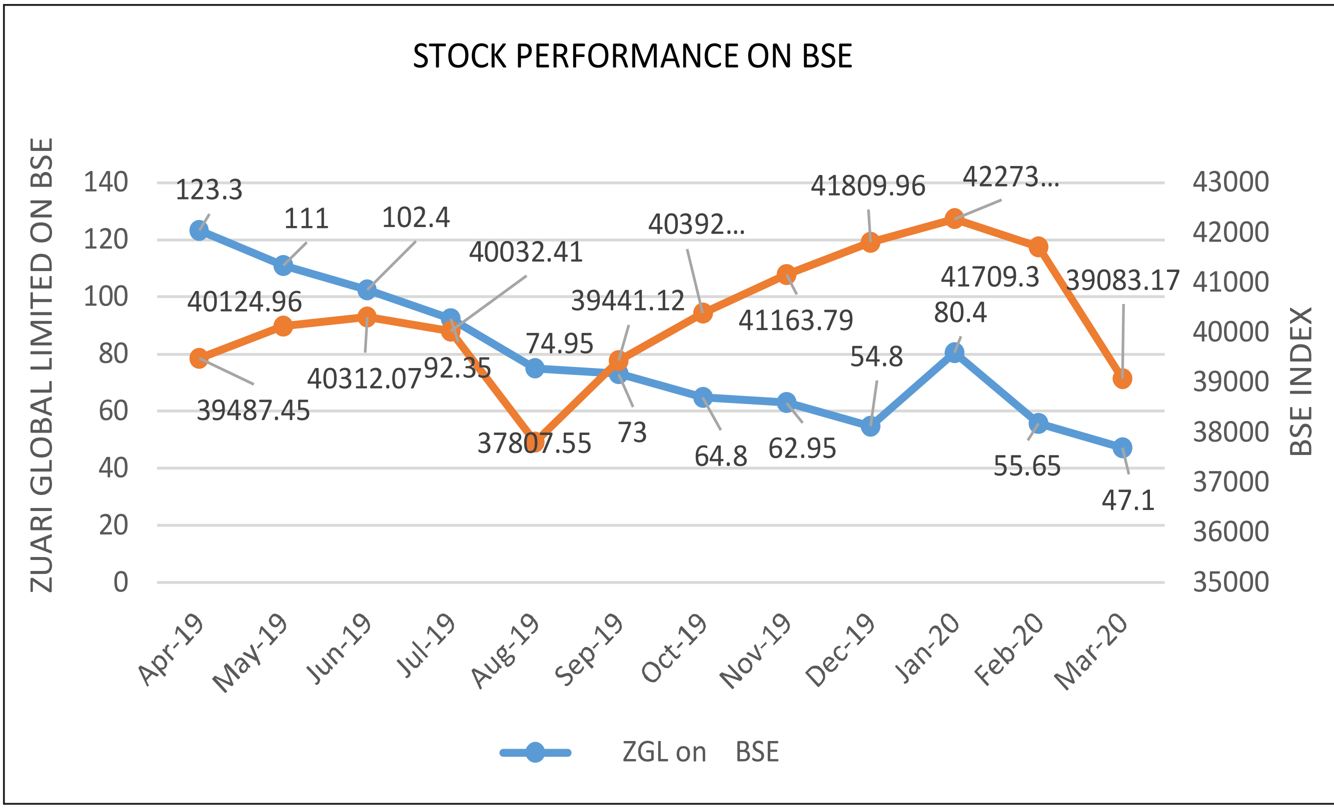
h. Stock Code:

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

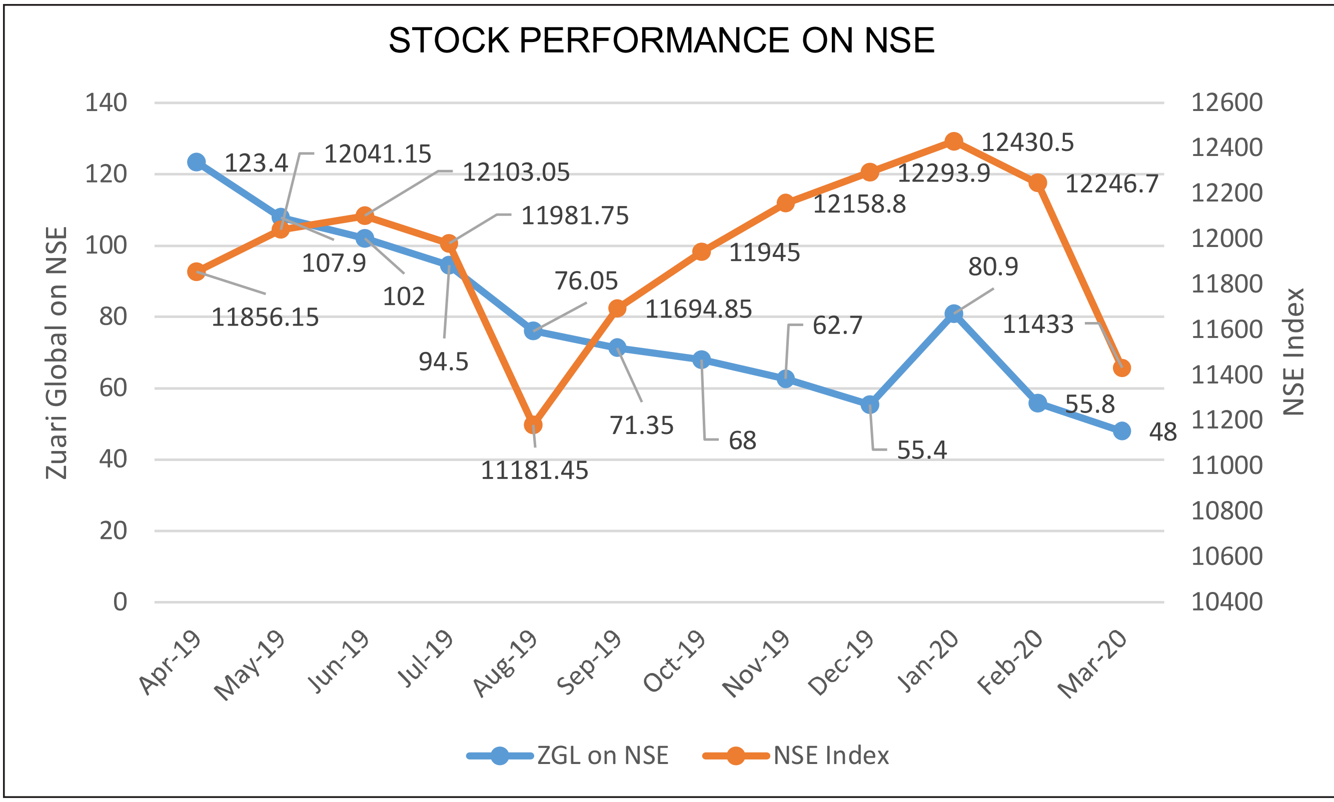
i. Stock Market Data:

High/Low share prices during the period 1st April, 2019 to 31st March, 2020

	ZGL on BSE		BSE Index	
	High	**Low**	**High**	**Low**
April, 2019	123.30	103.70	39487.45	38460.25
May, 2019	111.00	83.65	40124.96	36956.10
June, 2019	102.40	83.00	40312.07	38870.96
July, 2019	92.35	71.20	40032.41	37128.26
August, 2019	74.95	55.00	37807.55	36102.35
September, 2019	73.00	60.75	39441.12	35987.80
October, 2019	64.80	55.00	40392.22	37415.83
November, 2019	62.95	49.45	41163.79	40014.23
December, 2019	54.80	40.65	41809.96	40135.37
January, 2020	80.40	48.00	42273.87	40476.55
February, 2020	55.65	42.40	41709.30	38219.97
March, 2020	47.10	22.35	39083.17	25638.90



	ZGL on NSE		NSE Index	
	High	**Low**	**High**	**Low**
April, 2019	123.40	104.00	11856.15	11549.10
May, 2019	107.90	85.25	12041.15	11108.30
June, 2019	102.00	84.20	12103.05	11625.10
July, 2019	94.50	71.25	11981.75	10999.40
August, 2019	76.05	54.65	11181.45	10637.15
September, 2019	71.35	60.50	11694.85	10670.25
October,2019	68.00	56.05	11945.00	11090.15
November, 2019	62.70	49.50	12158.80	11802.65
December,2019	55.40	40.50	12293.90	11832.30
January, 2020	80.90	48.00	12430.50	11929.60
February, 2020	55.80	42.00	12246.70	11175.05
March, 2020	48.00	23.10	11433.00	7511.10



j. Share Transfer System

Transfer of shares held in physical form is not permitted after 31st March, 2019 through statutory notifications.

k. Address of the Registrar 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

The distribution of shareholding as on 31st March, 2020 was as follows:

No. of shares	No. of shareholders	% of shareholders
Upto 500	21255	90.79
501 – 1000	1016	4.34
1001- 2000	555	2.37
2001 – 3000	197	0.84
3001 – 4000	101	0.43
4001 – 5000	52	0.22
5001 – 10000	115	0.49
10001 and above	119	0.51
Total	**23410**	**100**

Shareholding Pattern as on 31st March, 2020:

Category	No. of shares held	% shareholding
Promoters & Promoter Group	16143659	54.83
Banks/Financial Institutions and Insurance Companies/NBFCs	2183290	7.41
Foreign Institutional Investors/Foreign Portfolio Investors	355161	1.21
Mutual Funds	956757	3.25
NRIs	182048	0.62
Bodies Corporate	2543041	8.64
Public	7076648	24.04
TOTAL	**29440604**	**100.00**

0. **Dematerialization of shares and liquidity:**

   29178997 equity shares (99.11%) have been dematerialized as on 31st March, 2020.

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
   5th Floor, Tower – A
   Global Business Park
   M.G. Road, Sector – 26
   Gurugram – 122002, Haryana
   Tel: 91-0124-4827800
   Fax: 91-0124-4212046
   E- mail: ig.zgl@ adventz com
   Website: www.adventz.com

s. **Total fees of Rs.100.98 lakhs were paid by the Company and its subsidiaries, on a consolidated basis, for the services rendered to the statutory auditor Walker Chandiok & Co. LLP, for FY 2019-20 and all entities in the network firm/network entity of which the statutory auditor is a part.**

t. **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.

u. A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is enclosed as **Annexure 'D'**

v. The Board has accepted all the recommendations of the various committees of the Board, in the relevant financial year

w. There are no shares in the demat suspense account or unclaimed suspense account.

x. CARE Ratings Limited, vide its letter dated 10th July, 2019 has assigned Provisional CARE BB (CE);Stable [Provisional Double B (Credit Enhancement); Outlook:Stable] for NCD aggregating to Rs. 200 crore. CARE Ratings Limited, vide its letter dated 22nd July, 2019 assigned CARE BB (CE); Stable [Double B (Credit Enhancement); Outlook:Stable] for NCD of Rs. 197 crore.

   CARE Ratings Limited, vide its letter dated 21st November, 2019 assigned Provisional CARE BB (CE); Stable [Provisional Double B (Credit Enhancement); Outlook:Stable] rating for NCD aggregating to Rs. 118 crores. CARE Ratings Limited, vide its letter dated 13th December, 2019 assigned CARE BB (CE); Stable [Double B (Credit Enhancement); Outlook: Stable] for NCD of Rs.118 crore out of which Rs. 113 crore was subscribed on 3rd December, 2019.

   CARE Ratings Limited, vide its letter dated 31st March, 2020 has revised the credit rating for outstanding NCD issued by the Company from CARE BB (CE) Stable to CARE BB(CE) under credit Watch with negative Implications.

y. Details of utilization of funds raised through preferential allotment or Qualified Institutional Placement:

   During the year under review, your Company has not raised funds through any preferential allotment or qualified institutions Placement as specified under Regulation 32(7A) of SEBI (Listing Obligations and Disclosure Requirements)Regulations, 2015.

z. **Non mandatory Requirement**

   The Company has complied with the mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and also 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, 2020, 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
Practicing Company Secretary
CP No.: 2540;
Membership No.: 2477
UDIN:F002477B000377896

Date : 25.06.2020
Place: Panaji, Goa

Annexure 'C' to the Directors' Report

Declaration by the Managing Director

Pursuant to Regulation 26(3) of SEBI (LODR) Regulations, 2015, I, R.S. Raghavan, 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 2019-20.

R.S. Raghavan
Managing Director
DIN: 00362555

Place : Gurugram, Haryana
Date : 14th August, 2020

Annexure 'D' to the Directors' Report

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
ZUARI GLOBAL LIMITED
JAI KISAAN BHAWAN,
ZUARINAGAR, GOA, 403726

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Zuari Global Limited having CIN L65921GA1967PLC000157 and having registered office at Jai Kisaan Bhawan, Zuarinagar, Goa, 403726, (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Saroj Kumar Poddar	00008654	15/05/1993
2.*	Mr. Krishan Kumar Gupta	00024221	30/07/2014
3.**	Mr. Narayanan Suresh Krishnan	00021965	21/01/2011
4.	Ms. Jyotsna Poddar	00055736	15/05/2009
5.***	Mr. Jayant Narayan Godbole	00056830	09/09/2016
6.	Mr. Marco Philippus Ardeshir Wadia	00244357	15/05/1993
7.	Mr. Dipankar Chatterji	00031256	24/10/2019
8.	Mr. Vijay Vyankatesh Paranjape	00237398	27/12/2019
9.	Mr. Soundararaghavan Rangachari	00362555	15/02/2020
10.	Ms. Manju Gupta	00124974	28/03/2020

* Ceased to be director w.e.f 31.07.2019 on completion of tenure u/s149 of Companies Act, 2013.
** Resigned w.e.f. 14.02.2020.
*** Ceased to be director w.e.f 30.09.2019 on completion of tenure u/s149 of Companies Act, 2013.

Sadashiv V. Shet
Practicing Company Secretary
CP No.: 2540
Membership No.: 2477
UDIN:F002477B000377821

Date : 25.06.2020
Place: Panaji, Goa

Annexure 'E' 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

The real estate sector is one of the most globally recognized sectors. Real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial.

Real estate sector in India is expected to reach US$ 1 trillion by 2030. By 2025, it will contribute 13 per cent to country's GDP. Real Estate stock in India was expected to reach 3.7 million square feet (msf) in 2019, with addition of 200 msf during the year. 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 urban areas by 2020.

Real estate attracted around Rs 43,780 crore (US$ 6.26 billion) in investment in 2019. The retail segment in Indian realty attracted PE (Private Equity) investment of around US$ 1 billion in 2019. Institutional investment into Indian real estate sector stood at US$ 712 million during the quarter ended March 2020. Real estate attracted around US$ 14 billion from foreign PE between 2015 and Q3 2019. Office space has been driven mostly by growth in ITeS/IT, BFSI, consulting and manufacturing sectors. During 2019, the office leasing space reached 60.6 msf across eight major cities, registering a growth of 27 per cent y-o-y. In 2019, office sector demand with commercial leasing activity reached 69.4 msf. Warehousing space is expected to reach 247 msf in 2020 and see investment of Rs 50,000 crore (US$ 7.76 billion) during 2018-20. Grade-A office space absorption is expected to cross 700 msf by 2022 with Delhi-NCR contributing the most to this demand.

Housing sales reached 2.61 lakh units in 2019 across seven major cities.

The dual impact of GST & RERA implementations is still felt by real estate developers in various parts of the country as evidenced by less number of new launches happening during year 2019 compared to earlier times across the country. The residential real estate market in 2019 has seen an increased number (445,836 units) of unsold inventory across the cities having age of this unsold inventory reaching to 50 Months (time to sale the inventory) as sales velocity continuously decreased. Government of India carried out corrective measures to boost investment & infuse liquidity in the economy by: 1) Setting up a Rs. 25,000 Cr Fund for last mile funding of stalled projects, 2) Reducing GST to 1% (affordable segment) & 5% from 8% & 12% respectively, 3) Making Interest subsidy available through PMAY scheme for house purchases costing < Rs. 45 lacs, 4) Providing Rs.1.5Lacs additional home loan interest exemption for first time buyers against purchase of house costing < Rs.45 lacs & 5) Reducing REPO rate and slashing corporate tax rates. The majority of the sale (254,861 units) that happened in 2019 was in the affordable segment (properties valued less than Rs. 50 lacs) as developers struggled to sell high-end/luxury units across India. A big number of unfinished/stalled projects in various parts of India especially in NCR area have necessitated Government intervention in the form of corrective measures but still a significant number of developers have closed their business in these challenging times.

The commercial real estate market performance was very strong in year 2019 as the transaction volume (60.6 Mn Sq. ft.) has shown a growth of 27% on Y-o-Y basis with Bangalore, Hyderabad & NCR leading the pack. Significant amount of new supplies (61.3 Mn Sq. ft.) were made in year 2019 registering growth of 56% in comparison to year 2018. Office rentals have remained stable on Y-o-Y basis across the top cities thereby making Office transactions the most lucrative business proposition for the real estate developers. Retail sector has also seen high growth due to the ease of restrictions on FDI policy and other government initiatives taken during the last few years. Approx. 6.2Bn USD of Strategic Investment has been done by key Private Equity players across various retail entities in India in Year 2019 – Brookfield invested in Equinox Business Park, Blackstone participated in India's first REIT along with Embassy Group are some of the high value transactions completed during this period.

MARKET SIZE

- By 2040, real estate market to grow to Rs 65,000 crore (US$ 9.30 billion) from Rs 12,000 crore (US$ 1.72 billion) in 2019. Real estate sector in India is expected to reach a market size of US$ 1 trillion by 2030 from US$ 120 billion in 2017 and contribute 13 per cent of the country's GDP by 2025. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs. Indian real estate increased by 19.5 per cent CAGR from 2017 to 2028.
- Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times. Commercial office stock in India is expected to cross 600 million square feet by 2018 end while office space leasing in the top eight cities is expected to cross 100 million square feet during 2018-20. Co-working space across top seven cities increased to reach 12 sq ft by the end of 2019. In first nine month of 2019, the office sector demand with commercial leasing activity reached 47 mn sq ft. During 2019, the office leasing reached 60.6 million sq ft across eight major cities registering a growth of 27 per cent year on year. In 2019, Bengaluru saw the highest volume of office space leased at 15.3 msf, followed by Hyderabad at 12.8 msf.

INVESTMENTS

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. Private Equity and Venture Capital investments in the sector have reached US$ 1.47 billion between Jan-Mar 2019. Institutional investments in India's real estate are expected to reach US$ 5.5 billion for 2018, the highest in a decade. Between 2009-18, Indian real estate sector attracted institutional investments worth US$ 30 billion and received US$ 2.3 billion in first half of 2019. Real estate attracted around US$ 14 billion of foreign private equity (PE) between 2015 and Q3 2019. Real estate attracted around Rs 43,780 crore (US$ 6.26 billion) of investments in 2019.

According to data released by Department for Promotion of Industry and Internal Trade Policy (DPIIT), construction is the fourth largest sector in terms of FDI inflows. FDI in the sector (includes construction development and construction activities stood at US$ 41.53 billion from April 2000 to December 2019.

Some of the major investments and developments in this sector are as follows:

- First REIT raised Rs 4,750 crore (US$ 679.64 million) and was launched earlier in 2019 by the global investment firm Blackstone and realty firm Embassy group.
- In January 2019, Ascendas acquired Chennai's Pallavaram IT Park for US$ 35.70 million.
- Iconic RK Studios property which is located in suburban Chembur, acquired by Godrej Properties.
- New housing launches across top seven cities in India are expected to increase 32 per cent year-on-year by 2018 end to 193,600 units.
- In September 2018, Embassy Office Parks announced that it would raise around Rs 52 billion (US$ 775.66 million) through India's first Real Estate Investment Trust (REIT) listing.

GOVERNMENT INITIATIVES

The Government of India has been supportive towards the real estate sector. In August 2015, the Union Cabinet approved 100 Smart City Projects in India. The Government has also raised Foreign Direct Investment (FDI) limits for townships and settlements development projects to 100 per cent. Real estate projects within Special Economic Zones (SEZ) are also permitted for 100 per cent FDI. Export from SEZs reached Rs 7.01 lakh crore (US$ 100.30 billion) in FY19 and grew by almost 14.5 per cent to Rs 3.82 lakh crore (US$ 54.66 billion) in H1FY20.

The Government of India's Housing for All initiative is expected to bring US$ 1.3 trillion investment in the housing sector by 2025. As of December 2019, under Pradhan Mantri Awas Yojana (Urban) [PMAY (U)], 1.12 crore houses were sanctioned in urban areas, with a potential to create 1.20 crore jobs. The scheme is expected to push affordable housing and construction in the country and give a boost to the real estate sector. The Government has also released draft guidelines for investments by Real Estate Investment Trusts (REITs) in non-residential segment

ROAD AHEAD

The Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform which will help in allowing all kinds of investors to invest in the Indian real estate market. It would create an opportunity worth Rs 1.25 trillion (US$ 19.65 billion) in the Indian market over the years.

References: *Media Reports, Press releases, Knight Frank India, CBRE, JLL Research etc*

Zuari Infraworld - Managing Real Estate Vertical of Zuari Global Limited

- Zuari Global Limited is the holding company of the group of entities who deal with real estate activities such as Texmaco Infrastructure & Holdings, Zuari Infraworld etc.
- Zuari Infraworld has been entrusted the responsibility to deliver & manage all real estate projects of the group through a capable and efficient team of professionals.
- Zuari Infraworld is an ISO 9001:2015 & OHSAS18001:2007 certified company having efficient processes to deliver real estate projects on time with quality; New ERP software is being implemented now to ensure the processes become more robust, trackable and easily reportable and value for customer gets increased on regular basis.
- Zuari Infraworld intends to ensure growth of real estate business by engaging with direct private equity funds, by inviting joint ventures/joint developments with various capable partners of repute to monetize the land bank of the group.

The below projects managed by Zuari Infraworld are in different stages of execution:

1. **Zuari Garden City Project, Mysore**

   This project is the flagship project for the group. The integrated township spread over 73.5 acres with the distinction of being the First Integrated Township in Mysore, is located on KRS Road, in the outskirts of the city of Mysore.

   The project is situated just 3 Kms away from the famous Brindavan Gardens. The project is planned to have residential, retail, commercial and office spaces. Development has been divided into phases as explained hereunder:

   a) Phase I Villas:

   - Zuari Garden City Mysore project was launched with Villa construction on 18 acres. Total of 217 villas have been constructed on an area of 5.65 lakh Sq. ft.
   - The clubhouse with snooker, Table Tennis, Party hall etc & the Indoor Badminton court, Basket Ball Area & Children's Park has been commissioned and are being used actively by the residents on a daily basis.
   - This phase continues to win accolades and has become a landmark development in Mysore. It has won the prestigious landscape award instituted by the Mysore District Authorities for the last **five** years consecutively.

b) Phase II Apartments:

- A total of 3 towers of G+12 floors are being constructed with a built up area of 3 lakh Sq. ft.
- The project has been RERA approved & Construction work is progressing at a brisk pace.
- The Project is expected to be delivered by March, 2021.

c) Phase III Villaments:

- Brindavan Serenity offers premium villaments with all the modern amenities. Spread across 23 full and 2 half blocks in the 3.5 acres (1.5 lakh Sq. ft.) land and interspaced with abundant greens in its lush landscape, these villaments present an epitome of affordable housing.
- The villaments are compact in size, are eligible under PMAY (Pradhan Mantri Awas Yojana) and is ideally suitable for MIG (Middle Income Group) buyers.
- A total of 192 villaments with all being road facing are available.
- The project has been RERA approved. Construction work has already started while sales (80% Sold) are happening at a brisk pace.
- The Project is expected to be delivered by December, 2020.

2) 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 Zuari Infraworld being the Managing partner.
- The project has been co-branded with with St. Regis – The top notch brand within the Marriott's family of brands thereby giving access to Marriott's HNI database and marketing tools to increase efficiency in sales.
- 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 8.27 lacs Sq. ft. with 178 uniquely designed uber-luxury Apartments.
- All approvals have been received. RERA registration is under progress. Construction has commenced with shoring & piling works being completed.

3) Goa Residential Project:

- This project is located in Zuari Nagar in close proximity to the airport.
- The Land belongs to Zuari Global Limited and is being managed 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 built up area of 1.67 lakh Sq. ft. comprising of Villas and Apartments, along with large fun pool and clubhouse.
- Sales is almost over with only last few units left which will be sold while the project is being delivered as per plan.
- Construction work is in full progress and the project is planned to be delivered by December, 2020.

Upcoming Projects/Land Sales:

1. Delhi:

✓ The project in Delhi having luxury residential towers along with modern mall with all amenities is coming up on 3.5 Mn Sq. ft. of Built-up area on the Birla Mill Complex land on G. T. Road, Kamlanagar.

✓ Layout plan for the same was submitted to the Authorities and Approval was received in July 2020, subsequently building plan will be submitted along with environmental & other clearances to authorities and Approval is expected by 2nd Quarter of FY21-22 with project completion planned by 3rd Quarter of 2025-26.

✓ An outlay of Rs.1400 Cr has been identified to complete this project.

2. Goa – Retail:

✓ The biggest destination/themed mall in Goa is coming up on 0.5 Mn Sq. ft. of Built-up Area near BITS Pilani campus adjoining National Highway 17B.

✓ This project is being undertaken as a Joint Venture with a local developer of repute.

✓ LOI has already been signed with INOX to setup multiplex Cinema in the mall while expression of interests have been received from all top brands of the country including Shoppers Stop, Lifestyle, Westside, Max, Spar etc.

✓ An outlay of Rs. 200 Cr has been identified to complete this project.

3. Land Sales:

   To create liquidity in the business the following lands have been sold and negotiations are on to sell further land parcels to bring more liquidity in the business.

   - Goa

     MOU for sale of 102 Acres of land parcel has been executed.

RISKS & CONCERNS

The residential market has seen a drop in demand post demonetization & implementation of GST. End user buying is happening but more so far ready to move in units. This implies higher capital investment which in turn reduces the profitability. This has had a severe impact on the supply side. Only developers with deep pockets have been able to sustain and survive. Further, Banks and Financial Institutions have had a scare of NPAs resulting to lower lending to this sector. Hence any new projects will need to be fully funded prior to launch and this traditional system of relying on buyer's cash flow has diminished. It will take a couple of years for this market to find its equilibrium.

THREATS & CHALLENGES

Outlook for Year 2020 is dim as the onset of COVID-19 pandemic has given a huge jolt in the operation of Real Estate sector and has impacted both Sales and Construction fronts equally. Social Distancing, Lockdown measures, Job losses and disruption of supply chain and movement of people have forced all the real estate developers to extend their timeline of completion of ongoing projects. With national & international economies bearing the brunt of this pandemic, there lies a very uncertain and tough time ahead for the real estate developers across the country where the need of the hour will be to re-organize and re-structure their operations to sustain their businesses. As people mindset in this pandemic situation will tend towards conserving their money due to the uncertain future, sales of residential units across the country are expected to diminish to a great extent in year 2020.

ZIIL, a subsidiary of your company has done a commendable job during this period of COVID-19 by taking care of its laborers in Mysore & Goa project sites and ensuring that they stay at the work site to resume construction post removal of lockdown restrictions.

BUSINESS PLAN

1. Project Feasibility and Management
   - Leverage the Group's formidable technical expertise, together with its vast land holdings & highly skilled team of professionals to ensure holistic living & work spaces for the community at large.
   - Demonstrate differentiation and a competitive edge in the Service & Management Sector by strategic alliances with acclaimed partners.
   - Deploy end-to-end lifecycle management in the infrastructure and real estate sector.
   - Deploy 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
   - 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.
3. Increase in business volume
   - Realize growth in the housing sales through existing extensive product categories in Zuari Rain Forest, Goa and Zuari Garden City in Mysore & Delhi.
   - Stable rental revenue for stakeholders from Retail/ Commercial segment.
4. Environment Consciousness
   - 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 standard of the ISO 9001:2015 and OHSAS 18001:2007 processes for its quality, safety and environment management systems.
5. Commitment
   - In the domain where customer confidence is nil, we are committed for timely possession.
   - Ensuring value and fairness in all transactions.
   - Commitment to uphold Investor concerns at all times

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The revenue from operations (Standalone) for the year ended 31st March, 2020 was Rs. 5,716.47 lakhs as compared to Rs. 247.69 lakhs for the year ended 31st March 2019.

The Profit before tax for the year ended 31st March, 2020 was Rs. 1,741.80 lakhs as compared to Rs. Rs. 3,268.17 lakhs for the year ended 31st March, 2019 The Profit after tax stood at Rs. 1,292.41 lakhs for the year ended 31st March, 2020 as compared to Rs. 4,027.70 lakhs for the previous year ended 31st March, 2019.

The revenue from operations (Consolidated) for the year ended 31st March, 2020 was Rs. 77,102.89 lakhs as compared to Rs. 77,418.90 lakhs for the previous year.

The Consolidated Loss before tax for the year ended 31st March, 2020 was Rs. 32,485.10 lakhs as compared to a loss of Rs. 16,508.10 lakhs for the year ended 31st March, 2019. The Loss after tax stood at Rs. 39,583.71 lakhs for the year ended 31st March, 2020 as compared to loss of Rs. 14,766.23 lakhs for the previous year.

INTERNAL CONTROL SYSYTEMS AND THEIR ADEQUACY

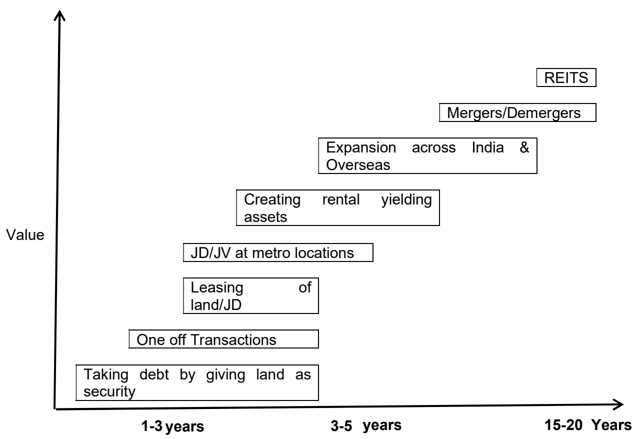
The company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. These are designed to provide reasonable assurance with respect to maintaining reliable financial and operational information, complying with applicable statutes, executing 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 also appointed M/s Sameer Mittal & Associates, Internal Auditors for Internal Financial Controls over Financial Reporting ("IFCoFR") under the Companies Act, 2013. Along with the Internal Audit Report, M/s Sameer Mittal & Associates have also submitted their opinion on adequacy of IFCoFR and operative effectiveness of such control as at 31st March, 2020. During the year under review, the Company continued to implement the suggestions and recommendations of Internal Auditors to improve the financial control. The findings under Internal Financial Control have been discussed by the Audit Committee on an ongoing basis to improve the efficiency in operations. The scope of internal financial control includes review of processes for safeguarding the assets of the Company, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

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 has concentrated on development of Affordable Housing segment which is supported by Government of India's PMAY (Pradhan Mantri Awas Yojana) scheme and has come up as the most promising segment in recent times across India. The companies real estate strategy is thus in line with current market scenario and would reap great benefits in the years to come.

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) Regulations, 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.

KEY FINANCIAL RATIOS

The ratios for financial year 2019-20 and 2018-19 are not comparable as in current year we have recognised revenue as per IND AS 115 which was not in the last year and in the last year we have reversal of income tax provision and interest income booked on such refund which is not in the current year.

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 'F' to the Directors' Report

ANNEXURE TO THE BOARDS' REPORT

FORM NO. MR- 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020.

[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, 2020, 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, 2020 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), Regulations, 2008;

(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 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
UDIN: F002477B000377852

Date: 25.06.2020
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**
   Dipankar Chatterji - Chairman***
   Vijay Paranjape - Member****
   * upto 30-07-2019
   ** upto 14-02-2020
   *** w.e.f. 24-10-2019
   **** w.e.f. 27-12-2019

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

   Average of profit (in Lakhs) Rs. **2,493.71**

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

   2% of net profits as prescribed (in Lakhs) - Rs. 49.87 lakh

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

   a) Total amount to be spent for the financial year (in Lakhs) - Rs. 49.87

   b) Total amount spent during the financial year (in Lakhs) – nil

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 Rs. 49.87 Lakhs.

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	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.	Support to Old Age Homes for improving living conditions of residents by provisioning of necessary furniture	iii) setting up old age homes, and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Tamil Nadu, Maharashtra, Delhi NCR	Rs. 30.00 Lakhs	nil	nil
2.	Women Empowerment	iii) promoting gender equality, women empowerment	Aira, UP	Rs. 12 Lakhs	nil	nil
	School restoration and sanitation facilities for girls	i) promoting education, sanitation	Aira, UP	Rs. 10 Lakh		
	Total			**Rs. 52 Lakh**	**nil**	**nil**

The company proposed the above plan for implementation during FY 2019-20 against the approved budget of INR 52 Lakh. We completed the partner selection process and implementation modalities. However, the process of implementation halted due to spread of COVID 19 pandemic in Q4, followed by nationwide lockdown imposed in March 2020. The proposed activities are scheduled to be completed during FY 2020-21.

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.

R. S. Raghavan	**Dipankar Chatterji**
Managing Director	Chairman CSR Committee
DIN: 00362555	DIN: 00031256

Place: Zuarinagar, Goa
Date : 25th June, 2020

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 2019-20:

Sr.No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	S.K.Poddar-Chairman*	NIL
2.	N.Suresh Krishnan-Managing Director	1:13.39
3.	Jyotsna Poddar-Whole Time Director	1:6.70
4.	J N Godbole-Independent Director*	NIL
5.	Marco Wadia-Independent Director*	NIL
6.	K.K.Gupta-Independent Director*	NIL
7.	Dipankar Chatterji-Independent Director*	NIL
8.	Vijay Vyankatesh Paranjape-Independent Director*	NIL
9.	Soundararaghavan Rangachari - Managing Director	NIL
10.	Manju 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	12
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.	Dipankar Chatterji-Independent Director*	NIL
8.	Vijay Vyankatesh Paranjape-Independent Director*	NIL
9.	Soundararaghavan Rangachari - Managing Director	NIL
10.	Manju Gupta-Independent Director	NIL
11.	Vijay Kathuria	20
12.	Sachin Patil	30

*Were paid sitting fees for attending meetings

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

22.98%

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

There are 14 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 15.53%

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: Gurugram
Date: 14th August, 2020

R. S. Raghavan
Managing Director
DIN: 00362555

Dipankar Chatterji
Director
DIN: 00031256

Annexure ' I' to the Directors Report

Statement of Particulars of Employees of Zuari Global Limited Pursuant to the Provisions of Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name	Designation	Remuneration received; (Rs. in lacs)	Nature of employment, whether contractual or otherwise;	Qualifications and experience of the employee;	Date of commencement of employment; (DOJ)	The age of such employee; DOB	The last employment held by such employee before joining the company;	The percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) Of Rule 5	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:
*N Suresh Krishnan	Managing Director	144.91 lakhs	Permanent	B.E (Hons.), MSc 30 years	1 April 2015	3.6.1964 56 years	Zuari Agro Chemicals Limited	Nil	N.A.

* upto 14th February, 2020

On behalf of the Board of Directors

Place: Gurugram
Date: 14th August, 2020

R. S. Raghavan
Managing Director
DIN: 00362555

Dipankar Chatterji
Director
DIN: 00031256

Annexure ‘ J’ 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 Rs Lakhs, unless stated otherwise)

Sl. No.	Name of the subsidiary	Reporting Currency	Exchange Rate	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/(loss) before Taxation	Provision for Taxation	Profit/ (loss) after Taxation	Proposed Dividend	% of share holding	Country
Indian Subsidiaries															
1	Zuari Infraworld India Limited	INR	NA	4,655.00	10,251.85	52,225.56	37,318.71	12,029.34	2,703.85	243.22	(148.88)	94.34	-	100%	INDIA
2	Indian Furniture Products Limited	INR	NA	7,009.95	(3,432.95)	18,509.76	14,932.76	49.14	597.32	(952.67)	2.38	(950.29)	-	72.45%	INDIA
	a) Soundaryaa IFPL Interiors Limited(Subsidiary of Indian Furniture Products Limited)	INR	NA	25.00	70.46	112.16	16.70	-	-	0.94	(0.25)	0.69	-	NA	INDIA
3	Simon India Limited	INR	NA	500.00	6,622.31	20,151.13	13,028.82	3,669.33	6,992.50	(1,766.57)	416.66	(1,349.91)	-	100%	INDIA
4	Zuari Management Services Limited	INR	NA	5.00	1,214.61	9,931.87	8,712.26	3,461.73	1,868.86	(364.74)	(25.41)	(390.14)	-	100%	INDIA
5	Zuari Investments Limited	INR	NA	1,945.74	4,478.44	23,135.26	16,711.08	13,732.84	-	(1,771.20)	-	(1,771.20)	-	100%	INDIA
	a) Gobind Sugar Mills limited (Subsidiary of Zuari Investments limited)	INR	NA	447.30	(9,811.73)	1,19,203.46	1,28,567.89	16.25	57,900.03	(3,506.34)	(3,949.72)	(7,456.06)	-	NA	INDIA
6	Zuari Finserv Limited(Formerly known as Zuari Finserv Pvt. Ltd.)	INR	NA	1,999.84	(6.85)	4,740.34	2,747.35	275.00	1,013.14	(145.44)	(49.83)	(195.27)	-	100%	INDIA
	a) Zuari Insurance Brokers limited (Subsidiary of Zuari Finserv Private limited)	INR	NA	275.00	336.68	677.55	65.87	50.06	398.49	212.09	(53.55)	158.54	-	NA	INDIA
7	Zuari Sugar & Power Limited	INR	NA	2,990.00	(4,622.21)	12,252.81	13,885.02	3,927.00	16,960.40	(1,772.49)	-	(1,772.49)	-	100%	INDIA
Foreign Subsidiaries							-								
8	Zuari Infra Middle East Limited (Subsidiary of Zuari Infraworld India Ltd.)	AED	20.600	0.10	23.49	292.48	268.89	1.47	29.47	3.18	-	3.18	-	NA	UAE
9	Zuari Infra World SJM Propoerties L.L.C. (formerly know as SJM Elysium Properties LLC (Subsidiary of Zuari Infra Middle East Ltd.)	AED	20.600	3.00	(45.75)	1,802.76	1,845.51	-	-	(10.48)	-	(10.48)	-	NA	UAE

R. S. Raghavan
Managing Director
DIN: 00362555

Dipankar Chatterji
Director
DIN: 00031256

Vijay Kathuria
Chief Financial Officer

Laxman Aggarwal
Company Secretary
ACS.19861

Place: Gurugram, Haryana
Date : 14th August, 2020

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)

Rs. in Lakhs

	Name of the Company	**Joint Venture**	**Associate**	**Joint Venture**
		Zuari Indian Oiltanking Private Limited	**Zuari Agro Chemicals Limited**	**Forte Furniture Products India Private Limited**
1.	Latest audited Balance sheet	31st March, 2020	31st March, 2020	31st March,2020
2.	Shares of Joint Ventures/Associate held by the Company on the year end			
	No. (No. of Shares)	1,00,20,040	1,34,90,510	1,80,05,000
	Amount of Investment in Joint Venture/ Associates	1002.00	2145.92	1777.58
	Extent of Holding	50.00%	32.08%*	50%**
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	Based on the percentage of Holding in the Joint Venture Company
4.	Reason why the Joint Venture/Associates is not consolidated	Not Applicable	Not Applicable	Not Applicable
5.	Networth attributable to Shareholding as per latest audited Balancesheet	1,887.67	10,944.85	-
6.	Profit/(Loss) for the year{Profit/(Loss) after Tax}	263.04	(80,196.04)	(2,594.14)
	i. Considered in Consolidation	131.52	(25,725.84)	(1,297.07)
	ii. Not Considered in Consolidation	131.52	(54,470.20)	(1,297.07)

* The group has 32.08% of interest in Zuari Agro Chemicals Limited out of which 20% is held by holding company and remaining 12.08% is held by Zuari Management Services Limited (Subsidiary of holding company).

** The group has 50% of interest in Forte Furniture Products India Private Limited out of which 48.98% is held by holding company and remaining 1.02% is held by Indian Furniture Products Limited (Subsidiary of holding company).

Note 1: Associates or Joint Ventures which are yet to commence operations-NIL
Note 2: Joint Ventures/Associates which have been sold during the year-NIL

R. S. Raghavan
Managing Director
DIN: 00362555

Dipankar Chatterji
Director
DIN: 00031256

Vijay Kathuria
Chief Financial Officer

Laxman Aggarwal
Company Secretary
ACS.19861

Place: Gurugram, Haryana
Date : 14th August, 2020

Annexure 'K' to the Directors' Report

Form No. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. **Details of contracts or arrangements or transactions not at arm's length basis:**

   There were no contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which were not at arm's length basis during the year ended March 31, 2020.

2. **Details of material contracts or arrangements or transactions at arm's length basis:**

   There were no material contracts / arrangements or transactions entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013. However, the Company has entered into transactions with related parties at arm's length, the details of which are given in the notes to financial statements.

On behalf of the Board of Directors

Place: Gurugram
Date : 14th August, 2020

R. S. Raghavan
Managing Director
DIN: 00362555

Dipankar Chatterji
Director
DIN: 00031256

Independent Auditor's Report

To the Members of Zuari Global Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Zuari Global Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2020, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

4. We draw attention to Note 47 of the standalone financial statements, which describes the uncertainties due to the outbreak of Covid-19 pandemic and management's evaluation of the impact on the standalone financial statements of the Company as at the balance sheet date. The impact of these uncertainties on the Company's operations is significantly dependent on future developments.

   Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Income tax provisions We refer to the note 22A and 38A of the standalone financial statements of the Company for the year ended 31 March 2020 relating to current tax expense, deferred tax and contingent liabilities. The Company has significant litigations outstanding as at 31 March 2020 which includes income tax and wealth tax. The eventual outcome of these tax proceedings is dependent on the outcome of future events and unexpected adverse outcomes could significantly impact the Company's reported profits and balance sheet position. The amounts involved are material and the application of accounting principles as given under Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, in order to determine the amount to be recorded as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management.	Our audit procedures included, but were not limited to, the following: • We obtained an understanding of the management process for: - identification of tax matters initiated against the Company, - assessment of accounting treatment for each such litigation identified under Ind AS 37 accounting principles, and - for measurement of amounts involved. • We evaluated the design and tested the operating effectiveness of key controls around above process; • We obtained an understanding of the nature of litigations pending against the company and discussed the key developments during the year for key litigations with the management and respective tax experts handling such cases on behalf of the Company. Tested the independence, objectivity and competence of such management experts involved;

Key judgments are also made by the management in estimating the amount of liabilities, provisions and/ or contingent liabilities related to aforementioned litigations. Considering the degree of judgment, significance of the amounts involved, inherent high estimation uncertainty and reliance on external tax experts, this matter has been identified as a key audit matter for the current year audit.	• On a sample basis, obtained and reviewed the necessary evidence and where necessary, inspected minutes of case proceedings available in public domain, to support the decisions and rationale for creation of provisions and / or disclosure of contingent liabilities in respect of each such litigation selected for testing. We focused on the developments in the existing litigations and new litigations, which could have materially impacted the amounts recorded as provisions or disclosed as contingent liability in the financial statements; • We obtained independent opinion/confirmations directly from the external tax experts to confirm management's assessment of outstanding litigation and asserted claims; • We reviewed each attorney response obtained as above to ensure that the conclusions reached are supported by sufficient legal rationale and adequate information is included for the management to determine the appropriate accounting treatment of such cases in the financial statements; • We assessed the appropriateness of methods used, and the reliability of underlying data for the underlying calculations made for quantifying the amounts involved. Tested the arithmetical accuracy of such calculations; • We involved auditor's expert to assess the Company's interpretation and application of relevant tax laws to evaluate the appropriateness of key assumptions used and the reasonableness of estimates in relation to uncertain tax positions, taking into account past precedents; and • We tested the disclosures made relating to the provisions and contingent liabilities for their appropriateness.
Impairment assessment of non-current investments in subsidiaries and joint venture We refer to summary of significant accounting policies and note 6A and note 36B(iii) of the standalone financial statements of the Company for the year ended 31 March 2020 for the carrying value of the non-current investments in subsidiaries and joint venture. The Company has aggregate investment in subsidiaries and Joint ventures of INR 20,303.92 lakhs. Impairment assessment of these investments is considered as a key audit matter since recoverability of the investments could not be established, and potential impairment charge might be required to be recorded in the standalone financial statements. The recoverability of these investments is inherently subjective due to reliance on net worth of investee, valuations of the assets held and cash flow projections of these investee companies. The key assumptions underpinning management's assessment of the valuation model includes, but are not limited to future growth rates, discount rates, estimated future operating and capital expenditure. Moreover, due to their materiality in the context of the Company's financial statements as a whole, this is considered to be the area which had the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit.	Our audit procedures included, but were not limited to, the following: • We obtained an understanding of the Company's policies and procedures to identify impairment indicators and performed the following procedures in relation to management's impairment assessments; • We evaluated design and operating effectiveness of controls implemented for identification of impairment indicators and measurement of impairment provisions; • We have compared the carrying value of all investments to the net assets of the underlying entity, to identify whether the net assets, being an approximation of their minimum recoverable amount, were in excess of their carrying amount; • Wherever the net assets were lower than the recoverable amount, for material amounts: i. We assessed the appropriateness of valuation methodology used for the fair valuation computation and tested the mathematical accuracy of management's model; ii. We reconciled the cash flow projections to the business plans approved by the Company's board of directors;

Accordingly, assessment of impairment losses to be recognized, if any, on the carrying value of investment made in the subsidiary has been considered as be a key audit matter for current year's audit.	iii. We challenged the management's analysis around key drivers of cash flows forecasts including price increases, short term and long term volume growth and the level of input costs by comparing them with either the historical information or market data, as appropriate, of respective investments; iv. We tested the discount rate and long-term growth rates used in the forecast including comparison to economic and industry forecasts where appropriate; v. We have reconciled input data to supporting evidences such as approved budgets, inflation rates; vi. We have evaluated management's sensitivity analysis around the key assumptions, to ascertain the extent of change in those assumptions that either individually or collectively would be required; and vii. We tested arithmetic accuracy of cash flows projections and sensitivity analysis. • We evaluated the appropriateness of disclosures in relation to investments in subsidiaries and joint ventures.

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

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to

influence the economic decisions of users taken on the basis of these financial statements.

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

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
    - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

18. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

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

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

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

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

e) The matter described in paragraph 4 under the Emphasis of Matter, in our opinion, may have an adverse effect on the functioning of the Company

f) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;

g) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 25 June 2020 as per Annexure B expressed an unmodified opinion; and

h) 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 38A to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2020;

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;

   iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and

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

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

Neeraj Goel
Partner
Membership No.: 099514
UDIN: 20099514AAAADI8723

Place: Gurugram
Date: 25 June 2020

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 2020

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, right-of-use assets 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/lease deeds of all the immovable properties (which are included under the head 'Property, plant and equipment' and 'right-of-use assets') 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; and

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

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

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there have been slight delays in a few cases. 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 became 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 (INR in lakhs)	Amount paid under protest (INR in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	45.87	Nil	1994-95	Honorable Supreme Court*
Income Tax Act, 1961	Income tax	45.87	Nil	1995-96	Honorable Supreme Court*
Income Tax Act, 1961	Income tax	31.02	Nil	1997-98	Honorable Supreme Court*
Income Tax Act, 1961	Income tax	114.58	Nil	1998-99	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income tax	5,156.14	3,438.99	2000-01	Honorable High Court of Bombay
Income Tax Act, 1961	Income tax	43.35	Nil	2001-02	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	256.74	256.74	2006-07	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	469.24	Nil	2007-08	Honorable High Court of Bombay
Income Tax Act, 1961	Income tax	331.79	Nil	2008-09	Honorable High Court of Bombay
Income Tax Act, 1961	Income tax	436.67	Nil	2009-10	Honorable High Court of Bombay
Income Tax Act, 1961	Income tax	360.00	Nil	2010-11	Honorable High Court of Bombay
Income Tax Act, 1961	Income tax	954.50	954.50	2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	79.26	79.26	2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	80.00	80.00	2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	268.80	53.79	2015-16	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	328.34	65.67	2016-17	Commissioner of Income Tax (Appeals)
Wealth Tax Act, 1957	Wealth tax	565.78	283.00	2005-06 to 2009-10	Commissioner of Income Tax (Appeals)

*During the year, the Company has received order of Hon'ble High Court of Bombay and the Company is in the process of filing appeal to the Hon'ble Supreme Court.

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution or any dues to debenture-holders during the year. The Company did not have any loan from government during the year.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained, though idle funds which were not required for immediate utilization were temporarily used for the purpose other than for which the loan was sanctioned but were ultimately utilized for the stated end-use.

(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.

(xiii) 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
UDIN: 20099514AAAADI8723

Place: Gurugram
Date: 25 June 2020

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 2020

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements 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 2020, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

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

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, 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 internal financial controls with reference to financial statements 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 internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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 with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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 with reference to financial statements and such controls were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note 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
UDIN: 20099514AAAADI8723

Place: Gurugram
Date: 25 June 2020

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Standalone Balance Sheet as at 31 March 2020

(All amounts in INR lakhs, unless stated otherwise)

		Note no.	As at 31 March 2020	As at 31 March 2019
I	**ASSETS**			
	Non-current assets			
	Property, plant and equipment	3	37.33	124.22
	Investment properties	4	223.66	228.56
	Other intangible assets	5	1.34	2.08
	Right-of-use assets	35	121.88	-
	Financial assets			
	i. Investments	6A	98,971.57	1,56,110.18
	ii. Loans	6B	41,803.49	6,883.24
	iii. Other financial assets	6C	1.22	1.22
	Non-current tax assets (net)	22A	2,135.68	1,643.89
	Total non-current assets		**1,43,296.17**	**1,64,993.39**
	Current assets			
	Inventories	7	24,112.56	25,862.91
	Financial assets			
	i. Investments	6A	-	65.03
	ii. Trade receivables	8	168.38	4.51
	iii. Cash and cash equivalents	9	309.73	231.44
	iv. Bank balances other than (iii) above	10	5,431.27	20.40
	v. Loans	6B	11,566.27	13,036.58
	vi. Other financial assets	6C	285.63	567.08
	Other current assets	11	377.70	462.10
			42,251.54	**40,250.05**
	Assets classified as held for sale	12	979.83	979.83
	Total current assets		**43,231.37**	**41,229.88**
	Total assets		**1,86,527.54**	**2,06,223.27**
II	**EQUITY AND LIABILITIES**			
	Equity			
	Equity share capital	13	2,944.11	2,944.11
	Other equity	14	1,28,145.17	1,81,093.57
	Total equity		**1,31,089.28**	**1,84,037.68**
	Liabilities			
	Non-current liabilities			
	Financial liabilities			
	i. Borrowings	15	35,536.16	7,132.72
	ii. Lease Liabilties	35	120.68	-
	iii Other financial liabilities	18	0.59	-
	Provisions	20	93.46	226.56
	Deferred tax liabilities (net)	22	333.73	55.92
	Other non-current liabilities	19	1,708.35	1,708.35
	Total non-current liabilities		**37,792.97**	**9,123.55**
	Current liabilities			
	Financial liabilities			
	i. Borrowings	16	6,715.23	3,500.00
	ii. Trade payables			
	(a) total outstanding due to micro enterprise and small enterprise;	17	-	-
	(b) total outstanding due to creditors other than micro enterprise and small enterprise	17	618.95	449.21
	iii. Other financial liabilities	18	5,105.35	2,084.17
	Other current liabilities	19	1,917.61	3,739.43
	Provisions	20	79.02	76.37
	Current tax liabilities (net)	22A	-	3.73
			14,436.16	**9,852.91**
	Advance received against the asset classified as held for sale	21	3,209.13	3,209.13
	Total current liabilities		**17,645.29**	**13,062.04**
	Total equity and liabilities		**1,86,527.54**	**2,06,223.27**

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the standalone 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

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

Neeraj Goel
Partner
Membership No. : 099514

R.S. Raghavan
Managing Director
DIN: 00362555

Vijay Vyankatesh Paranjape
Director
DIN: 00237398

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Company Secretary
Membership No. 31286

Place : Gurugram
Date : 25 June 2020

Date : 25 June 2020

Standalone Statement of Profit and Loss for the year ended 31 March 2020

(All amounts in INR lakhs, unless stated otherwise)

		Note no.	For the year ended 31 March 2020	For the year ended 31 March 2019
I	**Revenue**			
	Revenue from operations	23	5,716.47	247.69
	Other income	24	8,905.47	4,812.01
	Total revenue (I)		**14,621.94**	**5,059.70**
II	**EXPENSES**			
	Project expenses	25	2,010.55	1,170.53
	Changes in inventories of work-in-progress	26	1,750.35	(1,170.53)
	Employee benefits expense	27	457.14	523.51
	Finance costs	28	4,379.09	805.65
	Depreciation and amortization expense	29	24.53	15.92
	Other expenses	30	568.95	446.45
	Total expenses (II)		**9,190.61**	**1,791.53**
III	**Profit before tax and exceptional item (I-II)**		**5,431.33**	**3,268.17**
IV	Exception Item	31	3,689.53	-
V	**Profit before tax (III-IV)**		**1,741.80**	**3,268.17**
VI	**Tax expense:**	22A		
	Current tax expense/(reversals) (including earlier years)		171.29	(837.95)
	Deferred tax		278.10	78.42
	Total tax expense/(credit)		**449.39**	**(759.53)**
VII	**Profit for the year (V-VI)**		**1,292.41**	**4,027.70**
VIII	**Other comprehensive income**		**(53,885.88)**	**(25,876.28)**
	Items that will not be reclassified to profit or loss			
	Re-measurement gain/(losses) on defined benefit plans		(1.14)	8.26
	Income tax effect of above item		0.29	(2.41)
	Net loss on equity instruments		(53,885.03)	(25,882.13)
IX	**Total comprehensive income for the year (VII + VIII)**		**(52,593.47)**	**(21,848.58)**
X	**Earnings per equity share {nominal value of shares of INR 10 (31 March 2019: INR 10)} :**			
	Basic (INR)	33	4.39	13.68
	Diluted (INR)	33	4.39	13.68

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 June 2020

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

R.S. Raghavan
Managing Director
DIN: 00362555

Vijay Vyankatesh Paranjape
Director
DIN: 00237398

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Company Secretary
Membership No. 31286

Date : 25 June 2020

Standalone Statement of Cash Flows for the year ended 31 March 2020

(All amounts in INR lakhs, unless stated otherwise)

		For the year ended 31 March 2020	For the year ended 31 March 2019
A	**Cash Flow from operating activities**		
	Profit before tax	**1,741.80**	**3,268.17**
	Adjustment to reconcile profit before tax to net cash flows		
	Depreciation and amortisation expense	24.53	15.92
	Profit on sale of Property, Plant and Equipments ('PPE')	(7.34)	-
	Unclaimed balances written back	(0.25)	(39.75)
	Gain arising on financial assets as at fair value through profit and loss	(44.09)	(38.94)
	Impairment of investment	3,689.53	-
	Finance costs	4,379.09	805.65
	Interest income	(4,756.12)	(1,609.14)
	Dividend income	(3,639.72)	(1,188.72)
	Income from financial guarantee	(184.45)	(213.60)
	Operating profit before working capital changes	**1,202.98**	**999.59**
	Movements in working capital:		
	Movement in trade payables	183.35	50.20
	Movement in provisions	(131.59)	(4.17)
	Movement in other current liabilities	(1,821.81)	600.61
	Movement in other financial liabilities	713.32	6.56
	Movement in trade receivables	(163.87)	(4.51)
	Movement in Inventories	1,756.34	(1,164.52)
	Movement in loans and advances	0.20	3.80
	Movement in other current assets	362.91	(386.21)
	Cash flow from operations	**2,101.83**	**101.35**
	Income tax (paid)/ refunds (net)	(666.81)	2,561.17
	Net cash flow from operating activities (A)	**1,435.02**	**2,662.52**
B	**Cash Flow from Investing Activities:**		
	Purchase of PPE including intangible assets	(0.20)	(2.05)
	Sale of PPE	78.00	-
	Proceeds from sale of non-current investments	-	88.00
	Purchase of non-current investments	(391.86)	(4,092.05)
	Purchase of current investments	(6,726.71)	(5,908.62)
	Proceeds from sale/ maturity of current investments	6,791.74	5,843.59
	Receipt from interest warrants accounts	-	0.06
	Fixed deposit investments (net of maturities)	(5,413.00)	(0.29)
	Dividends received on investments	3,625.60	1,188.72
	Loans given	(49,322.50)	(27,586.00)
	Loans received back	17,527.98	17,244.38
	Interest received	3,101.19	1,596.71
	Net cash flow used in investing activities (B)	**(30,729.76)**	**(11,627.55)**

	For the year ended 31 March 2020	For the year ended 31 March 2019
C Net Cash Flow From Financing Activities:		
Repayment of borrowings (non-current)	(2,447.40)	-
Proceeds from borrowings (non-current) (net of processing charges)	31,682.31	8,315.00
Repayment of borrowings (current)	(7,275.00)	(3,470.00)
Proceeds from borrowings (current)	10,500.00	4,500.00
Repayment of unclaimed deposits	-	(0.55)
Dividend paid on equity shares	(294.41)	(294.41)
Tax on equity dividend paid	(60.52)	(60.52)
Finance costs paid	(2,731.94)	(787.93)
Net cash flow from financing activities (C)	**29,373.04**	**8,201.59**
D Net (Decrease)/ Increase in cash and cash equivalents (A + B + C)	**78.29**	**(763.44)**
Cash and cash equivalents (Opening)	231.44	994.88
Cash and cash equivalents (Closing)	**309.73**	**231.44**

	For the year ended 31 March 2020	For the year ended 31 March 2019
CASH AND CASH EQUIVALENTS		
Cash on hand	0.04	0.06
Balance with banks on current accounts	309.69	231.38
Total cash and cash equivalents	**309.73**	**231.44**

Note: Non-cash transactions relating to financing activities has been disclosed in note 16.2

This is the Standalone 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 June 2020

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

R.S. Raghavan
Managing Director
DIN: 00362555

Vijay Vyankatesh Paranjape
Director
DIN: 00237398

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Company Secretary
Membership No. 31286

Date : 25 June 2020

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Standalone Statement of Changes in Equity for the year ended 31 March 2020

(All amounts in INR lakhs, unless stated otherwise)

(a) Equity share capital

	Number of shares	INR in lakhs
Equity shares of INR 10 each issued, subscribed and fully paid		
As at 31 March 2018	2,94,40,604	2,944.06
Issue of share capital	-	-
As at 31 March 2019	2,94,40,604	2,944.06
Issue of share capital	-	-
As at 31 March 2020	**2,94,40,604**	**2,944.06**

(b) Other equity

For the year ended 31 March 2020:

	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 2018	**3,700.00**	**63,878.12**	**1,35,718.96**	**2,03,297.08**
Profit for the year	-	4,027.70	-	4,027.70
Other comprehensive income	-	5.85	(25,882.13)	(25,876.28)
Reclassification from OCI to retained earnings on disposal of investments	-	(2,051.29)	2,051.29	-
Total comprehensive income	**3,700.00**	**65,860.38**	**1,11,888.12**	**1,81,448.50**
Dividends paid (refer note 32)	-	(294.41)	-	(294.41)
Dividend distribution tax (DDT) (refer note 32)	-	(60.52)	-	(60.52)
As at 31 March 2019	**3,700.00**	**65,505.45**	**1,11,888.12**	**1,81,093.57**
As at 1 April 2019	**3,700.00**	**65,505.45**	**1,11,888.12**	**1,81,093.57**
Profit for the year	-	1,292.41	-	1,292.41
Other comprehensive income	-	(0.85)	(53,885.03)	(53,885.88)
Total comprehensive income	**3,700.00**	**66,797.01**	**58,003.09**	**1,28,500.10**
Dividends paid (refer note 32)	-	(294.41)	-	(294.41)
Dividend distribution tax (DDT) (refer note 32)	-	(60.52)	-	(60.52)
At 31 March 2020	**3,700.00**	**66,442.08**	**58,003.09**	**1,28,145.17**

This is the Standalone 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 June 2020

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

R.S. Raghavan
Managing Director
DIN: 00362555

Vijay Vyankatesh Paranjape
Director
DIN: 00237398

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Company Secretary
Membership No. 31286

Date : 25 June 2020

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020

1. Corporate information

The standalone financial statements of Zuari Global Limited ('the Company' or 'ZGL') are for the year ended 31 March 2020. 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 Company also advances loans to its group companies for carrying out businesses in various verticals such as agriculture, heavy engineering, lifestyle and its ancillary business.

The standalone financial statements were approved for issue in accordance with a resolution of the directors dated 25 June 2020.

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, as amended and other relevant provisions of the Act. 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 (INR), 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 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 recognized 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

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The company recognises right-of-use assets at an amount equivalent to the lease liability and consequently, there is no adjustment in the opening standalone retained earnings. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred. Right-of-use assets are depreciated on a straight-line basis over the lease term.

Lease liabilities

At the commencement date of lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Variable lease payments that depend on an index or a rate are initially measured using the index or rate as at the commencement date. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value.

Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

e. Impairment of long-lived assets

The long-lived assets of the Company consist of property, plant & equipment, investment properties, other intangible assets and investments (in subsidiaries and joint ventures) measured at cost in accordance with Ind AS 27- Consolidated and Separate Financial Statements. At the end of each reporting period, the Company reviews the carrying amounts of its long-lived 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 recognized 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 recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.

f. Impairment of contract assets

The allowance for expected credit losses for contract assets are calculated at individual level when there is an indication of impairment. For contract assets without any indication of impairment the expected credit losses are based on the historical credit loss experience combined with forward-looking information in macroeconomic factors effecting the credit risk.

g. Borrowing costs

General and specific borrowing costs directly attributed to the acquisition, construction or production of a qualifying asset are capitalized 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

h. Foreign currency translation

Functional and presentation currency

The Company's financial statements are presented in Indian Rupee (INR), which is also its 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).

i. 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.

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.

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.

k. 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.

l. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties, if any. The Company recognizes revenue when it transfers control over a product or service to a customer.

To determine whether to recognize revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognizing revenue when/as performance obligation(s) are satisfied.

Identify the Contract with Customer

Under Ind AS 115, the Company evaluates whether a valid contract is satisfying all the following conditions:

- All parties have approved the agreement (may be oral or written)
- All parties are committed to approve their obligations.
- Each party's rights are identifiable.
- The contract has commercial substance.
- Collectability is probable.

Identifying the performance obligations

Under Ind AS 115, the Company evaluates the separability of the promised goods or services based on whether they are 'distinct'. A promised good or service is 'distinct' if both:

- the customer benefits from the item either on its own or together with other readily available resources, and
- it is 'separately identifiable' (i.e. the Company does not provide a significant service integrating, modifying or customizing it)

Determining the transaction price

Under Ind AS 115, the Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

Where the Company has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the performance completed to date (for example, charges per case/pallet), the Company recognizes revenue in the amount to which it has a right to invoice.

Allocating the transaction price to the performance obligations

The transaction price is allocated to the separately identifiable performance obligations on the basis of their standalone selling price (in case of storage and distribution contracts where the customer pays a fixed rate per item for all the services provided). For services that are not provided separately, the standalone selling price is estimated using adjusted market assessment approach.

Recognizing revenue when/as performance obligation(s) are satisfied.

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 recognized either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. A performance obligation is a promise in a contract to transfer a distinct good or service (or a bundle of goods and services) to the customer and is the unit of account in Ind AS 115. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, as, or when, the performance obligation is satisfied. The company recognizes revenue when it transfers control of a product or service to a customer. The company recognizes revenue from the following major sources:

Revenue from sale of constructed properties

Revenue from sale of flats and villas is measured based on the consideration specified in a contract with a customer. It is measured at fair value consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. The Company recognizes revenue when it transfers control over flats and villas to a customer which is done after completion of the project, i.e. revenue is recognised based on completed contract method.

In obtaining these contracts, the Company incurs number of incremental costs, such as commissions paid to sales staff, agents etc. The Company has recognise as an asset (prepaid expense) against the incremental costs of obtaining a contract with a customer as same is expected to be recovered. These are recognised in the statement of profit and loss when revenue corresponding to such cost has been recognised.

Rental income through investment properties

Another source of income is rental income against investment property. Customers are invoiced periodically (generally on monthly basis). Income in respect of service contracts are recognised in statement of profit and loss when control of respective service has been transferred to customer.

Interest income

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

Dividend income

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

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.

m. Taxes on income

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognized 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 recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred tax is recognized 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 unrealized tax loss are recognized to the extent that it is probable that the underlying tax loss will be utilized 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-recognized deferred tax assets are re-assessed at each reporting date and are recognized 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 realized 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 recognized outside Statement of Profit and Loss is recognized outside Statement of Profit or Loss (either in other comprehensive income or in equity).

n. 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 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 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.

o. 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 recognized 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 amortized cost
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss.

Debt instruments at amortized cost

A ‘debt instrument’ is measured at the amortized 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.

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.

p. 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.

q. 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.

r. 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.

s. 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.

t. 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.

u. 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.

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.

v. 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.

w. Recent Indian Accounting Standards

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.

x. Amended standards adopted by the Company

The Company has applied newly effective Ind AS 116 "Leases" for the first time in the financial year 31 March 2020. There was no impact in the standalone opening retained earnings of the Company due to adoption of the said standard.

The Company had to change its accounting policies. Refer note 35 for further details.

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

3. Property, plant and equipment ('PPE')

Particulars	Buildings	Furniture and fixtures	Office equipment	Vehicles	Total
Gross block					
As at 1 April 2018	**181.77**	**1.63**	**8.09**	**66.63**	**258.12**
Additions	-	-	-	-	-
Transfer to investment property (refer note 3.1(ii))	76.84	-	-	-	76.84
As at 31 March 2019	**104.93**	**1.63**	**8.09**	**66.63**	**181.28**
As at 1 April 2019	**104.93**	**1.63**	**8.09**	**66.63**	**181.28**
Additions	-	0.20	-	-	0.20
Disposals	82.18	-	-	-	82.18
As at 31 March 2020	**22.75**	**1.83**	**8.09**	**66.63**	**99.30**
Accumulated depreciation					
As at 1 April 2018	**13.86**	**0.33**	**2.83**	**27.10**	**44.12**
Depreciation charge during the year	7.26	0.13	0.99	9.08	17.46
Transfer to Investment property (refer note 3.1(ii))	4.52	-	-	-	4.52
As at 31 March 2019	**16.60**	**0.46**	**3.82**	**36.18**	**57.06**
As at 1 April 2019	**16.60**	**0.46**	**3.82**	**36.18**	**57.06**
Depreciation charge during the year	6.43	0.14	0.79	9.08	16.44
Disposals	11.53	-	-	-	11.53
As at 31 March 2020	**11.50**	**0.60**	**4.61**	**45.26**	**61.97**
Net block					
As at 31 March 2020	**11.25**	**1.23**	**3.48**	**21.37**	**37.33**
As at 31 March 2019	167.91	1.30	5.26	39.53	124.22

3.1 Notes

i) Refer note 38C for the information on plant, property and equipment pledged as security by the Company.

ii) With effect from 1 October 2018, the Company had given two apartments classified under Buildings on lease to Zuari Agro Chemicals Limited (an Associate of the Company). Since, apartments are now held to earn rentals, hence, during the previous year the same were transferred from Buildings to Investment properties.

4. Investment property

Particulars	As at 31 March 2020
Opening balance at 1 April 2018	**171.39**
Transferred from PPE (refer note 3.1(ii) above)	76.84
Closing balance at 31 March 2019	**248.23**
Opening balance at 1 April 2019	**248.23**
Additions	-
Closing balance at 31 March 2020	**248.23**
Depreciation	
Opening balance at 1 April 2018	**10.89**
Depreciation charge during the year	4.26
Transferred from PPE (refer note 3.1(ii) above)	4.52
Closing balance at 31 March 2019	**19.67**
Opening balance at 1 April 2019	**19.67**
Depreciation charge during the year	4.90
Closing balance at 31 March 2020	**24.57**
Net block	
As at 31 March 2020	**223.66**
As at 31 March 2019	228.56

4.1 Notes

i) Refer note 38C for the information on investment property pledged as security by the Company.

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

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Rental income derived from investment properties	319.99	247.69
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	319.99	247.69
Less: depreciation	4.90	4.26
Profit arising from investment properties before indirect expenses	**315.09**	**243.43**

(iii) Leasing arrangements

The Company's investment property consist of land and building owned by the Company let out to other group companies and outside party for business purpose and also to an educational institution. All lease arrangements are cancellable operating lease agreements.

(iv) Fair value

Particulars	As at 31 March 2020	As at 31 March 2019
Investment properties	20,765.61	16,791.28

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 INR 3,209.13 lakhs (carrying value as on 31 March 2020: INR 979.83 lakhs).

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

v. Reconciliation of fair value:

Particulars	Amount
Opening balance as on 1 April 2018	**16,652.36**
Fair value differences	5.10
Purchases/transfer of investment property from PPE	133.82
Opening balance as on 1 April 2019	**16,791.28**
Fair value differences	3,974.33
Purchases/transfer of investment property from PPE	-
Closing balance as on 31 March 2020	**20,765.61**

5. Other intangible assets

Particulars	Softwares
Gross block	
As at 1 April 2018	**0.30**
Additions	2.05
Disposals/adjustments	-
As at 31 March 2019	**2.35**
As at 1 April 2019	**2.35**
Additions	-
Disposals/adjustments	-
As at 31 March 2020	**2.35**
Accumulated amortisation	
As at 1 April 2018	**0.08**
Additions	0.19
Disposals/adjustments	-
Balance as at 31 March 2019	**0.27**
As at 1 April 2019	**0.27**
Amortisation charge for the year	0.74
Disposals/adjustments for the year	-
Balance as at 31 March 2020	**1.01**
Net block as at 31 March 2020	**1.34**
Net block as at 31 March 2019	2.08

5.1 Intangible assets pledged as security

Refer note 38C for the information on intangible assets pledged as security by the Company.

(All amounts in INR lakhs, unless stated otherwise)

Financial assets

6A. Investments

Particulars	Non Current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
I) Investment in equity instruments carried at cost				
Unquoted equity instruments				
Investment in subsidiaries				
5,000,000 (31 March 2019: 5,000,000) equity shares of INR 10 each fully paid up of Simon India Limited	350.01	350.01	-	-
50,000 (31 March 2019: 50,000) equity shares of INR 10 each fully paid up of Zuari Management Services Limited	5.00	5.00	-	-
46,550,000 (31 March 2019: 46,550,000) equity shares of INR 10 each fully paid up of Zuari Infraworld India Limited	5,482.82	5,482.82	-	-
19,457,364 (31 March 2019: 19,457,364) equity shares of INR 10 each fully paid up of Zuari Investments Limited	3,258.99	3,258.99	-	-
29,900,000 (31 March 2019: 29,900,000) equity shares of INR 10 each fully paid up of Zuari Sugar & Power Limited	3,139.00	3,139.00	-	-
19,998,426 (31 March, 2019 : 19,998,426) equity shares of INR 10 each fully paid up of Zuari Finserv Private Limited	1,999.84	1,999.84	-	-
50,785,794 (31 March 2019: 50,785,794) equity shares of INR 10 each fully paid up of Indian Furniture Products Limited ('IFPL')	5,103.34	5,103.34	-	-
Less: Impairment in value of investments in IFPL (refer note 31)	(3,689.53)	-		
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 2019: 10,020,000) equity shares of INR 10 each fully paid up of Zuari Indian Oiltanking Private Limited	1,002.00	1,002.00	-	-
17,638,600 (31 March 2019: 13,720,000) equity shares of INR 10 each fully paid up of Forte Furniture Products Limited	1,777.58	1,385.72	-	-
Equity portion of corporate guarantees given				
Gobind Sugar Mills Limited	680.94	680.94	-	-
Simon India Limited	199.94	199.94	-	-
Indian Furniture Products Limited	172.53	172.53	-	-
Zuari Infraworld India Limited	42.05	42.05	-	-
Zuari Sugar & Power Limited	7.72	7.72	-	-
Sub total (i)	**20,303.92**	**23,601.59**	**-**	**-**

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

Particulars	Non Current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
II) Investment in equity instruments carried at Fair value through OCI Investment in equity instruments - associate				
Quoted				
8,411,601 (31 March 2019: 8,411,601) equity shares of INR 10 each fully paid up of Zuari Agro Chemicals Limited	5,194.16	15,624.55	-	-
Investment in equity instruments - others				
Unquoted				
100,000 (31 March 2019: 1,00,000) equity shares of INR 10 each fully paid up of Biotech Consortium of India Limited	52.16	60.23	-	-
258,250 (31 March 2019: 2,58,250) equity shares of INR 100 each fully paid up of Lionel India Limited	258.25	258.25	-	-
Less: Impairment in value of investments in Lionel India Limited	(258.25)	(258.25)	-	-
Quoted				
59,015,360 (31 March 2019: 59,015,360) equity shares of INR 10 each fully paid up of Chambal Fertilisers and Chemicals Limited	64,002.16	98,585.16	-	-
26,480,712(31 March 2019: 26,480,712) equity shares of INR 1 each fully paid up of Texmaco Infrastructure and Holdings limited	8,195.78	15,014.56	-	-
4,035,000 (31 March 2019: 4,035,000) equity shares of INR 1 each fully paid up of Texmaco Rail and Engineering Limited	786.83	2,784.15	-	-
34,722 (31 March 2019: 277,777) equity shares of USD 0.01 each fully paid up of *Synthesis Energy System Inc.	56.26	103.73	-	-
Sub total (ii)	**78,287.35**	**1,32,172.38**	**-**	**-**
III) Investment in preference shares				
Investments at fair value through profit or loss				
Unquoted preference shares				
Investment in subsidiaries				
1,000,000 (31 March 2019: 1,000,000) 7% redeemable convertible non-cumulative preference shares of INR 100 each fully paid up of Indian Furniture Products Limited ('IFPL')	380.30	336.21	-	-
Sub total (iii)	**380.30**	**336.21**	**-**	**-**
IV) Investment in mutual funds				
Quoted				
Investments at fair value through profit or loss				
Nil units (31 March 2019: 6,427 units) of INR 1,012 of L&T liquid fund - regular daily dividend reinvestment plan	-	-	-	65.03
Sub total (iv)	**-**	**-**	**-**	**65.03**
Total (i+ii+iii+iv)	**98,971.57**	**1,56,110.18**	**-**	**65.03**
Aggregate amount of quoted investments	78,235.19	1,32,112.15	-	-
Aggregate market value of quoted investments	78,235.19	1,32,112.15	-	65.03
Aggregate amount of unquoted investments	24,684.16	24,256.28	-	-
Aggregate amount of impairment in value of investments	3,947.78	258.25	-	-

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

6B. Loans

Particulars	Non Current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Security deposits	0.24	0.24	2.45	2.45
Loans and advances to related parties (refer note 6B.1(i) below)	41,801.72	6,876.46	9,941.64	13,029.12
Loans to employees (secured)	1.49	1.49	-	0.20
Interest accrued on loans to employees -				
- Related parties (refer note 6B.1(ii) below)	-	5.00	-	4.80
- Others	0.04	0.05	0.01	0.01
Interest accrued but not due -				
- Loans and advances to related parties (refer note 6B.1(i) below)	-	-	1,602.87	-
- Others	-	-	19.30	-
	41,803.49	**6,883.24**	**11,566.27**	**13,036.58**

6B.1 Notes

i) Refer note 44 for details of loans given to related parties.

ii) Interest accrued on employees' loan includes amount due from officers of the Company, i.e. Managing Director, Mr. Suresh Krishnan (till 14 February 2020) amounting to Nil (31 March 2019: INR 9.80 lakhs). Refer note 44 for related party disclosure.

iii) Break-up for security details:

Particulars	Non Current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Secured - considered good	1.53	6.54	0.01	5.01
Unsecured – considered good	41,801.96	6,876.70	11,566.26	13,031.57
	41,803.49	**6,883.24**	**11,566.27**	**13,036.58**
Less : Loss allowance	-	-	-	-
	41,803.49	**6,883.24**	**11,566.27**	**13,036.58**

6C. Other financial assets

Particulars	Non Current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Non-current bank balances (refer note 6C.1 below)	1.22	1.22	-	-
Dividend receivable	-	-	14.12	-
Other receivables				
Related parties (refer note 44 for related party disclosure)	-	-	271.51	567.08
Total	**1.22**	**1.22**	**285.63**	**567.08**

6C.1 Note

This balance includes amount pledged with banks and sales tax authorities of INR 1.22 lakhs (31 March 2019: INR 1.22 lakhs).

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

7. Inventories

Particulars	As at 31 March 2020	As at 31 March 2019
Land (refer note 7.1 below)	21,768.19	21,936.04
Project work in progress	2,344.37	3,926.87
Total inventory (at cost or NRV whichever is lower)	**24,112.56**	**25,862.91**

7.1 Inventory pending to be registered in the company's name

Land of INR 16,359.32 lakhs (31st March 2019: INR 16,359.32 lakhs) is pending to be registered in the Company's name. Further, refer note 15 and 38C for the information on Inventory pledged as security by the Company.

8. Trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured - considered good		
Trade receivables		
- Related parties (refer note 8.1 below)	45.79	4.51
- Others	122.59	-
	168.38	**4.51**

8.1 Note

INR 45.79 lakhs (31 March 2019: INR 4.51 lakhs) receivable from Zuari Agro Chemicals Limited for rental receipts. No other trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. Refer note 44 for related party disclosure.

9. Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Cash and cash equivalents		
Balances with banks on current accounts(refer note 9.1 below)	309.69	231.38
Cash on hand	0.04	0.06
	309.73	**231.44**

9.1 Note

Cash at banks earns interest at floating rates based on daily bank deposit rates.

10. Other bank balances

Particulars	As at 31 March 2020	As at 31 March 2019
Balance with banks - on unpaid dividend account	17.69	19.82
Balance with banks - on fixed deposit account with remaining maturity period for less than 12 months (refer note 10.1)	5,413.58	0.58
	5,431.27	**20.40**

10.1 Note

The bank deposits are pledged with the debenture holders and other lender of the Company to fulfill the collateral requirements.

11. Other current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Prepaid expenses	11.16	4.97
Rent equalisation reserve	52.64	-
Contract assets:		
Cost incurred to obtain a contract (refer note 34 for details of significant change in contract assets)	35.58	178.61
Balance with statutory authorities	85.84	109.29
Advances to:		
- related parties (refer note 44 for related party disclosure)	59.94	-
- other vendors	132.54	169.23
	377.70	**462.10**

12. Assets held for sale

Particulars	As at 31 March 2020	As at 31 March 2019
Assets held for sale (refer note 12.1 below)	979.83	979.83
	979.83	**979.83**

12.1 Note

The Company has entered into an agreement to sell land and building to an associate, Zuari Agro Chemicals Limited for a value of INR 3,209.13 lakhs . Such sale is expected to be concluded before the end of March 2021.

13. Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019
Authorised :		
115,000,000 (31 March 2019: 115,000,000) equity shares of INR 10 each	**11,500.00**	**11,500.00**
Issued :		
29,448,655 (31st March 2019: 29,448,655) equity shares of INR 10 each fully paid	**2,944.87**	**2,944.87**
Subscribed and paid-up		
29,440,604 (31 March 2019: 29,440,604) equity shares of INR 10 each fully paid (refer note 13.1 below)	2,944.06	2,944.06
Add: 1,100 (31 March 2019: 1,100) forfeited shares (amount paid-up) fully paid-up	0.05	0.05
	2,944.11	**2,944.11**

13.1 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 (31 March 2019: 8,051) right's equity shares entitlement have been kept in abeyance pursuant to Section 126 of the Companies Act, 2013.

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

Equity Shares	As at 31 March 2020		As at 31 March 2019	
	In numbers	**INR in lakhs**	**In numbers**	**INR in lakhs**
At the beginning of the year	2,94,40,604	2,944.06	2,94,40,604	2,944.06
Issued during the year	-	-	-	-
Outstanding at the end of the year	**2,94,40,604**	**2,944.06**	**2,94,40,604**	**2,944.06**

II. Terms/Rights attached to equity shares

i) The Company has only one class of equity shares having a par value of INR 10 per 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.

ii) The Board of Directors of the Company, in their meeting held on 25 June 2020 recommended a final dividend of INR 1 per fully paid up equity share (31 March 2019: INR 1 per share) of INR 10/- each, aggregating to INR 294.41 lakhs for the year ended 31 March 2020, subject to approval of shareholders at the ensuing Annual General Meeting of the Company.

iii) 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.

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

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

Name of Shareholders	As at 31 March 2020		As at 31 March 2019	
	No. of shares held	% Holding in class	No. of shares held	% Holding in class
Globalware Trading and Holdings Limited	74,91,750	25.45	74,91,750	25.45
Texmaco Infrastructure and Holdings Limited	27,57,941	9.37	27,57,941	9.37
Adventz Finance Private Limited	22,94,491	7.79	22,94,491	7.79

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.

IV. Aggregate number of shares issued for consideration other than cash

Particulars	As at 31 March 2020	As at 31 March 2019
Shares issued for consideration other than cash	Nil	Nil

13A. Preference share capital

Particulars	As at 31 March 2020	As at 31 March 2019
Authorised :		
2,075,000 (31 March 2019: 2,075,000) redeemable cumulative preference shares of INR 100 each	**2,075.00**	**2,075.00**
Issued, subscribed and paid-up :		
Nil (31 March 2019: Nil) redeemable cumulative preference shares of INR 100 each	-	-

14. Other Equity

Particulars	As at 31 March 2020	As at 31 March 2019
Retained earnings		
Balance bought forward from last year	**65,505.45**	**63,878.12**
Add: Profit for the year	1,292.41	4,027.70
Less: Reclassification from OCI to retained earnings on disposal of investments	-	(2,051.29)
Less: Dividends paid (refer note 14.1(i) below)	(294.41)	(294.41)
Less: Dividend distribution tax (DDT) (refer note 14.1(i) below)	(60.52)	(60.52)
Add/(Less): Re-measurement losses on defined benefit plans	(0.85)	5.85
	66,442.08	**65,505.45**
General reserve	**3,700.00**	**3,700.00**
FVTOCI reserve		
Balance bought forward from last year	1,11,888.12	1,35,718.96
Add: Reclassification from OCI to retained earnings on disposal of investments	-	2,051.29
Less: Movement during the year	(53,885.03)	(25,882.13)
	58,003.09	**1,11,888.12**
	1,28,145.17	**1,81,093.57**

14.1 Notes

i) Refer note 32 for the details of dividend paid by the company.

ii) Nature and purpose of other reserve

a) General reserve

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

b) 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.

15. Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Secured at amortised cost		
Rupee term loan from financial institution (refer note 15.1 below)	8,640.38	8,332.72
Non-convertible debentures (refer note 15.2 below)	30,095.78	-
Less: current maturities of non-current borrowings	3,200.00	1,200.00
	35,536.16	**7,132.72**

15.1 Note : Rupee term loan from financial institution (Secured)

i) Facility of INR 8,500.00 lakhs availed during the previous year, bearing interest rate 11.85% - 14.85% p.a. having outstanding balance of INR 6,343.00 lakhs (31 March 2019: INR 8,332.72 lakhs), including current maturities INR 3,200.00 lakhs (31 March 2019: INR 1,200.00 lakhs). The loan is repayable in 4 monthly installment of INR 500.00 lakhs at the end of each month from April 2020 to July 2020 and balance amout in annual installments commencing from 31 October 2020 and ending on 31 October 2023.

The loan is secured by first mortgage/charge on equitable mortgage over non-agricultural land admeasuring 100 acres located in village panchayat of Sancoale of Mormugao Taluka consisting of survey no. 111/1 in Goa which is standing in the Inventory of the Company, pledge of 7,300,000 shares of Chambal Fertilizers and Chemicals Limited (owned by the Company) to provide security cover of 1.5 times and hypothecation and escrow of "dividend receivable" by the borrower from the investee companies.

ii) Facility of INR 2,500.00 lakhs availed during the year, bearing interest rate 11.00% p.a. having outstanding balance of INR 2,297.38 lakhs (31 March 2019: Nil). The loan is repayable in 24 months from the date of first disbursement. The loan is secured by pledge of 4,550,000 shares of Chambal Fertilizers and Chemicals Limited (owned by the Company) to provide security cover of 2 times.

15.2 Note: Non-convertible debentures issued to financial institution (Secured)

i) Secured, rated and listed Non-Convertible Debentures ('NCDs') - tranche-I aggregating to INR 19,700.00 lakhs, comprising of 197 debentures of INR 100 lakhs each, bearing interest rate of 8.00% p.a. (effective 8.46% after applicable taxes) were issued by the Company during the year. These NCDs are redeemable on private placement basis at a premium of 3.74% (effective 3.95% after applicable taxes). The carrying value of the NCDs after adjustment of processing fees is INR 19,355.54 lakhs (31 March 2019: Nil)

ii) Secured, rated and listed Non-Convertible Debentures ('NCDs') - tranche-II aggregating to INR 11,300.00 lakhs, comprising of 1,130 debentures of INR 10 lakhs each, bearing interest rate of 8.00% p.a. (effective 8.46% after applicable taxes) were issued by the Company during the year. These NCDs are redeemable on private placement basis at a premium of 3.28% (effective 3.47% after applicable taxes). The carrying value of the NCDs after adjustment of processing fees is INR 10,740.24 lakhs (31 March 2019: Nil)

The NCDs are secured by way of:

1. Pledge of 1,109,104 shares of Gillette India Limited (owned by Adventz Finance Private Limited, a promoter entity) and 5,200,000 shares of Chambal Fertilizers and Chemicals Limited (held by the Company and its subsidiaries) to provide security cover of 2.50 times.
2. Fixed charge on all present and future right, title over on bank deposits made to fulfil the collateral requirements. (Refer note 10.1).

The asset cover of the aforementioned NCDs is more than hundred percentage of the principal outstanding as on 31 March 2020.

Schedule of repayment and redemption for NCDs:

Particulars	Number of NCDs	Redeemable on	Principal
NCDs - Tranche II	1,000	5 December 2022	10,000.00
NCDs - Tranche I	180	15 July 2022	18,000.00
NCDs - Tranche II	130	3 December 2021	1,300.00
NCDs - Tranche I	17	15 July 2021	1,700.00

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

16. Borrowings (Current)

Particulars	As at 31 March 2020	As at 31 March 2019
Secured		
Rupee term loans from financial institution (refer note 16.1.A (i) and (ii) below)	4,115.23	-
Unsecured		
Rupee term loans from banks (refer note 16.1.B below)	-	3,000.00
Rupee term loans from others (refer note 16.1.C below)	2,600.00	500.00
	6,715.23	**3,500.00**

16.1 Notes

A. Rupee term loans from financial institutions (Secured)

i) The Company has taken secured loan for general business purposes, carrying an interest rate 16% per annum having outstanding balance of INR 2,300.00 lakhs (31 March 2019: Nil). The loan was received on 11 December 2019 and is repayable within 6 months from the date of receipt of disbursement.
The loan is secured by pledge of 4,550,000 shares of Chambal Fertilizers and Chemicals Limited (owned by the Company) to provide security cover of 2 times.

ii) The Company has taken secured loan for general business purposes, carrying an interest rate of 13.5% per annum having outstanding balance of INR 1,815.23 lakhs (31 March 2019: Nil). The loan was received on 26 February 2020 and is repayable within 12 months from the date of receipt of disbursement.
The loan is secured by pledge of 4,095,000 shares of Chambal Fertilizers and Chemicals Limited (owned by the Company) to provide security cover of 2.25 times.

B. Rupee term loans from banks (Unsecured)

The Company had taken unsecured loan for general business purposes, carrying an interest rate of MCLR-6M +Spread of 2% having outstanding balance of Nil (31 March 2019: INR 3,000.00 lakhs). The loan was received in October 2018 and same was repayable within 6 months from the date of receipt of proceeds.

C. Rupee term loans from others (Unsecured)

The Company has taken unsecured loans from various parties for general business purposes, carrying interest rates of 12%- 14% per annum having outstanding balance of INR 2,600.00 lakhs (31 March 2019: INR 500.00 lakhs). The loans are repayable within 6 months from the date of receipt/renewal of disbursement.

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

Particulars	Non-Current borrowings (including current maturities)	Current borrowings	Lease liabilities
As at 1 April 2018	-	2,470.00	-
Cash adjustments			
Proceeds from borrowings	8,315.00	4,500.00	-
Repayment of borrowings	-	(3,470.00)	-
Interest payments	(434.31)	(353.62)	-
Non-cash adjustments			
Interest expense	434.31	353.62	-
Effective interest rate adjustments	17.72	-	-
As at 31 March 2019	**8,332.72**	**3,500.00**	**-**
As at 1 April 2019	**8,332.72**	**3,500.00**	**-**

Particulars	Non-Current borrowings (including current maturities)	Current borrowings	Lease liabilities
Cash adjustments			
Proceeds from borrowings (net of processing charges)	31,682.31	10,489.20	-
Repayment of borrowings	(2,447.40)	(7,275.00)	-
Interest payments	(2,278.48)	(441.46)	-
Non-cash adjustments			
Lease liabilities (refer note 35)	-	-	130.33
Interest expense	2,702.18	499.39	10.01
Modification of cash flows not resulting in derecognition of financial liability	246.03	-	-
Effective interest rate adjustments	916.25	1.03	-
As at 31 March 2020*	**39,153.61**	**6,773.16**	**140.34**

*Closing balance includes interest accrued but not due on borrowings amounting to INR 417.12 lakhs (31 March 2019: Nil) and INR 58.26 lakhs (31 March 2019: Nil) on non-current borrowings and current borrowings respectively.

17. Trade payables

Particulars	As at 31 March 2020	As at 31 March 2019
Trade payables		
Due to related parties (refer note 44 for related party disclosure)	42.90	140.42
Due to others	576.05	308.79
	618.95	**449.21**

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

Particulars	As at 31 March 2020	As at 31 March 2019
i) Principal amount due to suppliers under MSMED Act	-	-
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.	-	-
	-	-

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

18. Other financial liabilities

Particulars	Non-Current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Other financial liabilities at amortised cost				
Current maturities of long term borrowings (refer note 15 above)	-	-	3,200.00	1,200.00
Current maturities of lease liabilities (refer note 35)	-	-	19.66	-
Security deposit	0.59	-	500.00	-
Employee benefits payable (refer note 18.1 below)	-	-	194.66	97.01
Interest accrued but not due on borrowings	-	-	475.38	-
Other payables	-	-	115.07	-
Statutory liabilities to be credited to 'Investor's Education and Protection Fund' as and when due:				
- Unclaimed deposits	-	-	1.00	1.00
- Unclaimed dividends	-	-	17.69	19.82
	0.59	**-**	**4,523.46**	**1,317.83**
Financial guarantee contracts (refer note 44 for gross amounts of corporate guarantees given to related parties)	-	-	581.89	766.34
	0.59	**-**	**5,105.35**	**2,084.17**

18.1 Note

Nil (31 March 2019: INR 67.05 lakhs) pertains to employee related payable to the officer of the Company (Managing Director till 14 February 2020). Refer note 44 for related party disclosure.

19. Other current liabilities

Particulars	Non Current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Statutory liabilities	-	-	125.94	93.52
Amount received on account of amount deposited under litigation (refer note 19.1(ii) below)	1,708.35	1,708.35	-	-
Contract liabilities (refer note 19.1(i) below)				
Advances received from customers and others				
- Related parties (refer note 44 for related party disclosure)	-	-	-	107.38
- Others	-	-	1,791.66	3,538.53
	1,708.35	**1,708.35**	**1,917.61**	**3,739.43**

19.1 Notes

i) Refer note 34 for details of significant change in contract liabilities.

ii) INR 1,708.35 lakhs (31 March 2019: INR 1,708.35 lakhs) pertains to amount received from Zuari Agro Chemicals Limited related to tax litigation. Refer note 44 for related party disclosure and note 49 for further details.

20. Provisions

Particulars	Non Current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits				
Gratuity (funded) (refer note 20.1 below)	-	-	26.28	40.87
Compensated absences (refer note 20.1 below)	93.46	226.56	52.74	35.50
	93.46	**226.56**	**79.02**	**76.37**

20.1 Note

Refer note 43 for details of Ind AS 19 "Employee Benefits" disclosures.

21. Advance received against the asset classified as held for sale

Particulars	As at 31 March 2020	As at 31 March 2019
Advance towards sale of Investment property held for sale (refer note 21.1)	3,209.13	3,209.13
	3,209.13	**3,209.13**

21.1 Notes

i) Refer note 44 for related party disclosure.

ii) INR 3,209.13 lakhs (31 March 2019: INR 3,209.13 lakhs) pertains to amount received from Zuari Agro Chemicals Limited related to sale of investment property (refer note 12).

22. Deferred tax

Particulars	As at 01 April 2018	Charged/(credited) to profit and loss	Charged/(credited) to OCI	Charged/(credited) Change in accounting policy	As at 31 March 2019	Charged/(credited) to profit and loss	Charged/(credited) to OCI	As at 31 March 2020
Deferred tax liability:								
Fixed assets Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	66.33	0.34	-	-	66.67	(20.64)	-	46.03
Fair valuation of investment in preference shares	20.08	11.34		-	31.42	6.83		38.25
Expenses allowed on payment basis	-	-	-	-	-	227.58		227.58
Amortisation of financial guarantee liability	35.89	62.20	-	-	98.09	33.11	-	131.20
Rent equalisation reserve	-	-	-	-	-	13.25	-	13.25
Total deferred tax liability (A)	**122.30**	**73.88**	**-**	**-**	**196.18**	**260.13**	**-**	**456.31**
Deferred tax assets:								
Expenses allowable in income tax on payment basis and deposition of statutory dues	67.05	(4.54)	(2.41)	-	60.10	62.19	0.29	122.58
Impact due to change in accounting policies	-	-	-	80.16	80.16	(80.16)	-	-
Total deferred tax assets (B)	**67.05**	**(4.54)**	**(2.41)**	**80.16**	**140.26**	**(17.97)**	**0.29**	**122.58**
Deferred tax liability (net) (A - B)	**55.25**	**78.42**	**2.41**	**(80.16)**	**55.92**	**278.10**	**(0.29)**	**333.73**

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

22.1 Notes

i) 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.

ii) An deductible temporary difference exists on investment in equity shares held as fair value through other comprehensive income ('FVTOCI'). The management has reviewed the same and determined that there is no probability for its reversal in the foreseeable future. As a consequence, no deferred tax asset is recognised for the same as on 31 March 2020.

The amount of deductible temporary differences on which no deferred tax assets are recognised amounted to:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Gross amount	Unrecongnised tax effect	Gross amount	Unrecongnised tax effect
Temporary difference relating to investment in equity shares held as FVTOCI on which deferred tax asset have not being recognised	1,591.75	159.81	-	-
Temporary difference relating to impairment of investment measured at cost on which deferred tax asset have not being recognised	3,689.53	370.43	-	-

iii) The Company has also not recognised deferred tax assets on unused capital losses in absence of reasonable certainty and availability of sufficient future taxable income against which such losses shall be utilised.

The amount of unused capital tax losses on which no deferred tax assets are recognised amounted to:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Gross amount	Unrecongnised tax effect	Gross amount	Unrecongnised tax effect
Unused capital tax losses	2,431.43	244.12	11,931.62	1,197.93

The unused capital tax losses for which no deferred tax assets are recognised are as follow:

Year of expiry	As at 31 March 2020	As at 31 March 2019
Financial year ending 31 March		
2019-20	-	9,500.18
2022-23	373.63	373.63
2023-24	8.24	8.24
2026-27	2,049.56	2,049.56

22A. Income Tax

Profit and loss section

Particulars	As at 31 March 2020	As at 31 March 2019
Tax expense:		
Current tax (A)	143.97	344.80
Income tax adjustment for earlier years (B) (refer note 48)	27.32	(1,182.75)
Current tax including adjustment for earlier years C=(A+B)	**171.29**	**(837.95)**
Deferred tax (D)	**278.10**	**78.42**
Income tax expense reported in the statement of profit or loss (C+D)	**449.39**	**(759.53)**

OCI section

Particulars	As at 31 March 2020	As at 31 March 2019
Re-measurement gain/(losses) on defined benefit plans	(1.14)	8.26
Income tax effect	0.29	(2.41)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31 March 2020 and 31 March 2019

Particulars	As at 31 March 2020	As at 31 March 2019
Accounting profit	1,741.80	3,268.17
Tax at the applicable tax rate of 25.168% (31 March 2019: 29.12%)	438.38	951.69
Tax effect of income that are not taxable in determining taxable profit:		
Dividend income	(916.04)	(346.16)
Finance cost reversal pursuant to order giving effects of Income tax	-	(194.84)
Other adjustments	-	(9.91)
Tax effect of expenses that are not deductible in determining taxable profit:		
Disallowance u/s 14A	1.51	2.26
Unrecognised deferred tax on impairment of investment	928.58	-
Other adjustments	6.46	(5.46)
Donation and CSR expense	-	25.64
Previous year tax adjustment	-	(1,182.75)
Impact of change in tax rate		
Remeasurement of deferred tax liabilitied due to change in tax rate (refer note below)	(9.49)	-
Tax expense	**449.39**	**(759.53)**

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

The Company has elected to exercise the option of reduced income-tax rates permitted under section 115BBA of Income-tax Act 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the applicable income tax rate shall be 22% plus applicable surcharge and cess i.e. 25.168% and deferred tax liabilities (net) are re-measured basis the rate prescribed in the said section subject to certain conditions as prescribed therein. Impact of this change amounting to INR 9.49 lakhs has been recognized during the year ended 31 March 2020. Accordingly, tax expense presented in the financial statements for the year ended 31 March 2020 is lower by one time credit of INR 9.49 lakhs on account of remeasurement of deferred tax liabilities (net).

Income tax assets (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Income tax assets (net)	2,135.68	1,643.89
	2,135.68	**1,643.89**

Current tax liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Current tax payable	-	3.73
	-	**3.73**

23. Revenue from operations

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from contracts with customers (refer note 34):		
Revenue from real estate project	4,826.48	-
Revenue from sale of land	570.00	-
Rental income from investment properties (refer note 44 for details of related parties)	319.99	247.69
	5,716.47	**247.69**

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

24. Other income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest on:		
Bank deposits	42.80	1.97
Intercorporate loans (refer note 44 for interest earned on loans given to related parties)	4,713.32	1,607.17
Income tax refunds	-	809.45
Employee loans	0.10	0.21
Dividend from:		
Investments mandatorily measured at FVTPL	6.71	7.82
Equity investments designated at FVTOCI	3,633.01	1,180.90
Reversal of finance cost of previous year (refer note 48 for further details)	-	669.09
Income from financials guarantee	184.45	213.60
Management consulting income (refer note 44 for details of related parties)	196.54	195.75
Profit on sale of property, plant & equipment	7.34	-
Gain arising on financial assets as at fair value through profit and loss	44.09	38.94
Balances written back (refer note 44 for details of related parties)	0.25	39.75
Exchange fluctuation (net)	5.64	0.08
Miscellaneous income (refer note 44 for details of related parties)	71.22	47.28
	8,905.47	**4,812.01**

25. Project expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Architect fees	28.79	16.98
Consultancy expenses	107.59	25.13
Civil work	1,187.18	688.74
Development management cost (refer note 44 for details of related parties)	169.21	93.52
Interest expense (Refer note 25.1(i) below)	452.03	297.04
Miscellaneous expenses	65.75	49.12
	2,010.55	**1,170.53**

25.1 Notes

i) The amount pertains to financing component on advance from customer.

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

26. Changes in inventories of stock in trade and work-in-progress

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Stock in trade		
Closing stock	21,768.19	21,936.04
Opening stock	21,936.04	21,936.04
(Increase) / decrease (A)	**167.85**	**-**
Project work in progress		
Closing stock	2,344.37	3,926.87
Opening stock	3,926.87	1,619.52
Adjustment on account of IND AS 115 (refer note 26.1 below)	-	1,136.82
(Increase) / decrease (B)	**1,582.50**	**(1,170.53)**
Total (A+B)	**1,750.35**	**(1,170.53)**

(All amounts in INR lakhs, unless stated otherwise)

26.1 Note

Adjustment of Ind AS 115 during the previous year, was in respect of transfer of project cost booked in statement of profit and loss till 31 march 2018 and financing component adjustment related to previous years.

27. Employee benefit expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and bonus	394.27	454.71
Contribution to provident and other funds (refer note 43 for Ind AS 19 disclosures)	59.04	62.35
Gratuity (refer note 43 for Ind AS 19 disclosures)	9.18	8.61
Leave encashment (refer note 43 for Ind AS 19 disclosures)	(14.46)	(10.53)
Staff welfare expenses	9.11	8.37
	457.14	**523.51**

28. Finance costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expense	4,123.05	795.61
Interest expense relating to financing component on advance from customer	452.03	297.04
Modification of financial liability (refer note 28.1)	246.03	-
Interest on lease liabilities (refer note 35)	10.01	-
Other borrowing costs	-	10.04
	4,831.12	**1,102.69**
Less: Transferred to project expense	452.03	297.04
	4,379.09	**805.65**

28.1 Note

The contractual repayment terms (including rate of interest) on one of the loans of the Company were renegotiated during the year, leading to change in cash outflows. The modification does not result in the derecognition of the financial liability as the change was non-substantial. Accordingly, the gross carrying amount of the financial liability has been adjusted with the amount of modification loss.

29. Depreciation and amortization expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation of property, plant and equipment	16.44	17.46
Depreciation of right of use assets (refer note 35)	8.45	-
Amortisation of intangible assets	0.74	0.19
Depreciation of investment property	4.90	4.26
	30.53	**21.91**
Less: Transferred to project expense	6.00	5.99
	24.53	**15.92**

30. Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Rates and taxes	12.52	16.61
Insurance	2.66	2.74
Repairs and maintenance - Others	8.01	4.23
Payments to auditors (refer note 30(i) below)	36.28	27.30
Corporate social responsibility expense (refer note 30(ii) below)	-	75.56
Consultancy charges	155.00	149.13
Advertising and sales promotion	73.96	18.87
AGM expenses	20.52	34.77
Brokerage and commission	181.91	-
Donation	-	25.00
Directors sitting fees (refer note 44 for details of related parties)	17.15	16.60
Travelling and conveyance	24.23	32.68
Miscellaneous expenses	36.71	42.96
	568.95	**446.45**

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

30(i). Details of payments to auditors

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
As auditors:		
Audit fees	11.25	11.00
Tax audit fee	2.00	2.00
Limited review fees	18.00	12.00
In other capacity		
Goods and services tax audit	3.00	-
Certification fees, etc.	-	0.25
Reimbursement of expenses	2.03	2.05
	36.28	**27.30**

30(ii) : Disclosure relating to corporate social responsibility (CSR) expenditure

In light of Section 135 of the Companies Act 2013, the Company has incurred INR Nil during the current year on Corporate Social Responsibility (CSR) against gross amount required to be spent INR 49.87 lakhs (31 March 2019: INR 51.00 lakhs)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(i) Gross amount required to be spent by the Company during the year	**49.87**	**51.00**
(ii) Amount spent during the year on the following		
1. Making available safe drinking water	-	23.57
2. Donating furniture for setting up old age homes (refer note 44 for details of related parties)	-	51.99
	-	**75.56**

31. Exceptional item

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Impairment of investment (refer note 31.1 below)	3,689.53	-
	3,689.53	**-**

31.1 Note

The Company has investments in equity/preference share capital, equity portion of corporate guarantee and loans amounting to INR 7,611.18 lakhs in Indian Furniture Products Limited (IFPL), a subsidiary company which is in the business of distribution and retailing of Furniture and related items. The Company has assessed the future projections of IFPL and basis the review of current situation and future prospects of furniture business, an impairment loss on investments amounting to INR 3,689.53 lakhs have been recognized in the standalone financial statements, for the year ended 31 March 2020. The same has been disclosed as exceptional item above.

32. Dividends paid

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Dividends on equity shares declared and paid:		
Final equity dividends: INR 1 per equity share (31 March 2019: INR 1 per equity share)	296.65	296.78
Dividend distribution tax on final dividend	60.52	60.52
	357.17	**357.30**
Proposed dividends on equity shares:		
Proposed final equity dividends: INR 1 per equity share (31 March 2019: INR 1 per equity share)	294.41	294.41
Tax on proposed equity dividend	60.52	60.52
	354.93	**354.93**

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.

33. 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 2020	For the year ended 31 March 2019
Profit after taxation as per statement of profit and loss (INR in lakhs)	1,292.41	4,027.70
Weighted average number of shares used in computing earnings per share - basic and diluted	2,94,40,604	2,94,40,604
Earnings per share – basic and diluted (in INR)	4.39	13.68
Face value per share (in INR)	10.00	10.00

34. Disclosures of revenue recognition as per Ind AS 115

Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a five step approach:

(i) Identify the contract(s) with customer;

(ii) Identify separate performance obligations in the contract;

(iii) Determine the transaction price;

(iv) Allocate the transaction price to the performance obligations; and

(v) Recognise revenue when a performance obligation is satisfied.

Significant changes in contract assets and liabilities

Contract liabilities - advance from customers	31 March 2020	31 March 2019
Opening balance of Contract liabilities	**3,645.91**	**774.56**
Less: Amount of revenue recognised against opening contract liabilities	(3,359.88)	(36.62)
Add: Addition in balance of contract liabilities for current year	3,572.77	2,907.97
Less: Amount of revenue recognised against Current year Contract liabilties	(2,067.14)	-
Closing balance of Contract liabilities	**1,791.66**	**3,645.91**

Contract assets - unbilled revenue	31 March 2020	31 March 2019
Opening balance of contract assets	**-**	**18.75**
Less: Amount of unbilled revenue transferred to advance from customer	-	18.75
Add: Addition in balance of contract assets for current year	-	-
Closing balance of contract assets	**-**	**-**

Contract assets - cost Incurred to obtain a contract	31 March 2020	31 March 2019
Opening balance of contract assets	178.61	-
Add: Addition in balance of prepaid expenses in current year	36.87	178.61
Less: Amount of prepaid expense recorded as expense in statement of profit & loss in current year	(179.90)	-
Closing balance of contract assets	**35.58**	**178.61**

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Refer table below for further details.

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Description	31 March 2020	31 March 2019
Amounts included in contract liabilities at the beginning of the year	3,359.88	36.62
Performance obligations satisfied in previous years	Nil	Nil

Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by segment and type

Revenue by type	31 March 2020	31 March 2019
Revenue from real estate project	4,826.48	-
Revenue from sale of land	570.00	-
Rental income from investment properties	319.99	247.69
	5,716.47	**247.69**

Transaction price allocated to the performance obligation (yet to complete)

The aggregate amount of transaction price allocated to the performance obligations (yet to complete) as at 31 March 2020 is INR 1,791.66 lakhs (31 March 2019: INR 3,645.91 lakhs). This balance represents the advance received from customers (gross) against sale of real estate properties. The management expects to further bill and collect the remaining balance of total consideration in the coming years. These balances will be recognised as revenue in future years as per the policy of the Company.

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the revenue as per contracted price:

	31 March 2020	31 March 2019
Revenue as per contracted price	4,896.40	247.69
Significant financing component	820.07	-
	5,716.47	**247.69**

Assets and liabilities related to contracts with customers

	31 March 2020	31 March 2019
Trade receivables	168.38	4.51
Contract assets		
Cost Incurred to obtain a contract	35.58	178.61
Contract liabilities		
Advance from customers	1,791.66	3,645.91

Revenue from operations as per Ind AS 115

Performance obligation of the Company

The agreement to sell states that the Customer is entitled to a fully developed residential apartments and vills. There can be various goods like labour, building materials, etc. and construction services that are integrated to construct and provide a built up apartments and villas. However, the ancillary services like parking lot, gymnasium, club membership etc., do not affect the benefits that customer may obtain from the apartment individually. The Company is providing a significant integration service of combining the material and construction services for the overall promise is to deliver the fully built apartment/villa/floor in a township together with ancillary parking space. On the other hand, facilities like gymnasium and club membership separately identifiable and the intent Company does not really integrate them with construction service to deliver a combined output.

Based on above analysis, the performance obligation is identified as:

- A fully developed apartment/villa in the township

- Ancillary amenities like: club membership, gymnasium membership etc.

The price charged from the customer shall be allocated on respective obligations based on their standalone selling price. Further, there is a significant time gap between the payments received from customers and the point of revenue recognition. Hence, it is concluded by the Company that there is a financing component on funds received from customer as the Company uses such advances for funding its construction per the guidance of Ind AS 115.

35. Lease disclosures

The Company has adopted Ind AS 116 "Leases" effective 1 April 2019 and there was no lease contract of the Company as a lessee as at that date. However, the Company had several lease contracts as a lessor and on transition, a lessor is not required to make any adjustments for leases as per Ind AS 116. Accordingly, the Company has accounted for the leases as by applying this Standard from the date of initial application.

Where Company is a lessee

During the current year, the Company has entered into a lease contract for its office building having lease term of nine years. The Company is restricted from assigning and subleasing the leased assets, with exception in certain cases. The lease has a lock-in period of 3 years and an option with the lessee to terminate the lessee after the said period. The Company does not have any variable lease payment arrangements.

i. Right of Use assets

Right to use assets related to leased building is presented below:-

	For the year ended 31 March 2020
Recognised as at 1 April 2019	-
Additions	130.33
Depreciation	(8.45)
Closing Balance as on 31 Mar 2020	**121.88**

ii. Lease Liabilties

	For the year ended 31 March 2020
Recognised as at 1 April 2019	-
Addition	130.33
Interest accured	10.01
Lease payments	-
Closing Balance as at 31 March 2020	**140.34**
Current (current maturities of lease liabilties)	19.66
Non current	120.68

Notes

a) Total cash outflow for lease during the year ended 31 March 2020 is Nil.

b) The effective interest rate for lease liabilities is 12%, with maturity between 2021-2028. Refer note 39 for maturity analysis of lease liabilities.

iii. Amount recognised in statement of profit and loss

	For the year ended 31 March 2020
Depreciation (refer note 29)	8.45
Interest on lease liabilties (refer note 28)	10.01
Net impact on statement of profit and loss	**18.46**

Where Company is a lessor

The Company has entered into operating leases on its investment properties in Goa consisting of land and building (refer note 4). These leases have terms between 2 years to 99 years. The leases do not transfer substantially all the risks and rewards incidental to ownership of the assets hence the same are being classified as operating leases. Rental income recognised during the year is INR 319.99 lakhs (31 March 2019: INR 247.69 lakhs).

Undiscounted lease payments to be received under operating leases as at 31 March are as follows:

	31 March 2020
Within one year	233.18
After one year but not more than five years	115.56
More than five years	2175.71

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020
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36. 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.

A. 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:

i) 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.

ii) 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.

iii) 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

iv) Revenue recognition

Revenue is recognized and requires significant judgments to be applied in determining whether the amount of revenue is to be recognised over time or in time involves various judgments such as whether the Company has enforceable right to payment or performance completed to date or the customer controls as the assets is created etc. Significant judgements are also involved in estimating the amount of significant financing component from the total contract value.

v) Determining the lease term of contracts with renewal and termination options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

B. 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.

i) 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.

ii) 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.

iii) 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.

(All amounts in INR lakhs, unless stated otherwise)

iv) 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 43.

v) 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.

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

1) Disclosure of Interest in the following categories of joint ventures:

	Name	Method used to account for investments	Country of incorporation / principal place of business	Ownership interest of ZGL (%)	
				As at 31 March 2020	As at 31 March 2019
1	Zuari Indian Oiltanking Private Limited	Cost	India	50.00%	50.00%
2	Forte Furniture Products India Private Limited	Cost	India	48.98%	48.98%

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 at 31 March 2020	As at 31 March 2019
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 & Power Limited	Cost	India	100.00%	100.00%
7	Zuari Finserv 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 at 31 March 2020	As at 31 March 2019
1	Zuari Agro Chemicals Limited	Fair value through OCI	India	32.08%	32.08%

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

38. Contingencies

A Contingent liabilities

a) Litigations

Particulars	As at 31 March 2020	As at 31 March 2019
i) Tax demands in excess of provisions (pending in appeals)*:		
-Income taxes	3,591.18	3,407.83
-Wealth taxes	565.78	565.78

* Including demands where the order of Hon'ble High Court of Bombay has been received and the Company is in the process of filing appeal to the Hon'ble Supreme Court.

Further, the Company has certain litigations involving employees, for which a sufficiently reliable estimate of the amount of the obligation cannot be made. Based on management assessment and in-house legal team's 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.

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

Particulars	As at 31 March 2020	As at 31 March 2019
Simon India Limited	12,500.00	12,500.00
Indian Furniture Products Limited	8,000.00	8,000.00
Gobind Sugar Mills Limited	43,091.93	43,091.93
Zuari Infraworld India Limited	21,000.00	21,000.00
Zuari Sugar & Power Limited	10,000.00	10,000.00
Zuari Infraworld SJM Properties LLC	13,676.00	13,676.00
	1,08,267.93	**1,08,267.93**

B.1 The Company, in the previous year ended, has provided Corporate guarantee of USD 20.00 million {INR 13,676.00 lakhs at closing rate of 1 USD = INR 68.38 (31 March 2019: INR 13,676 lakhs)} and security to Yes bank for extending term loan to Zuari Infraworld SJM Properties LLC, step down overseas subsidiary of the Company. As on 31 March 2020, loan disbursement amount is of USD 30.00 million (31 March 2019: USD 30.00 million). Further, the Company has provided mortgage on land having survey no. 178/1 admeasures 167,990 square meter, survey no. 195/1 admeasures 32,090 square meter, survey no. 251/1 admeasures 30,275 square meter, survey no. 252/1 admeasures 9,514 square meter, survey no. 188/1 admersures 27,283 square meter and survey no. 189/1 admersures 117,783 meter square located in Goa owned by Zuari Global limited and Zuari Agro Chemicals Limited.

B.2 The Company has provided following securities to Indusind Bank for extending loan to Zuari Sugar & power Limited (ZSPL), wholly owned subsidiary of the Company. As on 31 March 2020, loan disbursement amount is of INR 6,298.50 lakhs (31 March 2019: INR 8,997.75 lakhs):

a. Exclusive charge on immovable fixed assets 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.

B.3 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 8,075 sq. mtrs, survey No 121 admeasures 32,239 sq. mtrs, survey No 129/1 admeasures 24,625 sq. mtrs, survey No 130/1 admeasures 86,175 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.

C Assets pledged as security

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

Particulars	As at 31 March 2020	As at 31 March 2019
Current		
Financial assets		
i) Investment	-	65.03
ii) Trade receivables	168.38	4.51
iii) Cash and cash equivalents	309.73	231.44
iv) Other bank balances	5,431.27	20.40
v) Loans	11,566.27	13,036.58
vi) Other financial assets	285.63	567.08
Other current assets	377.70	462.10
Non-financial assets		
i) Inventories	16,868.53	16,868.53
Total current assets pledged as security	**35,007.51**	**31,255.67**
Non-financial assets		
i) Property, plant & equipment	37.33	124.22
i) Right to use assets	121.88	-
iii) Investment property	223.66	228.56
iv) Other intangible assets	1.34	2.08
Financial assets		
i) Investment (refer note C.1 below)	65,611.42	-
Total non-current assets pledged as security	**65,995.63**	**354.86**
Total assets pledged as security	**1,01,003.14**	**31,610.53**

C.1 Including 35,696,078 shares of Chambal Fertilizers & Chemical Limited (amounting to INR 38,712.40 lakhs as on 31 March 2020) pledged by the Company to the lenders of its subsidiaries and associate as follows:

- 19,726,078 shares pledged on behalf of Zuari Agro Chemicals Limited
- 10,720,000 shares pledged on behalf of Zuari Investments Limited
- 5,250,000 shares pledged on behalf of Zuari Sugar & Power Limited

Including 3,000,000 shares of Zuari Agro Chemical Limited (amounting to INR 1,852.50 lakhs as on 31 March 2020), pledged by the Company on behalf of Zuari Management Services Limited.

D. The Company has undertaken to provide continued financial support to Indian Furniture Products 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.

39. 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, if any as at 31 March 2020.

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.

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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 2020 and 31 March 2019.
- The sensitivity of equity is calculated at 31 March 2020 and 31 March 2019 for the effects of the assumed changes of the underlying risk.

(i) Interest rate risk

Applicability - Financial liabilities

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 fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change 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 2020	31 March 2019
Variable rate borrowings	8,640.38	3,000.00
Fixed rate borrowings	36,811.01	9,000.00

Interest rate sensitivity

Particulars	Effect on profit before tax	Effect on pre-tax equity
31 March 2020		
Interest rate- increased by 50 basis points	46.78	46.78
Interest rate- decreased by 50 basis points	(46.78)	(46.78)
31 March 2019		
Interest rate- increased by 50 basis points	6.33	6.33
Interest rate- decreased by 50 basis points	(6.33)	(6.33)

(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. The Company has one international transactions and is exposed to foreign exchange risk arising from that foreign currency transactions (guarantee commission). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company does not hedge its foreign exchange receivables.

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 2020	+5%	-	-
	-5%	-	-
As at 31 March 2019	+5%	0.74	0.74
	-5%	(0.74)	(0.74)

	Change in USD rate	Effect on profit before tax	Effect on pre-tax equity
As at 31 March 2020	+7%	6.55	6.55
	-7%	(6.55)	(6.55)
As at 31 March 2019	+7%	1.75	1.75
	-7%	(1.75)	(1.75)

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 AED where the functional currency of the entity is a currency other than USD and AED.

(iii) Equity price risk

Applicability

The Company's investment in 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.

Exposure

The exposure of equity securities price risk arises from investment FVTOCI held by the company. At the reporting date, the exposure to listed equity securities at fair value was INR 78,235.19 lakhs (31 March 2019: INR 132,112.15 lakhs) and unlisted equity securities at fair value is INR 52.16 lakhs (31 March 2019: INR 60.23 lakhs), which are classified at FVTOCI and to current investments (i.e. mutual funds) of Nil (31 March 2019: INR 65.03 lakhs) classified at FVTPL. Refer note 41 Fair values measurement.

Equity price sensitivity

The table below summarises the impact of increase/decrease of the index on the Company's equity and profit for the period. The analysis is based on the assumption that the equity index had increased by 5% or decreased by 5% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Particulars	Impact on profit after tax	Impact on other components of equity
31 March 2020		
NSE Nifty 50-increases by 5%	-	3,911.76
NSE Nifty 50-decreases by 5%	-	(3,911.76)
31 March 2019		
NSE Nifty 50-increases by 5%	3.25	6,605.61
NSE Nifty 50-decreases by 5%	(3.25)	(6,605.61)

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) Credit risk management

i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

Asset group	Basis of categorisation	Provision for expenses credit loss
A: Low credit risk	Trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets	12 month expected credit loss/ Life time expected credit loss
B: Moderate credit risk	Loans and other financial assets	Life time expected credit loss

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(All amounts in INR lakhs, unless stated otherwise)

In respect of trade receivables, the Company recognises a provision for lifetime expected credit loss.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and financial institutions and diversifying bank deposits and accounts in different banks. Credit risk is considered low because the Company deals with highly rated banks and financial institution. Loans and other financial assets measured at amortized cost includes unbilled revenue, long-term bank deposits, security deposits and other receivables. Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits. Credit risk is considered low because the Company is in possession of the underlying asset. Further, the Company creates provision by assessing individual financial asset for expectation of any credit loss basis 12 month expected credit loss model.

ii) Concentration of financial assets

The Company's principal business activities are development of real estate projects and rental income. Loans and other financial assets majorly represents money advanced for business purposes. The Company's exposure to credit risk for trade receivables is presented below.

Particulars	31 March 2020	31 March 2019
Real estate receivables	116.35	-
Rental receivables	52.03	4.51

B) Credit risk exposure

Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets

As at 31 March 2020

Particulars	Estimated Gross carrying amount	Expected credit losses	Carrying amount net of impairment loss
Cash and cash equivalent	309.73	-	309.73
Other bank balances	5,431.27	-	5,431.27
Loans	53,369.76	-	53,369.76
Other financial assets	286.85	-	286.85

As at 31 March 2019

Particulars	Estimated Gross carrying amount	Expected credit losses	Carrying amount net of impairment loss
Cash and cash equivalent	231.44	-	231.44
Other bank balances	20.40	-	20.40
Loans	19,919.82	-	19,919.82
Other financial assets	568.30	-	568.30

Expected credit loss for trade receivables under simplified approach

a) Real estate business receivables

The Company considers provision for lifetime expected credit loss. Given the nature of business operations, the Company's receivables from real estate business does not have any expected credit loss as transfer of legal title of properties sold is generally passed on to the customer, once the Company receives the entire consideration and hence, these are been considered as low credit risk assets. Further, during the periods presented, the Company has made no write-offs of receivables.

b) Rental business receivables

The Company considers provision for lifetime expected credit loss. Given the nature of business operations, the receivables from rental business has low credit risk as the Company always obtain advance rentals for premises given on rentals.

(All amounts in INR lakhs, unless stated otherwise)

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.

Contractual maturity of Financial Liabilities	Less than 1	1 to 5 years	> 5 years	Total
Year ended 31 March 2020				
Borrowings	14,238.57	44,572.48	-	58,811.05
Lease liabilities	33.57	119.55	67.77	220.89
Trade payables	618.95	-	-	618.95
Other financial liabilities	828.42	0.59	-	829.01
Financial guarantee contracts	581.89	-	-	581.89
	16,301.41	**44,692.62**	**67.77**	**61,061.80**
Year ended 31 March 2019				
Borrowings	5,708.26	7,172.50	2,673.69	15,554.45
Trade payables	449.21	-	-	449.21
Other financial liabilities	1,317.83	-	-	1,317.83
Financial guarantee contracts	766.34	-	-	766.34
	8,241.64	**7,172.50**	**2,673.69**	**18,087.83**

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

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured working capital facilities		
Amount used	6,715.23	3,500.00
Amount unused	-	-
Total	**6,715.23**	**3,500.00**

40. 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 company. 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.

Particulars	At 31 March 2020	At 31 March 2019
Borrowings	45,451.39	11,832.72
Trade payables	618.95	449.21
Less: Cash and cash equivalents	309.73	231.44
Net debts	**45,760.61**	**12,050.49**
Total Capital	**1,31,089.28**	**1,84,037.68**
Capital and net debt	**1,76,849.89**	**1,96,088.17**
Gearing ratio (%)	**25.88%**	**6.15%**

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.

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

41. Fair values measurements

Financial instruments by category

	31 March 2020			31 March 2019		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments						
-Quoted equity shares (refer note (i) below)	-	78,235.19	-	-	1,32,112.15	-
-Un-quoted equity shares	-	52.16	-	-	60.23	-
-Redeemable convertible non-cumulative preference shares of IFPL	380.30	-	-	336.21	-	-
-Mutual funds	-	-	-	65.03	-	-
Trade receivable	-	-	168.38	-	-	4.51
Cash and cash equivalents	-	-	309.73	-	-	231.44
Other bank balances	-	-	5,431.27	-	-	20.40
Loans	-	-	53,369.76	-	-	19,919.82
Others financial assets	-	-	286.85	-	-	568.30
Total financial assets	**380.30**	**78,287.35**	**59,565.99**	**401.24**	**1,32,172.38**	**20,744.47**
Financial liabilities						
Borrowings (including interest accrued and current maturities of long term borrowings)	-	-	45,926.77	-	-	11,832.72
Lease liabilities	-	-	140.34	-	-	-
Financial guarantee liability	-	-	581.89	-	-	766.34
Trade payables	-	-	618.95	-	-	449.21
Other financial liability	-	-	829.01	-	-	117.83
Total financial assets	**-**	**-**	**48,096.96**	**-**	**-**	**13,166.10**

Notes

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

(ii) Investment in subsidiaries and joint ventures are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.

42. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2020:

Particulars	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 2020)				
A. FVOCI financial instruments:				
Quoted equity shares	78,235.19	78,235.19	-	-
Unquoted equity shares	52.16	-	-	52.16
B. FVPL financial instruments:				
Redeemable convertible non-cumulative preference shares of IFPL	380.30	-	-	380.30
Mutual funds	-	-	-	-
Financial assets measured at fair value (31 March 2019)				
A. FVOCI financial instruments:				
Quoted equity shares	1,32,112.15	1,32,112.15	-	-
Unquoted equity shares	60.23	-	-	60.23
B. FVPL financial instruments:				
Redeemable convertible non-cumulative preference shares of IFPL	336.21	-	-	336.21
Mutual funds	65.03	65.03	-	-

There have been no transfers between Level 1 and Level 2 during the period.

(All amounts in INR lakhs, unless stated otherwise)

There are not any non-recurring fair value measurements.

i) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include -

a) 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.

b) 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.

c) The fair value of 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 discount rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below in point (iv). Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

d) The fair value of Mutual Funds is determined using the NAV at the balance sheet date.

e) The fair values of the quoted equity shares are based on price quotations at the reporting date.

ii) The following table presents the changes in level 3 items for the period ended 31 March 2020 and 31 March 2019

	Redeemable convertible non-cumulative preference shares	Investment in Unquoted equity shares	Total
As at 1 April 2018	**297.27**	**55.00**	**352.27**
Gains recognised in statement of profit and loss	38.94	-	38.94
Gains recognised in other comprehensive income	-	5.23	5.23
As at 31 March 2019	**336.21**	**60.23**	**396.44**
Gains recognised in statement of profit and loss	44.09	-	44.09
Loss recognised in other comprehensive income	-	(8.07)	(8.07)
As at 31 March 2020	**380.30**	**52.16**	**432.46**

(iii) Financial instruments measured at amortised cost

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.

43. Employee benefits

Defined contribution plan

Contribution to defined contribution plans, recognised as expense for the year ended is as under:

Particulars	31 March 2020	31 March 2019
Employer's contribution to provident fund	27.20	27.62
Employer's contribution to superannuation fund	14.02	16.00
Employer's contribution to labour welfare fund	0.02	0.02
Employer's contribution to contributory provident fund	3.14	3.02
Employer's contribution to national pension scheme	14.66	15.69
	59.04	**62.35**
Defined benefit plans		
Expense recognised in relation to defined benefit plans is as under:		
a) Compensated absences (Unfunded)	(14.46)	(10.53)
b) Gratuity (Funded)	9.18	8.61

These plans typically expose the company to following actuarial risks:

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

Salary increases
Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

Investment Risk
If plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Discount Rate
Reduction in discount rate in subsequent valuations can increase the plan's liability.

Mortality & disability
Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Withdrawals
Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

A) Compensated absences (Unfunded)
The leave obligations cover the company's liability for permitted leaves. The amount of provision of INR 52.74 lakhs (31 March 2019: INR 35.50 lakhs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The weighted average duration of the defined benefit obligations 10.70 years (31 March 2019: 9.35 years).

Amount recognised in the statement of profit and loss is as under:

Particulars	31 March 2020	31 March 2019
Total service cost	14.22	17.81
Net interest cost	20.31	21.55
Net actuarial (gain)/loss for the year	(48.99)	(49.89)
Expense recognized in the statement of profit and loss	**(14.46)**	**(10.53)**

Actuarial gain/(loss) on obligation

Particulars	31 March 2020	31 March 2019
Actuarial (gain)/loss arising from the change in demographic assumption	-	-
Actuarial (gain)/loss arising from the change in financial assumption	(0.50)	-
Actuarial (gain)/loss arising from experience adjustment	(48.49)	(49.89)

Movement in the liability recognized in the balance sheet is as under:

Particulars	31 March 2020	31 March 2019
Present value of defined benefit obligation at the beginning of the year	262.06	278.07
Acquisition adjustment	(89.85)	3.12
Current service cost	14.22	17.81
Interest cost	20.31	21.55
Actuarial (gain) on obligation	(48.99)	(49.89)
Benefits paid	(11.55)	(8.60)
Present value of defined benefit obligation at the end of the year	**146.20**	**262.06**

(All amounts in INR lakhs, unless stated otherwise)

Bifurcation of projected benefit obligation at the end of the year in current and non-current

Particulars	31 March 2020	31 March 2019
a) Current liability (amount due within one year)	52.74	35.50
b) Non - current liability (amount due over one year)	93.46	226.56
Total projected benefit obligation at the end of the year	**146.20**	**262.06**

For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	31 March 2020	31 March 2019
Discount rate	6.85%	7.75%
Salary escalation rate	8% for first 2 years and 6.5% thereafter	9% for first 2 years and 7.5% thereafter
Mortality rate	100% of IALM (2012 -14)	100% of IALM (2006 - 08)

As the company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan of Defined Benefit Obligation	31 March 2020	31 March 2019
a) 0 to 1 year	52.66	35.50
b) 2 to 5 year	46.77	165.87
c) 6 to 10 year	39.56	52.86
d) More than 10 years	7.21	7.83
	146.20	**262.06**

Sensitivity analysis for compensated absences liability

Particulars	31 March 2020	31 March 2019
a) Impact of the change in discount rate		
Present value of obligation at the end of the year	146.20	262.06
i) Impact due to increase of 0.50 %	(2.40)	(4.12)
ii) Impact due to decrease of 0.50 %	2.55	4.26
b) Impact of the change in salary escalation rate		
Present value of obligation at the end of the year	146.20	262.06
i) Impact due to increase of 0.50 %	2.54	4.24
ii) Impact due to decrease of 0.50 %	(2.41)	(4.14)

B) Gratuity (funded)

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 an insurance company in the form of a qualifying insurance policies.

Particulars	31 March 2020	31 March 2019
Plans		
- Gratuity (funded)	(26.28)	(40.87)
Total	**(26.28)**	**(40.87)**

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

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 2020

Particulars	31 March 2020	31 March 2019
Current service cost	6.01	5.72
Net interest cost	3.17	2.89
Total	**9.18**	**8.61**

Amount recognised in other comprehensive income for the year ended 31 March 2020

Particulars	Gratuity	
	31 March 2020	31 March 2019
Actuarial (gain)/ loss on obligations	(0.10)	(3.30)
Return on plan assets (excluding amounts included in net interest expense)	(4.96)	1.24
Total	**(5.06)**	**(2.07)**

Changes in the present value of the defined benefit obligation for the year ended 31 March 2020 are as follows:

Particulars	Gratuity	
	31 March 2020	31 March 2019
Opening defined obligation	82.65	71.46
Current service cost	6.01	5.72
Acquisition adjustment	(24.91)	3.25
Interest cost	6.41	5.54
Re-measurement (or actuarial) (gain) / loss arising from:	-	
- change in demographic assumption	0.04	-
- change in financial assumptions	0.21	-
- experience variance (i.e. actual experiences assumptions)	(0.34)	(3.32)
Defined benefit obligation	**70.07**	**82.65**

Changes in the fair value of plan assets are as follows:

Gratuity

Particulars	31 March 2020	31 March 2019
Fair value of plan assets	41.78	34.17
Interest income	2.01	7.61
Return on plan assets (excluding amounts included in net interest expense) - OCI	-	-
Benefits paid	-	-
Closing fair value of plan assets	**43.79**	**41.78**

The company expects to contribute INR 26.28 lakhs (31 March 2019: INR 19.02 lakhs) towards gratuity during the year 2020-21.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	31 March 2020	31 March 2019
Investment with insurer (Life Insurance Corporation of India)	43.79	41.78

Breakup of actuarial (gain)/loss:

Particulars	31 March 2020	31 March 2019
Actuarial (gain)/loss from change in demographic assumption	0.04	-
Actuarial (gain)/loss from change in financial assumption	0.21	-
Actuarial (gain)/loss from experience adjustment	(0.34)	(3.32)
Total actuarial (gain)/loss	**(0.09)**	**(3.32)**

(All amounts in INR lakhs, unless stated otherwise)

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	31 March 2020	31 March 2019
Discount rate (in %)	6.85%	7.75%
Salary escalation (in %)	8% for first 2 years and 6.5% thereafter	9% for first 2 years and 7.5% thereafter
Mortality rate (%)	100% of IALM (2012-14)	100% of IALM (2006-08)
Withdrawal rate (per annum)	1% - 3%	1% - 3%
Weighted average duration	10.70	10.60

A quantitative sensitivity analysis for significant assumption as at 31 March 2020 is as shown below:

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	(1.26)	1.35	1.10	(1.03)

A quantitative sensitivity analysis for significant assumption as at 31 March 2019 is as shown below:

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	(1.49)	1.56	1.04	(0.99)

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	31 March 2020	31 March 2019
Within the next 12 months (next annual reporting period)	24.44	19.02
Between 2 and 5 years	4.13	4.60
Between 5 and 10 years	5.69	6.17
Beyond 10 years	35.81	52.86
	70.07	**82.65**

44. 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. Zuari Infraworld India Limited
2. Zuari Infra Middle East Limited, a subsidiary of Zuari Infraworld India Limited
3. Zuari Infraworld SJM Properties LLC (Formerly known as SJM Elysium Properties LLC), a subsidiary of Zuari Infra Middle East Limited
4. Zuari Management Services Limited
5. Indian Furniture Products Limited
6. Simon India Limited
7. Zuari Investments Limited
8. Zuari Finserv Limited
9. Zuari Sugar & Power Limited
10. Gobind Sugar Mills Limited, a subsidiary of Zuari Investments Limited
11. Zuari Insurance Brokers Limited, a subsidiary of Zuari Finserv Limited
12. Zuari Commodity Trading Limited, a subsidiary of Zuari Finserv Limited (merged with Zuari Finserv Ltd w.e.f. 9th May 2019)

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

ii) Joint Ventures of the Company:

1. Zuari Indian Oiltanking Private Limited, a Joint venture of Zuari Global Limited
2. Forte Furniture Products India Private Limited, a Joint venture of Zuari Global Limited
3. Soundaryaa IFPL Interiors Limited, a Joint venture of Indian Furniture Products Limited

iii) Associates of the Company:

1. New EROS Tradecom Limited, an associate of Zuari Investments Limited
2. Zuari Agro Chemicals Limited, an associate of Zuari Global Limited
3. Mangalore Chemicals and Fertilisers Limited, a subsidiary of Zuari Agro Chemicals Limited
4. Adventz Trading DMCC, a subsidiary of Zuari Agro Chemicals Limited
5. Zuari Farmhub Limited, a subsidiary of Zuari Agro Chemicals Limited.
6. Zuari Maroc Phosphates Private Limited, a joint venture of Zuari Agro Chemicals Limited
7. Paradeep Phosphates Limited, a subsidiary of Zuari Maroc Phosphates Private Limited
8. Zuari Yoma Agri Solutions Limited an associate of Paradeep Phosphates Limited
9. Brajbhumi Nirmaan Private Limited, an associate of Zuari Infraworld India Limited
10. Pranati Niketan Private Limited, an associate of Zuari Infraworld India Limited
11. Darshan Nirmaan Private Limited, an associate Zuari Infraworld India Limited
12. Rosewood Agencies Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
13. Neobeam Agents Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
14. Mayapur Commercial Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
15. Nexus Vintrade Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
16. Bahubali Tradecomm Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
17. Hopeful Sales Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
18. Divine Realdev Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
19. Kushal Infraproperty Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
20. Beatle Agencies Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
21. Suhana Properties Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
22. Saket Mansions Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited

iv) A. Enterprises having significant influence:

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. R S Raghavan, Managing Director
3. Mr. N Suresh Krishnan, Managing Director (till 14 February 2020)
4. Mrs. Jyotsna Poddar, Executive director
5. Mr. Marco Wadia - Independent and Non-Executive Director
6. Mr. Krishan Kumar Gupta - Independent and Non-Executive director
7. Mr. Jayant N Godbole-Independent and Non-Executive director
8. Mr. Vijay Vyankatesh Paranjape -Independent And Non-Executive Director
9. Mr. Dipankar Chatterji-Independent And Non-Executive Director

vi) Relative of key management personnel

1. Mr. Akshay Poddar, son of Mr. S. K. Poddar

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

44. Related party disclosures

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 2020							Year ended 31 March 2019						
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	3.36	-	-	-	-	-	-	9.62	-	-	-	-	-	-
	– Zuari Infraworld India Limited	-	-	-	-	-	-	-	10.77	-	-	-	-	-	-
	– Gobind Sugar Mills Limited	-	-	-	-	-	-	-	0.77	-	-	-	-	-	-
	– Zuari Investments Limited	-	-	-	-	-	-	-	0.19	-	-	-	-	-	-
	– Indian Furniture Products Limited	-	-	-	-	-	-	-	6.39	-	-	-	-	-	-
	– Simon India Limited	-	-	-	-	-	-	-	1.78	-	-	-	-	-	-
	– Zuari Sugar & Power Limited	-	-	-	-	-	-	-	0.19	-	-	-	-	-	-
	– Zuari Maroc Phosphates Limited	-	-	-	-	-	-	-	-	-	0.75	-	-	-	-
	– Zuari Insurance Brokers Limited	-	-	-	-	-	-	-	0.19	-	-	-	-	-	-
	– Zuari Commodity Trading Limited	-	-	-	-	-	-	-	0.19	-	-	-	-	-	-
	– Zuari Finserv Limited	-	-	-	-	-	-	-	0.19	-	-	-	-	-	-
2	**Payment made on our behalf:**														
	– Simon India Limited	1.14	-	-	-	-	-	-	0.05	-	-	-	-	-	-
	– Zuari Finserv Limited	0.01	-	-	-	-	-	-	0.01	-	-	-	-	-	-
3	**Service charges / Brokerage paid / Development fees / Purchase of furniture**														
	– Zuari Finserv Limited (refer note 3 below)	24.71	-	-	-	-	-	-	8.19	-	-	-	-	-	-
	– Zuari Infraworld India Limited	181.15	-	-	-	-	-	-	139.51	-	-	-	-	-	-
	– Indian Furniture Products Limited	-	-	-	-	-	-	-	44.06	-	-	-	-	-	-
4	**Inter-corporate deposits /Loans/ Advances/Deposits given**														
	- Zuari Finserv Limited	310.00	-	-	-	-	-	-	1,919.50	-	-	-	-	-	-
	– Zuari Investments Limited	2,457.50	-	-	-	-	-	-	12,428.72	-	-	-	-	-	-
	– Zuari Sugar & Power Limited	7,137.00	-	-	-	-	-	-	4,996.00	-	-	-	-	-	-
	– Simon India Limited	5,990.00	-	-	-	-	-	-	3,680.00	-	-	-	-	-	-
	– Zuari Management Services Limited	7,298.00	-	-	-	-	-	-	217.50	-	-	-	-	-	-
	-- Zuari Infraworld India Limited	1,940.00	-	-	-	-	-	-	4,358.00	-	-	-	-	-	-
	-- Zuari Agro Chemicals Limited	-	-	22,550.00	-	-	-	-	-	-	-	-	-	-	-
	-- Indian Furniture Products Limited	1,640.00	-	-	-	-	-	-	-	-	-	-	-	-	-
5	**Receipt – repayment of ICDs / loans / advances / deposits**														
	– Zuari Infraworld India Limited	883.93	-	-	-	-	-	-	4,256.01	-	-	-	-	-	-
	– Zuari Sugar & Power Limited	4,374.44	-	-	-	-	-	-	2,314.10	-	-	-	-	-	-
	– Zuari Investments Limited	8,720.13	-	-	-	-	-	-	3,600.52	-	-	-	-	-	-
	– Zuari Management Services Limited	891.00	-	-	-	-	-	-	1,999.95	-	-	-	-	-	-
	– Simon India Limited	1,471.00	-	-	-	-	-	-	3,880.00	-	-	-	-	-	-
	– Zuari Finserv Limited	731.70	-	-	-	-	-	-	1,193.80	-	-	-	-	-	-
	-- Indian Furniture Products Limited	412.52	-	-	-	-	-	-	-	-	-	-	-	-	-

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

S. no.	Transaction details	Year ended 31 March 2020							Year ended 31 March 2019						
		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	**Managerial Remuneration#**														
	- N. Suresh Krishnan (refer Note 2)	-	-	-	-	-	144.91	-	-	-	-	-	-	229.35	-
	- Jyotsna Poddar	-	-	-	-	-	68.35	-	-	-	-	-	-	68.35	-
	'#Entirely 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.														
7	**Interest Income**														
	– Zuari Investments Limited	1,294.91	-	-	-	-	-	-	844.81	-	-	-	-	-	-
	– Simon India Limited	368.67	-	-	-	-	-	-	97.00	-	-	-	-	-	-
	– Zuari Sugar & Power Limited	658.92	-	-	-	-	-	-	301.03	-	-	-	-	-	-
	– Zuari Infraworld India Limited	293.30	-	-	-	-	-	-	201.65	-	-	-	-	-	-
	– Zuari Management Services Limited	523.00	-	-	-	-	-	-	148.53	-	-	-	-	-	-
	– Zuari Finserv Limited	35.14	-	-	-	-	-	-	14.14	-	-	-	-	-	-
	– Zuari Agro Chemicals Limited	-	-	1,509.80	-	-	-	-	-	-	-		-	-	-
	– Indian Furniture Products Limited	29.58	-	-	-	-	-	-	-	-	-	-	-	-	-
8	**Dividend received**														
	– Zuari Indian Oiltanking Private Limited	-	25.00	-	-	-	-	-	-	-	-	-	-	-	-
9	**Lease rental income**														
	– Zuari Indian Oiltanking Private Limited	-	169.96	-	-	-	-	-	-	156.14	-	-	-	-	-
	– Zuari Agro Chemicals Limited	-	-	48.39	-	-	-	-	-	-	44.43	-	-	-	-
10	**Corporate Guarantee issued**														
	– Gobind Sugar Mills Limited	-	-	-	-	-	-	-	8,000.00	-	-	-	-	-	-
		-	-	-	-	-	-	-	21,000.00	-	-	-	-	-	-
	– Zuari Infraworld SJM Properties LLC	-	-	-	-	-		-	13,676.00	-	-	-	-		-
11	**Sitting fees payment**														
	– S. K. Poddar	-	-	-	-	-	3.75	-	-	-	-	-	-	2.30	-
	– Marco Wadia	-	-	-	-	-	5.85	-	-	-	-	-	-	5.20	-
	– Krishan Kumar Gupta	-	-	-	-	-	1.85	-	-	-	-	-	-	4.05	-
	– Mr. Jayant N Godbole	-	-	-	-	-	2.05	-	-	-	-	-	-	5.05	-
	– Mr. Dipanker Chartterji	-	-	-	-	-	2.60	-	-	-	-	-	-	-	-
	– Mr. Vijay V Paranjape	-	-	-	-	-	1.05	-	-	-	-	-	-	-	-

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

		Year ended 31 March 2020							Year ended 31 March 2019						
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
12	**Management consultancy income**														
	– Zuari Indian Oitanking Private Limited	-	16.54	-	-	-	-	-	-	15.75	-	-	-	-	-
	– Zuari Investments Limited	-	-	-	-	-	-	-	185.00	-	-	-	-	-	-
	-- Simon India Limited	60.00	-	-	-	-	-	-	60.00	-	-	-	-	-	-
	-- Gobind Sugar Mills Limited	120.00	-	-	-	-	-	-	120.00	-	-	-	-	-	-
13	**Corporate guarantee cancelled/transferred**														
	– Indian Furniture Products Limited	-	-	-	-	-	-	-	14,755.00	-	-	-	-	-	-
	– Zuari Infraworld India Limited	-	-	-	-	-	-	-	15,000.00	-	-	-	-	-	-
	--Zuari Infra Middle East Limited	-	-	-	-	-	-	-	10,596.49	-	-	-	-	-	-
14	**Dividend payment**														
	– Globalware Trading and Holdings Limited	-	-	-	74.92	-	-	-	-	-	-	74.92	-	-	-
	– New Eros Tradecom Limited	-	-	11.97	-	-	-	-	-	-	11.97	-	-	-	-
	– S. K. Poddar	-	-	-	-	-	2.73	-	-	-	-	-	-	2.73	-
	– Akshay Poddar	-	-	-	-	-	-	2.38	-	-	-	-	-	-	2.38
	– Jyotsna Poddar	-	-	-	-	-	0.72	-	-	-	-	-	-	0.72	-
15	**Guarantee commission received**														
	– Zuari Infra Middle East Limited	-	-	-	-	-	-	-	19.68	-	-	-	-	-	-
	– Zuari Infraworld SJM Properties LLC	62.86	-	-	-	-	-	-	25.06	-	-	-	-	-	-
16	**Payment of amount received on account of amount deposited under litigation**														
	– Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	-	-	825.50	-	-	-	-
17	**Investment in fresh shares/ purchase of investment**														
	-Zuari Sugar & Power Limited	-	-	-	-	-	-	-	1,500.00	-	-	-	-	-	-
	-Zuari Finserv Limited	-	-	-	-	-	-	-	200.00	-	-	-	-	-	-
	-Forte Furniture Products India Private Limited	-	391.86	-	-	-	-	-	-	-	-	-	-	-	-
	-Indian Furniture Products Limited	-	-	-	-	-	-	-	1,385.72	-	-	-	-	-	-
18	**Income from financial guarantee (refer note 5)**														
	– Gobind Sugar Mills Limited	144.15	-	-	-	-	-	-	153.49	-	-	-	-	-	-
	– Indian Furniture Products Limited	32.80	-	-	-	-	-	-	43.97	-	-	-	-	-	-
	– Zuari Sugar & Power Limited	1.22	-	-	-	-	-	-	1.53	-	-	-	-	-	-
	– Zuari Infraworld India Limited	6.28	-	-	-	-	-	-	14.62	-	-	-	-	-	-
19	**Gain arising through financial asset (notional income)**														
	– Indian Furniture Products Limited	44.09	-	-	-	-	-	-	38.94	-	-	-	-	-	-
20	**Deposit of Provident Fund**														
	-Zuari Industries Limited Employees Provident Fund	-	-	-	-	86.21	-	-	-	-	-	-	85.65	-	-

Summary of standalone significant accounting policies and other explanatory information for the year ended 31 March 2020

(All amounts in INR lakhs, unless stated otherwise)

		Year ended 31 March 2020							Year ended 31 March 2019						
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
21	**Deposit of Superannuation Fund**														
	-Zuari Industries Limited Sr. Staff Superannuation Fund	-	-	-	-	14.02	-	-	-	-	-	-	16.00	-	-
22	**Deposit of Non Management Employees Pension Fund**														
	-Zuari Industries Limited Non Management Employees Pension Fund	-	-	-	-	3.14	-	-	-	-	-	-	3.02	-	-
23	**Payment received on our behalf**														
	-Zuari Infraworld India Limited	-	-	-	-	-	-	-	55.13	-	-	-	-	-	-
24	**Interest expense**														
	-Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	-	-	133.61	-	-	-	-
25	**Payable balances written back**														
	- N. Suresh Krishnan (refer Note 2)	-	-	-	-	-	-	-	-	-	-	-	-	34.65	-

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Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

Balance occounting for the year ended 31 March 2020

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	**Loan and advances receivable (including accrued interest)**														
	– Zuari Infraworld India Limited	3,577.62	-	-	-	-	-	-	2,309.99	-	-	-	-	-	-
	– Zuari Investments Limited (refer note 4 below)	7,802.56	-	-	-	-	-	-	13,244.98	-	-	-	-	-	-
	– Simon India Limited	4,847.03	-	-	-	-	-	-	-	-	-	-	-	-	-
	– Zuari Management Services Limited	6,567.93	-	-	-	-	-	-	-	-	-	-	-	-	-
	– Zuari Sugar & Power Limited	6,416.40	-	-	-	-	-	-	3,624.90	-	-	-	-	-	-
	– Zuari Finserv Limited	329.62	-	-	-	-	-	-	725.70	-	-	-	-	-	-
	– Zuari Agro Chemicals limited		-	22,550.00	-	-	-	-	-	-	-	-	-	-	-
	– Indian Furniture Products Limited	1,252.70	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**As trade payables**														
	– Zuari Infraworld India Limited	11.62	-	-	-	-	-	-	140.42	-	-	-	-	-	-
	– Zuari Management Services Limited	0.17	-	-	-	-	-	-	-	-	-	-	-	-	-
	– Zuari Finserv Limited (refer note 3 below)	31.11	-	-	-	-	-	-	-	-	-	-	-	-	-
3	**Managerial remuneration payable**														
	- N. Suresh Krishnan (refer note 2)	-	-	-	-	-	-	-	-	-	-	-	-	67.05	-
4	**As Advances or deposits recoverable / as debtor**														
	- Simon India Limited	49.23	-	-	-	-	-	-	1.67	-	-	-	-	-	-
	– Zuari Indian Oiltanking Private Limited	-	6.08	-	-	-	-	-	-	7.60	-	-	-	-	-
	– Indian Furniture Products Limited	6.31	-	-	-	-	-	-	6.31	-	-	-	-	-	-
	– Zuari Sugar & Power Limited	0.21	-	-	-	-	-	-	0.21	-	-	-	-	-	-
	– Zuari Infraworld India Limited	59.94	-	-	-	-	-	-	-	-	-	-	-	-	-
	– Zuari Investments Limited	49.99	-	-	-	-	-	-	200.01	-	-	-	-	-	-
	– Zuari Infra Middle East Limited	-	-	-	-	-	-	-	14.80	-	-	-	-	-	-
	– Zuari Infraworld SJM Properties LLC	93.59	-	-	-	-	-	-	25.03	-	-	-	-	-	-
	-- Gobind Sugar Mills Limited	64.80	-	-	-	-	-	-	307.45	-	-	-	-	-	-
	-- Zuari Maroc Phosphastes Limited	-	-	0.89	-	-	-	-	-	-	0.89	-	-	-	-
	– Zuari Insurance Brokers Limited	0.21	-	-	-	-	-	-	0.21	-	-	-	-	-	-
	-- Zuari Finserv Limited	-	-	-	-	-	-	-	2.68	-	-	-	-	-	-
	-- Zuari Commodity Trading Limited	-	-	-	-	-	-	-	0.21	-	-	-	-	-	-
5	**Trade receivabe**														
	-- Zuari Agro Chemicals Limited	-	-	45.79	-	-	-	-	-	-	4.51	-	-	-	-
6	**Corporate guarantee**														
	– Indian Furniture Products Limited	8,000.00	-	-	-	-	-	-	8,000.00	-	-	-	-	-	-
	– Simon India Limited	12,500.00	-	-	-	-	-	-	12,500.00	-	-	-	-	-	-
	– Gobind Sugar Mills Limited	43,091.93	-	-	-	-	-	-	43,091.93	-	-	-	-	-	-
	- Zuari Infraworld India Limited	21,000.00	-	-	-	-	-	-	21,000.00	-	-	-	-	-	-
	-Zuari Sugar & Power Limited	10,000.00	-	-	-	-	-	-	10,000.00	-	-	-	-	-	-
	-Zuari Infraworld SJM Properties LLC	13,676.00	-	-	-	-	-	-	13,676.00	-	-	-	-	-	-

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

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	**Interest on loans and advances given**														
	– N Suresh Krishnan (refer Note 2)	-	-	-	-	-	-	-	-	-	-	-	-	9.80	-
8	**Advance against purchase of land/ Investments**														
	– Zuari Agro Chemicals Limited	-	-	3,209.13	-	-	-	-	-	-	3,209.13	-	-	-	-
9	**Amount received on account of amount deposited under litigation**														
	– Zuari Agro Chemicals Limited	-	-	1,708.35	-	-	-	-	-	-	1,708.35	-	-	-	-
10	**Advance received against sale of flat**														
	- Rekha Krishnan	-	-	-	-	-	-	-	-	-	-	-	-	-	53.38
	– Krishan Kumar Gupta	-	-	-	-	-	-	-	-	-	-	-	-	54.01	-
11	**Deposit of provident fund**														
	-Zuari Industries Limited Employees Provident Fund	-	-	-	-	3.43	-	-	-	-	-	-	7.21	-	-
12	**Deposit of superannuation fund**														
	-Zuari Industries Limited Sr. Staff Superannuation Fund	-	-	-	-	-	-	-	-	-	-	-	1.33	-	-
13	**Deposit of non-management employees pension fund**														
	-Zuari Industries Limited Non Management Employees Pension Fund	-	-	-	-	0.27	-	-	-	-	-	-	0.28	-	-

Notes:

1. For details of corporate guarantees given to and land mortgaged on behalf of related parties, refer note 38 B to 38 D, Commitments and contingencies to financial statements.
2. Mr. N Suresh Krishnan was on the company roles as an managing director till 14 February 2020.
3. The company has sold/purchased/pledged shares through its transfer agent i.e. Zuari Finserv Limited. The company has paid commission for the shares related transactions and paid commission on sale of flat for Zuari Rain Forest Project
4. Processing income has been netted off with the loan given to Zuari Investments Limited pursuant to the guidance mentioned of Ind AS.
5. These are notional income on financial guarantees given for loans to subsidaries companies per guidance of Ind AS 109, Financial Instruments.

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45. 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	2,310.00	1,940.00	883.93	3,366.07	General business purpose
2	Zuari Investments Limited*	13,244.98	2,457.50	8,720.13	6,982.35	General business purpose
3	Zuari Management Services Limited	-	7,298.00	891.00	6,407.00	General business purpose
4	Zuari Sugar & Power Limited	3,624.90	7,137.00	4,374.44	6,387.46	General business purpose
5	Simon India Limited	-	5,990.00	1,471.00	4,519.00	General business purpose
6	Zuari Finserv Limited	725.70	310.00	731.70	304.00	General business purpose
7	Zuari Agro Chemicals Limited	-	22,550.00	-	22,550.00	General business purpose
8	Indian Furniture Products Limited	-	1,640.00	412.52	1,227.48	General business purpose
		19,905.58	**49,322.50**	**17,484.72**	**51,743.36**	

* Loan repaid by Zuari Investments Limited is netted off with the amount of EIR adjustment of INR 43.26 lakhs pursuant to the guidance mentioned in Ind AS.

B. Particulars of guarantee given:

S. No	Name of Entity	Opening balance	Guarantee given	Guarantee discharged	Outstanding balance	Purpose
1	Indian Furniture Products Limited	8,000.00	-	-	8,000.00	General business purpose
2	Gobind Sugar Mills Limited	43,091.93	-	-	43,091.93	General business purpose
3	Simon India Limited	12,500.00	-	-	12,500.00	General business purpose
4	Zuari InfraWorld India Limited	21,000.00	-	-	21,000.00	General business purpose
5	Zuari Sugar & Power Limited	10,000.00	-	-	10,000.00	General business purpose
6	Zuari Infraworld SJM Properties LLC	13,676.00	-	-	13,676.00	General business purpose
		1,08,267.93	**-**	**-**	**1,08,267.93**	

C. Particulars of investment made during the year

S. No	Name of the Investee	Investment made 31 March 2020	Investment made 31 March 2019	Purpose
1	Texmaco Infrastructure and Holdings Limited	-	1,006.33	Strategic investment
2	Zuari Finserv Limited	-	200.00	Strategic investment
3	Zuari Sugar & Power Limited	-	1,500.00	Strategic investment
4	Forte Furniture Products India Private Limited	391.86	1,385.72	Strategic investment
		391.86	**4,092.05**	

Summary of standalone significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

46. 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 2020	31 March 2019	31 March 2020	31 March 2019
1	Zuari InfraWorld India Limited	Subsidiary	3,366.07	2,310.00	3,863.58	3,560.99
2	Zuari Investments Limited	Subsidiary	6,982.35	13,244.98	13,244.98	13,721.61
3	Zuari Management Services Limited	Subsidiary	6,407.00	-	6,407.00	1,860.45
4	Zuari Sugar & Power Limited	Subsidiary	6,387.46	3,624.90	6,523.70	4,461.00
5	Simon India Limited	Subsidiary	4,519.00	-	4,645.00	2,099.49
6	Zuari Finserv Limited	Subsidiary	304.00	725.70	725.70	1,025.50
7	Zuari Agro Chemicals Limited	Subsidiary	22,550.00	-	22,550.00	-
8	Indian Furniture Products Limited	Associate	1,227.48	-	1,227.47	-
			51,743.36	**19,905.58**	**59,187.43**	**26,729.04**

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 Companies Act, 2013.

47. The global outbreak of Corona virus disease ("Covid-19") pandemic is causing significant economic slowdown and disruptions of business operations. There are uncertainties regarding the impact the Covid-19 is going to have on the operations of the Company and the management is closely monitoring the developments. The management has considered the possible effects of the pandemic on the carrying values of assets and the business forecasts. In developing the assumptions relating to the possible impacts of this pandemic, the Company has used internal and external information up to the date of approval of these financial statements. The Company has also performed sensitivity analysis on the assumptions used and based on current estimates, it expects to recover the carrying amount of these assets and have sufficient liquidity for business operations for at least another twelve months. The impact of the pandemic on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the management will continue to closely monitor any material changes.

48. 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 INR 5,500.00 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 had made income tax provision including interest thereon provided in an earlier year for various assessment years. However, subsequently, Income Tax Appellate Tribunal (ITAT) in March 2017, had issued favourable decisions for some assessment years such as 2006-07, 2008-09, 2009-10, 2010-11 and 2011-12. In previous year ended 31 March 2019, pursuant to order giving effect ('OGE') of ITAT order and corresponding receipt of refunds from income tax department by the Company, other income included interest income on income tax refunds amounting to INR 809.45 lakhs and reversal of finance cost (interest on income tax liability recorded in earlier years) amounting to INR 669.09 lakhs, and Tax expense/(credit) for the year ended 31 March 2019 includes income tax provision reversals amounting to (-) INR 1,182.75 lakhs. Moreover, the Hon'ble High Court of Bombay had accepted the appeal of department for these year against ITAT order in the financial year ended 31 March 2019, however, under the given circumstance the Company has favourable decision from ITAT, the management believe there is remote chances of unfavourable decision from the Hon'ble High Court of Bombay.

49. The Company had demerged its fertilizer undertaking to Zuari Agro Chemicals Limited (ZACL) with effect from 1 July 2011. The Company had, during the financial year ended 31 March 2017, based on Hon'ble High Court Order on demerger of fertilizer undertaking, identified the amount of income tax paid or payable 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 or payable under protest by the Company. During the year ended 31 March 2017, the Company had received INR 2,533.85 lakhs from ZACL on this account. During the year ended 31 March 2019, pursuant to the aforesaid OGE of ITAT order (as explained in note 48), the management has carried out the exercise to finalize an amount and repaid an amount of INR 825.50 lakhs to ZACL, out of the receipts of income tax refund. The carrying value of such advance is INR 1,708.35 lakhs and classified under non-current liability.

50. 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.

This is the standalone 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 June 2020

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

R.S. Raghavan
Managing Director
DIN: 00362555

Vijay Vyankatesh Paranjape
Director
DIN: 00237398

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Company Secretary
Membership No. 31286

Date : 25 June 2020

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Independent Auditor's Report

To the Members of Zuari Global Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

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, as listed in Annexure A, which comprise the Consolidated Balance Sheet as at 31 March 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us 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 the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group, its associates and joint ventures, as at 31 March 2020, and their consolidated loss (including other comprehensive loss), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

4. We draw attention to:

   a) Note 58 of the consolidated financial statements which describes the uncertainties due to the outbreak of Covid-19 pandemic and the management's evaluation of the impact on the consolidated financial statements of the Group, its associates and joint venture as at the balance sheet date. The impact of these uncertainties on the Group's operations is significantly dependent on future developments.

      The above matter has also been reported as emphasis of matter in the audit reports issued by independent firms of Chartered Accountants on the consolidated financial statements of an associate for the year ended 31 March 2020 and on the financial statements of a joint venture for the year ended 31 March 2020.

   b) Note 64(a), 64(b) and 64(c) of the consolidated financial statements and the following Emphasis of Matter paragraphs included in audit report of the financial statements of the Zuari Infraworld India Limited, a subsidiary of the Holding Company, audited by an independent firm of Chartered Accountants, vide its audit report dated 24 June 2020 which are reproduced as under:

      i) "We draw attention to Note XX of the accompanying consolidated financial statements regarding the advances paid to a sub-contractor aggregating to INR 2,246.49 lakhs and interest accrued on the same for INR 33.72 lakhs which are due as at 31 March 2020 in respect of which the Management is in negotiation with that party for its recovery. The Management of the Company is confident that this advance will be fully recovered and hence no provision is considered necessary at this stage"

      ii) "We draw attention to Note XX of the accompanying consolidated financial statements regarding advance payment aggregating to INR 639.61 lakhs as at 31 March 2020 to an agent under the Development Management Agreement against whom Corporate Insolvency Resolution Process has been initiated by one of its operating creditors. The Management of the Company is confident that this advance will recovered / adjusted in full without any material adjustment and hence no provision is considered necessary at this stage."

      iii) "We draw attention to Note XX and XX of the consolidated financial statements and the following Emphasis of Matter paragraph included in the consolidated financial statements of Zuari Infra Middle East Limited, a wholly owned foreign subsidiary issued by the auditors of that subsidiary, which is relevant to our opinion on the accompanying consolidated financial statements, and reproduced by us as under:

"Without qualifying our audit opinion, we draw attention to notes XX and XX to the consolidated financial statements, which state that there are no major construction work activities are carried out during the year and due to uncertainties associated with the impact of Global pandemic COVID-19, the management has not considered it appropriate to carry out a detailed valuation of development work in progress as of 31 March 2020 by an external professional valuer which will be carried before the second quarter of FY 2020-21.

The consequent adjustments, if any, in the carrying value of the assets and equity deficit will be made upon completion of valuation as mentioned above."

c) Note 63(d) of the consolidated financial statements, relating to restatement of the consolidated financial statements of Zuari Agro Chemicals Limited (ZACL), an associate of the Holding Company, resulting in consequential restatement of the accompanying consolidated financial statements for the year ended 31 March 2019, the impact of which on total shareholder's equity as at 31 March 2019 and total comprehensive income/(loss) for the year then ended is INR 3,778.86 lakhs. The following emphasis of matter has been included in the audit report on the consolidated financial statements of ZACL, audited by an independent firm of Chartered Accountants, vide its audit report dated 19 June 2020 for the same matter, which is reproduced by us as under:

"We draw attention to note XX of the accompanying consolidated Ind AS financial statements, which describes the impact of INR 11,779.36 lakhs as an adjustment related to impairment of investment in MCA Phosphates Pte Ltd (MCAP) which has led to a restatement of the consolidated Ind AS financial statements for the year ended March 31, 2019."

d) Note 63(a) of the consolidated financial statements and the following paragraph on Material Uncertainty Related to Going Concern included in the consolidated financial statements of ZACL, which is reproduced as under:

"We draw attention to Note XX of the accompanying Consolidated Financial Statements, which states that in addition to net current liability position as at March 31, 2020, there are some other factors indicating material uncertainty over timely discharge of its liabilities and its consequential impact on Holding Company's ability to continue as a going concern. Note XX, also describes the mitigating factors considered by the management in its assessment, in view of which the Financial Statements of the Holding Company have been prepared on a going concern assumption. Our opinion is not modified in respect of this matter."

e) Note 63(e) and 63(f) of the consolidated financial statements and the following Emphasis of Matter paragraphs included in audit report of the financial results of the ZACL, which are reproduced by us as under:

i) "We draw attention to note XX of the accompanying consolidated Ind AS financial statements, wherein the Holding Company is carrying a receivable of INR 1,949.03 lakhs in relation to the subsidy income accrued during the year ended March 31, 2013. Based on the legal opinion obtained by the Holding Company, the management believes that the amount is fully recoverable from the department of fertilizers. Pending settlement of the differential subsidy amount as more fully explained in note, the Holding Company has not made any provision in this regard in the consolidated Ind AS financial statements."

ii) "We draw attention to Note XX of the accompanying consolidated Ind AS financial statements, regarding Goods and Services Tax ('GST') credit on input services recognized by the Group based on its assessment and on a legal opinion obtained by the Holding Company and a subsidiary and reliance placed on an order of High Court of Gujarat providing interim relief in a similar matter. The Holding Company has also filed a writ petition in the High Court of Bombay at Goa."

Our opinion is not modified in respect of above matters.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment 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, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
1. Revenue recognition Auditors of one of the components of the Group, **namely Zuari Infraworld India Limited** have reported a KAM in their respective auditor's reports on revenue recognition relating to property development and sales which is reproduced below: Revenue recognition on sale of property involves significant judgements. The Company assesses for each of its contracts with customers, whether to recognise revenue over a time or at a point in time based on a consideration of whether the Company has created a real estate asset with no alternative use and whether the Company has an enforceable right to payment for performance completed at any time during the life of the contract.	Revenue recognition on property development and sales was assessed as a key audit matter due to the significance of the assessment of satisfaction of performance obligations, estimation of total cost of project completion and judgements made in assessing the timing of revenue recognition. Further, the valuation of receivables on completed projects required management judgement due to the specific risks associated with each pursuant to development project. Our procedures included but were not limited to: • Obtained a schedule of contracts with customers from the management and evaluated the existence and completeness of that population, subject to transition adjustments, based on knowledge of the company and the experience of the industry in which it operates. We have reviewed contracts with customers for property development and sale on sample basis and assessed the management identification of performance obligation and determination of whether the revenue shall be recognized over time or at a point in time and assessed the satisfaction of performance obligation. • Conducted inquiries with management to obtain an understanding of the process of revenue recognition pursuant to Ind AS 115 including the design of internal controls relating to implementation of new revenue accounting standard. • Analysed the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams, as well as completeness and accuracy of relevant disclosures. • We also considered the adequacy of the company's disclosure in the financial statements with regard to the degree of judgement and estimation involved in arriving at the forecast and resultant carrying value of inventory. • We have reviewed the documents establishing deemed transfer of possession of property in assessing the satisfaction of performance obligation critical for recognizing the revenue.
2. Income tax provisions The Holding Company has significant litigations outstanding as at 31 March 2020 which includes income tax and wealth tax, amounting to INR 4,156.96 lakhs, as included in the note 43A of the consolidated financial statements. The eventual outcome of these tax proceedings is dependent on the outcome of future events and unexpected adverse outcomes could significantly impact the Company's reported profits and balance sheet position. The amounts involved are material and the application of accounting principles as given under Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, in order to determine the amount to be recorded as a liability or to be disclosed as a contingent liability, in each case, is inherently subjective, and needs careful evaluation and judgement to be applied by the management.	Our audit procedures included, but were not limited to, the following: • We obtained an understanding of the management process for: - identification of tax matters initiated against the Company, - assessment of accounting treatment for each such litigation identified under Ind AS 37 accounting principles, and - for measurement of amounts involved. • We evaluated the design and tested the operating effectiveness of key controls around above process. • We obtained an understanding of the nature of litigations pending against the company and discussed the key developments during the year for key litigations with the management and tax experts handling such cases on behalf of the Company. Tested the independence, objectivity and competence of such management experts involved.

Key judgments are also made by the management in estimating the amount of liabilities, provisions and/ or contingent liabilities related to aforementioned litigations. Considering the degree of judgment, significance of the amounts involved, inherent high estimation uncertainty and reliance on external tax experts, this matter has been identified as a key audit matter for the current year audit.	• On a sample basis, obtained and reviewed the necessary evidence and where necessary, inspected minutes of case proceedings available in public domain, to support the decisions and rationale for creation of provisions and / or disclosure of contingent liabilities in respect of each such litigation selected for testing. We focused on the developments in the existing litigations and new litigations, which could have materially impacted the amounts recorded as provisions or disclosed as contingent liability in the financial statements • We obtained independent opinion/confirmations directly from the external tax expert to confirm management's assessment of outstanding litigation and asserted claims. • We reviewed each tax expert's response obtained as above to ensure that the conclusions reached our supported by sufficient legal rationale and adequate information is included for the management to determine the appropriate accounting treatment of such cases in the financial statements. • We assessed the appropriateness of methods used, and the reliability of underlying data for the underlying calculations made for quantifying the amounts involved. Tested the arithmetical accuracy of such calculations. • We involved auditor's expert to assess the Company's interpretation and application of relevant tax laws to evaluate the appropriateness of key assumptions used and the reasonableness of estimates in relation to uncertain tax positions, taking into account past precedents. • We tested the disclosures made relating to the provisions and contingent liabilities for their appropriateness.
3. Impact of government policies/ notifications on recognition of subsidy accruals/claims and their recoverability Auditors of one of the components of the Group, namely ZACL, an associate of the Holding Company, have reported a KAM in their auditor's reports on impact of government policies/ notifications on recognition of subsidy accruals/claims and their recoverability which is reproduced below: The Group recognises concession (subsidy) income receivable from the Department of Fertilizers, Government of India as per the New Pricing Scheme for Urea and as per Nutrient Based Subsidy Policy for Phosphatic and Potassic (P&K) fertilizers at the time of sale of goods to its customers. During the year, the Group has recognised concession income of INR 240,491.92 lakhs as at 31 March 2020, the Group has receivables of INR 179,376.73 lakhs relating to concession income. We focused on this area because recognition of concession income and assessment of its recoverability is subject to significant judgement of the management and various notifications from the Department of Fertilizers. The area of judgement includes certainty around the satisfaction of conditions specified in the notifications and policies, collections and provisions thereof, likelihood of variation in the related computation rates and basis for determination of accruals of concession income. Accordingly, this matter has been determined to be a key audit matter in our audit of the consolidated Ind AS financial statements	Our audit procedures included the following: • Read the relevant notifications and policies issued by Department of Fertilizers to ascertain the recognition of concession income, adjustments thereto recognised pursuant to changes in the rates and basis for determination of concession income. • Obtained an understanding of the process and tested the design and operating effectiveness of controls as established by management in recognition and assessment of the recoverability of the concession income. • Evaluated the management's assessment regarding reasonable certainty for complying with the relevant conditions as specified in the notifications and policies and collections of concession income. • Tested the ageing analysis and assessed the information used by the management to determine the recoverability of the concession income by considering collections against historical trends. • Reviewed the calculation of urea concession income including escalation/de-escalation adjustments as per known relevant policy parameters in this regard. • Assessed the related disclosure in consolidated Ind AS financial statements.

4. Impairment assessment of non-current investments in subsidiaries, joint venture and goodwill We, as the auditors of the Holding Company and other auditors of one of the components of the Group in their auditor's report, have reported KAMs on impairment assessment of non-current investments in subsidiaries, joint venture and goodwill which are produced/reproduced, as the case may be, below:	
A) Impairment of goodwill: We refer to the Summary of significant accounting policies and other explanatory information for accounting policy for Impairment of Goodwill and note 39 of the consolidated financial statements of the Holding Company for the year ended 31 March 2020, disclosures related to carrying value and impairment of Goodwill. The Group has goodwill balance of INR 14,227.66 lakhs relating to the real estate business, furniture business and sugar business. For the purpose of performing impairment assessment, goodwill has been allocated to group of cash generating units ('CGUs') and management has determined the recoverable amount of the CGUs to which the goodwill belongs. In assessing whether the carrying amount of goodwill has been impaired, the management considers forecasted cash flows of the individual CGUs which are identified on a market sector or geographical basis. Management's impairment assessment involves significant estimation, principally relating to short and long term revenue growth, future profitability and discount rates. Due to the magnitude of the aggregate goodwill, together with the subjectivity of the principal assumptions, a significant amount of audit effort was required, particularly as some of these assumptions are dependent on economic factors and trading conditions specific to overseas territories. We have considered impairment testing of goodwill as a key audit matter due to the importance of management's estimation and judgment involved and the materiality of amounts.	Our procedures included but were not limited to: • We evaluated the appropriateness of management's identification of the Group's CGU's and allocation of goodwill • We evaluated the process by which management prepared the CGU value-in-use calculations/ determination of fair value less cost to sell. • We assessed the Group's budgeting review and approval procedures upon which the cash flows forecasts are based. • We challenged the management's analysis around key drivers of cash flows forecasts including price increases, short term and long term volume growth and the level of input costs by comparing them with either the historical information or market data, as appropriate, of respective companies. • We worked with our valuation specialists in order to compare the Group's assumptions to externally derived data in relation to key inputs such as projected economic growth, competition and discount rates. To challenge the reasonableness of the assumptions, we also assessed the historical accuracy of the Group's forecasting. • We have tested the mathematical accuracy of the cash flow models and agreeing relevant data to board approved long range plan; and • Sensitivity analysis: Performing scenario-specific models including changes to and breakeven analysis on, the discount rate, long term growth rates and forecasted cash flows • Assessing whether the Group's disclosures about the sensitivity of the outcome of the impairment assessment to changes in key assumptions reflected the risks inherent in the valuation of goodwill
B) In relation to the impairment of investment in Mangalore Chemicals and Fertilizers Limited, a subsidiary of ZACL, an associate of the Holding Company: During the current year, impairment indicators were identified by the management on the investment in a subsidiary company, Mangalore Chemicals and Fertilizers Limited, of INR 54,112.37 lakhs. As a result, an impairment assessment was required to be performed by the Holding Company by comparing the carrying value of these investments to their recoverable amount to determine whether an impairment was required to be recognised. For the purpose of the above impairment testing, value in use has been determined by forecasting and discounting future cash flows considering the impact of the economic uncertainties arising from COVID-19 on the discount rates. Furthermore, the value in use is highly sensitive to changes in some of the inputs used for forecasting the future cash flows.	Our audit procedures included the following: • Assessed the analysis of internal and external factors impacting Holding Company's investment, whether there were any indicators of impairment in line with Ind AS 36 'Impairment of Assets'. • Gained an understanding of the impairment assessment process, and evaluated the design and tested the operating effectiveness of controls in respect of process of comparing the carrying value of the investments to their recoverable amount to determine whether an impairment was required to be recognized. • Assessed the Holding Company's valuation methodology applied in determining the recoverable amount. In making this assessment, we obtained and evaluated the valuation models used to determine the recoverable amount by challenging the key assumptions used by management including:

Further, the determination of the recoverable amount of the investment in Mangalore Chemicals and Fertilizers Limited involved judgment due to inherent uncertainty in the assumptions supporting the recoverable amount of the investment. Accordingly, the impairment of investment in Mangalore Chemicals and Fertilizers Limited has been determined to be a key audit matter.	- With the assistance of specialist, we assessed the assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used in consideration of current and estimated future economic conditions. including the impact of COVID-19 on discount rates. Corroborating the price assumptions used in the models against analyst consensus. - Tested the weighted average cost of capital used to discount the impairment models through engaging valuation experts. - Discussed potential changes in key drivers as compared to previous year / actual performance with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable. - Tested the integrity of the models together with their clerical accuracy. • Assessed the recoverable value by performing sensitivity testing of key assumptions used. • Evaluated the competence, professional qualification, objectivity and independence of the Company's specialists involved in the process. • Assessed the related disclosures in this regard in the consolidated Ind AS financial statements.
5. Deferred tax assets We, as auditors of a component of the group, and other auditors of the one component of the Group in their auditor's report, have reported KAMs on deferred tax assets which are produced/reproduced, as the case may be, below: **A) For a subsidiary of the Group, namely Gobind Sugar Mills Limited, recoverability of deferred tax assets has been considered as key audit matter:** Refer summary of significant accounting policies and other explanatory information and the note 17B of the consolidated financial statements of the Company for the year ended 31 March 2020. At the balance sheet date 31 March 2020, deferred tax assets(net) including deferred tax asset recognised for carried forward tax losses and unabsorbed depreciation amounted to INR 3,295.76 lakhs. During the year ended 31 March 2020, the Company has incurred losses after tax (total comprehensive loss) of INR 7,418.98 lakhs (31 March 2019: INR 3,558.94 lakhs). The assessment of meeting the recognition criteria as well as assessment of recoverability of deferred tax assets within the period prescribed under the tax laws involves use of significant assumptions and estimates. Determining forecasts of future results and taxable profits include key assumptions such as future growth rate and market conditions. The projected cash flows are assessed using a number of scenarios to cover reasonable changes in the assumptions underlying the projections. These changes mainly relate to variations in expected selling prices of the sugar and by products, expected costs of production of sugar and expected days of operation of sugar mills.	Our audit procedures in relation to the recognition of deferred tax assets included, but were not limited to, the following: • Evaluated the design and tested the operating effectiveness of key controls implemented by the Company over recognition of deferred tax assets based on the assessment of Company's ability to generate sufficient taxable profits in foreseeable future allowing the use of deferred tax assets within the time prescribed by income tax laws. • Reconciled the future taxable profit projections to future business plans of the Company as approved by the Board of Directors. • Tested and challenged management's judgements relating to the forecasts of future taxable profits and evaluated the reasonableness of the assumptions, including future growth rate underlying the preparation of these forecasts based on historical data trends. • Tested the mathematical accuracy of the projections including sensitivity analysis performed by management and performed independent sensitivity analysis to the key assumptions mentioned above to determine inputs leading to high estimation uncertainty of the cash flow projections. • Evaluated management's assessment of time period available for adjustment of such deferred tax assets as per provisions of the Income Tax Act, 1961 and appropriateness of the accounting treatment with respect to the recognition of deferred tax assets as per requirements of Ind AS 12, Income Taxes.

Any change in these assumptions could have a material impact on the carrying value of deferred tax assets. These assumptions and estimates are judgmental, subjective and depend on the future market and economic conditions, including industry focused trade policies of the government, materialization of the Company's expansion plans and quality services. Owing to the significance of the balances and complexities involved as described above, we have considered recoverability of such deferred tax assets recognised on carried forward tax losses and unabsorbed depreciation as a key audit matter. **B) In relation to ZACL, an associate of the Holding Company:** As at 31 March 2020, the Group has deferred tax assets of INR 6,741.16 lakhs in the consolidated Ind AS financial statements. Deferred tax assets are recognized on carried forward tax losses when it is probable that taxable profit will be available against which such tax losses can be utilized. The Group's ability to recognize deferred tax assets on unabsorbed tax losses is assessed by the management at the end of each reporting period, taking into account forecasts of future taxable profits, the law and jurisdiction of the taxable items and the assumptions on which such projections are determined by management. Given the degree of estimation based on the projection of future taxable profits, management's decision to create deferred tax assets on unabsorbed tax losses and MAT credit has been identified to be a key audit matter	• Re-computed the amount of deferred tax assets as appearing in the financial statements confirming the amounts of carried forward tax losses and unabsorbed depreciation. • Assessed the appropriateness of the disclosures included in note 17B in respect of deferred tax balances. Our audit procedures included the following: • Gained an understanding of the deferred tax assessment process, and evaluated the design and tested the operating effectiveness of controls over recognition of deferred tax. • Discussed and evaluated management's assumptions and estimates like projected revenue growth, margins, etc including impact of new tax rates as per Taxation Laws (Amendment) Ordinance, 2019) in relation to the probability of generating future taxable income to support the utilization of deferred tax on unabsorbed tax losses and MAT credit with reference to forecast taxable income and performed sensitivity analysis • Tested the arithmetical accuracy of the model. • Assessed the related disclosures in respect of the deferred tax assets in the consolidated Ind AS financial statements.
6. Carrying value of inventories We, as the auditors of one of the components of the group and other auditors of one of the components of the Group in their auditor's report, have reported KAMs on carrying value of inventories which are produced/ reproduced, as the case may be, below: **A) In relation to Gobind Sugar Mills Limited, a subsidiary of Group:** Refer to summary of significant accounting policies and other explanatory information for accounting policy for valuation of Inventory and significant accounting judgements, estimates and assumptions related thereto and the note 7 of the consolidated financial statements of the Company for the year ended 31 March 2020. At the balance sheet date 31 March 2020, the Company held INR 48,066.15 lakhs of Inventories. Inventories mainly consists of finished goods - Sugar and other product – molasses, both treated as joint products. Manufacturing of Sugar is complex process which leads to generation of many by products some of which are used for generation of other products which are sold in the market as well as used as input in the manufacturing of Sugar. The valuation requires use of management's judgements and assumptions regarding elimination of inter-divisional profits, allocation of costs of production between joint products based on their relative sales value and net realisable value (NRV) of different products which is further dependent upon the market conditions, minimum selling prices, subsequent inventory sale data,	Our audit procedures in relation to valuation of inventory included, but were not limited to, the following: • Tested the design and operating effectiveness of the general IT control environment and the manual controls for inventory valuation. • Assessed the appropriateness of the principles used in the valuation of Inventory and analysed the reasonableness of significant judgements/assumptions used by the management in their valuation models along with their consistency based on historical/industrial data trends such as sugar recovery rates, generation of Molasses, ethanol recovery rates, fixed and planned storage facilities of Molasses and capacity utilisations of the plant. • Verified net realisable value of baggase and molasses based on market quotation obtained by the management in case of baggase, contracts for sale of ethanol and notifications/ press releases from the government authorities. • Reviewed cost sheets prepared by the management for manufacturing of ethanol (used for determination of NRV of molasses) for reasonableness and corroborated the same with projects reports submitted to lenders banks.

current sale prices, notifications/press releases from the government authorities, technical estimates of expected recovery of final products being produced and incremental cost of products manufactured using joint products. These assumptions are subject to inherent uncertainties and are difficult to ascertain since they are likely to be influenced by political and economic factors including uncertainties that may affect the industry on the whole. Owing to the significance of the carrying value of inventories, the complexities discussed above and the fact that any changes in the management's judgement or assumptions is likely to have a significant impact on the ascertainment of carrying values of inventories, we have considered this area as a key audit matter.	• Reviewed the process of inventory valuation comprising of identification of NRV of Sugar based on subsequent selling prices of Sugar upto balance sheet date, sale orders in hand as on that date, minimum selling prices introduced by the government and prices prevailing in exchange market, allocation of costs of production between joint products based on relative sales value. • We also assessed the appropriateness of the disclosures included in note 7 in respect of valuation of inventories
B) In relation to Zuari Infraworld India Limited, a subsidiary of Group:	
Carrying value of inventory comprising of development/ construction work-in-progress was a key matter of our audit, since it affects a very significant amount of total assets and requires the Management estimates/ forecasts. Inventory represents the capitalised construction/ development costs upto the reporting date less amounts expensed on sales with reference to the forecasts. Inventories are held at the lower of cost and net realisable value, the latter also being based on the forecast for the project. As such inappropriate assumptions in these forecasts can significantly impact the assessment of the carrying value of inventories. Forecasts are dependent on various external and internal factors, market conditions which can be difficult to predict and be influenced by political and economic factors. These forecasts, judgements and estimates are made by the persons in-charge of the construction works and are subsequently reviewed at the various levels of the organisation.	Our audit procedures relating to inventory comprising of development/construction work- in-progress included, but were not limited to: • We reviewed the project forecasts on a sample basis including the inputs and assumptions wherever considered necessary and performed test checks on a sample basis including forecast/ budgeted costs to purchase contracts, supplier agreements or tenders, and agreeing a sample of costs incurred in the year to invoice and/or payment, including checking that they were allocated to the appropriate projects, based on the risks highlighted by the Company in the budgets the appropriateness of allowances made for cost increases/escalations and long term development risks as well as contingencies. • We have inspected the contracts and tested the governance involved around approval of project budgets and held discussions with management where significant variances against the approved budgets were noted to understand the underlying reason • We reviewed the minutes of the meetings. This included assessing whether the appropriate individuals attended the meetings and assessing that the forecast costs for developments were discussed and the valuations updated as appropriate. • We discussed with the Management the impact of varying changes in sales prices and costs including interest, on the forecast margin and considered whether this indicated a risk of impairment of the inventory balance in the year. • We also considered the adequacy of the Company's disclosures in the financial statements with regard to the degree of judgement and estimation involved in arriving at the forecast and resultant carrying value of inventory • We have reviewed the carrying value of construction work-in-progress by assessing the net realizable value of the project which is determined based on forecasted sales price, and estimated costs to complete including escalations. In respect of some early stage projects the underlying fair value of land based on valuation reports from Chartered Engineer were assessed and found that the fair value of land was more than carrying cost of construction work-in-progress.

<table>
<tr><td colspan="2">7. Going concern basis of accounting</td></tr>
<tr><td>
For a subsidiary of the Group, namely Gobind Sugar Mills Limited, going concern basis of accounting has been considered as a KAM:
We refer to the note 62 of the financial statements of the Company for the year ended 31 March 2020 disclosures related to appropriateness of going concern basis of accounting. This note states that the Company has incurred losses after tax (total comprehensive loss) of INR 7,418.98 lakhs. Also as at 31 March 2020, the current liabilities exceed the current assets by INR 14,892.62 lakhs.
While these above indicate doubts about the company's ability to continue as a going concern, as mentioned in aforesaid note, the Company has taken into consideration the below mitigating factors in its assessment for going concern basis of accounting: -
a) Improving sugar sale prices;
b) Expansion plans in form of setting up of 16 MW Co-Generation Power Plant;
c) Newly commenced Distillery having capacity of 100,000 litres per day; and
d) Industry focused state and central government trade policies.
The Company has earned reasonable profits and had positive cash flows in the tracked history. However, from the past few years, the Company`s profits and cash flows from operation have declined. Also, the Company has availed moratorium period for principal and interest payments, under Covid 19 - Regulatory Package announced by Reserve Bank of India by rescheduling its repayments of loans and payment of interest. Management has prepared future cash flow forecasts taking into cognizance the above developments and performed sensitivity analysis of the other key assumptions used therein to assess whether the Company would be able operate as a going concern for a period of at least 12 months from the date of financial statements, and concluded that the going concern basis of accounting used for preparation of the accompanying financial statements is appropriate with no material uncertainty.
We have considered the assessment of management's evaluation of going concern basis of accounting as a key audit matter due to the pervasive impact thereof on the financial statements and the significant judgements and assumptions that are inherently subjective and dependent on future events, involved in preparation of cash flow projections and the overall conclusion.
</td><td>
Our audit procedures included, but were not limited to, the following in relation to assessment of appropriateness of going concern basis of accounting:

We obtained an understanding of the management's process for identification of events or conditions that may cast significant doubt over the Company's ability to continue as a going concern.
Evaluated the design and tested the operating effectiveness of key controls around aforesaid identification of events or conditions and mitigating factors, and controls around cash flow projections prepared by the management.
Reconciled the cash flow projections to future business plans of the Company as approved by the Board of Directors.
In order to corroborate management's future business plans and to identify potential contradictory information we read the board minutes, supervisory board minutes and discussed the business plans with management and the Audit Committee.
Performed audit procedures regarding subsequent events to identify events that either mitigate or otherwise affect the Company's ability to continue as a going concern;
We also compared the prospective financial information for recent prior periods with historical results and the prospective financial information for the current period with results achieved to date.
We evaluated key assumptions used by the management for prospective financial information based on economic trends, historical data and considered government's industry focused policies. Key assumptions included selling prices of sugar and its by -products, sugar recovery rates, interest rates, industry trends, manpower and other direct costs. We also referred to the Power Purchase Arrangement ('PPA') entered by the Company with State government and ethanol sale contracts in hand for Distillery plant. To challenge these assumptions, we considered our understanding of the business, actual historical results, other relevant existing conditions, external data and market conditions.
Tested the arithmetical accuracy of the calculations including those related to sensitivity analysis performed by the management.
Performed independent sensitivity analysis to test the impact of variation in the key assumptions.
Evaluated the appropriateness of the disclosures made in the financial statements in respect of going concern.

</td></tr>
<tr><td>
8. Provision made for Right of way charges in relation to laying Company's Pipeline on Government Land
Auditors of one of the components of the Group, namely, Zuari Indian Oiltanking Private Limited, a joint venture of the Holding Company have reported KAM in their auditor's report on provision made for right of way charges in relation to laying pipeline on government land, which is reproduced below:
</td><td>

Our audit procedures include, among others, analyzing the judgements used by management based on the available information. Among other procedures, we have verified the calculation of the provision from the underlying information available and also reviewed the legal opinion obtained by the Company on the given matter. We analysed the reasonableness of the conclusion reached by the management of the Company considering the various factors on which those conclusions were based.

</td></tr>
</table>

During the financial year 2017-18, the Company has obtained right of way permission from NHAI for the underground petroleum pipeline already laid by the Company along the National Highway for transferring petroleum products from port to Company's Oil terminal. The Company was able to obtain permission for a period of 5 years w.e.f. July 31, 2017 on payment of requisite fees. For the period upto July 31, 2017, the Company has obtained permission from PWD Goa in an earlier year, however right of way charges for the said period are yet to be finalised between the Company and PWD Goa. As the right of way charges are yet to be finalized, the Company has made provision on the basis of expected payout. The aggregate provision for right of way charges upto July 31, 2017 as estimated by the management amounts to INR 966.17 lakhs as on March 31, 2020 (including stamp duty charges amounting to INR 5.50 lakhs). The Company has laid its pipeline on this land in year 2004 and since that year it has made provision every year for estimated charges to be paid in form of Right of Way. The Company is carrying this liability since it has actually used this land for its operations. This matter is considered as a key audit matter in our audit, since the aforementioned estimate require significant judgements by the management of the Company, based on historical experience and the available information, including that obtained from its legal advisors.	
9. Impairment of Property, Plant & Equipment & Right of Use Assets Auditors of one of the components of the Group, namely Forte Furniture Products India Limited, a joint venture of the Holding Company have reported a KAM in their auditor's report on impairment of property, plant & equipment and right-of-use assets, which is reproduced below: Following the global outbreak of Coronavirus (COVID-19) pandemic ("the pandemic") and consequent lockdown announced by the Government of India, the operations of the company have been temporarily disrupted towards the end of the year. Though the company has subsequently resumed its activities including manufacturing and sales, there has been a significant fall in the level of operations in the first quarter for FY 20-21. Considering the above and also taking into account the fact that the company has incurred losses in the current year and the previous year, the management has carried out impairment testing of property, plant and equipment & RoU Assets of the company as at 31st March, 2020. The above impairment testing is considered to be a key audit matter because the assumptions on which the assessment is based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain. Refer Note No. 58 to the consolidated financial statements.	Our audit procedures in this area included, among others • Considering if the discounted cash flow models used to estimate the recoverable amount of the Cash Generating Unit (CGU) were in consistent with the relevant Indian Accounting Standard. • Evaluating whether the forecasted cash flows considered in the impairment model were reasonable by comparing the assumptions, such as projected growth rates appropriately factored in for the probable impact of the Covid-19 pandemic. • Reviewing the adequacy of disclosure made in the Financial statement in this regard.

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

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The respective Board of Directors/management of the companies included in the Group and its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and,

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, and its associates and joint ventures, to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

16. We did not audit the annual financial statements/ financial information of five subsidiaries and one branch, whose financial statements reflect total assets of INR 111,730.63 lakhs and net assets of INR 18,269.39 lakhs as at 31 March 2020, total revenues of INR 10,514.86 lakhs and net cash outflows amounting to INR 170.21 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 loss (including other comprehensive income) of INR 28,635.77 lakhs for the year ended 31 March 2020, as considered in the consolidated financial statements, in respect of 22 associates and three joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports 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, are 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 matter with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16, on separate financial statements of the subsidiaries, associates and joint ventures, we report that managerial remuneration in relation to Managing Director of one associate company has been paid in excess of the limits provided in provisions of section 197 read with Schedule V to the Act by INR 81.00 lakhs which is subject to approval of banks/financial institutions and shareholders of such associate company by a special resolution as explained in note 62(g) of the consolidated financial statements and therefore, carried as a recoverable from managing director as at 31 March 2020, in financial statements of associate company.

We further report that the Holding Company, four subsidiary companies and two associate companies covered under the Act paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that five subsidiary companies, three associate companies and one joint venture companies covered under the Act have not paid or provided for any managerial remuneration during the year and the provisions of section 197 read with Schedule V to the Act are not applicable to two subsidiary companies, 16 associate companies and two joint venture companies covered under the Act, since none of such companies is a public company as defined under section 2(71) of the Act.

17. 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 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;

    c) the reports on the accounts of the branch office of a subsidiary company, covered under the Act, audited under Section 143(8) of the Act by branch auditor have been sent to us 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) 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 4(a) and 4(d) of the Emphasis of Matter section, in our opinion, may have an adverse effect on the functioning of the Group;

    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 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 2020 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 with reference to financial statements of the Holding Company, and its subsidiary companies, associate companies and joint venture companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in Annexure B; and

    i) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (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), 43A and 57 to the consolidated financial statements;

        ii. the Holding Company, its associates and joint ventures did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2020;

        iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, associate companies and joint venture companies during the year ended 31 March 2020; and

        iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these 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
UDIN: 20099514AAAADE2007

Place : Gurugram
Date : 25 June 2020

Annexure A

List of entities included in the consolidated financial statements

Subsidiaries and step-down subsidiaries

1. Zuari Infraworld India Limited
2. Zuari Infra Middle East Limited, a subsidiary of Zuari Infraworld India Limited
3. Zuari Infraworld SJM Properties LLC (Formerly known as SJM Elysium Properties LLC), a subsidiary of Zuari Infra Middle East Limited
4. Zuari Management Services Limited
5. Indian Furniture Products Limited
6. Simon India Limited
7. Zuari Investments Limited
8. Zuari Finserv Limited
9. Zuari Sugar & Power Limited
10. Gobind Sugar Mills Limited, a subsidiary of Zuari Investments Limited
11. Zuari Insurance Brokers Limited, a subsidiary of Zuari Finserv Limited
12. Zuari Commodity Trading Limited, a subsidiary of Zuari Finserv Limited (merged with Zuari Finserv Limited w.e.f. 9 May 2019)

Joint ventures

13. Zuari Indian Oiltanking Private Limited, a Joint venture of Zuari Global Limited
14. Forte Furniture Products India Private Limited, a Joint venture of Zuari Global Limited
15. Soundaryaa IFPL Interiors Limited, a Joint venture of Indian Furniture Products Limited

Associates

16. New EROS Tradecom Limited, an associate of Zuari Investments Limited
17. Zuari Agro Chemicals Limited, an associate of Zuari Global Limited
18. Mangalore Chemicals and Fertilisers Limited, a subsidiary of Zuari Agro Chemicals Limited
19. Adventz Trading DMCC, a subsidiary of Zuari Agro Chemicals Limited
20. Zuari Farmhub Limited, a subsidiary of Zuari Agro Chemicals Limited
21. Zuari Maroc Phosphates Private Limited, a joint venture of Zuari Agro Chemicals Limited
22. Paradeep Phosphates Limited, a subsidiary of Zuari Maroc Phosphates Private Limited
23. Zuari Yoma Agri Solutions Limited an associate of Paradeep Phosphates Limited
24. Brajbhumi Nirmaan Private Limited, an associate of Zuari Infraworld India Limited
25. Pranati Niketan Private Limited, an associate of Zuari Infraworld India Limited
26. Darshan Nirmaan Private Limited, an associate Zuari Infraworld India Limited
27. Rosewood Agencies Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
28. Neobeam Agents Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
29. Mayapur Commercial Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
30. Nexus Vintrade Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
31. Bahubali Tradecomm Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
32. Hopeful Sales Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
33. Divine Realdev Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
34. Kushal Infraproperty Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
35. Beatie Agencies Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
36. Suhana Properties Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
37. Saket Mansions Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited

Branch

38. Simon India Limited (KSA Branch)

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Annexure B 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 31st March 2020

Annexure B

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of 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 as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements 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.

Responsibilities of Management and Those Charged with Governance 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 financial controls with reference to financial statements 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, 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 internal financial controls with reference to financial statements 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 internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, its associate companies and joint venture companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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.

Annexure B 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 31st March 2020

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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 and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, associate companies and joint venture companies, 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 with reference to financial statements and such controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements 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.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to three subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of INR 80,667.19 lakhs and net assets of INR 19,703.46 lakhs as at 31 March 2020, total revenues of INR 7,683.19 lakhs and net cash outflows amounting to INR 76.60 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 loss (including other comprehensive income) of INR 28,767.29 lakhs for the year ended 31 March 2020, in respect of eight associate companies and two joint venture companies, which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies, associate companies and joint venture companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies, its associate companies and joint venture companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, associate companies and joint venture companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

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

Neeraj Goel
Partner
Membership No.: 099514
UDIN: 20099514AAAADE2007

Place: Gurugram
Date: 25 June 2020

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Consolidated Balance Sheet as at 31 March 2020

(All amounts in INR lakhs, unless stated otherwise)

	Notes	As at 31st March 2020	As at 31st March 2019 (Restated)*
I ASSETS			
Non-current assets			
Property, plant and equipment	3A	53,622.50	38,934.21
Capital work-in-progress	3A	250.60	7,142.03
Investment properties	4	761.77	791.80
Goodwill	39	14,227.66	14,565.67
Right of use assets	42	1,195.52	-
Other intangible assets	3B	39.91	77.27
Investments accounted for using the equity method	37A, 38	16,885.03	43,769.26
Financial assets			
i. Investments	5A	95,735.30	1,57,740.96
ii. Loans	5B	28,004.70	701.60
iii. Other financial assets	5C	1,589.51	1,413.16
Deferred tax assets (net)	17B	5,956.36	12,865.17
Non-current tax assets (net)	17C	4,118.22	3,682.69
Other non-current assets	6	5,518.97	6,148.03
Total non-current assets		**2,27,906.05**	**2,87,831.85**
Current assets			
Inventories	7	1,27,075.58	1,16,532.58
Financial assets			
i. Investments	5A	616.00	798.03
ii. Trade receivables	8	10,689.13	10,431.96
iii. Cash and cash equivalents	9	3,037.88	3,282.97
iv. Bank balances other than (iii) above	10	6,694.33	1,243.36
v. Loans	5B	2,139.15	1,796.02
vi. Other financial assets	5C	7,664.75	12,046.02
Other current assets	6	7,295.86	7,740.25
		1,65,212.68	**1,53,871.19**
Assets classified as held for sale	11	979.83	979.83
Total current assets		**1,66,192.51**	**1,54,851.02**
Total assets		**3,94,098.56**	**4,42,682.87**
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	12A	2,944.11	2,944.11
Other equity	12C	1,13,739.23	2,15,240.14
Equity attributable to equity holders of the Holding Company		**1,16,683.34**	**2,18,184.25**
Non-controlling interests	36	(3,180.70)	(304.73)
Total equity		**1,13,502.64**	**2,17,879.52**

Consolidated Balance Sheet as at 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

	Notes	As at 31st March 2020	As at 31st March 2019 (Restated)*
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i. Borrowings	13A	1,37,455.94	1,02,884.49
ii. Lease Liabilities	42	1,366.36	-
iii. Trade payables			
(A) Total outstanding due to micro enterprise and small enterprise	14	-	-
(B) Total outstanding due to creditors other than micro enterprise and small enterprise	14	40.07	39.01
iii. Other financial liabilities	15	0.60	253.68
Provisions	16	922.91	1,123.50
Deferred tax liabilities (net)	17B	400.12	95.73
Other non-current liabilities	16	4,385.25	5,109.29
Total non-current liabilities		**1,44,571.25**	**1,09,505.70**
Current liabilities			
Financial liabilities			
i. Borrowings	13B	34,006.81	30,932.28
ii. Trade payables			
(A) Total outstanding due to micro enterprise and small enterprise	14	1,157.50	494.01
(B) Total outstanding due to creditors other than micro enterprise and small enterprise	14	47,528.57	39,152.40
iii. Other financial liabilities	15	29,471.52	17,044.02
Other current liabilities	16	18,928.55	21,775.70
Provisions	18	1,696.74	2,686.38
Current tax liabilities (net)	17D	25.85	3.73
		1,32,815.54	**1,12,088.52**
Advance received against the asset classified as held for sale	19	3,209.13	3,209.13
Total current liabilities		**1,36,024.67**	**1,15,297.65**
Total equity and liabilities		**3,94,098.56**	**4,42,682.87**

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (refer note 53).

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 June 2020

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

R.S. Raghavan
Managing Director
DIN: 00362555

Vijay Vyankatesh Paranjape
Director
DIN: 00237398

Vijay Kathuria
Chief Financial Officer

Date : 25 June 2020

Sachin Patil
Company Secretary
Membership No. 31286

Consolidated Statement of Profit and Loss for the period ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

		Notes	For the year ended 31st Mar 2020	For the year ended 31st March 2019 (Restated)*
I	**REVENUE**			
	Revenue from operations	20	77,102.89	77,418.90
	Other income	21	12,472.24	9,983.03
	Total income (I)		**89,575.13**	**87,401.93**
II	**EXPENSES**			
	Cost of material consumed	22	48,655.72	43,279.27
	Purchases of stock-in-trade	23	516.88	1,492.76
	Project expenses	24	20,961.06	36,857.81
	Change in inventories of work-in-progress, stock-in-trade and finished goods	25	(10,995.40)	(21,658.76)
	Employee benefits expense	26	8,117.42	7,868.83
	Finance costs	27	16,033.32	11,318.49
	Depreciation and amortization expense	28	2,546.62	2,092.28
	Other expenses	29	9,000.36	11,418.46
	Total expenses (II)		**94,835.98**	**92,669.14**
III	**Loss before share of net loss of investment accounted for using equity method and tax (I-II)**		**(5,260.85)**	**(5,267.21)**
IV	Share of loss of associates and joint ventures accounted for using the equity method	37, 38	(26,886.24)	(11,240.89)
V	**Loss before exceptional items and tax (III-IV)**		**(32,147.09)**	**(16,508.10)**
VI	Exceptional items	30	(338.01)	-
VII	**Loss before tax (V-VI)**		**(32,485.10)**	**(16,508.10)**
VIII	**Tax expense:**	17A		
	Current tax (including earlier year adjustments)		320.62	(828.58)
	Deferred tax		6,777.99	(913.29)
	Total tax expense		**7,098.61**	**(1,741.87)**
IX	**Loss for the year (VII-VIII)**		**(39,583.71)**	**(14,766.23)**
X	**Other comprehensive loss (A+B)**		**(64,427.98)**	**(8,221.68)**
	A Items that will be reclassified to profit or loss		**(89.08)**	**131.26**
	Share of profit/(loss) in associates	37, 38	(0.93)	234.87
	Foreign currency translation reserve		(88.15)	(55.80)
	Income tax relating to these items		-	(47.81)
	B Items that will not be reclassified to profit or loss		**(64,338.90)**	**(8,352.94)**
	Share of loss in associates and joint ventures	37, 38	(1,317.93)	(2,682.06)
	Re-measurement gains on defined benefit plans		59.63	61.56
	Net loss on FVTOCI equity securities		(62,614.85)	(6,255.15)
	Income tax relating to these items	17A	(465.75)	522.71
	Total comprehensive loss for the year (IX + X)		**(1,04,011.69)**	**(22,987.91)**

Consolidated Statement of Profit and Loss for the period ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

		Notes	For the year ended 31st Mar 2020	For the year ended 31st March 2019 (Restated)*
	Loss for the year			
	Attributed to:			
	Equity holders of the Holding Company		(36,694.81)	(12,842.83)
	Non-controlling interest		(2,888.90)	(1,923.40)
			(39,583.71)	**(14,766.23)**
	Other comprehensive income/(loss)			
	A Items that will be reclassified to profit or loss			
	Attributed to:			
	Equity holders of the Holding Company		(89.08)	131.26
	Non-controlling interest		-	-
			(89.08)	**131.26**
	B Items that will not be reclassified to profit or loss			
	Attributed to:			
	Equity holders of the Holding Company		(64,351.83)	(8,347.73)
	Non-controlling interest		12.93	(5.21)
			(64,338.90)	**(8,352.94)**
	Total comprehensive loss for the year			
	Attributed to:			
	Equity holders of the Holding Company		(1,01,135.72)	(21,059.30)
	Non-controlling interest		(2,875.97)	(1,928.61)
			(1,04,011.69)	**(22,987.91)**
XI	**Earnings per equity share: nominal value of share of INR 10 (31 March 2019: INR 10)**			
	(1) Basic	32	(124.64)	(43.62)
	(2) Diluted	32	(124.64)	(43.62)

*Adjusted in accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (refer note 53).

Summary of significant accounting policies 2.3

The accompanying notes forms an integral part of the financial statements

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

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

Neeraj Goel
Partner
Membership No. : 099514

Place : Gurugram
Date : 25 June 2020

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

R.S. Raghavan
Managing Director
DIN: 00362555

Vijay Vyankatesh Paranjape
Director
DIN: 00237398

Vijay Kathuria
Chief Financial Officer

Date : 25 June 2020

Sachin Patil
Company Secretary
Membership No. 31286

Consolidated Statement of Cash Flows for the period ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

	For the year ended 31st March 2020	For the year ended 31st March 2019
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Loss after exceptional items but before tax	**(32,485.10)**	**(16,508.10)**
Share of loss of associates and joint ventures	26,886.24	11,240.89
Loss before share of loss of associates and joint ventures and tax	**(5,598.86)**	**(5,267.21)**
Adjustment to reconcile profit before tax to net cash flows:-		
Depreciation and amortization expense	2,546.62	2,092.28
Foreign currency translation reserve	(88.15)	(55.80)
Molasses storage and maintenance reserve	6.70	2.51
Excess provisions written back	(272.63)	(429.27)
Loss on sale of property, plant and equipment (net)	6.98	2.89
Impairment of goodwill	338.01	-
Provision for doubtful debts, claims and advances	145.10	240.74
Cane Subsidies and other receivabels written off	61.18	1,556.94
Profit on sale of current investments (net)	(24.55)	(39.37)
Income from fair valuation of mutual funds	(582.15)	(596.56)
Loss on account of foreign exchange rate fluctutation	283.81	183.75
Gain from redemption from mutual funds	(32.03)	(181.44)
Finance cost	21,603.12	18,012.60
Fair value losses on derivatives not designated as hedge	471.52	213.46
Amortisation of deferred gains and deferred grants	(934.23)	(510.53)
Interest income	(2,512.47)	(255.47)
Dividend income	(3,923.12)	(1,380.80)
	17,093.71	**18,855.93**
Operating profit before working capital changes	**11,494.85**	**13,588.72**
Changes in working capital :		
- in inventories	(10,543.00)	(31,177.73)
- in trade receivables	(402.27)	2,349.61
- in other assets	761.28	(5,622.42)
- in loans and advances	4,061.68	458.18
- in trade payables and other liabilities	9,114.17	12,180.46
- in provisions	(1,190.23)	1,597.44
	1,801.63	**(20,214.46)**
Cash generated (used in)/ from operations	**13,296.48**	**(6,625.74)**
Income taxes (paid) /refund	(734.02)	2,163.54
Net cash flow (used in)/from operating activities (A)	**12,562.46**	**(4,462.20)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, including intangible assets, capital work-in-progress and capital advances	(9,326.46)	(12,441.77)
Proceeds from sale of property, plant and equipment	80.67	4.46
Purchases of non-current investments	-	(3,759.96)
Proceeds from sale of non-current investments	0.67	2,981.33
Purchases of current investments	(23,222.73)	(182.03)
Proceeds from sale of current investments	22,993.10	635.28
Loans given	(27,550.00)	-
Loans received back from bodies corporate	-	500.00
Investment of bank deposits (having original maturity of more than 3 months)	(5,450.97)	(466.60)
Interest received	2,674.04	(6.43)
Dividends received	3,807.62	1,380.80
Net Cash flow used in investing activities (B)	**(35,994.06)**	**(11,354.92)**

Consolidated Statement of Cash Flows for the period ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

	For the year ended 31st March 2020	For the year ended 31st March 2019
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of non-current borrowings	(13,690.82)	(21,615.09)
Proceeds from non-current borrowings	50,496.02	62,398.93
Proceeds of current borrowings	15,328.77	14,427.99
Repayment of current borrowings	(8,454.35)	(24,541.75)
Finance cost paid	(19,850.74)	(14,341.68)
Payment for finance cost on lease liability	(155.22)	-
Payment of lease liablity	(132.22)	-
Dividends paid on equity shares	(294.41)	(294.41)
Dividend distribution tax	(60.52)	(60.52)
Net cash flow from/(used in) financing activities (C)	**23,186.51**	**15,973.47**
Net (decrease)/ increase in cash and cash equivalents (A + B + C)	**(245.09)**	**156.35**
Cash and cash equivalents at the beginning of the year	3,282.97	3,126.62
Cash and cash equivalents at the end of the year	**3,037.88**	**3,282.97**

Components of cash and cash equivalents (refer note 9)	As at 31st March 2020	As at 31st March 2019
Cash on hand	13.89	11.04
With banks-on current account	3,023.99	3,271.93
	3,037.88	**3,282.97**

This is the Consolidated 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 June 2020

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

R.S. Raghavan
Managing Director
DIN: 00362555

Vijay Vyankatesh Paranjape
Director
DIN: 00237398

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Company Secretary
Membership No. 31286

Date : 25 June 2020

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

(a) Equity share capital

	31st March 2020		31st March 2019	
	Number of shares	Amount	Number of shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid				
Equity shares outstanding at the beginning of the year	2,94,40,604	2,944.06	2,94,40,604	2,944.06
Add: Issue of share capital	-	-	-	-
Equity shares outstanding at the end of the year	**2,94,40,604**	**2,944.06**	**2,94,40,604**	**2,944.06**

(b) Other equity

	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
		General reserve	Capital reserve	Molasses and alcohol storage and maintenance reserve	Retained earnings	FVTOCI reserve	Foreign currency translation reserve			
As at 1 April 2018	**4,227.99**	**3,911.60**	**7,175.25**	**16.12**	**87,921.03**	**1,34,105.09**	**(182.60)**	**2,37,174.48**	**1,098.77**	**2,38,273.25**
Loss for the year*	-	-	-	-	(12,842.83)	-	-	(12,842.83)	(1,923.40)	(14,766.23)
Subscription to fresh equity shares issued by the subsidiary company	-	-	-	-	(525.11)	-	-	(525.11)	525.11	-
Other comprehensive income/ (loss) (refer note 31)	-	-	-	-	(9.85)	(8,337.88)	131.26	(8,216.47)	(5.21)	(8,221.68)
Total comprehensive income/ (loss)	**-**	**-**	**-**	**-**	**(13,377.79)**	**(8,337.88)**	**131.26**	**(21,584.41)**	**(1,403.50)**	**(22,987.91)**
Provided during the year	-	-	-	2.51	-		-	2.51	-	2.51
Reclassification from OCI to retained earnings on disposal of investments	-	-	-	-	(2,880.06)	2,880.06	-	-	-	-
Dividends paid (refer note 33)	-	-	-	-	(294.41)	-	-	(294.41)	-	(294.41)
Dividend distribution tax (DDT) (refer note 33)	-	-	-	-	(60.52)	-	-	(60.52)	-	(60.52)
Others	-	-	-	-	2.49	-	-	2.49	-	2.49
As at 31 March 2019	**4,227.99**	**3,911.60**	**7,175.25**	**18.63**	**71,310.74**	**1,28,647.27**	**(51.34)**	**2,15,240.14**	**(304.73)**	**2,14,935.41**
As at 1 April 2019	**4,227.99**	**3,911.60**	**7,175.25**	**18.63**	**71,310.74**	**1,28,647.27**	**(51.34)**	**2,15,240.14**	**(304.73)**	**2,14,935.41**
Adjustment pursuant to adoption of Ind AS 116**	-	-	-	-	(109.18)	-	-	(109.18)	**-**	(109.18)
Income tax effect on the above adjustment**					28.39			28.39	**-**	28.39
As at 1 April 2019 (revised)	**4,227.99**	**3,911.60**	**7,175.25**	**18.63**	**71,229.95**	**1,28,647.27**	**(51.34)**	**2,15,159.35**	**(304.73)**	**2,14,854.62**
Loss for the year	-	-	-	-	(36,694.81)	-	-	(36,694.81)	(2,888.90)	(39,583.71)
Other comprehensive income/ (loss) (refer note 31)	-	-	-	-	6.07	(64,357.90)	(89.08)	(64,440.91)	12.93	(64,427.98)
Total comprehensive loss	**-**	**-**	**-**	**-**	**(36,688.74)**	**(64,357.90)**	**(89.08)**	**(1,01,135.72)**	**(2,875.97)**	**(1,04,011.69)**
Acquisition of non-controlling interest by an associate company (refer note 12C)	-	-	83.30	-	-	-	-	83.30	-	83.30
Provided during the year	-	-	-	6.70	-	-	-	6.70	-	6.70
Dividends paid (refer note 33)	-	-	-	-	(294.41)	-	-	(294.41)	-	(294.41)
Dividend distribution tax (DDT) (refer note 33)	-	-	-	-	(60.52)	-	-	(60.52)	-	(60.52)
Reclassification from OCI to retained earnings on disposal of investments	-	-	-	-	(81.04)	81.04	-	-	-	-
Adjustment on reclassification of joint venture to financial assets, by an associate company	-	-	-	-	343.00	-	(362.47)	(19.47)	-	(19.47)
As at 31 March 2020	**4,227.99**	**3,911.60**	**7,258.55**	**25.33**	**34,448.24**	**64,370.41**	**(502.89)**	**1,13,739.23**	**(3,180.70)**	**1,10,558.53**

*Refer note 53 for adjustment in accordance with Ind AS 8, 'Accounting Policies, Change in Accounting Estimates and Errors'.
**see note 42 for details about changes in accounting policies consequent to adoption of Ind AS 116, "Leases".
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 June 2020

For and on behalf of the Board of Directors of
Zuari Global Limited

R.S. Raghavan
Managing Director
DIN: 00362555

Vijay Vyankatesh Paranjape
Director
DIN: 00237398

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Company Secretary
Membership No. 31286

Date : 25 June 2020

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 2020.

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, management services, manufacturing and trading of furniture, manufacturing and sale of sugar and its by products, ethanol and generation of power. Further, the Holding Company advances loans to its group companies for carrying out the above mentioned primary business activities and agriculture business carried out by an associate company.

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 as amended and other relevant provisions of the Act.

The consolidated financial statements of ZGL as at and for the year ended 31 March 2020 (including comparatives) were approved and authorised for issue by the board of directors on 25 June 2020.

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 2020. 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.

2.3 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) and (c) 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. Other 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 and right-of-use asset

At the end of each reporting period, the Group 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 Group 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. Impairment of contract assets

The allowance for expected credit losses for contract assets are calculated at individual level when there is an indication of impairment. For contract assets without any indication of impairment the expected credit losses are based on the historical credit loss experience combined with forward-looking information in macroeconomic factors effecting the credit risk.

h. Leases

As inception of the contract, the Group assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use an asset (the underlying asset) for a period of time in exchange for consideration'.

As a lessee

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the identified asset throughout the period of use.

The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

However, for the leases of land and buildings in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Measurement and recognition of leases as a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero, as the case may be.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the balance sheet. Also, the Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

In the comparative period, as a lessee, the lease payments in respect of assets taken on operating lease are charged to the profit or loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with the expected general inflation to compensate the lessor's expected inflationary cost increase.

As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

The accounting policies applicable to the Group as a lessor in the comparative period were not different from Ind AS 116. However, when the Group was an intermediate lessor the sub-leases were classified with reference to the underlying asset.

i. 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

j. 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 the Group'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).

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

k. 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.

l. 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 Group 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 Group 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 Group does not recognize a contingent liability but discloses its existence in the financial statements

m. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties, if any. The Group recognizes revenue when it transfers control over a product or service to a customer.

To determine whether to recognize revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognizing revenue when/as performance obligation(s) are satisfied.

Identify the Contract with Customer

Under Ind AS 115, the Group must evaluate whether a valid contract is satisfying all the following conditions:

- All parties have approved the agreement (may be oral or written)
- All parties are committed to approve their obligations.
- Each party's rights are identifiable.
- The contract has commercial substance.
- Collectability is probable.

Identifying the performance obligations

Under Ind AS 115, the Group must evaluate the separability of the promised goods or services based on whether they are 'distinct'. A promised good or service is 'distinct' if both:

- the customer benefits from the item either on its own or together with other readily available resources, and
- it is 'separately identifiable' (i.e. the Group does not provide a significant service integrating, modifying or customizing it)

Determining the transaction price

Under Ind AS 115, the Group shall consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

Where the Group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the performance completed to date (for example, charges per case/pallet), the Group recognizes revenue in the amount to which it has a right to invoice.

Allocating the transaction price to the performance obligations

The transaction price is allocated to the separately identifiable performance obligations on the basis of their standalone selling price (in case of storage and distribution contracts where the customer pays a fixed rate per item for all the services provided). For services that are not provided separately, the standalone selling price is estimated using adjusted market assessment approach.

Recognizing revenue when/as performance obligation(s) are satisfied.

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 recognized either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

In the comparative period presented in financial statements, revenue was measured at the fair value of the consideration received or receivable. Revenue from the sale of goods was recognized when the significant risks and rewards of ownership had been transferred to the customer, recovery of the consideration was probable, there was no continuing management involvement with the goods and the amount of revenue could be measured reliably.

Sale of goods

Revenue from sale of goods is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. It is measured at fair value consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. The Group recognizes revenue when it transfers control over a product i.e. when goods are delivered at the delivery point (as per terms of the agreement).

Revenue from sale of constructed properties

Revenue from sale of flats and villas is measured based on the consideration specified in a contract with a customer. It is measured at fair value consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. The Group recognizes revenue when it transfers control over flats and villas to a customer which is done after completion of the project, i.e. revenue is recognised based on completed contract method.

In obtaining these contracts, the Group incurs number of incremental costs, such as commissions paid to sales staff, agents etc. The Group has recognised as an asset (prepaid expense) against the incremental costs of obtaining a contract with a customer as same is expected to be recovered. These are recognised in the statement of profit and loss when revenue corresponding to such cost has been recognised.

Rental income through investment properties

Another source of income is rental income against investment property. Customers are invoiced periodically (generally on monthly basis). Income in respect of service contracts are recognised in statement of profit and loss when control of respective service has been transferred to customer.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

Income from service (Engineering, procurement and construction)

The Group enters into contracts for the design, development and construction of different structures (like construction of a manufacturing plant) in exchange for a fixed fee and recognises the related revenue over time. Due to the high degree of interdependence between the various elements of these projects, they are accounted for as a single performance obligation. To depict the progress by which the Group transfers control of the systems to the customer, and to establish when and to what extent revenue can be recognised, the Group measures its progress towards complete satisfaction of the performance obligation by comparing actual cost incurred till date with the total estimated to be incurred for design, development and construction. The input method of cost incurred over budgeted cost provides the most faithful depiction of the transfer of goods and services to each customer due to the Group's ability to make reliable estimates, arising from its significant historical experience constructing similar systems. In addition to the fixed fee, some contracts include bonus payments which the Group can earn by completing a project in advance of a targeted delivery date. At inception of each contract the Group begins by estimating the amount of the bonus to be received using the "most likely amount" approach. This amount is then included in the Group's estimate of the transaction price only if it is highly probable that a significant reversal of revenue will not occur once any uncertainty surrounding the bonus is resolved. In making this assessment the Group considers its historical record of performance on similar contracts, whether the Group has access to the labour and materials resources needed to exceed the agreed-upon completion date, and the potential impact of other reasonably foreseen constraints. Most such arrangements include detailed customer payment schedules. When payments received from customers exceed revenue recognised to date on a particular contract, any excess (a contract liability) is reported in the statement of financial position under other liabilities. The construction normally takes 12-36 months from commencement of design through to completion. Since revenue is recognised over time, management believes that no significant amount is received from a customer wherein the time lag between customer payment and performance exceeds 12 months and thus the Group applies the practical expedient in Ind AS 115 (Para 63) and does not adjust the promised amount of consideration for the effects of financing.

Sale of sugar

Revenue from sale of Sugar products is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. It is measured at fair value consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. The Group recognizes revenue when it transfers control over a product to a customer i.e. when customers are billed (in case of ex-works) or when goods are delivered at the delivery point (as per terms of the agreement). When payments received from customers exceed revenue recognised to date on a particular contract, any excess (a contract liability) is reported in the statement of financial position under other liabilities.

Sale of power

Revenue is earned by power units sourced from the Group power generating facilities and is recognised when control over services is transferred to the customers. It is derived from the output delivered and capacity provided at rates specified under contract terms. Performance obligations are satisfied over time as the customer simultaneously receives and consumes benefits as we deliver electricity and related products.

Interest income

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

Dividend Income

Dividend is recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Renewable energy certificates income

Income from Renewable Energy Certificates (RECs) is recognized at estimated realizable value (floor price) on confirmation of RECs by the concerned Government authorities.

Power banked 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.

n. 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.

o. 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.

p. 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 favorable 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.

q. 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.

r. 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.

s. 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.

t. 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.

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.

u. 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.

Financial assets:

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Amortized cost

A financial asset shall be measured at amortised cost using effective interest rates if both of the following conditions are met:

- financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets at fair value through profit and loss (FVTPL)

Financial assets at FVTPL include financial assets that either do not meet the criteria for amortised cost classification or are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements may apply. Assets in this category are measured at fair value with gains or losses recognized in the statement of profit and loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at fair value through other comprehensive income (FVTOCI)

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the ‘Reserve for equity instruments through other comprehensive income’. The cumulative gain or loss is not reclassified to the statement of profit and loss on disposal of the investments. The Group has irrevocably adopted to value its equity investments through FVTOCI.

Dividends on these investments in equity instruments are recognised in the statement of profit and loss when the Group’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in the statement of profit and loss are included in the ‘Other income’ line item.

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.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit or loss.

Summary of consolideated significant accounting policies and other explanatory information for the year ended 31st March 2020

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.

v. 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.

w. Segment reporting

The Group has seven operating/reportable segments: engineering, furniture, real estate, sugar, power, investment service and management services. 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.

x. 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.

y. 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.

z. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.

aa. Amended standards adopted by the Group

The Group has applied newly effective Ind AS 116 "Leases" for the first time in the financial year ended 31 March 2020. The adoption of this standard had no significant impact on the consolidated financial statements. The Group had to change its accounting policies and make adjustment in opening retained earnings. Refer note 42 for further details.

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(All amounts in INR 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 1 April 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**
Additions (including borrowing costs)	-	13.62	204.40	1,121.08	9.31	72.65	-	1,421.06	6,384.77	7,805.83
Deletions	-	-	-	8.65	-	4.14	-	12.79	-	12.79
Transferred to investment property (refer note (v) below)	-	-	(76.84)	-	-	-	-	(76.84)	-	(76.84)
As at 31 March 2019	**517.51**	**158.63**	**8,512.67**	**34,341.88**	**344.91**	**597.91**	**276.61**	**44,750.12**	**7,142.03**	**51,892.15**
As at 1 April 2019	**517.51**	**158.63**	**8,512.67**	**34,341.88**	**344.91**	**597.91**	**276.61**	**44,750.12**	**7,142.03**	**51,892.15**
Additions (including borrowing costs)	-	-	3,185.67	13,791.29	30.58	67.07	18.94	17,093.55	9,569.97	26,663.52
Deletions	-	-	(82.18)	(122.53)	(17.66)	(28.97)	(8.53)	(259.87)	-	(259.87)
Adjustments	-	-	-	-	-	2.74	21.17	23.91	(16,461.40)	(16,437.49)
As at 31 March 2020	**517.51**	**158.63**	**11,616.16**	**48,010.64**	**357.83**	**638.75**	**308.19**	**61,607.71**	**250.60**	**61,858.31**
Accumulated depreciation										
As at 1 April 2018	**-**	**39.56**	**647.05**	**2,684.04**	**94.69**	**269.27**	**67.27**	**3,801.88**	-	**3,801.88**
Charge for the year	-	20.10	330.40	1,473.09	38.17	108.62	53.61	2,023.99	-	2,023.99
Deletions	-	-	-	1.27	-	4.17	-	5.44	-	5.44
Transferred to investment property (refer note (v) below)	-	-	(4.52)	-	-	-	-	(4.52)	-	(4.52)
As at 31 March 2019	**-**	**59.66**	**972.93**	**4,155.86**	**132.86**	**373.72**	**120.88**	**5,815.91**	**-**	**5,815.91**
As at 1 April 2019	**-**	**59.66**	**972.93**	**4,155.86**	**132.86**	**373.72**	**120.88**	**5,815.91**	-	**5,815.91**
Charge for the year		15.07	369.89	1,778.02	36.26	92.72	40.60	2,332.56	-	2,332.56
Deletions			(11.53)	(114.69)	(13.16)	(25.63)	(7.21)	(172.22)	-	(172.22)
Adjustment						1.62	7.34	8.96		8.96
As at 31 March 2020	**-**	**74.73**	**1,331.29**	**5,819.19**	**155.96**	**442.43**	**161.61**	**7,985.21**	**-**	**7,985.21**
Net block										
As at 31 March 2019	**517.51**	**98.97**	**7,539.74**	**30,186.02**	**212.05**	**224.19**	**155.73**	**38,934.21**	**7,142.03**	**46,076.24**
As at 31 March 2020	**517.51**	**83.90**	**10,284.87**	**42,191.45**	**201.87**	**196.32**	**146.58**	**53,622.50**	**250.60**	**53,873.10**

(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 2020	As at 31 March 2019
Employee benefits expense	272.04	92.63
Power and fuel	275.57	70.00
Rates and taxes	-	-
Insurance	-	-
Miscellaneous expenses	843.27	374.03
Finance costs	1,297.92	284.85
	2,688.80	**821.51**
Less: capitalised during the year	(2,688.80)	(45.52)
Closing balance carried forward	**-**	**775.99**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

(iv) Borrowing cost

CWIP include INR 1,013.07 lakhs (31 March 2019: INR 284.85 lakhs) towards borrowing costs capitalised during the year. The rate used to determine the amount of borrowing costs eligible for capitalisation was 11.68% (31 March 2019: 11.58%), which is the effective interest rate of the general borrowing. Refer note 27 for details of finance cost capitalised during the year.

(v) With effect from 1 October 2018, the Holding Company had given two apartments classified under buildings on lease to Zuari Agro Checmcials Limited (an Associate of the Holding Company). Since, the apartments are now held to earn rentals, hence, during the previous year the same were transferref from Buildings to Investment Properties.

3B Other intangible assets

Particulars	Software
Gross block	
As at 1 April 2018	**267.89**
Additions	63.36
Deletions	-
As at 31 March 2019	**331.25**
As at 1 April 2019	**331.25**
Additions	8.93
Deletions	-
As at 31 March 2020	**340.18**
Amortisation	
As at 1 April 2018	**199.60**
Charge for the year	54.38
Deletions	-
As at 31 March 2019	**253.98**
As at 1 April 2019	**253.98**
Charge for the year	46.29
Deletions	-
As at 31 March 2020	**300.27**
Net block	
As at 31 March 2019	**77.27**
As at 31 March 2020	**39.91**

Note 4: Investment property

Particulars	Amount
As at 1 April 2018	**801.86**
Additions (subsequent expenditure)	-
Transferred from PPE (refer note 3A)	76.84
As at 31 March 2019	**878.70**
As at 1 April 2019	**878.70**
Additions (subsequent expenditure)	-
Transferred from PPE (refer note 3A)	-
As at 31 March 2020	**878.70**
Accumulated depreciation	
As at 1 April 2018	**52.99**
Depreciation	29.39
Transferred from PPE (refer note 3A)	4.52
As at 31 March 2019	**86.90**
As at 1 April 2019	**86.90**
Depreciation	30.03
Transferred from PPE (refer note 3A)	-
As at 31 March 2020	**116.93**
Net block	
As at 31 March 2019	791.80
As at 31 March 2020	**761.77**

(All amounts in INR lakhs, unless stated otherwise)

(i) 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.

(ii) Amount recognised in profit and loss for investment properties

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Rental income derived from investment properties	764.82	692.52
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	764.82	692.52
Less: depreciation	30.03	29.39
Profit arising from investment properties before indirect expenses	734.79	663.13

(iii) Fair value

Particulars	As at 31 March 2020	As at 31 March 2019
Investment properties	32,889.65	28,915.32

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.
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 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.

iv. Reconciliation of fair value:

Particulars	Amount
Opening balance as on 1 April 2018	**28,752.36**
Fair value differences	29.14
Purchases/Transfer of investment property from PPE	133.82
Opening balance as on 1 April 2019	**28,915.32**
Fair value differences	3,974.33
Purchases/Transfer of investment property from PPE	-
Closing balance as on 31 March 2020	**32,889.65**

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Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

Note 5: Financial assets
A: Investments

Particulars	Non Current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Investment in equity instruments				
Investments at fair value through OCI (fully paid)				
Unquoted				
100,000 (31 March 2019: 100,000) equity shares of INR 10/- each fully paid up of Biotech Consortium of India Limited	52.16	60.23	-	-
19,092 (31 March 2019: 19,092) equity shares of INR 100/- each fully paid up of Lionel Edward Limited	56.98	54.48	-	-
180,240 (31 March 2019: 180,240) equity shares of INR 10/- each fully paid up of Premium Exchange and finance Limited	5.59	5.59	-	-
188,460 (31 March 2019: 188,460) equity shares of INR 10/- each fully paid up of Master Exchange & Finance Limited	5.90	5.90	-	-
9,800 (31 March 2019 : 9,800) equity shares of Omani Riyal 1 each fully paid-up in Simon Engineering and Partners LLC, Sultanate of OMAN	10.45	10.45	-	-
Less: Impairment in value of investments in Simon Engineering and Partners LLC , Sultanate of OMAN	(10.45)	(10.45)	-	-
258,250 (31st March2019: 258,250) equity shares of INR 100/- each fully paid up of Lionel India Limited	258.25	258.25		
Less: Impairment of investment in Lionel India Limited	(258.25)	(258.25)	-	-
Investment in equity instruments - Others				
Investments at fair value through OCI (fully paid)				
Quoted				
61,620,147 (31 March 2019: 61,620,147) equity shares of INR 10/- each fully paid up of Chambal Fertilisers and Chemicals Limited	66,828.06	1,02,936.22	-	-
39,291,612(31 March 2019: 39,291,612) equity shares of INR 1/- each fully paid up of Texmaco Infrastructure and Holdings limited	12,160.75	22,278.34	-	-
32,998,000 (31 March 2019: 32,998,900) equity shares of INR 1/- each fully paid up of Texmaco Rail and Engineering Limited	6,434.79	22,769.24	-	-
Nil (31 March 2019: 14,000) equity shares of INR 10/- each fully paid up of Ess Dee Aluminum Limited	-	2.28	-	-
24,700 (31 March 2019: 24,700) equity shares of INR 10/- each fully paid up of Duke Commerce Limited	0.64	0.64	-	-
34,722 (31 March 2019: 277,777) equity shares of USD 0.01/- each fully paid up of Synthesis Energy System Inc.*	56.26	103.73	-	-
Investment in joint venture carried at demeed cost				
Equity portion of compound financial instrument (Preference shares)				
500,000 (31 March 2019: 500,000) 1% Redeemable Non Cumulative optionally convertible preference shares of INR 100/- each fully paid up of Brajbhumi Nirmaan Private Limited	394.62	394.62	-	-
Investment in Preference Shares				
Investments at fair value through Profit and loss (fully paid)				
Investment in joint venture				
500,000 (31 March 2019: 500,000) 1% Redeemable non-cumulative optionally convertible preference shares of INR 100/- each fully paid up of Brajbhumi Nirmaan Private Limited	277.38	301.63	-	-
Investment in Others				
660,000 (31 March 2019: 660,000) 6% Redeemable non-cumulative non-convertible preference shares of INR 100/- each fully paid up of Adventz Investment Company Private Limited	-	-	616.00	616.00

(All amounts in INR lakhs, unless stated otherwise)

Particulars	Non Current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Investment in Mutual Funds				
Investments at fair value through Profit and Loss				
Quoted				
Nil (31 March 2019: 5,000,000) units in ICICI Prudential Fixed Maturity plan Series (77-1473 Days Plan C) of INR 10/- each	-	686.65	-	-
Nil (31 March 2019: 10,000,000) units in ICICI Prudential Fixed Maturity plan (78-1130 Days Plan T) of INR 10/- each	-	1,264.47	-	-
Nil (31 March 2019: 5,000,000) units in ICICI Prudential Fixed Maturity plan Series (78-1156 Days Plan T) of INR 10/- each	-	628.33	-	-
NIl (31 March 2019: 8,500,000) units in SBI Debt Fund Series B-36 (1131 Days) of INR 10/- each	-	1,067.19	-	-
15,000,000 (31 March 2019: 15,000,000) units in SBI Debt Fund Series C-1 (1100 Days) of INR 10/- each	1,676.26	1,685.04	-	-
13,081,249 (31 March 2019: Nil) units in ICICI Prudential Corporate Bond Fund - Direct plan - Growth of INR 20/- each	2,813.79	-	-	-
20,000,000 (31 March 2019: 20,000,000) units in SBI Debt Fund Series C-23 (1100 Days) Direct Growth of INR 10/- each	2,319.42	2,123.28	-	-
Nil (31 March 2019: 6.06) units in SBI Liquid Mutual Fund-Magnum of INR 3,845/- each	-	0.25	-	-
12,670,900 (31 March 2019: 12,670,900) units in SBI Debt Fund Series C-16 (1100 Days) of INR 10/- each	1,495.43	1,371.85	-	-
43,965 (31 March 2019: Nil) units in SBI Magnum low duration fund Direct Growth of INR 10/- each	1,156.27	-	-	-
Nil (31 March 2019: 4,037.92) units in SBI Liquid Fund - Regular Growth Plan of INR 2,894.06/- each	-	-	-	117.00
Nil (31 March 2019: 6,427) in L&T liquid fund - regular daily dividend reinvestment plan of INR 1,012/- each	-	-	-	65.03
Investment in Government Securities				
Amortised cost				
Unquoted				
5 Years National Saving Certificates	1.00	1.00	-	-
	95,735.30	**1,57,740.96**	**616.00**	**798.03**
Aggregate amount of quoted investments	85,480.50	1,48,090.45	-	-
Aggregate market value of quoted investments	85,480.50	1,48,090.45	-	-
Aggregate book value of quoted investments in mutual funds	9,461.17	8,827.06	-	182.03
Aggregate net asset value of mutual funds	9,461.17	8,827.06	-	182.03
Aggregate value of other unquoted investments	1,062.33	1,092.15	616.00	616.00
Agreegate amount of impairment in the value of investment	268.70	268.70	-	-

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

** Investment in mutual funds are held under lien in favour of Yes Bank Limited, GIFT City for providing bank facilities to Zuari SJM Properties LLC, Dubai, a step down subsidiary. All the investments in mutual funds are carried as non-current as they are expected to either be renewed/ re-invested on their maturity. Further, investments of funds in mutual funds will not meet the contractual cash flow test (i.e. SPPI test) as the contractual cash flows (i.e.dividends or redemption amount represented by the NAV) will not just be solely interest and principal. Therefore, the same been classified as fair value through profit and loss (FVTPL).

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

Note 5: Financial assets
B. Loans (at amortised cost)

Particulars	Non Current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Security deposits	**653.17**	**414.63**	**1,315.41**	**1,511.32**
Inter corporate deposit (refer note (ii) below)	29,525.00	2,375.00	708.40	220.00
Less: Loss allowance for doubtful deposits	(1,125.00)	(1,125.00)	-	-
Less: Share of loss of Joint venture (refer note (iii) below)	(1,050.00)	(969.57)	-	-
	27,350.00	**280.43**	**708.40**	**220.00**
Loans to employees	**1.49**	**1.49**	**56.70**	**59.89**
Interest accrued on				
Loans to employees - related party (refer note (iv) below)	-	5.00	-	4.80
Loans to employees - others (secured)	0.04	0.05	-	0.01
Others	-	-	58.64	-
	0.04	**5.05**	**58.64**	**4.81**
	28,004.70	**701.60**	**2,139.15**	**1,796.02**

Notes:

(i) Interest accrued on employee's loan includes amount due from officers of the Company, i.e. Managing Director, Mr. Suresh Krishnan (till 14 February 2020) amounting to Nil (31 March 2019: INR 9.80 lakhs). Refer note 47 for related party disclosures.

(ii) Includes intercorporate deposits given to related parties. Refer note 47 for related party dislosures.

(iii) 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. The Group has investment aggregating of INR 1,814.22 lakhs (31 March 2019: INR 1,414.22 lakhs) i.e. 50% in the Forte Furniture Products India Private Limited which is concluded as Joint Venture ('JV') of the Group. The Group's share of loss in the JV aggregating to INR 1,050.00 lakhs (31 March 2019: INR 969.57 lakhs) has been adjusted with the outstanding long-term loans of INR 1,050.00 lakhs (31 March 2019: INR 1,250.00 lakhs) given to the JV in order to cover its working capital requirement, i.e. concluded as a long-term interest which forms part of the Group's net investment in JV.

(iv) 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.

(iii) Breakup of Security details:

Particulars	Non Current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Secured - considered good	1.53	1.54	56.70	59.90
Unsecured - considered good	28,003.17	700.06	2,082.45	1,736.12
Unsecured - Credit impaired	2,175.00	2,094.57	-	-
	30,179.70	**2,796.17**	**2,139.15**	**1,796.02**
Less: Allowance for doubtful deposits	(1,125.00)	(1,125.00)	-	-
Less: Share of loss of joint venture (refer note (iii) above)	(1,050.00)	(969.57)	-	-
	28,004.70	**701.60**	**2,139.15**	**1,796.02**

C. Other financial assets (at amortised cost)

Particulars	Non Current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Non-current bank balance (refer note (i) below)	1,533.12	1,322.17	-	-
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	-	58.02
Contract assets				
Unbilled revenue (refer note 50)	-	-	743.52	6,547.51
Interest reimbursement from government of Uttar Pradesh under Sugar Industry, Co-generation and Distillery Promotion Policy, 2013	-	-	2,411.87	2,115.82
Amounts held with Central Electricity Regulatory Commission (CERC) (refer note ii below)	-	-	102.25	102.25
Interest subvention receivable under scheme extending financial assistance to sugar undertakings (SEFASU), 2014	-	-	-	14.58
Interest subvention under Scheme for Extending Financial Assistance to Sugar Mills for enhancement and augmentation of ethanol production capacity			340.50	-
Interest subvention receivable under soft loan			340.11	-
Assistance to sugar mills for sugar cane purchase	-	-	2,340.49	1,724.02
Assistance to sugar mills under the scheme for creation and maintenance of buffer stock	-	-	452.10	298.05
Dividend receivable	-	-	115.50	-
Interest accrued but not due	56.39	90.99	632.71	809.42
Other receivables	-	-	185.70	376.35
	1,589.51	**1,413.16**	**7,664.75**	**12,046.02**

i) Majorly non-current bank balance includes the following:

(a) INR 51.00 lakhs (31 March 2019: INR 51.00 lakhs) pledged to Bombay Stock Exchange, National Stock Exchange, IL&FS Securities Services Limited and National Securities Clearing Corporation Ltd 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) INR 22.00 lakhs (31 March 2019: INR 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) Nil (31 March 2019: INR 7.50 lakhs) is under lien to National Commodity and Derivatives Exchange Limited (NCDEX) and Nil (31 March 2019: INR 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 INR 1.12 lakhs (31 March 2019: INR 1.12 lakhs) with clearing member ISSL Settlement & Transaction Services Limited.

(d) INR 484.56 lakhs (31 March 2019: INR 427.50 Lakhs) which is pledged in favour of IndusInd Bank Limited and Tata Capital Service Limited as a security against interest payment on the term loan facility provided by the bank to the subsidiary company.

(e) INR 786.15 lakhs (31 March 2019: INR 755.51) pertains to Debt Service Reserve Account (DSRA) created in favour of Tata Capital Finance Service Limited and Bajaj Finance Limited.

(f) INR 1.22 lakhs (31 March 2019: INR 36.11 lakhs) pertains to the amount pledged with banks and sales tax authorities.

ii) INR 500 per REC unit sold has been deducted and held by respective power exchanges for onward submission to CERC on behalf of the Subsidiary Company being a RE generator with reference to Hon'ble Supreme Court order dated 14 July 2017. Total amount held is INR 102.25 lakhs (31 March 2019: INR 102.25 lakhs) as on reported dates.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

Note 6: Other assets

Particulars	Non Current		Current	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Unsecured considered good				
Capital advances (refer note (i) below)	4,339.39	4,739.21	148.83	-
Advances to suppliers (refer note (ii), (iii) below and note 63(b))	639.61	846.62	3,567.11	3,824.75
Balances with statutory authorties	365.58	220.21	2,645.28	3,058.67
Amount paid as deposits against disputed demand	171.93	339.46	-	-
Prepaid expenses	2.46	2.53	400.55	235.83
Net investment in sub lease (refer note 42)	-	-	201.07	-
Rent equilisation reserve	-	-	52.64	-
Advances to employees	-	-	14.63	7.39
Power bank	-	-	7.87	51.07
Renewable energy certificate receivable	-	-	214.43	146.70
Gratuity plan asset (refer note 40)	-	-	7.87	-
Contract assets				
Cost incurred to obtain a contract (refer note (iv) below)	-	-	35.58	415.84
	5,518.97	**6,148.03**	**7,295.86**	**7,740.25**

Notes

i) Includes an advance amount paid to a related party (Joint venture) of INR 4,326.00 lakhs (31 March 2019: INR 3,953.78 lakhs) towards purchase of land on which 'St. Regis Residencies' project is being developed by one of the the subsidiaries of the Group. The balance amount of INR 24,514.00 lakhs (AED 119 million considered at rate of INR 20.60 / AED as at the reporting date) will be paid on completion of the project. The total value of the land is taken at INR 28,840.00 lakhs (AED 140 million considered at rate of Rs.20.6 / AED as at the reporting date) as per the valuation. The land value will be accounted in the books on registration of the project with RERA. During the previous year this amount was disclosed as advance for land.

ii) Non-current advances include mobilisation advances to a sub-contractor aggregating to Nil (31 March 2019: INR 207.01 lakhs) in respect of which the sub-contractor vendor has furnished bank guarantee to the extent of Nil (31 March 2019: INR 210.56 lakhs). This bank guarantee which was valid up to 30 June 2019 was encashed by the subsidiary company during the year and was adjusted against the advance.

iii) Current advances include recoverable advances to a sub-contractor aggregating to INR 2,246.49 lakhs (31 March 2019: INR 2,246.49 lakhs). The Management is in negotiation with that party for its recovery along with interest accrued of INR 33.72 lakhs (31 March 2019: INR 33.72 lakhs) and is confident that this advance will be fully recoverable, hence no provision is considered necessary at this stage.

iv) Refer note 50 for details of significant changes in contract assets.

Note 7: Inventories

Particulars	As at 31 March 2020	As at 31 March 2019
Raw materials	102.66	149.12
Land and construction work-in-progress (refer note (i) and note 63(c))	75,337.97	64,354.62
Work-in-progress	878.61	599.92
Finished goods (refer note (ii))	45,844.27	44,756.15
Stores and spares	808.74	881.64
Packing materials	1.58	1.92
Valued at estimated realisable value:		
By-products		
Bagassee	204.66	491.75
Molasses	3,488.08	4,953.50
Pressmud	120.91	108.46
Scrap	288.10	235.50
	1,27,075.58	**1,16,532.58**

Notes:

(i) Land and construction work-in-progress

a) Includes land of INR 16,359.32 lakhs (31 March 2019: INR 16,359.32 lakhs) is pending to be registered in the Holding Company's name.

b) 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. In respect of early stage projects, the underlying fair value of land based on valuation report of chartered engineer was considered for the purpose of determining the net realisable value and the carrying value of the construction work-in-progress was found to be less than the net realisable value so ascertained.

(ii) Finished goods

a) Includes an amount of INR 2,395.34 lakhs (31 March 2019: INR 4,392.84 lakhs) which represents residential units in respect of which Group has entered into agreement for sale with the respective customers, amounts received against these agreements by the Group has been reported as advance from customers. Pending receipt of balance consideration and execution of absolute sale deed effecting the transfer of legal title, the same is reported as Inventory.

b) Consequent to substantial sales of Finished Goods, the inventory write off based on Net Realisable Value has been written back by INR 113.69 lakhs. (31 March 2019: INR 399.07 lakhs)

c) Write down of inventories of finished goods of sugar to net realizable value on account higher of cost of production amounts to INR 41.15 lakhs (31 March 2019: Nil). This is recognized as an expense during the year ended 31 March 2020 and included under "Changes in inventories of finished goods and work-in-progress" in the Statement of Profit and Loss.

vii) For inventories pledged as securities against financial liabilities, refer note 13A.

Note 8: Trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019
Amortised cost		
Trade receivables - related parties (refer note 47)	431.12	492.83
Trade receivables - others	10,258.01	9,939.13
	10,689.13	**10,431.96**

Break-up for security details:

Particulars	As at 31 March 2020	As at 31 March 2019
From related parties		
Unsecured, considered good	431.12	492.81
From others		
Secured, considered good	386.93	1,041.44
Unsecured, considered good	9,871.08	8,897.71
Unsecured – credit impaired	1,381.08	1,624.96
	12,070.21	**12,056.92**
Less: Loss allowances	(1,381.08)	(1,624.96)
	10,689.13	**10,431.96**

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 2020	As at 31 March 2019
Balances with banks:		
On current accounts	3,023.99	3,271.93
Cash on hand	13.89	11.04
Cheque on hand	-	-
	3,037.88	**3,282.97**

Cash at banks except on current accounts earns interest at floating rates based on daily bank deposit rates.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

Note 10: Other bank balances

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with banks:		
Balance with banks-on fixed deposit account with remaining maturity period for more than 3 months but less than 12 months (refer note (i) and (ii) below)	6,495.70	931.45
Balance with banks - on unpaid dividend account	17.69	19.82
Margin money deposits (refer note (iii) and (iv) below)	180.94	292.09
	6,694.33	**1,243.36**

Notes:

i) Includes fixed deposits earmarked against the short term loan of INR 400 lakhs availed by the subsidiary company from HDFC Bank Limited. Refer note 13B for further details.

ii) Includes bank deposits of INR 5,413.58 lakhs (31 March 2019: Nil) pledged with the debenture holders and other lender of the Group to fulfill the collateral requirements.

iii) Includes fixed deposit receipts pledged with banks and sales tax authorities for INR 160.54 lakhs (31 March 2019: INR 202.84 lakhs) as margin money.

iv) Margin money deposit with carrying amount of INR 20.40 lakhs (31 March 2019: INR 89.25 lakhs) are subject to first charge to secure the Company's bank guarantee.

Note 11: Assets classified as held for sale

Particulars	As at 31 March 2020	As at 31 March 2019
Assets 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 INR 3,209.13 lakhs. Such sale is expected to be concluded before the end of March 2021.

Note 12A: Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019
Authorised:		
115,000,000 (31 March 2019: 115,000,000) equity shares of INR 10/- each	**11,500.00**	**11,500.00**
Issued:		
29,448,655 (31 March 2019: 29,448,655) equity shares of INR 10/- each fully paid	**2,944.87**	**2,944.87**
Subscribed and paid-up* :		
29,440,604 (31 March 2019: 29,440,604) equity shares of INR 10/- each fully paid	2,944.06	2,944.06
1,100 (31 March 2019: 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.

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

Equity shares	As at 31 March 2020		As at 31 March 2019	
	In numbers	Amount	In numbers	Amount
At the beginning of the year	2,94,40,604	2,944.06	2,94,40,604	2,944.06
Issued during the year	-	-	-	-
Outstanding at the end of the year	**2,94,40,604**	**2,944.06**	**2,94,40,604**	**2,944.06**

II. Terms/Rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of INR 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.

The Board of Directors of the Company, in their meeting held on 25 June 2020 recommended a final dividend of INR 1 per fully paid up equity share (31 March 2019: INR 1 per share) of INR 10/- each, aggregating to INR 294.41 lakhs for the year ended 31 March 2020, subject to approval of shareholders at the ensuing Annual General Meeting of the Company.

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.

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

Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	No. of Shares held	% Holding in Class	No. of Shares held	% Holding in Class
Globalware Trading and Holdings Limited	74,91,750	25.45	74,91,750	25.45
Texmaco Infrastructure and Holdings Limited	27,57,941	9.37	27,57,941	9.37
Adventz Finance Private Limited	22,94,491	7.79	22,94,491	7.79

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.

IV. Detail of number of shares held by an Associate Company of Holding Company

Name of Shareholder	As at 31 March 2020		As at 31 March 2019	
	No. of Shares held	% Holding in Class	No. of Shares held	% Holding in Class
New Eros Tradecom Limited	11,96,767	4.07%	11,96,767	4.07%

V. Aggregate number of shares issued for consideration other than cash

Particulars	As at 31 March 2020	As at 31 March 2019
Shares issued for consideration other than cash	Nil	Nil

Note 12B: Preference share capital

Particulars	As at 31 March 2020	As at 31 March 2019
Authorised:		
2,075,000 (31 March 2019: 2,075,000) redeemable cumulative preference shares of INR 100/- each	**2,075.00**	**2,075.00**
Issued, subscribed and paid-up:		
Nil (31 March 2019: Nil) redeemable cumulative preference shares of INR 100/- each	-	-

Note 12C: Other equity

Particulars	As at 31 March 2020	As at 31 March 2019
Retained earnings		
Balance bought forward from last year	71,310.74	88,504.46
Add: Loss for the year (refer note (i) below)	(36,694.81)	(12,842.83)
Add: Reclassification from OCI to retained earnings on disposal of investments	(81.04)	(2,880.06)
Add/(Less): Other comprehensive income (refer note 31)	6.07	(9.85)
Less: Adjustment of Ind AS 115 - Revenue from contracts with customers	-	(583.43)
Less: Adjustment of Ind AS 116 - Leases	(109.18)	-
Add: Tax effect on the above	28.39	
Less: Dividends paid (refer note 33)	(294.41)	(294.41)
Less: Subscription to fresh equity shares issued by the subsidiary company	-	(525.11)
Add: Group's share of adjustment on reclassification of joint venture by an associate to financial assets	343.00	-
Less: Dividend Distribution Tax (DDT) (refer note 33)	(60.52)	(60.52)
Less: Others	-	2.49
	34,448.24	**71,310.74**
General reserve	**3,911.60**	**3,911.60**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

Particulars	As at 31 March 2020	As at 31 March 2019
FVTOCI reserve		
Balance bought forward from last year	1,28,647.27	1,34,105.09
Add: Movement during the year	(64,357.90)	(8,337.88)
Add: Reclassification from OCI to retained earnings on disposal of investments	81.04	2,880.06
	64,370.41	**1,28,647.27**
Capital reserve	7,175.25	7,175.25
Add: Provided during the year	83.30	-
	7,258.55	**7,175.25**
Molasses and alcohol storage and maintenance reserve		
Balance bought forward from last year	18.63	16.12
Add: Provided during the year	6.70	2.51
	25.33	**18.63**
Foreign currency translation reserve		
Balance bought forward from last year	(51.34)	(182.60)
Less: Other comprehensive income (refer note 31)	(89.08)	131.26
Less: Adjustment on Reclassification of Joint Venture to financial assets	(362.47)	-
	(502.89)	**(51.34)**
Equity component of non convertible preference shares		
Balance bought forward from last year	4,227.99	4,227.99
Add: Equity component of preference shares issued during the year by the Subsidiary Company	-	-
	4,227.99	**4,227.99**
	1,13,739.23	**2,15,240.14**

Notes:

i) See note 53 for adjustment in accordance with IND AS 8, 'Accounting Policies, Change in Accounting Estimates and Errors' in the previous year ended 31 March 2020.

ii) 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. It also includes Group's share of capital reserve of associate companies.

During the year ended 31 March 2020, an associate company created capital reserve of INR 259.65 lakhs, pursuant to settlement agreement dated 17 June 2019 which was entered into between such associate company, McDowells Holdings (MHL) and Mangalore Chemicals and Fertilizers Limited (MCFL), on account of part settlement of dues receivable by the associate company from MHL. As per the terms of the aforesaid agreement, MHL has transferred its share holding rights of 1,185,151 equity shares of MCFL (subsidiary comapny of the associate company), in favour of the Parent Company, accordingly the shareholding of the associate company has increased by 1% in shareholding in MCFL.

(All amounts in INR lakhs, unless stated otherwise)

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.

Note 13A: Non current borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Secured		
Term loans		
Rupee loan		
-from banks	46,630.08	45,463.75
-from financial institutions	51,212.75	47,226.28
-Non-Convertible debentures from financial institution	30,095.78	-
Foreign currency loan		
Foreign currency loans	10,536.68	9,766.77
Vehicle loan	10.54	15.89
Liability Component of financial instruments		
- 7% Non-convertible redeemable preference shares (NCRPS)	118.98	101.70
- 8.5% Non-convertible cumulative redeemable preference shares (NCRPS)	13,245.06	11,625.00
Unsecured		
Inter corporate deposits	400.00	400.00
Loan from others (refer note 47)	6,164.64	1,572.69
	1,58,414.51	**1,16,172.08**
Amount disclosed under the head “other current financial liabilities” (refer note 15)	20,958.57	13,287.59
	1,37,455.94	**1,02,884.49**

13A.1 Changes in liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:

	Non-Current borrowings (including current maturities)	Current borrowings	Lease liabilities
As at 1 April 2018	74,886.69	41,046.04	-
Cash adjustments			
Proceeds from borrowings	62,398.93	14,427.99	-
Repayment of borrowings	(21,615.09)	(24,541.75)	-
Interest payments	(11,712.20)	(2,629.48)	-
Non-cash adjustments			
Foreign exchange rate fluctutation adjustment	183.75	-	-
Transferred to deferred gain	(2,037.77)	-	-
Interest expense	15,305.52	2,629.48	-
Effective interest rate adjustments	77.60	-	-
As at 31 March 2019	**1,17,487.43**	**30,932.28**	**-**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

	Non-Current borrowings (including current maturities)	Current borrowings	Lease liabilities
As at 1 April 2019	**1,17,487.43**	**30,932.28**	
Cash adjustments			
Proceeds from non-current borrowings	50,496.02	15,328.77	-
Repayment of non-current borrowings	(13,690.82)	(8,454.35)	-
Payment of lease liability	-	-	(132.22)
Interest payments	(16,000.99)	(3,849.75)	(155.22)
Non-cash adjustments			
Foreign exchange rate fluctutation adjustment	283.81	-	-
Change in classification of borrowing	3,631.99	(3,631.99)	-
Lease liabilities recognised	-	-	1,711.83
Interest expense	17,959.43	3,680.82	165.24
Effective interest rate adjustments	1,008.98	1.03	-
As at 31 March 2020	**1,61,175.85**	**34,006.81**	**1,589.63**

* Closing balance includes interest accrued but not due on borrowings

1. Rupees term loans from banks

a. Facility of INR 5,472.65 lakhs (31 March 2019: INR 7,396.09 lakhs) consisting two term loans, first of INR 2,484.28 lakhs (31 March 2019: INR 3,419.01 lakhs) [including current maturities INR 1,252.00 lakhs (31 March 2019: INR 1,252.00 lakhs)] and second term loan of INR 2,988.28 lakhs (31 March 2019: INR 3,977.08 lakhs) [including current maturities INR 750 lakhs (31 March 2019: INR 1,000 lakhs)] bearing interest @ 12.35% p.a-12.65% p.a. (31 March 2019: 12.25% p.a.-12.90% p.a.) and 11.75% p.a. -12.05% p.a. (31 March 2019: 11.40% p.a. - 11.55% p.a.) taken from State Bank of India.

The first term loan is repayable in 24 quarterly instalments commencing from 31 March 2016. The 1st to 23rd quarterly instalments will be of INR 313.00 lakhs each and the 24th instalment will be of INR 301 lakhs. The second term loan is repayable in 16 equal quarterly instalments commencing from 1 April 2019 and ending on 1 January 2023. The Holding Company has provided corporate guarantee in respect of this term loan.

b. Facility of INR 634.74 lakhs (31 March 2019: INR 1,035.11 lakhs) [including current maturities INR 312.00 lakhs (31 March 2019: INR 416.00 lakhs)] bearing interest @ 10.35% p.a.-11.25%p.a. (31 March 2019:10.95% p.a.-11.25%p.a) consist of cane soft loan taken from State Bank of India.

The aforesaid loan is repayable in 16 equal quarterly installments commencing from 1 October 2017 and ending on 1 July 2021.

c. Facility of INR 4,480.59 lakhs (31 March 2019: Nil) [including current maturities INR 1,126.00 lakhs (31 March 2019: Nil)] bearing interest @ 11.35% p.a. (31 March 2019: 11.35% p.a. consist of cane soft loan taken from State Bank of India.

The loan is repayable in 18 quarterly installments commencing from 31 December 2019 ending on 31 March 2024. The 1st to 17th Quarterly installments will be of INR 281.50 lacs each and the 18th installment will be of INR 282.50 lakhs.

The loans mentioned in (a) to (c) above are secured by way of:

First mortgage / charge on entire fixed assets of Gobind Sugar Mills Limited, 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 together with building, moveable and immovable machiney and other fixed and current assets, present and future of Gobind Sugar Mills Limited, on pari pasu basis with other term lenders.

d. Facility of INR 1,010.19 (31 March 2019: INR 1,010.19 Lakhs) (including current maturities INR 1,010.19 Lakhs (31 March 2019: Nil) with a sanctioned limit of INR 1,000.00 lakhs taken from Yes Bank to refinance the promoter loans and Inter Corporate deposits with a maximum tenor of 24 months. The said term loan facility is secured by charge on Development fee receivables and Corporate guarantee from the holding company executed in favour of the bank.

e. Facility of INR 22,697.90 lakhs (31 March 2019: INR 20,744.89 Lakhs) (including current maturities of Nil (31 March 2019: Nil)) comprising of term loan with the total sanctioned limit of INR 45,320.00 lakhs [AED 220 million at rate at the reporting date of Rs.20.60 per AED (USD 60 million)] (2019: INR 41,420.50 lakhs [AED 220 million at rate at the reporting date of INR 18.83 per AED (USD 60 million)]) and Treasury (swaps) upto Nil (2019: INR 207.10 lakhs [AED 11 million at rate at the reporting date of Rs.18.8275 per AED (USD 3 million)]) from Yes Bank Limited, IFSC banking unit, GIFT city, Gujarat, India towards project development related expense. Term loans are secured as described herein below and bear interest of 6 months USD LIBOR plus 4.95% p.a.. The loan amount is repayable after 72 months in one bullet payment from the total draw down.

Securities offered:

- Charge on current assets both present and future owned by Zuari Infraworld S J M Properties L.L.C
- Charge on share of project cash flow including reimbursement and surplus.

- Mortgage of land in Goa owned by ultimate holding company amounting to USD 620.00 lakhs
- Pledge of liquid debt mutual funds unit owned by group companies amounting to USD 132.00 lakhs
- Pledge of listed India shares held by New Eros TradeCom Limited (step-associate of the holding company) amounting to USD 73.00 lakhs
- Corporate guarantee provide by group Indian holding companies amounting to USD 400.00 lakhs

In addition, there are various conditions and financial covenants attached to the bank facilities, which are in the normal course of business. On 31 March 2020, the banker has reduced the sanctioned loan amount to the amount drawn as above. Such reduction is being negotiated by the Management.

f. Facility of INR 3,484.70 lakhs (31 March 2019: INR 5,165.88 lakhs) {including current maturities of INR 1,800 lakhs (31 March 2019: INR 2800 lakhs)} 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 Zuari Sugar & Power Limited;

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 for INR 100.00 lakhs

The aforesaid loan is repayable in 16 quarterly installments commencing from June 2018 and carries interest @ 10.35% - 10.15% p.a. (effective interest rate being 13.08% p.a.) The first four quarterly installments will be of INR 250.00 lakhs each and rest will be for INR 750.00 lakhs each.

Further processing fees of INR 700.00 lakhs (plus taxes) was payable for the facility, which was to be paid per below mentioned schedule:

- INR 300.00 lakhs to be paid on acceptance of sanction letter, which was paid in previous year.
- INR 50.00 lakhs each quarter from 30 June 2017 upto 31 March 2018 and INR 25.00 lakhs each of next ensuing eight quarters. The same has been paid in full during the quarter ended 31 March 2018

Refer (h) under point 2 i.e. Rupee term loan from Financial Institution for more details.

h. Facility of INR 8,849.32 lakhs (31 March 2019: INR 10,050.61 lakhs) (including current maturities INR 2,378.87 lakhs (31 March 2019: INR 1,784.14 lakhs)) from Zila Sahakari Bank. This loan is secured by way of Residual charge on free assets of the Company and carry a interest rate of 5%. The loan is repayable in 60 equal monthly installments starting from 31 July 2019.

2. Rupees term loans from financial institutions

a. Facility of INR 4,493.51 lakhs (31 March 2019: INR 5,077.13 lakhs) [(including current maturities INR 787.68 lakhs (31 March 2019: INR 787.68 lakhs)] bearing interest @ 11.45% (31 March 2019: 11.45%-11.74% p.a.) consist of loan taken from Indian Renewal Energy Development Agency Limited (IREDA).

The said loan is repayable in 40 quarterly installments starting from expiry of 1 year from the date of commissioning of co-generation project. The Holding Company has provided corporate guarantee in respect of this term loan.

The loan is secured by way of:

1. First mortgage / charge, pari passu, on entire fixed assets of GSML, 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 GSML, on pari pasu basis with other term lenders.
2. Second pari-passu charge on current assets of GSML (excluding receivables from the power project on which there is a first pari-passu charge) along with other lenders.

b. Facility of INR 7,445.49 lakhs (31 March 2019: INR 2,436.00 lakhs) [(including current maturities INR 1,333.33 lakhs (31 March 2019: INR Nil)] bearing interest of 11.95% p.a. (31 March 2019: 11.95% p.a.) consist of loan taken from Indian Renewal Energy Development Agency Limited (IREDA).

The said loan is repayable in 24 equal quarterly installments from 12 months from commencement of operations. The Holding Company has provided corporate guarantee in respect of this term loan.

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(All amounts in INR lakhs, unless stated otherwise)

The loan is secured by way of:

First equitable mortgage charge on entire fixed assets of the 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 together with building, movable and immovable machinery and fixed assets (present and future) of Gobind Sugar Mills Limited, pari pasu with other term lenders including SDF and Exclusive charge on Escrow/ TRA account opened for Distillery receivables.

c. Facility of INR 16,419.59 lakhs (31 March 2019: INR 15,425.84 lakhs) [(including current maturities Nil (31 March 2019: INR1,200.00 lakhs)] bearing interest @ 11.85% p.a from LIC Housing Finance Limited. The loan is repayable over a period of 60 months with 36 months moratorium for repayment of principal from the date of first disbursement with right to accelerate payment based on the review of cash flows.

The loan is secured by way of 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 (excluding sold units), Project receivables and further secured by Corporate Guarantee issued by the holding company.

d. Facility of INR 6,343.00 lakhs (31 March 2019: INR 8,332.72 Lakhs) [(including current maturities INR 3,200.00 lakhs (31 March 2019: INR 1,200.00 lakhs)] bearing interest @ 11.85% - 14.85% p.a. (31 March 2019: 11.85% p.a.) from Axis Finance Limited. The loan is repayable in 4 monthly installments of INR 500.00 lakhs at the end of each month from April 2020 to July 2020 and balance amout in annual installments commencing from 31 October 2020 and ending on 31 October 2023.

The loan is secured by way of:

First mortgage/charge on equitable mortgage over non-agricultural land admeasuring 100 acres located in village panchayat of Sancoale of Mormugao Taluka consisting of survey no. 111/1 in Goa, pledge of 7,300,000 shares of Chambal Fertilizers and Chemicals Limited to provide security cover of 1.5 times and hypothecation and escrow of "Dividend receivable" by the borrower from certain specified investments.

e. Facility of INR 2,297.38 lakhs (31 March 2019: Nil) bearing interest @ 11.00% p.a. from Bajaj Finance Limited during the year and repayable in 24 months from the date of first disbursement.

The loan is secured by way of:

Pledge of 45,50,000 shares of Chambal fertilizers and chemicals limited to provide security cover of 2 times.

f. Facility of INR 2,289.79 lakhs (31 March 2019: Nil) bearing interest @ 12.00% p.a. taken from Bajaj Finance Limited and is repayable in bullet payment in 24 months. The loan may be renewed at the end of the tenure at the option of lender as per the terms and conditions mutually accepted.

The loan is secured by way of pledge of equity shares of Chambal fertilizers & Chemicals Limited and Zuari Agro Chemicals Limited with a combined security cover of 2.25 times.

g. Facility under Sugar Development Fund of INR 4.969.10 lakhs (31 March 2019: INR 4,594.12 lakhs) (including current maturities INR 742.28 lakhs (31 March 2019: Nil)) consisting of term loan 1 of INR 3,235.01 lakhs (31 March 2019: INR 3,032.70 lakhs) and term loan 2 of INR 1,733.09 lakhs (31 March 2019: INR 1,561.42 lakhs) carrying a fixed rate of interest 4.75% p.a. and 4.50% p.a. respectively for a time period of 10 years.

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 is secured by first charge on, pari passu basis, all moveable and immoveable fixed assets of GSML, 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 Holding Company has provided corporate guarantee in respect of these loans.

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 GSML. Differential amount arising on fair valuation is treated as deferred government grant which is amortized over the tenure of loan and is realised in statement of profit and loss in the proportion of interest expense.

h. Facility of INR 2,623.01 lakhs (31 March 2019: INR 3,443.92 lakhs) from Tata Capital Services Limited ('TCSL') including (current maturities of INR 1,200.00 lakhs (31 March 2019: INR 1,200 Lakhs). Out of the total sanction amount of INR 10,000.00 lakhs, IBL has sold 40% i.e. INR 4,000.00 lakhs of the loan 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 Group 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 (f) under point 1 i.e. Rupee term loan from banks for the same.

i. Facility of INR 1,423.94 lakhs (31 March 2019: INR 3,953.71 lakhs) and INR 2,907.93 lakhs (31 March 2019: INR 3,962.84 lakhs) [including current maturities INR 2133.33 lakhs (31 March 2019: INR 2,133.33 lakhs)] from Tata Capital Financial Services Limited and Bajaj Finance Limited respectively and bearing floating interest rates of 12.05% p.a. and 10.50% p.a. (31 March 2019: 11.30% pa. and 10.50% p.a.) respectively.

Both the loans are repayable in 15 equal quarterly instalment of INR 266.67 lakhs each, beginning from 5 May 2019 with an initial monatarioum of 15 months.

These loans are secured by way of -

1. Collateral - First pari passu charge on immovable fixed assets owned by Indian Furniture Products Limited (IFPL).
2. Collateral - First pari passu charge by way of hypothecation over all present and future moveable fixed and current assets of IFPL
3. Escrow of annual lease rental receivables of the borrower from Forte Furniture Products Limited.
4. Entire management fees received from Soundarya IFPL interiors Limited in the form and manner as acceptable to the lenders.
5. DSRA equals to 3 months interest and 1 quater principal required to maintain by IFPL
6. Irrevocable and unconditional corporate gurantee of the Holding Company

3. Non Convertible debentures from financial institution

a. Secured, rated and listed Non-Convertible Debentures ('NCDs') tranche-I aggregating to INR 19,700.00 lakhs, comprising of 197 debentures of INR 100 lakhs each, bearing interest rate of 8.00% p.a. (effective 8.46% after applicable taxes) were issued by the Holding Company during the year. These NCDs are redeemable on private placement basis at a premium of 3.74% (effective 3.95% after applicable taxes). The carrying value of the NCDs after adjustment of processing fees is INR 19,355.54 lakhs (31 March 2019: Nil).

b. Secured, rated and listed Non-Convertible Debentures ('NCDs') tranche-II aggregating to INR 11,300.00 lakhs, comprising of 1,130 debentures of INR 10 lakhs each, bearing interest rate of 8.00% p.a.(effective 8.46% after applicable taxes) were issued by the Holding Company during the year. These NCDs are redeemable on private placement basis at a premium of 3.28% (effective 3.47%after applicable taxes). The carrying value of the NCDs after adjustment of processing fees is INR10,740.24 lakhs (31 March 2019: Nil)

The above NCDs are secured by way of:

1. Pledge of 1,109,104 shares of Gillette India Limited (owned by Adventz Finance Private Limited, a promoter entity) and 5,200,000 shares of Chambal Fertilizers and Chemicals Limited (held by the Group) to provide security cover of 2.50 times.
2. Fixed charge on all present and future right, title over on bank deposits made to fulfil the collateral requirements.

Schedule of repayment and redemption for NCDs:

Particulars	Number of NCDs	Redeemable On	Principal
NCDs - Tranche II	1000	05 December 2022	10,000.00
NCDs - Tranche I	180	15 July 2022	18,000.00
NCDs - Tranche II	130	03 December 2021	1,300.00
NCDs - Tranche I	17	15 July 2021	1,700.00

4. Foreign currency loans

Facility of INR 10,537.68 lakhs (31 March 2019: INR 9.766.77 lakhs) [(including current maturities INR 527.31 lakhs (31 March 2019: INR 648.11 lakhs)] from Netherlandse Financierings Maatschappij Voor Ontwikkelingsladen N.V. (F.M.O) bearing the interest @ 5.96% p.a (31 March 2019: 5.60% p.a.) and is repayable in installments starting from 10 July 2020 onwars (payable half yearly), being first 5 installments of USD 3.50 lakhs each , next 5 installments of USD 10.00 lakhs each, next 3 for USD 15.00 lakhs each and last being USD 27.50 lakhs.

The said term lo an is secured by way of -

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.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
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5. Vehicle loan

Facility of INR 10.54 lakhs (31 March 2019: INR 15.89 lakhs) (including current maturities INR 5.58 lakhs (31 March 2019: INR 5.35 lakhs) 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 of INR 0.54 lakhs commencing from January 2018. The loan is secured by way of Hypothecation on the vehicle.

6. Preference shares

a. The Non-Convertible Redeemable Preference Shares (NCRPS) of INR 118.98 lakhs (31 March 2019: INR 101.70 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 GSML).

b. INR 114.50 lakhs Non-Convertible Redeemable Preference Shares (NCRPS) of INR 13,245.06 lakhs (31 March 2019: INR 11,625.00 lakhs) carry dividend @ 8.50% p.a. which are cumulative in nature and redeemable on 31 March 2021 (15 lakh shares), 31 March 2022 (29.5 lakhs) and 31 March 2025 (70 lakh shares) respectively. During the year the Zuari Infraworld India Limited has extended the redemption period of 70 lakhs preference shares which was due on 31 March 2020 to 31 March 2025. Each holder of preference shares is entitled to one vote per share on resolutions placed before Zuari Infraworld India Limited, which directly affect the rights attached to the preference share. These shares are redeemable at a price band of INR 125 - INR 150 per 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 Zuari Infraworld India Limited).

7. Inter Corporate Deposits

Inter corporate deposit of INR 400.00 lakhs (31 March 2019: INR 400.00 lakhs) from M/s Duke Commerce Limited, carrying an interest rate of 13.50%. Extension for repayment has been obtained from M/s Duke Commerce Limited and the ICD is now repayable on 30 September, 2021.

8. Loans from Others

a. Unsecured general purpose loan for working capital purposes with outstanding balance of INR 1,733.00 lakhs (31 March 2019: INR 1,572.69 lakhs) was taken from Adventz Finance Private Limited, a group company at an interest rate of 14% p.a. The loan along with interest which was due on 30 June 2020 was rolled over during the year for a further eriod up to 31 December 2021 and accordingly is reclassified as non-current during the year.

b. Unsecured loans of INR 4,431.64 lakhs (31 March 2019: Nil) at interest rate of 0% to 12% p.a. from related and non-related parties which are repayable within 2 years. These loans include amounts which were classified as current borrowing as at 31 March 2019, but have been shown as non-current as at 31 March 2020 due to roll over/ extension of repayment terms. The parties have also agreed to extend financial support to Zuari Infraworld India Limited by not demanding payment of their outstanding dues till such time as the subsidiary company's equity is restored.

Note 13B. Current borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Secured		
Term loan from banks	400.00	1,400.00
Cash credit from banks	16,842.82	16,766.96
Loan from financial institutions	5,560.27	-
Loan from others	3,900.00	-
Vehicle loan	72.52	117.22
Unsecured		
Working capital loan from banks	-	3,000.00
Loans from others	7,231.20	9,648.10
	34,006.81	**30,932.28**

1. Term loan from banks

a. Facility INR 400.00 lakhs (31 March 2019: 400.00 lakhs) is taken from HDFC Bank Limited under which the bank has provided fixed deposit to clearing member of INR 400.00 lakhs on behalf of Zuari Finserv Limited. The facility is secured by fixed deposit of INR 400.00 lakhs provided by Zuari Finserv Limited to the bank. The facility has been availed by Zuari Finserv Limited at marginal cost of funds based lending rate (MCLR) and will be repaid within 1 year from the date of facility.

2. Vehicle Loan

a. Facility of INR 72.52 lakhs (31 March 2019: INR 117.22 lakhs) pertains to vehicle loan bearing an interest rate 6.58%-7.47% p.a. (31 March 2019: 6.58 % p.a - 7.47%p.a.). It is secured by hypothecation of vehicle purchased out of loan.

3. Cash credit from banks

a. Cash credit of INR 6,135.20 lakhs (31 March 2019: INR 5,760.34 lakhs) bearing interest @10.75%-17.00% per annum (31 March 2019-11.25%-12.05% p.a.) taken from State Bank of India and repayable on demand.

The cash credit is secured by way of:

(i) Primary hypothecation charge on entire current assets of Gobind Sugar Mills Limited (GSML) including its 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 GSML

(ii) Collateral extension of 2nd charge on the entire fixed assets of GSML on pari passu 2nd Charge basis with other working capital lenders.

* Receivables from the power project jointly financed by IREDA and SBI shall be first shared on pari passu charge basis between SBI and IREDA for the term loan and on second pari passu charge basis for working capital facilities and soft loan of SBI.

b. Several cash credit facilities aggregating to INR 10,343.96 lakhs (31 March 2019: INR 10,747.07 lakhs) bearing interest @9.55% - 10.25% p.a. (31 March 2019: 10.05%-10.25% p.a.) taken from Zila Sahakari Bank Limited and repayable on demand.

The cash credit facilities are secured by way of:

(i) First charge on finished goods, work in progress and raw material.

(ii) Pari pasu charge on land, building and plant and machinery against principal and interest amount.

c. Cash credit of INR 363.66 lakhs (31 March 2019: INR 259.89 lakhs) from HDFC Bank Limited (the 'bank') at the rate mutually agreed between the parties which is 11.50% p.a. for the facility as on 31 March 2020. The facility is used for funding working capital requirements of Zuari Finserv Limited. The facility is repayable on demand with security against book debts of Zuari Finserv Limited.

4. Loan from financial institutions

a. Facility of INR 2,300.00 lakhs (31 March 2019: Nil) from Shine Star Buildcap Private Limited on 11 December 2019, bearing interest @ 16.00% p.a. and repayable within 6 months from the date of receipt of disbursement.
The said loan is secured by pledge of 45,50,000 shares of Chambal fertilizers and Chemicals Limited to provide security cover of 2 times.

b. Facility of INR 1,815.23 lakhs (31 March 2019: Nil) from Anand Rathi Global Finance Limited on 26 February 2020, bearing interest @ 13.50% p.a. and repayable in 12 months from the date of disbursement.
The said loan is secured by pledge of 40,95,000 shares of Chambal fertilizers and Chemicals Limited to provide security cover of 2.25 times.

c. Facility of INR 1,445.04 lakhs (31 March 2019: INR 2,475.41 Lakhs) from Shine Star Buildcap Private Limited, bearing interest @ 21% p.a. (31 March 2019: 14.50% p.a) and repayable on demand. The said loan is secured by pledge of 5,075,000 shares of Zuari Agro Chemical Limited.

5. Unsecured working capital loan from banks

a. Facility of Nil (31 March 2019: INR 3,000.00 lakhs) from ICICI Bank Limited as unsecured short term loan for general business purposes, carrying an interest of MCLR-6M plus spread of 2% and the same was payable within 6 month from the date of receipt of proceeds.

6. Loans from others

a. Secured loans aggregating to INR 3,900.00 lakhs (31 March 2019: Nil) from various parties, bearing interest @ 13.00% p.a. and repayable between 6 months to 12 months from the date of disbursement. These loans are secured by way of pledge of 4,460,000 equity shares of Chambal Fertilisers & Chemicals Limited.

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b. Unsecured loans aggregating to INR 7,231.20 lakhs (31 March 2019: 9,648.10 lakhs) from various parties, bearing interest ranging from 0.00% to 14.50% p.a. Some of these loans are repayable on demand and others are repayable between 6 months to 12 months from the date of disbursement.

Note 14: Trade payables

Particulars	Non Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Trade payables (including acceptance)				
Dues to micro and small enterprises (refer note 14A below)	-	-	1,157.50	494.01
Due to related party (refer note 47)	-	-	95.68	2.61
Due to others	40.07	39.01	47,432.88	38,655.78
	40.07	**39.01**	**48,686.06**	**39,152.40**

Note 14A: Disclosure of dues to micro and small enterprises as defined under 'The Micro, Small and Medium Enterprises Development Act, 2006'

Particulars	31 March 2020	31 March 2019
i) Principal amount due to suppliers under MSMED Act	1,157.50	494.01
ii) Interest accrued and due to suppliers under MSMED Act on the above amount	4.03	2.99
iii) Payment made to suppliers (other than interest) beyond appointed day during the year	6.93	4.31
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 accrued and remaining unpaid at the end of the accounting year	15.47	11.44
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.	15.47	11.44

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

Note 15: Other financial liabilities

Particulars	Non Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Other financial liabilities at amortised cost				
Current maturities of long term borrowings (refer note 13A)	-	-	20,958.57	13,287.59
Lease liabilties (refer note 42)	-	-	223.27	-
Interest accrued but not due on borrowings	-	-	2,761.34	1,315.35
Marked to market value of derivative instruments not designated as hedges	-	-	665.22	213.46
Security deposits received (refer note below)	0.60	24.92	1,952.38	463.41
Payable towards purchase of capital goods		-	1,962.69	993.95
Other payables	-	228.76	929.36	749.44
Statutory liabilities to be credited to 'Investor's Education and Protection Fund' as and when due :				
Unclaimed dividends		-	17.69	19.82
Unclaimed deposits and interest warrants		-	1.00	1.00
Total other financial liabilities at amortised cost	**0.60**	**253.68**	**29,471.52**	**17,044.02**
Total other financial liabilities	**0.60**	**253.68**	**29,471.52**	**17,044.02**

Notes:

Includes INR 1,000.00 lakhs refundable deposits received from M/s. Mathias Construction Private Limited for the proposed development of land/ property owned by Zuari Agro Chemicals Limited in respect of which Zuari Infraworld India Limited will acquire the right of lease of the land/property.

Note 16: Other liabilities

Particulars	Non Current		Current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Statutory liabilities	-	-	1,399.03	1,706.23
Contract liabilities*				
Advances received from customers and others				
Related parties (refer note 47)	-	-	-	107.38
Others**	-	-	16,576.58	17,969.59
Deferred revenue	-	-	101.20	1,125.75
Amount received on account deposited under litigation (refer note 54)	1,708.35	1,708.35	-	-
Deferred gain on preference shares issued to others	153.98	158.05	13.94	21.79
Deferred government grant 5% - Sugar refinery	434.07	455.13	21.05	21.05
Deferred government grant 5% - Power Plant	425.12	446.69	21.57	21.58
Deferred government grant 5%-Cane soft loan	738.81	1,230.98	492.29	600.74
Deferred government grant 5% - Ethanol plant	184.41	-	7.79	-
Deferred government grant from Sugar Development Fund	740.51	1,110.09	295.10	201.59
	4,385.25	**5,109.29**	**18,928.55**	**21,775.70**

* Refer note 50 for details of significant changes in contract liability.

** Includes INR 764.23 lakhs (31 March 2019: INR 593.02 lakhs), out of which INR 446.23 lakhs (31 March 2019: INR 279.52 lakhs) is in respect of cancelled residential units for which the subsidiary company is in negotiation with the parties for selling units of other projects against which these amounts are expected to be adjusted and INR 318.00 lakhs (31 March 2019: INR 313.50 lakhs) collected from the buyers towards club membership charges fees which will be adjusted against the expenses incurred in this regard.

Note 17A Income tax

The major components of income tax expense for the years ended 31 March 2020 and 31 March 2019 are:

Profit or loss section

Particulars	31 March 2020	31 March 2019
Current income tax:		
Current income tax charge	258.32	378.79
Income tax adjustment for earlier years (B) (refer note 57)	62.30	(1,207.37)
Deferred tax:		
Relating to origination and reversal of temporary differences	6,777.99	(913.29)
Income tax expense/(credit) reported in the statement of profit or loss	**7,098.61**	**(1,741.87)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2020 and 31 March 2019.

Particulars	As at 31 March 2020	As at 31 March 2019
Accounting profit/(loss) before Income tax	**(32,485.10)**	**(16,508.10)**
Tax at the applicable tax rate of 25.17% (31.3.2019: 34.944%)	8,176.50	5,768.59
Losses of subsidiary and joint ventures on which no tax liability was created (net of consolidation adjustments)	(8,681.97)	(2,919.14)
Dividend income	1,100.43	357.64
Impact on preference share of Subsidiary Company	(375.00)	(458.87)
Impact of change In tax rate	192.46	(50.47)
Tax Effect on expiry of bought forward loses	(130.11)	(1,675.08)
DTA reversed on losses of subsidiaries and associate	(1,835.18)	-
Tax impact on impairment of goodwill	(85.07)	-
Remeasurement of DTA/DTL due to change in tax rate	(1,744.21)	-
Other benefits no longer available in respect of set off of unabsorbed additional depreciation brought forward and deductions under Chapter VI-A of the Income-tax Act 1961	(3514.84)	-

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Particulars	As at 31 March 2020	As at 31 March 2019
Finance Cost reversal pursuant to order giving effect of Income tax	-	194.84
Previous year Tax adjustments	(34.98)	1,207.38
Others	(166.64)	(683.02)
Tax expense	**(7,098.61)**	**1,741.87**

Note: The Holding Company and certain other subsidiaries elected to exercise the option of reduced income-tax rates permitted under section 115BBA of Income-tax Act 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, deferred tax assets and deferred tax liabilities are re-measured, basis the rate prescribed in the said section subject to certain conditions as prescribed therein. The full impact of this change amounting to INR 5,213.63 lakhs has been recognized in the consolidated financial statements during year ended 31 March 2020. Accordingly, tax expense presented in the consolidated financial statements is higher by one time charge of INR 5,213.63 lakhs on account of remeasurement of deferred tax assets and deferred tax liabilities.

Note 17B Deferred tax assets (net):

Particulars	As at 1 April 2018	Provided during the year	As at 31 March 2019	Provided during the year	As at 31 March 2020
Deferred tax assets:					
Impairment for doubtful debts	135.12	0.69	135.81	25.85	161.66
Expenses allowable in Income tax on payment basis and deposition of Statutory dues	594.38	108.94	703.32	(305.15)	398.17
Carry forward of unused tax losses and unused tax credits and unabsorbed depreciation	15,365.22	(1,251.19)	14,114.03	(5,523.97)	8,590.06
Deferred government grants	345.30	(11.08)	334.22	(93.85)	240.37
Provision for expected loss	12.50	11.59	24.09	(90.68)	(66.59)
Deferred Tax assets on impact of IND AS - 115 Adjustments	-	196.84	196.84	(138.16)	58.68
Deferred Tax assets on impact of IND AS - 116 Adjustments	-	-	-	123.88	123.88
Interest accrued on preference shares	60.28	-	60.28	-	60.28
MAT credit entitlement	86.04	14.99	101.03	0.21	101.24
Unrealised profit on sale of land (refer note 54)	1,787.87	-	1,787.87	(467.53)	1,320.34
Disallowance Under 40a(ia) of Income Tax Act, 1961	-	167.77	167.77	(45.76)	122.01
Share of Profit/(Loss) of associates	(955.25)	1,822.53	867.28	(867.28)	-
Others	974.32	56.30	1,030.62	(162.81)	867.81
Total deferred tax assets (A)	**18,405.78**	**(761.44)**	**19,523.16**	**(7,545.25)**	**11,977.91**
Deferred tax liability:					
Property, plant and equipment impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	6,611.16	(275.13)	6,336.03	(357.49)	5,978.54
Fair valuation of investment	216.52	133.89	350.41	(6.84)	343.57
Others	408.87	(341.59)	67.28	32.28	99.56
Total deferred tax liability (B)	**7,236.55**	**(482.83)**	**6,753.72**	**(332.05)**	**6,421.67**
Deferred tax assets (net) (A - B)	**11,169.23**	**(278.61)**	**12,769.44**	**(7,213.20)**	**5,556.24**

Disclosed in Financial Statements:					
Deferred Tax Assets	12,553.27		12,865.17		5,956.36
Deferred Tax Liability	1,384.04		95.73		400.12

Notes:

i) Reconciliation of deferred tax assets (net):

Particulars	31 March 2020	31 March 2019
Opening balance	**12,769.44**	**11,169.23**
Tax (credit)/expense during the year recognised in statement of profit or loss	(6,777.99)	913.29
Tax (credit)/expense during the year recognised in OCI	(465.75)	474.90
Amount recognised directly in equity*	28.39	213.94
MAT credit entitlement	2.15	(1.92)
Closing balance	**5,556.24**	**12,769.44**

* Pertains to deferred tax impact on adjustment to retained earnings due to change in accounting policies. During the current year the Group has adopted Ind AS 116 - Leases while during the previous year the Group had adopted Ind AS 115 - Revenue from contracts with customers.

ii) 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.

iii) The Group has till date recognised INR 101.24 lakhs (31 March 2019: INR 101.03 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.

iv) An deductible temporary difference exists on investment in equity shares held as fair value through other comprehensive income ('FVTOCI') . The management has reviewed the same and determined that there is no probability for its reversal in the foreseeable future. As a consequence, no deferred tax asset is recognised for the same as on 31 March 2020.

The amount of deductible temporary differences on which no deferred tax assets are recognised amounted to:

Particulars	31 March 2020		31 March 2019	
	Gross amount	Unrecongnised tax effect	Gross amount	Unrecongnised tax effect
Temporary difference relating to investment in equity shares held as FVTOCI on which deferred tax asset have not being recognised	1,592.75	159.91	52.55	5.28
Other temporary differences	1,548.11	399.93	1,245.65	323.87

v) The Company has also not recognised deferred tax assets on unused losses in absence of reasonable certainty and availability of sufficient future taxable income against which such losses shall be utilised.

Particulars	31 March 2020		31 March 2019	
	Gross amount	Unrecongnised tax effect	Gross amount	Unrecongnised tax effect
Unused capital tax losses	2,499.49	250.95	12,028.45	1,207.66
Unused business losses and unabsorbed depreciation	32,942.94	8,382.49	19,949.54	4,767.92

The Group carrying an amount of INR 8,590.06 lakhs as deferred tax assets on carry forward of unused tax losses, unused tax credits and unabsorbed depreciation as at 31 Marrch 2020, majorly pertaining to one subsidiary company. The management of the subsidiary company is confident of generating sufficient taxable profits in the near future considering the the power purchase arrangement with the Uttar Pradesh Power Corporation Limited, signed contracts for supply of ethanol with Oil Marketing Companies, reduced finance costs due to expected repayment of term loans, future expansion plans like setting up of 16 MW Co-generation Power Plant and industry focused trade policies of the government, which will enable the Group to utilise the deferred tax assets.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

Note 17C: Non-current tax assets (net)

Particulars	31 March 2020	31 March 2019
Income tax assets- others	4,118.22	3,682.69
	4,118.22	**3,682.69**

Note 17D: Current tax liability (net)

Particulars	31 March 2020	31 March 2019
Current tax payable (net)	25.85	3.73
	25.85	**3.73**

Note 18: Provisions (current and non-current)

Particulars	Non Current			Current
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Provision for employee benefits				
Provision for leave encashment	401.39	565.65	157.85	94.89
Gratuity (refer note 40)	375.65	411.98	199.62	142.87
Staff end of service benefits	-	-	-	39.82
	777.04	**977.63**	**357.47**	**277.58**
Others provisions				
Provision for litigations (refer note (i) below)	145.87	145.87	-	-
Provision for warranty (refer note (ii) below)	-	-	1,339.27	2,408.80
	145.87	**145.87**	**1,339.27**	**2,408.80**
	922.91	**1,123.50**	**1,696.74**	**2,686.38**

Notes:

(i) Provision for litigations

Particulars	31 March 2020	31 March 2019
Opening balance	145.87	101.63
Additions during the year	-	44.24
Reversal during the year	-	-
Closing balance	**145.87**	**145.87**

Provision for litigation relates to the estimated outflows in respect of possible liabilities expected to arise in future in connection with ongoing litigations relating to indirect taxes. Due to nature of such litigation, it is not possible to estimate the timings/uncertainities relating to further outflows as well as expense relating to such litigations.

(ii) Provision for warranty (period upto one year)

Particulars	31 March 2020	31 March 2019
Opening balance	**2,408.80**	**899.97**
Additions during the year	120.27	1,508.83
Amount used during the year	503.62	-
Unused amount reversed during the year	686.18	-
Closing balance	**1,339.27**	**2,408.80**

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 provides 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 which are expected to occur over the period of warranty and computed on total sales made during the year based on past experience.

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.

Note 19: Advance received against the asset classified as held for sale

Particulars	31 March 2020	31 March 2019
Advance received against the asset classified as held for sale	3,209.13	3,209.13
	3,209.13	**3,209.13**

Note: INR 3,209.13 lakhs (31 March 2019: INR 3,209.13 lakhs) pertains to amount received from associate company, Zuari Agro Chemicals Limited related to sale of investment property. (refer note 11)

(All amounts in INR lakhs, unless stated otherwise)

Note 20: Revenue from operations

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from contracts with customers		
Operating revenues		
Sale of finished, traded and by products (including excise duty and cess)	52,708.62	41,555.01
Sale of power	3,627.43	5,710.59
Sale of services		
Engineering supplies and other services	10,219.78	28,113.23
Revenue from sale of constructed properties and development management fees	7,101.56	1,485.56
Revenue from sale of land	570.00	-
Other operating revenue		
Scrap sales	62.22	146.59
Rental income from Investment Properties	319.99	247.69
Sales commission on sale of plots/residential units	152.80	160.23
Export subsidy	2,340.49	-
	77,102.89	**77,418.90**

Note 21: Other income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income on:		
Bank deposits	224.15	209.34
Intercorporate loans	2,189.92	44.47
Loans, deposits, advances etc.	98.40	1.66
Overdue debtors and others	2.92	178.41
Income tax refunds	148.82	1,009.26
Dividend income from:		
Investments mandatorily measured at fair value through profit or loss	159.68	158.10
Equity investments designated at fair value through other comprehensive income	3,763.44	1,222.70
Reversal of finance cost of previous year (refer note 57 for further details)	-	669.09
Excess provisions written back (net)	272.63	429.27
Exchange fluctuations (net)	443.73	88.47
Gain from redemption from mutual funds	32.03	181.44
Income from fair valuation of mutual funds	582.15	596.56
Rent received	532.30	505.88
Staff deployment and other supports	67.05	-
Management consulting fee	16.54	-
Profit on sale of assets and investments (net)	24.55	39.37
Insurance and other charges	25.82	-
Renewable energy certificate income	476.60	282.67
Government grants	2,395.76	2,979.86
Amortisation of deferred government grants	922.31	500.34
Deferred gain on NCRPS	11.92	10.19
Other assistances	-	664.29
Miscellaneous income	81.52	211.66
	12,472.24	**9,983.03**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

Note 22: Cost of raw materials consumed

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening stock	640.87	1,223.30
Purchases and procurement expenses	48,440.27	42,696.84
	49,081.14	**43,920.14**
Less: Internal generated bagasse transferred to pre-operative expense (allocated) under power and fuel	118.10	-
Less: Closing stock	307.32	640.87
	48,655.72	**43,279.27**

*Includes inventory of bagasse.

Note 23: Purchase of stock-in-trade

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Furniture and accessories	516.88	1,492.76
	516.88	**1,492.76**

Note 24: Project expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Project supplies	2,407.81	15,788.47
Architect fees	135.04	402.70
Consultancy fee	107.59	25.13
Travelling and conveyance	172.72	217.87
Sub-contracting fee	3,591.73	4,377.58
Legal and professional fees	265.56	362.23
Site office expenses	83.86	101.70
Project staff costs	120.77	823.11
Interest on borrowings	4,857.60	7,963.45
Project expenses	8,741.78	4,905.26
Provision for expected loss reversed	-	(44.12)
Provision for warranties (refer note 18)	120.27	1,508.83
Development management	331.03	-
Miscellaneous expenses	711.48	425.59
	21,647.24	**36,857.81**
Less: Warranty provision of earlier years reversed	(686.18)	-
	20,961.06	**36,857.81**

Note 25: Change in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Closing stock		
Finished goods	45,844.27	44,756.15
Land and construction work-in-progress	75,337.97	64,354.62
Work-in-progress	878.61	599.92
Molasses	3,488.08	4,953.50
Pressmud	120.91	108.46
Scrap	288.10	235.50
	1,25,957.94	**1,15,008.15**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Less :		
Opening stock		
Finished goods	44,756.15	34,254.89
Land and construction work-in-progress	64,354.62	45,612.82
Work-in-progress	599.92	811.43
Molasses	4,953.50	2,297.01
Pressmud	108.46	80.07
Scrap	235.50	318.75
	1,15,008.15	**83,374.97**
(Increase) / decrease		
Finished products	(1,088.12)	(10,501.26)
Land and construction work-in-progress	(10,983.35)	(18,741.80)
Work in progress	(278.69)	211.51
Molasses	1,465.42	(2,656.49)
Pressmud	(12.45)	(28.39)
Traded goods	-	-
Scrap	(52.60)	83.25
Recovery of cost incurred towards project manged by holding company	(45.61)	9,974.42
Adjustment for excise duty and cess on inventories	-	-
	(10,995.40)	**(21,658.76)**

Note 26: Employee benefits expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and bonus	7,479.31	7,282.57
Contribution to provident and other funds	552.03	488.42
Staff welfare expenses	86.08	97.84
	8,117.42	**7,868.83**

Note 27: Finance costs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest expenses (refer note (iii) below)	20,229.12	18,012.60
Interest on lease liabilities (refer note 42)	165.24	-
Financing component on advances from customers	1,164.24	977.89
Other borrowing costs	516.62	159.84
Exchange difference on foreign currency term loan regarded as adjustment to borrowing costs	540.97	416.46
	22,616.19	**19,566.79**
Less: Transfer to project expenses	5,569.80	7,963.45
Less: Amounts capitalised towards qualifying assets (refer note (ii) below)	1,013.07	284.85
	16,033.32	**11,318.49**

Notes:

i) The capitalisation rate used to determine the amount of borrowings costs to be capitalised is weighted average interest rate applicable to the entity's general borrowings during the year, in this case 11.68% p.a. (11.58% p.a.).

ii) Capitalisation of the borrowing costs 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.

iii) Includes modification loss of INR 246.03 lakhs (31 March 2019: Nil) due to change in contractual repayment terms (including rate of interest) on renegotiation with the lender for one of the loans of the Holding Company, leading to change in cash outflows. The modification does not result in the derecognition of the financial liability as the change was non-substantial. Accordingly, the gross carrying amount of the financial liability has been adjusted with the amount of modification loss.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

Note 28: Depreciation and amortization expense

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation on property, plant and equipment	2,332.56	2,023.99
Depreciation on right-of-use asset	174.57	-
Amortisation on intangible assets	46.29	54.38
Depreciation on investment property	30.03	29.39
	2,583.45	**2,107.76**
Less: transferred to project expenses	(36.83)	(15.48)
	2,546.62	**2,092.28**

Note 29: Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Consumption of stores and spares	593.47	581.28
Consumption of packing materials	615.79	500.63
Cane subsidies and other receivables written off	-	1,196.11
Service charges for export obligations	157.15	1,445.44
Power, fuel and water	103.22	216.46
Outward freight and handling	956.76	711.94
Rent	648.57	744.35
Rates and taxes	452.68	265.44
Insurance	225.84	156.62
Repairs and maintenance		
Building	93.80	92.13
Machinery	1,212.70	1,240.75
Others	311.89	269.38
Payment to auditors	125.27	112.23
Consultancy charges	476.53	841.03
Impairment of doubtful debts and advances	145.10	240.74
Loss on foreign exchange (net)	283.81	183.75
Commission on sales	375.38	389.60
Advertisement	178.03	142.59
Donation	3.42	25.00
Bad Debts written off	61.18	360.83
Communication	76.66	96.77
Travelling and conveyance	172.57	225.21
Maintenance and security	143.03	97.32
Fair value losses on derivatives not designated as hedges	471.52	213.46
Balance written off	31.58	-
Management fee	107.33	158.68
Loss on sale of property, plant and equipment (net)	6.98	2.89
Molasses storage and maintenance reserve	6.70	2.51
Miscellaneous expenses	963.40	905.32
	9,000.36	**11,418.46**

Note 30: Exceptional items

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Expenses		
Goodwill impairment	338.01	-
	338.01	**-**

(All amounts in INR lakhs, unless stated otherwise)

The Group had recognised goodwill on acquisition of Indian Furniture Products Limited ('IFPL'), attributable to the Cash Generating Unit ('CGU') of business operations of distribution and retailing of furniture and related items. The Group has assessed the future projections of the said CGU and basis the review of current situation and future prospects, the entire goodwill allocated to the CGU has been impaired during the year and same has been disclosed as exceptional item above. (Refer note 39 for disclosures related to goodwill).

Note 31: Components of other comprehensive income attributable 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 2020

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	-	(0.93)	-	**(0.93)**
Foreign currency translation reserve	-	(88.15)	-	**(88.15)**
Income tax effect on above	-	-	-	**-**
B Items that will not be reclassified to profit or loss				
Share of profit in associates	(1,277.30)	-	(40.63)	**(1,317.93)**
Re-measurement gains on defined benefit plans	-	-	59.63	**59.63**
Net gain on FVTOCI equity securities	(62,614.85)	-	-	**(62,614.85)**
Income tax effect on above	(465.75)	-	-	**(465.75)**
Non controlling interest	-	-	(12.93)	**(12.93)**
	(64,357.90)	**(89.08)**	**6.07**	**(64,440.91)**

For the year ended 31 March 2019

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 venture	-	234.87	-	**234.87**
Foreign currency translation reserve	-	(55.80)	-	**(55.80)**
Income tax effect on above	-	(47.81)	-	**(47.81)**
B Items that will not be reclassified to profit or loss				
Share of profit in associates	(2,605.44)	-	(76.62)	**(2,682.06)**
Re-measurement gains on defined benefit plans	-	-	61.56	**61.56**
Net gain on FVTOCI equity securities	(6,255.15)	-	-	**(6,255.15)**
Income tax effect on above	522.71	-	-	**522.71**
Non controlling interest	-	-	5.21	**5.21**
	(8,337.88)	**131.26**	**(9.85)**	**(8,216.47)**

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:

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Loss after taxation as per statement of Profit and Loss (INR in lakhs)	(36,694.81)	(12,842.83)
Weighted average number of shares used in computing earnings per share - Basic and Diluted	2,94,40,604	2,94,40,604
Earnings per share – Basic and Diluted (in INR) (annualised)	(124.64)	(43.62)
Face value per share (in INR)	10.00	10.00

Note 33: Distributions made and proposed

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Dividends on equity shares paid:		
Equity dividends: INR 1 per equity share (31 March 2019: INR 1 per equity share)	296.65	296.78
Dividend distribution tax on above	60.52	60.52
	357.17	**357.30**
Proposed dividends on equity shares:		
Proposed final equity dividends: INR 1 per equity share (31 March 2019: INR 1 per equity share)	294.41	294.41
Tax on proposed equity dividend	60.52	60.52
	354.93	**354.93**

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 Group, 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.

6) **Determining the lease term of contracts with renewal and termination options**
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the

lease, if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

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 from enginerring, procurement and construction business 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.

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.

7) Warranty provisions

The Group generally offers 12 months to 24 months warranties for its EPC projects. Management estimated that related provision for future warranty claims based on the historical warranty claims information, as well as recent data available that might suggest that past cost my differ from future claims. The assumptions made in relation to current year are consistent with those in the previous year. Factors that could impact the estimated claim information includes the success of the Group's productivity and quality services delivered.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

8) Taxes

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

Note 35: Disclosure of Interest in subsidiaries, joint ventures and associates:

The Group's subsidiaries, Joint ventures and associates at 31 March 2020 are set out below. Unless stated otherwise, they have share capital consisting solely for equity shares that are held directly by the Group, and the proportion of ownership interests held equal the voting rights held by the Group. The Country of incorporation or registration is also their principal place of business.

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

Name of the Company		Country of incorporation /principal place of business	Proportion of ownership interest (%) As on 31 March 2020	As on 31 March 2019
1	Zuari Indian Oiltanking Private Limited	India	50.00%	50.00%
2	Forte Furniture Products India Private Limited*	India	48.98%	48.98%

*The Group has 50.00% of interest in the Forte Furniture Products India Limited , out of which 48.98% holds by the Holding Company and remaining 1.02% holds by the Indian Furniture Products Limited (Subsidiary of the Holding Company).

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 2020	As on 31 March 2019
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 & Power Limited	India	100.00%	100.00%
7	Zuari Finserv 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 2020	As on 31 March 2019
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% (31 March 2019: 50%) and Forte Furniture Products India Private Limited 1.02% (31 March 2019: 1.02%).

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 INR 10.45 lakhs (31 March 2019: Nil) and provision against amount receivable of INR 23.10 lakhs (31 March 2019: INR 21.69 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 2020	As on 31 March 2019
Zuari Infra Middle East Limited (based on consolidated financial statement of its subsidiary) (Refer note (b) below)	UAE	100.00%	100.00%

Note: Accumulated losses of Zuari Infra Middle East Limited, a subsidiary company. The subsidiary company has incurred a loss of AED 15.59 lakhs (equivalent INR 321.15 lakhs) during the year (31 March 2019: AED 32.45 lakhs (equivalent INR 610.95 lakhs)) and has accumulated losses of AED 70.76 lakhs (equivalent INR 1457.65 lakhs) (31 March 2019: AED 55.16 lakhs (equivalent INR 1,038.52 lakhs)) as of that date resulting in deficit in equity funds. This situation is not in compliance with U.A.E. Federal Law No. 2 of 2015. The deficit is due to start-up phase of the project and the parent entities and the joint venture partners have funded the projects in kind. They have agreed to continue their support. The revised cash flow forecast shows positive and profitable financial performance.

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 2020	As on 31 March 2019
Zuari Infraworld SJM Elysium Properties LLC (formerly known as SJM Elysium Properties LLC) (refer notes below)	UAE	100.00%	100.00%

Notes:- During the financial year ended 31 March 2019, Zuari Infraworld SJM Elysium Properties LLP had made subscription for 50% share in the issued share capital of Burj District Development Ltd ("JV Company"), Cayman Islands. Refer note 59 for further details.

- 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.

c) Following associates have been consolidated on the basis of equity method:

Name of the company	Country of Incorporation /Principal place of business	Proportion of Ownership Interest (%)	
		As on 31 March 2020	As on 31 March 2019
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 2020	As on 31 March 2019
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%

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

iv) The information relating to the subsidiaries and associates of Zuari Investments Limited

Name of the company	Country of Incorporation /Principal place of business	Proportion of Ownership Interest (%)	
		As on 31 March 2020	As on 31 March 2019
Subsidiaries			
Gobind Sugar Mills Limited*	India	65.14%	65.14%
Associate			
New Eros Tradecom Limited	India	45.05%	45.05%

* In the previous year ended 31 March 2019, proportion of ownership interest in GSML was computed by considering investment in Compulsorily Convertible Preference Shares (CCPS) and equity share capital. On 17 April 2019, the investment in CCPS of GSML, were converted into equity shares of GSML as per terms of the arrangement

v) The information relating to the subsidiaries of Zuari Finserv Limited

Name of the subsidiaries company	Country of Incorporation /Principal place of business	Proportion of Ownership Interest (%)	
		As on 31 March 2020	As on 31 March 2019
Zuari Commodity Trading Limited*	India	-	100.00%
Zuari Insurance Brokers Limited	India	100.00%	100.00%

* With reference to confirmation of order of Scheme of Merger of Zuari Commodity Trading Limited ('ZCTL') (in the business of commodity trading) with Zuari Finserv Limited ('ZFL') (in the business of stock broking, depository services etc.) dated 09 May 2019 (the "Scheme") received from Regional Director, Ministry of Corporate Affairs, Western Region, Mumbai, the Scheme stands approved and filed with Registrar of Companies on 8 June 2019 ("Effective Date"). On complying with the requisite formalities by ZFL, the Scheme became effective from 1 April 2018 ("Appointed Date").

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 2020	As on 31 March 2019
Subsidiaries Companies			
Managlore Chemicals and Fertilizers Limited	India	53.03%	53.03%
Adventz Trading DMCC	United Arab Emirates	100.00%	100.00%
Zuari Farmhub Limited	India	100.00%	-
Joint ventures			
Zuari Maroc Phosphates Private Limited (including its 80.45% subsidiary-Paradeep Phosphates Limited ('PPL') and Zuari Yoma Agri Solutions, an associate of PPL)	India	50.00%	50.00%
MCA Phosphates Pte Limited (including its associate Fosfatos del Pacifico S.A.)	Singapore	-	30.00%

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 2020	31 March 2019
Indian Furniture Products Limited (IFPL)	India	13.95%	13.95%
Gobind Sugar Mills Limited (GSML)	India	34.86%	34.86%

(All amounts in INR lakhs, unless stated otherwise)

Information regarding non-controlling interests

Name	31 March 2020	31 March 2019
Accumulated balances of material non-controlling interests	**(3,180.70)**	**(304.73)**
Indian Furniture Products Limited (IFPL)	(90.72)	198.89
Gobind Sugar Mills Limited (GSML)**	(3,089.98)	(503.62)
Loss allocated to material non-controlling interests	**(2,875.97)**	**(1,928.61)**
Indian Furniture Products Limited (IFPL)	(289.61)	(393.62)
Gobind Sugar Mills Limited (GSML)	(2,586.36)	(1,534.99)
Adjustment in non-controlling through other equity pursuant to acquisition of shares		
Gobind Sugar Mills Limited (GSML)***	-	525.11

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 2020	31 March 2019
Revenue	597.32	1,750.04
Other income	764.44	869.71
	1,361.76	**2,619.75**
Cost of materials consumed	(13.37)	(64.16)
Purchases of stock in trade	(516.88)	(1,536.82)
Changes in inventories of finished goods, stock-in-trade and work in progress	(147.59)	(607.85)
Employee benefits expense	(52.82)	(83.02)
Finance costs	(1,140.24)	(1,227.04)
Depreciation and amortization expense	(129.90)	(136.46)
Other expenses	(1,438.63)	(971.49)
	(3,439.43)	**(4,626.84)**
Loss before share of profit/(loss) of joint ventures and tax	**(2,077.67)**	**(2,007.09)**
Share of profit/(loss) of joint ventures	0.38	(791.03)
Loss before tax	**(2,077.29)**	**(2,798.12)**
Income tax credit	2.38	2.09
Loss for the year	**(2,074.91)**	**(2,796.03)**
Other comprehensive income	-	(25.59)
Total comprehensive income	**(2,074.91)**	**(2,821.62)**
Attributable to non-controlling interests	**(289.61)**	**(393.62)**

Summarised balance sheet of Indian Furnitures Product Limited

Particulars	31 March 2020	31 March 2019
Non-current assets	12,815.59	14,223.83
Current assets	2,238.55	2,384.48
Non-current liabilities	(8,634.90)	(8,978.41)
Current liabilities	(6,297.86)	(5,432.46)
	121.38	**2,197.44**
Less: deemed equity share capital	(771.69)	(771.69)
Total Equity	**(650.31)**	**1,425.74**
Attributable to		
Equity holders of Holding Company	(559.59)	1,226.85
Non controlling interest	(90.72)	198.89

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

Summarised cash flow of Indian Furnitures Product Limited

Particulars	31 March 2020	31 March 2019
Cash flow from operating activities	(23.88)	131.61
Cash flow from investing activities	305.09	1,801.60
Cash flow from financing activities	(355.28)	(1,938.45)
Net decrease in cash and cash equivalent	(74.07)	(5.24)

Summarised statement of profit and loss of Gobind Sugar Mills Limited

Particulars	31 March 2020	31 March 2019
Revenue	57,900.03	46,384.92
Other income	4,117.87	5,280.16
	62,017.90	**51,665.08**
Cost of materials consumed	(48,642.35)	(43,215.11)
Changes in inventories of finished goods, stock-in-trade and work in progress	2,451.92	7,395.58
Employee benefits expense	(2,677.80)	(2,403.48)
Finance costs	(8,426.98)	(6,945.91)
Depreciation and amortization expense	(2,122.57)	(1,800.40)
Other expenses	(6,106.46)	(7,323.93)
	(65,524.24)	**(54,293.25)**
Loss before exceptional items and tax	**(3,506.34)**	**(2,628.17)**
Exceptional item	-	-
Loss before tax	**(3,506.34)**	**(2,628.17)**
Income tax expense	(3,949.72)	(954.30)
Profit for the year	**(7,456.06)**	**(3,582.48)**
Other comprehensive income	37.08	23.53
Total comprehensive income	**(7,418.98)**	**(3,558.95)**
Attributable to non-controlling interests	**(2,586.36)**	**(1,534.99)**

Summarised balance sheet of Gobind Sugar Mills Limited

Particulars	31 March 2020	31 March 2019
Non-current assets	58,758.12	54,877.49
Current assets	60,445.34	56,756.90
Non-current liabilities {including financial liabilities INR 48,271.07 lakhs (31 March 2019: INR 45,046.19 lakhs)}	(53,229.93)	(50,996.25)
Current liabilities {including financial liabilities INR 71,447.57 lakhs (31 March 2019: INR 49,423.47 lakhs)}	(75,337.96)	(62,590.29)
	(9,364.43)	**(1,952.15)**
Less: deemed equity share capital	(7,821.00)	(7,821.00)
Total equity	**(17,185.43)**	**(9,773.15)**
Attributable to		
Equity holders of Holding Company	(11,194.34)	(6,366.09)
Non controlling interest**	(5,991.09)	(3,407.06)

Summarised cash flow of Gobind Sugar Mills Limited

Particulars	31 March 2020	31 March 2019
Cash flow from operating activities	8,234.53	(1,369.49)
Cash flow from investing activities	(8,015.83)	(9,112.08)
Cash flow from financing activities	(239.41)	10,565.66
Net increase /(decrease) in cash and cash equivalent	(20.71)	84.09

** 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.

*** The Group had 51.27% of stake in Gobind Sugar Mills Limited ('GSML') till 31 March 2018. During the previous year, on 14 November 2018, the Group had subsequently acquired 530,917 number equity shares which is 6.93% of the total equity share capital. Further, during the previous year on 14 November 2018, the Group had also acquired 742,130 Compulsorily Convertible Preference Shares (CCPS) of the GSML which leads to increase in the total controlling interest of the Group in GSML from 51.27% in earlier year to 65.14%. The Group had adjusted the non-controlling interest by INR 525.11 lakhs pursuant to this acquisition.

Note 37: Investments accounted for using the equity method

Particulars	31 March 2020			31 March 2019		
	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	1,887.67	126.38	-	1,786.29	38.60	(0.07)
b) Soundaryaa IFPL Interiors Limited	47.73	0.35	-	47.38	(2.91)	-
c) Forte Furniture Products India Private Limited	-	(1,297.07)	15.42	-	(943.98)	(25.59)
Interest in associates (refer note 38)						
a) Zuari Agro Chemicals Limited*	10,944.85	(25,725.84)	(352.47)	36,960.80	(10,320.13)	(739.39)
b) New Eros Tradecom Limited	1,718.96	12.55	(981.81)	2,688.20	8.70	(1,682.14)
c) Darshan Nirmaan Private Limited	-	-	-	-	-	-
d) Pranati Nirmaan Private Limited	-	-	-	-	-	-
e) Brajbhumi Nirmaan Private Limited	2,285.82	(2.61)	-	2,286.59	(21.17)	-
	16,885.03	**(26,886.24)**	**(1,318.86)**	**43,769.26**	**(11,240.89)**	**(2,447.19)**
***Share of OCI**						
A Items that will be reclassified to profit or loss			(0.93)			234.87
B Items that will not be reclassified to profit or loss			(1,317.93)			(2,682.06)

*Fair market value of Zuari Agro Chemicals Limited as on 31 March 2020 INR 8,330.39 lakhs (31 March 2019: INR 25,058.62 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 2020	31 March 2019
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%

Information regarding joint ventures

Name of the Company	31 March 2020	31 March 2019
Carrying amount of investment		
Zuari Indian Oiltanking Private Limited	1,887.67	1,786.29
Soundaryaa IFPL Interiors Limited	47.73	47.38
	1,935.40	**1,833.67**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

Name of the Company	31 March 2020	31 March 2019
Share of profit/(loss) of joint ventures		
Zuari Indian Oiltanking Limited	126.38	38.60
Soundaryaa IFPL Interiors Limited	0.35	(2.91)
Forte Furniture Products India Private Limited	(1,297.07)	(943.98)
	(1,170.34)	**(908.29)**

Name of the Company	31 March 2020	31 March 2019
Share of other comprehensive income of joint ventures		
Zuari Indian Oiltanking Limited	-	(0.07)
Forte Furniture Products India Private Limited	15.42	(25.59)
	15.42	**(25.66)**

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 2020	31 March 2019
Current assets, including cash and cash equivalents INR 1,223.09 lakhs (31 March 2019: INR 331.55 lakhs)	2,298.82	2,269.42
Non-current assets	5,389.30	3,053.08
Current liabilities including financial liability INR 1,311.92 lakhs (31 March 2019: INR 1,279.90 lakhs)	(1,372.88)	(1,325.36)
Non-current liabilities, including deferred tax INR 327.04 lakhs (31 March 2019: INR 424.56 lakhs)	(2,539.90)	(424.56)
Equity	**3,775.34**	**3,572.58**
Carrying amount of the investment	1,887.67	1,786.29

Summarised statement of profit and loss

Particulars	31 March 2020	31 March 2019
Revenue	1,811.92	1,528.74
Other income (including interest income INR 118.07 lakhs (31 March 2019: INR 96.55 lakhs)	123.96	106.35
	1,935.88	**1,635.09**
Employee benefits expense	(220.05)	(200.81)
Finance costs (including interest expenses of INR 240.70 lakhs (31 March 2019: INR 0.28 lakhs)	(240.70)	(0.28)
Depreciation and amortization expense	(376.29)	(279.28)
Other expenses	(798.46)	(1,047.85)
	(1,635.50)	**(1,528.23)**
Profit before exceptional items and tax	**300.37**	**106.86**
Exceptional items	-	-
Profit before tax	**300.37**	**106.86**
Income tax expense	(37.34)	(29.66)
Profit for the year	**263.04**	**77.19**
Other comprehensive income	-	(0.14)
Total comprehensive income	**263.04**	**77.05**
Group's share of profit for the year before dividend distribution tax ('DDT')	**131.52**	**38.60**
Less: Adjustment of DDT (being proportionate share of Zuari Group)	5.14	-
Group's share of profit/(loss) for the year after DDT	**126.38**	**38.60**
Group's share of other comprehensive income for the year	**-**	**(0.07)**

(B) SOUNDARYAA IFPL INTERIORS LIMITED

Summarised balance sheet

Particulars	31 March 2020	31 March 2019
Current assets, including cash and cash equivalents INR 0.006 lakhs (March 31 2019: INR 0.11 lakhs)	95.96	115.14
Non-current assets	16.20	27.67
Current liabilities including financial liability INR 13.87 lakhs (31 March 2019: INR 45.28 lakhs)	(16.70)	(48.06)
Non-current liabilities, including deferred tax Nil (31 March 2019: Nil)	-	-
Equity	**95.46**	**94.76**
Carrying amount of the investment	47.73	47.38

Summarised statement of profit and loss

Particulars	31 March 2020	31 March 2019
Revenue	-	-
Interest income	4.33	15.13
	4.33	**15.13**
Cost of materials consumed	-	(0.02)
Change in inventories of finished goods, stock in trade and work in progress	-	(9.38)
Direct operating expenses	(1.05)	(3.71)
Employee benefit expenses	-	-
Interest expense		
Depreciation and amortization expenses	(0.36)	(0.36)
Other expenses	(1.98)	(7.49)
	(3.39)	**(20.96)**
Profit/(Loss) before exceptional items and tax	**0.94**	**(5.83)**
Exceptional items		
Profit/(loss) before tax	**0.94**	**(5.83)**
Income tax (expense)/credit	(0.24)	0.01
Profit/(loss) for the year	**0.70**	**(5.82)**
Other comprehensive income	-	-
Total comprehensive income	**0.70**	**(5.82)**
Group's share of profit/(loss) for the year	**0.35**	**(2.91)**

(C) FORTE FURNITURE PRODUCTS INDIA PRIVATE LIMITED

Summarised balance sheet

Particulars	31 March 2020	31 March 2019
Current assets, including cash and cash equivalents INR 19.58 lakhs (31 March 2019: INR 81.98 lakhs)	4,215.26	5,177.20
Non-current assets	2,744.88	441.48
Current liabilities {including financial liabilities of INR 3,452.71 lakhs (31 March 2019: INR 2,897.37 lakhs)}	(6,421.01)	(5,930.12)
Non-current liabilities	(4,241.58)	(1,627.69)
Equity	**(3,702.45)**	**(1,939.13)**
Carrying amount of the investment	(1,851.22)	(969.56)

Summarised statement of profit and loss

Particulars	31 March 2020	31 March 2019
Revenue	6,603.36	8,736.72
Interest income	88.04	204.67
	6,691.40	**8,941.39**
Cost of raw materials and components consumed	(3,107.06)	(3,037.74)
Purchase of traded goods	(666.66)	(1,277.44)

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

Particulars	31 March 2020	31 March 2019
Increasein inventories of finished goods, work-in-progress and traded goods	(111.80)	(94.58)
Excise duty on goods	-	-
Employee benefits expense	(1,749.32)	(1,823.60)
Finance costs {including interest expense of INR 313.77 lakhs (31 March 2018: INR 106.46 lakhs)}	(929.79)	(400.58)
Depreciation and amortization expense	(383.19)	(23.61)
Other expenses	(2,337.72)	(3,834.26)
	(9,285.54)	**(10,491.81)**
Loss before tax	**(2,594.14)**	**(1,550.42)**
Income tax (expense)/credit	-	-
Loss for the year	**(2,594.14)**	**(1,550.42)**
Other comprehensive income	**30.83**	**(51.18)**
Total comprehensive income	**(2,624.97)**	**(1,601.60)**
Group's share of loss for the year	**(1,297.07)**	**(775.21)**
Group's share of loss restricted till last year adjusted in current year	**-**	**(168.77)**
Group's share of other comprehensive income for the year	**15.42**	**(25.59)**

Note : 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. The Group has investment aggregating of INR 1,800.50 (31 March 2019: INR 1,400.50 lakhs) i.e. 50% in the Forte Furniture Products India Private Limited which is concluded as Joint Venture ('JV') of the Group. In last year, the Group has restricted losses upto the carrying value of Investment in JV and remaining unadjusted loss was of Nil (31 March 2019: INR 168.77 lakhs). In current year, the Group's share of loss in JV aggregating to INR 1,281.65 lakhs has been adjusted with the balance outstanding long-term loans of INR 1,050.00 lakhs (31 March 2019: INR 1,250 Lakhs) and additional investment by the group of INR 400.00 lakhs to the JV which is given in order to cover working capital requirement i.e. concluded as long-term interest which form part of the Group's net investment in the JV.

(ii) Contingent liabilities and commitment of joint ventures*

Particulars	31 March 2020	31 March 2019
Contingent liabilities not provided for:		
a) Bank guarantee given by the companies**	7.62	7.62
b) Claim against the company not acknowledged as debts as the company has filed counter claim of INR 74.02 lakhs (31 March 2019: INR 74.02 Lakhs) (being the proportionate share of Zuari Group) against the supplier	30.77	33.52
c) Demand/audit objections raised by central excise department but disputed by Company	4.21	4.21
d) Estimated amount of contracts remaining to be executed on capital account not provided for	16.23	1.47

* Being share of Zuari Group in the joint venture companies.

** Bank guarantee of INR 7.62 lakhs (31 March 2019: INR 7.62 lakhs) are secured by pledge of fixed deposits receipts of INR 7.00 lakhs (31 March 2019: INR 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	As at 31 March 2020	As at 31 March 2019
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%

Information regarding associates

Particulars	31 March 2020	31 March 2019
Carrying amount of investments		
Zuari Agro Chemicals Limited# (refer note 53 for details of restatement)	10,944.85	36,960.80
New Eros Tradecom Limited	1,718.96	2,688.20
Darshan Nirmaan Private Limited**	-	-
Pranati Nirmaan Private Limited**	-	-
Brajbhumi Nirmaan Private Limited	2,285.82	2,286.59
	14,949.63	**41,935.59**

#Fair market value of Zuari Agro Chemicals Limited as on 31 March 2020 INR 8,330.39 lakhs (31 March 2019: INR 25,058.62 lakhs).

Share of profit/(loss) of an associate		
Zuari Agro Chemicals Limited	(25,725.84)	(10,320.13)
New Eros Tradecom Limited	12.55	8.70
Darshan Nirmaan Private Limited**	-	-
Pranati Nirmaan Private Limited**	-	-
Brajbhumi Nirmaan Private Limited	(2.61)	(21.17)
	(25,715.90)	**(10,332.60)**

Share of other comprehensive income of an associate		
Zuari Agro Chemicals Limited	(352.47)	(739.39)
New Eros Tradecom Limited	(981.81)	(1,682.14)
	(1,334.28)	**(2,421.52)**

****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.

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 2020	31 March 2019 (Restated)
Current assets, including cash and cash equivalents INR 26,504.15 lakhs (31 March 2019: INR 4,989.04 lakhs)	3,45,526.41	6,23,137.55
Non-current assets, including deferred tax INR 6,741.15 lakhs (31 March 2019: INR 8,895.14 lakhs)	3,10,723.64	3,05,962.55
Current liabilities, including financial liabilities INR 509,275.92 lakhs (31 March 2019: INR 664,203.24 lakhs)	(5,21,308.56)	(6,82,938.21)
Non-current liabilities, including deferred tax INR 869.20 lakhs (31 March 2019: INR 1,755.37 lakhs) and financial liabilities INR 56.862.07 lakhs (31 March 2019: INR 87,452.43 lakhs)	(59,399.82)	(90,991.95)
Non controlling interest	(41,422.69)	(39,955.91)
Equity	**34,118.98**	**1,15,214.03**
Carrying amount of the investment	10,944.85	36,960.80

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

Summarised statement of profit and loss

Particulars	31 March 2020	31 March 2019 (Restated)
Revenue	5,01,078.59	8,10,290.01
Other income (including interest income INR 1,328.64 (31 March 2019: INR 2,977.83 lakhs)	4,985.21	4,552.00
	5,06,063.80	**8,14,842.01**
Cost of materials consumed	(2,44,039.37)	(4,40,176.48)
Purchases of stock in trade	(36,460.56)	(2,20,847.16)
Changes in inventories of finished goods, stock-in-trade and work in progress	(98,216.50)	56,406.46
Employee benefits expense	(17,487.90)	(17,561.63)
Finance costs	(53,462.09)	(48,789.81)
Depreciation and amortization expense	(11,061.59)	(8,745.93)
Other expenses	(1,27,121.95)	(1,56,648.73)
	(5,87,849.95)	**(8,36,363.28)**
Loss before share of profit of a joint venture, exceptional items and tax	**(81,786.15)**	(21,521.27)
Share of profit of joint ventures	8,218.25	5,534.66
Loss before exceptional items and tax	(73,567.90)	(15,986.61)
Exceptional items	-	(10,617.63)
Loss before tax	**(73,567.90)**	**(26,604.24)**
Income tax expense	(3,660.34)	(688.99)
NCI	(2,967.80)	(1,544.49)
Profit/(loss) for the year	**(80,196.04)**	**(28,837.72)**
Other comprehensive income	**(1,091.56)**	**(2,340.31)**
NCI	(7.13)	35.49
Total comprehensive loss	**(81,294.73)**	**(31,142.54)**

Group's share of loss for the year before dividend distribution tax ('DDT')	**(25,725.84)**	**(9,251.19)**
Less: Adjustment of DDT (being proportionate share of Zuari Group)	-	36.98
Less: Adjustment in relation to non-controlling interests	-	1,031.96
Group's share of profit/(loss) for the year after DDT	**(25,725.84)**	**(10,320.13)**
Group's share of other comprehensive income for the year	**(352.47)**	**(739.39)**

(B) NEW EROS TRADECOM LIMITED

Summarised balance sheet

Particulars	31 March 2020	31 March 2019
Current assets including cash and cash equivalents INR 23.14 lakhs (31 March 2019: INR 55.50 lakhs)	176.95	147.58
Non-current assets	1,744.62	4,893.13
Current liabilities	(7.05)	(7.61)
Deferred tax liabilities		-
Equity	**1,914.52**	**5,033.10**
Carrying amount of the investment	**862.49**	**2,267.41**
Goodwill	661.40	661.40
Carrying amount of the investment before reversal of fair value	**1,523.89**	**2,928.81**
Less: fair valuation of shares of Holding Company reversed	**195.07**	**(240.61)**
Carrying amount of the investment	**1,718.96**	**2,688.20**

Summarised statement of profit and loss

Particulars	31 March 2020	31 March 2019
Other income (including interest income: Nil (31 March 2018: Nil)	40.70	31.24
	40.70	**31.24**
Other expenses	(12.80)	(11.89)
	(12.80)	**(11.89)**
Profit before tax	**27.90**	**19.35**
Income tax expense		
Profit for the year	**27.90**	**19.36**
Other comprehensive income	(3,146.48)	(4,483.52)
Total comprehensive income	**(3,118.58)**	**(4,464.15)**
Group's share of profit for the year	**12.55**	**8.70**
Group's share of other comprehensive income for the year	**(1,417.49)**	**(2,019.83)**
Adjustment for fair valuation of shares of Holding Company reversed	435.68	337.69
Net Group's share of other comprehensive income for the year	**(981.81)**	**(1,682.14)**

(C) BRAJBHUMI NIRMAAN PRIVATE LIMITED

Summarised balance sheet

Particulars	31 March 2020	31 March 2019
Current assets including cash and cash equivalents INR 32.07 lakhs (31 March 2019: INR 58.83 lakhs)	18,085.28	16,814.74
Non-current assets including deferred tax INR 3.89 lakhs (31 March 2019: INR 3.54 lakhs)	42.13	47.58
Current liabilities including financial liabilities INR 10,621.54 lakhs (31 March 2019: INR 9,659.67 lakhs)	(12,007.63)	(11,050.28)
Non-current financial liabilities	(2,844.54)	(2,529.91)
Less: Deemed equity	(421.54)	(421.54)
Less: Minority Interest	(2.03)	(1.82)
Equity	**2,855.73**	**2,862.42**
Proportion of the Group's ownership	713.93	714.70
Goodwill	1,599.01	1,599.01
Adjustments for unrealised profits	(27.12)	(27.12)
Carrying amount of the investment	2,285.82	2,286.59

Summarised statement of profit and loss

Particulars	31 March 2020	31 March 2019
Revenue	9.00	115.98
Other income	0.31	0.21
	9.31	**116.19**
Purchase of stock in trade	(1,287.42)	(1,675.10)
Change in inventories of finished goods, work in progress and stock in trade)	1,284.41	1,512.46
Employee benefits expense	(0.30)	(0.45)
Finance Cost	(0.74)	(20.47)
Depreciation and amortization expense	(1.88)	(2.14)
Other expenses	(10.76)	(11.14)
	(16.67)	**(196.84)**
Loss before tax	**(7.36)**	**(80.65)**
Income tax (expense)/credit	0.35	(0.52)
Non Controlling Interest	0.20	0.13
Loss for the year	**(6.81)**	**(81.04)**
Other comprehensive income	-	-
Total comprehensive income	**(6.81)**	**(81.04)**
Group's share of loss for the year	**(2.61)**	**(21.17)**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

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 2020	31 March 2019
Contingent liabilities not provided for:		
Demand/claims from government authorities^	11,838.39	7,255.80
Other claims against the company not acknowledge as debts	1,707.87	1,573.64
Aggregate amount of guarantees issued by the banks to various government authorities and others**	508.38	1,713.59
Commitments		
Estimated amount of contracts remaining to be executed on capital account (not provided for)	8,710.19	8,202.00

* Being share of Zuari Group in the associate companies

** In respect of ZACL, bank guarantees of INR 534.00 lakhs (31 March 2019: INR 2,411.55 lakhs) [ZGL's share INR 171.31 lakhs (31 March 2019: INR 773.63 lakhs)] are secured by a charge created by way of hypothecation on the current assets, both present and future, wherever situated pertaining to ZACL and its present and future book debts outstanding, moneys receivable, claims, bills, contracts, engagements, rights and assets.

^ In respect of a subsidiary of an associate company, income tax matters under appeal include certain deductions claimed by such subsidiary for financial years 2012-13 and 2013-14 which have resulted in tax losses, on which deferred tax assets have been recognized and utilized against taxable profits of following years, which have been disallowed by the income tax authorities and the differential tax liability (deferred tax/regular tax) that may arise is estimated to be INR 3,315.00 lakhs (ZGL's share INR 1,063.45 lakhs) and interest thereon. The subsidiary is contesting aforesaid disallowances and the management, based on independent tax opinions, believes that its position will likely be upheld in the appellate process and accordingly no expense has been accrued in this regard.

(a) In Zuari Agro Chemicals Limited (ZACL), United Breweries Limited, KingFisher Finvest India Limited, McDowell Holdings Limited instituted arbitration proceedings against ZACL and its erstwhile subsidiary, Zuari Fertilisers and Chemicals Limited (now merged with the Associate Company) alleging breach of the Share Holders Agreement (SHA) dated 12 May 2014 executed between the parties. The arbitration was instituted before the former Chief Justice of India. The Award was passed on 8 May 2017 wherein the Arbitrator has held that the SHA cannot be specifically enforced. The claims raised by the Claimants stand dismissed and the arbitrator has ordered to pay to an Associate Company a sum of INR 75.00 lakhs. The Award has been challenged by the Claimants before the High Court of Bombay at Mumbai and the matter has been disposed in favour of the Associate Company.

(b) Mangalore Chemicals and Fertilizers Limited (MCFL), a subsidiary Company of Zuari Agro Chemicals Limited, an associate had engaged an accredited independent firm to carry out a forensic review of certain transactions in relation to investment in preference shares of Bangalore Beverages Limited (BBL) and advances to United Beverages (Holdings) Limited (UBHL), which indicated that these transactions may have involved irregularities. These investment of INR 20,000.00 lakhs and advances of INR 1,668.20 lakhs aggregating to INR 21,668.20 lakhs were fully provided for during the year ended March 31, 2016.
Zuari Fertiliser and Chemicals Limited, the holding company (now merged with the Associate Company) had filed a petition before the National Company Law Tribunal, Bengaluru ("NCLT") to claim accountability of erstwhile promoter group for the aforesaid irregularities. On 19 August 2019, the aforesaid petition has been withdrawn and accordingly this matter has been disposed of by the NCLT.

(c) 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.

(d) 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.

(All amounts in INR lakhs, unless stated otherwise)

Note 39: Goodwill

	Goodwill
Gross carrying value	
As at 1 April 2018	**14,565.67**
Additions	-
Disposals	-
As at 31 March 2019	**14,565.67**
As at 1 April 2019	**14,565.67**
Additions	-
Disposals	-
Impairment (refer note 30)	338.01
As at 31 March 2020	**14,227.66**

Impairment review

The Group tests goodwill for impairment annually. During the year ended 31 March 2020, the testing resulted in impairment in the carrying amount of goodwill of furniture operations.

Impairment testing of goodwill

Goodwill is allocated to the operating segments expected to benefit from the synergies of the business combinations in which the goodwill arises, as follows:

- Real estate Cash Generating Unit ('CGU')
- Furniture CGU
- Sugar CGU
- Investment services CGU

The Carrying value of goodwill is attributable to the following CGUs:

Segments	As at 31 March 2020	As at 31 March 2019
Real estate operations	888.11	888.11
Furniture operations	-	338.01
Sugar operations	12,368.62	12,368.62
Investment services operations	970.93	970.93
	14,227.66	**14,565.67**

For the current and previous financial years, the recoverable amount on the cash generating units (CGU) was determined based on value-in-use calculation which require the use of assumptions. The calculations use cash flow projections based on financial budget approved by management covering a five year period.

Key assumptions used for value in use calculations of Sugar CGU whose carrying amount of goodwill is significant in comparison with the entity's total carrying amount

Particulars	As at 31 March 2020	As at 31 March 2019
Long Term Growth Rate	4.00%	3.00%
Discount Rates	10.50%	11.83%
Sales Price (annual growth rate)	Nil	Nil
Recovery rates (annual growth rate)	Nil	Nil

Growth rate

This is the weighted average growth rate used to extrapolate cash flows beyond the budgeted period. These rate are based on the industry's performance and the Group's expansion plans.

Discount rates

This is compensation for the risks associated with the particular cash flows and is used to convert projected cash flows into present value. This is based on the companies weighted average cost of capital of the Company and industry comparable.

Sales Price (Annual Growth rate)

The sugar sales prices have been kept constant considering the at present sugar sales prices.

Recovery rates (annual growth rate)

The sugar recovery rate has been kept constant considering the at present recovery rates.

The Management has performed sensitivity analysis around the base assumptions and has concluded that no reasonable changes in key assumptions would cause the recoverable amount of the CGU to be less than the carrying value.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

Note 40: Employee benefits

Defined contribution plan

Contribution to defined contribution plans, recognised as expense for the year ended is as under:

Particulars	31 March 2020	31 March 2019
Employer's contribution to provident fund	470.70	399.01
Employer's contribution to superannuation fund	16.89	19.84
Employer's contribution to labour welfare fund	0.02	0.05
Employer's contribution to contributory provident fund	3.14	3.02
Employer's contribution to ESI	46.62	50.81
Employer's contribution to national pension scheme	14.66	15.69
	552.03	**488.42**

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 INR. 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.

a) Compensated absences

Amount recognised in the statement of profit and loss is as under:

Particulars	31 Mach 2020	31 March 2019
Total service cost	116.88	146.30
Net interest cost	44.43	46.03
Expenses recovered on account of employees transferred from other companies	-	(3.43)
Net actuarial (gain)/loss for the year	(63.93)	(28.36)
Expense recognized in the statement of profit and loss	**97.38**	**160.54**

b) Gratuity

Particulars	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	Funded		Unfunded	
- Gratuity plan- net liability	(415.86)	(425.99)	(159.40)	(128.86)
- Gratuity plan- net asset	7.87	-	-	-
	(407.99)	**(425.99)**	**(159.40)**	**(128.86)**

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.

(All amounts in INR lakhs, unless stated otherwise)

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 2020

Particulars	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	Funded		Unfunded	
Current service cost	57.80	37.87	51.96	46.50
Past Service cost	-	-	-	-
Net interest cost	31.69	34.43	9.70	7.17
	89.49	**72.30**	**61.66**	**53.67**

* In case of a subsidiary company, Nil (31 March 2019: Nil) has been debited to project costs disclosed.

Amount recognised in other comprehensive income for the year ended 31 March 2020

Particulars	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	Funded		Unfunded	
Actuarial gain on obligations	(52.82)	(41.63)	(4.14)	(15.72)
Return on plan assets (excluding amounts included in net interest expense)	(2.67)	(0.60)		-
	(55.49)	**(42.23)**	**(4.14)**	**(15.72)**

Changes in the present value of the defined benefit obligation for the year ended 31 March, 2020 are as follows:

Particulars	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	Funded		Unfunded	
Opening defined obligation	**917.47**	**886.31**	**128.86**	**95.57**
Current service cost	87.04	87.66	51.96	44.30
Interest cost	68.59	68.69	9.70	7.17
Past Service cost	-	-	-	2.20
Re-measurement (or actuarial) (gain) / loss arising from:	-			
- change in demographic assumption	0.04	-	-	0.12
- change in financial assumptions	0.21	-	(0.02)	-
- experience variance (i.e. actual experiences assumptions)	(54.32)	(46.16)	(4.11)	(12.56)
Benefits paid	(105.37)	(82.28)	(26.98)	(7.94)
Acquisition adjustment	(24.94)	3.25	-	-
Defined benefit obligation	**888.72**	**917.47**	**159.41**	**128.86**

Changes in the fair value of plan assets are as follows:

Particulars	31 March 2020	31 March 2019
Fair value of plan assets	**491.47**	**442.07**
Interest income	38.06	40.15
Return on plan assets (excluding amounts included in net interest expense) - OCI	-	-
Contribution by employer	30.40	46.97
Benefits paid	(105.37)	(82.28)
Acquisition adjustment	25.92	47.99
Actuarial gains/(losses)	0.26	(3.43)
Closing fair value of plan assets	**480.74**	**491.47**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

The Group expects to contribute INR 415.86 lakhs (31 March 2019: INR 185.00 lakhs) towards gratuity during the year 2020-21.

Particulars	31 March 2020	31 March 2019
Investment with insurer	480.78	491.47

The principal assumptions used in determining benefit obligation for the Company's plans are shown below:

Particulars	31 March 2020	31 March 2019
Discount rate (in %)	6.85%	7.75%
Salary escalation (in %)	8% for first 2 years and 6.5% 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 2020 is as shown below:

Particulars	31 March 2020		31 March 2019	
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	(58.89)	67.41	66.32	(59.37)

In case of Group Company, a quantitative sensitivity analysis for significant assumption as at 31 March 2019 is as shown below:

Particulars	31 March 2019		31 March 2019	
	Discount rate		**Future salary increases**	
Sensitivity level	0.5 % increase	0.5 % decrease	0.5 % increase	0.5 % decrease
Impact on defined benefit obligation	(47.77)	52.24	51.06	(47.06)

Sensitivity 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 2020	31 March 2019
Within the next 12 months (next annual reporting period)	208.78	221.58
Between 2 and 5 years	381.25	211.93
Beyond 5 years	458.12	612.81

(All amounts in INR lakhs, unless stated otherwise)

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 2020 is presented below:

Particulars	Engineering	Furniture	Real estate	Sugar	Power	Investment services	Ethanol Plant	Management Services	Unallocated	Total
A. Segment revenue:										
External sales/ income	6,992.50	597.32	8,144.35	59,285.65	7,128.51	1,411.51	2,413.89	1,868.86	-	87,842.59
Inter-segment sales/income	-	(24.66)	-	(7,024.97)	(3,501.08)	(29.56)	(135.89)	(23.54)	-	(10,739.70)
	6,992.50	**572.66**	**8,144.35**	**52,260.68**	**3,627.43**	**1,381.95**	**2,278.00**	**1,845.32**	**-**	**77,102.89**
B. Segment results	**(1,962.33)**	**(637.97)**	**881.52**	**(955.28)**	**1,246.55**	**356.63**	**(520.87)**	**(102.15)**	**-**	**(1,693.90)**
C. Reconcilation of segment results with profit after tax										
Segment results	(1,962.33)	(637.97)	881.52	(955.28)	1,246.55	356.63	(520.87)	(102.15)	-	(1,693.90)
Less: Share of profit of associates and joint ventures	-	-	-	-	-	-		-	(26,886.24)	(26,886.24)
Less: Finance costs	-	-	-	-	-	-		-	(14,979.64)	(14,979.64)
Add: Unallocated income net off unallocated expenses	-	-	-	-	-	-		-	11,074.68	11,074.68
Add: Tax expenses	-	-	-	-	-	-		-	(7,098.61)	(7,098.61)
Profit after tax as per statememt of profit and loss										(39583.71)
D. Other information:										
Segment assets	7,499.16	3,972.53	97,572.42	90,979.14	20,425.14	5,470.03	17,795.24	334.31	1,50,050.59	3,94,098.56
Segment liabilities	7,108.03	2,388.34	71,376.18	54,140.01	-	2,448.17		367.34	1,42,767.85	2,80,595.92
Non controlling interests	-	-	-	-	-	-		-	(3,180.70)	(3,180.70)
Capital expenditure	183.94	-	861.13	6,927.11	680.99	483.20	189.26	0.83	-	9,326.46
Depreciation and amortization	71.37	129.90	155.71	1,252.36	680.99	102.37	189.26	1.50	-	2,583.46
Loss allowances	45.67	-	-	-	-	99.43	-	-	-	145.10
Excess provisions written back (net)	168.12	20.44	0.25	71.51	-	12.31		-	-	272.63

E. Disaggregation of revenue from contracts with customers

Particulars	Engineering	Furniture	Real estate	Sugar	Power	Investment services	Ethanol Plant	Management Services	Unallocated	Total
Revenue from contracts with customers										
Operating revenue										
Sale of finished, traded and by products (including excise duty and cess)	-	572.66	-	52,260.68	-	-	2,278.00	-	-	55,111.34
Sale of power	-	-	-	-	3,627.43	-	-	-	-	3,627.43
Sale of services										
Engineering supplies and other services	6,992.50	-	-	-	-	1,381.95	-	1,845.32	-	10,219.77
Revenue from sale of land, constructed properties and development management fees	-	-	7,705.61	-	-	-	-	-	-	7,705.61

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

Particulars	Engineering	Furniture	Real estate	Sugar	Power	Investment services	Ethanol Plant	Management Services	Unallocated	Total
Other operating revenue:										
Scrap sales	-	-	-	-	-	-	-	-	-	-
Rental income from Investment Properties	-	-	319.99	-	-	-	-	-	-	319.99
Sales commission on sale of plots/residential units	-	-	118.75	-	-	-	-	-	-	118.75
										77,102.89
Timing of recognition										
At a point in time	294.78	572.66	8,144.35	52,260.68	3,627.43	1,381.95	2,278.00	1,845.32	-	70,405.17
Over time	6,697.72	-	-	-	-	-	-	-	-	6,697.72
										77,102.89

There is no single external customer contributing more than 10% of the Group revenue during the year.

Financial information about business segments for the year ended 31 March 2019 is presented below:

Particulars	Engineering	Furniture	Real estate	Sugar	Power	Investment services	Ethanol Plan	Management Services	Unallocated	Total
A. Segment revenue:										
External sales/ income	25,168.14	1,750.04	1,893.48	44,043.01	9,307.30	1,133.58	-	1,838.00	-	85,133.55
Inter-segment sales/income	(20.62)	(44.06)	-	(4,047.38)	(3,596.71)	(5.88)	-	-	-	(7,714.65)
Segment revenue	**25,147.52**	**1,705.98**	**1,893.48**	**39,995.63**	**5,710.59**	**1,127.70**	-	**1,838.00**	**-**	**77,418.90**
B. Segment results	(1,134.20)	(1,003.15)	(790.92)	(3,702.24)	2,911.88	247.27	-	208.01	**-**	(3,263.35)
C. Reconcilation of segment results with profit after tax							-			
Segment results	(1,134.20)	(1,003.15)	(790.92)	(3,702.24)	2,911.88	247.27	-	208.01	-	(3,263.35)
Less: Share of loss of associates and joint ventures	-	-	-	-	-	-	-	-	(11,240.89)	(11,240.89)
Less: Finance costs	-	-	-	-	-	-	-	-	(9,520.77)	(9,520.77)
Add: Unallocated income net off unallocated expenses	-	-	-	-	-	-	-	-	7,516.91	7,516.91
Add: Tax credit	-	-	-	-	-	-	-	-	1,741.87	1,741.87
Profit after tax as per statememt of profit and loss										**(14,766.23)**
D. Other information:										
Segment assets	12,760.51	5,291.61	75,248.88	91,060.85	20,979.34	5,521.05	7,916.86	518.29	2,23,385.48	4,42,682.87
Segment liabilities	11,909.94	3,047.69	18,977.64	46,602.24	-	1,226.23	-	318.88	1,42,720.73	2,24,803.35
Non controlling interests	-	-	-	-	-	-	-	-	(304.73)	(304.73)
Capital expenditure	72.33	0.01	3,961.72	7,669.47	715.55	20.04	-	2.64	-	12,441.76
Depreciation and amortization	79.88	136.47	73.79	1,084.88	715.55	16.21	-	0.98	-	2,107.76
Loss allowances	95.49	145.10	-	-	-	0.15	-	-	-	240.74
Reversal of finance cost of previous year	-	-	669.09	-	-	-	-	-	-	669.09
Excess provisions written back (net)	71.41	90.47	40.20	212.44	-	14.75	-	-	-	429.27

Revenue of INR 23,302.30 lakhs is derived from a single external customer. This revenue is the attributed to the Engineering Division.

E. Disaggregation of revenue from contracts with customers

Particulars	Engineering	Furniture	Real estate	Sugar	Power	Investment services	Ethantol Plant	Management Services	Unallocated	Total
Revenue from contracts with customers										
Sale of finished, traded and by products (including excise duty and cess)	-	1,705.98	-	39,995.63	-	-	-	-	-	41,701.61
Sale of power	-	-	-	-	5,710.59	-	-	-	-	5,710.59
Engineering supplies and other services	25,147.52	-	-	-	-	1,127.70	-	1,838.00	-	28,113.22
Revenue from sale of constructed properties and development management fees	-	-	1,439.57	-	-	-	-	-	-	1,439.57
Other operating revenue:							-		-	
Scrap sales	-	-	-	-	-	-	-	-	-	-
Rental income from Investment Properties	-	-	247.69	-	-	-	-	-	-	247.69
Sales commission on sale of plots/residential units	-	-	206.22	-	-	-	-	-	-	206.22
										77,418.90
Timing of recognition										
At a point in time	-	1,705.98	1,893.48	39,995.63	5,710.59	1,127.70	-	1,838.00	-	52,271.38
Over time	25,147.52	-	-	-	-	-	-	-	-	25,147.52
										77,418.90

Revenue of INR 23,302.30 lakhs is derived from a single external customer. This revenue is the attributed to the Engineering Division.

Note 42: Leases

The Holding Company and the Group have adopted Ind AS 116 "Leases" effective 1 April 2019 and applied the standard to its leases using the "Modified Retrospective Approach". Accordingly, the Holding Company has not restated the comparative information. As on 1 April 2019, the Holding Company and the Group (except one subsidiary) have recognized "right of use asset" at an amount equivalent to the lease liability and consequently, adjustment impact on the opening consolidated retained earning as on 1 April 2019 is not significant.

In the statement of profit and loss for the year ended 31 March 2020, the nature of expenses in respect of operating leases has changed from rent in previous periods to depreciation cost for the right of use asset and finance cost for interest accrued on lease liability. The adoption of this standard had no significant impact on the consolidated financial statements.

The subsidiary company as mentioned above recognised of 'Right of Use' asset of INR 256.70 lakhs, 'Net investment in sublease' of ROU asset of INR 214.78 lakhs and a lease liability of INR 580.66 lakhs. The cumulative effect of applying the standard was debited to retained earnings, which amounted to INR 80.79 lakhs (net of tax effect on the same INR 28.39 lakhs). The adoption of this standard has resulted in an increase in cash inflows from operating activities and corresponding increase in cash outflows from financing activities on account of lease payments. The details of leases for the office premises in this regard are as under.

Where the Group is a lessee

The Group has several building in the form of sugar godown, registered office, Corporate office:

Lease term is:	(In Years)
Sugar godowns	3
Registered office	9
Corporate offices of the Group	2 to 9

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

i. Right-of-use assets

Right-of-use assets related to leased buildings that do not meet the definition of investment property are presented as property, plant and equipment below:

	For the year ended 31 March 2020
Recognised as at 1 April 2019	328.51
Addition	1,041.58
Depreciation	(174.57)
Closing balance as at 31 March 2020	**1,195.52**

ii. Net investment in sublease is as follows:

	For the year ended 31 March 2020
Recognised as at 1 April 2019	214.78
Interest income accrued during the year	29.23
Lease receipts	(42.94)
	201.07

iii. Lease liabilties

	For the year ended 31 March 2020
Recognised as at 1 April 2019	670.24
Addition	1,041.59
Interest accured	165.24
Payments	(287.44)
Closing Balance as on 31 March 2020	**1,589.63**
Current (current maturities of lease liabilties)	223.27
Non Current	1,366.36

Note:

a. Refer note 48 for maturity analysis of lease liabilties

b. The effective interest rate for lease liabilities is 12%, with maturity between 2021-2028

iv. Amount recognised in the statement of profit and Loss

	Note No	For the year ended 31 March 2020
Depreciation	30	174.57
Interest on lease liabilties	28	165.24
Income from sub-leasing right of use assets*	21	(9.91)
Expenses relating to short term leases	29	298.68
Net impact on statement of profit and loss		628.58

* One subsidiary company has leased one of its sugar godown which is classified as a short tem lease. Rental income recognized during the year amounts to INR 9.91 lakhs

v. Amount recognised in cash flow statements

	For the year ended 31 March 2020
Payment for finance cost	155.22
Payment of lease liabilties	132.22
Total cash outflow	**287.44**

vI Extension and termination options are included in a leases of building. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The extension and termination options held are exercisable only by the Group and not by the respective lessor. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension and termination options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group has estimated that the potential future lease payments when the Group is reasonably certain of exercising the extension and not exercising the termination options and the impacts of the same have been captured while calculating lease liabilities under Ind AS 116.

vii. Payments associated with short-term leases are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

viii The Group does not have any variable lease payment arrangements.

Where the Group is a lessor

The group has entered into operating leases into on its Investment property in goa consisting of land and building and has sub-leased out some of its short term leased properties. These leases have terms between 2 years to 99 years. The leases do not transfer substantially all the risks and rewards incidental to ownership of the assets hence the same are being classified as operating leases. All leases are classified as operating leases from a lessor perspective where head lease is a short term lease considering sub-lease classification under the accounting standard. Rental income recognised during the year is INR 319.99 lakhs (31 March 2019: INR 247.69 lakhs).

Undiscounted lease payments to be received under operating lease as at 31 March 2020 are as follows:

	31 March 2020
Within one year	717.43
After one year but not more than five years	609.81
More than five years	2,175.71

Note 43A: Contingent liabilities:

Particulars	As at 31 March 2020	As at 31 March 2019
I. Demands / claims by various government authorities and others not acknowledged as debts and contested by the Company		
(A) Excise duty and service tax	130.93	250.52
(B) Sales tax	327.77	669.81
(C) Income tax and wealth tax	5,008.31	4,795.01
	5,467.01	**5,715.34**
II. Other claims against the Group not acknowledged as debts	43.10	37.80
III. Dividend liability on non-convertible redeemable cumulative preference shares	439.31	411.94

Notes:

a) Further, the Group has certain litigations involving employees, for which a sufficiently reliable estimate of the amount of the obligation cannot be made. 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) The Hon'ble Supreme Court (SC) has, vide its decision dated 28 February 2019 ('SC decision'), ruled that various allowances like conveyance allowance, special allowance, education allowance, medical allowance etc., paid uniformly and universally by an employer to its employees would form part of basic wages for computing the provident fund ('PF' or 'the fund') contribution and thereby, has laid down principles to exclude (or include) a particular allowance or payments from 'basic wage' for the purpose of computing PF contribution.

Consequent to the above SC decision, the management implemented necessary changes to comply with the judgement prospectively. While the above SC decision is applicable retrospectively, there is uncertainty with respect to the manner in which it needs to be applied for the earlier period. Accordingly, no provision has been recognized in the consolidated financial statements in respect of period prior to the judgement.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

d) One of the subsidiaries of the Group enters into contract with MSME vendors as per Indian Contract Act, 1872 and being into EPC business, for safeguarding its interest as it is required to deduct liquidated damages for delay in obligation, if required and to keep retention against the performance warranty or defect liability period in some cases payment terms also include payment to be made within 90 days or may be higher or lesser period from the date of acceptance which is agreed by the MSME vendors as per contracts / agreements.

The Micro and Small Enterprises ("MSE") have a right to waive/forgo/surrender their aforesaid statutory rights contractually in order to abide the terms of the contracts in the larger interest of their own business. In line with accepted trade practices, the subsidiary company enters into contracts with MSEs with credit period in excess of the period specified under MSME Act. The subsidiary company has not accrued the interest on the payments due to above interpretations, in the financial statements for the year ended 31 March 2020.

e) During the year ended 31 March 2020, 19,726,078 shares of Chambal Fertilizers & Chemicals Limited were pledged by the Holding Company to the lenders of Zuari Agro Chemicals Limited, an associate of the Holding Company.

Capital commitments contracted at the end of the reporting period but not recognised as liabilties is as follows:-

Particulars	As at 31 March 2020	As at 31 March 2019
Property, plant and equipment	219.38	7,715.48
	219.38	**7,715.48**

Note 44 Fair values measurements

Financial instruments by category

Particulars	31 March 2020			31 March 2019		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments						
- Quoted equity shares*	-	85,480.50	-	-	1,48,090.45	-
- Un-quoted equity shares	-	120.63	-	-	126.20	-
- Redeemable non-cumulative optionally convertible preference shares	277.38	-	-	301.63	-	-
- Redeemable non-cumulative non-convertible preference shares	616.00	-	-	616.00	-	-
- Mutual funds	9,461.17	-	-	9,009.09	-	-
- Government Securities	-	-	1.00	-	-	1.00
Trade receivable	-	-	10,689.13	-	-	10,431.96
Cash and cash equivalents	-	-	3,037.88	-	-	3,282.97
Other bank balances	-	-	6,694.33	-	-	1,243.36
Loans	-	-	30,143.85	-	-	2,497.62
Others financial assets	-	-	9,254.26	-	-	13,459.18
Total financial assets	**10,354.55**	**85,601.13**	**59,820.45**	**9,926.72**	**1,48,216.65**	**30,916.09**
Financial liabilities						
Borrowings (including current maturities of long term borrowings)	-	-	1,92,421.32	-	-	1,47,104.36
Trade payables	-	-	48,726.14	-	-	39,685.42
Other financial liability	-	-	8,513.55	-	-	4,010.11
Lease liabilties	-	-	1,366.36	-	-	-
Total financial Liabilties	**-**	**-**	**2,51,027.37**	**-**	**-**	**1,90,799.89**

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

(All amounts in INR lakhs, unless stated otherwise)

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 2020:

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	85,480.50	85,480.50	-	-
Unquoted equity shares	120.63	-	-	120.63
B. FVPL financial Instruments				
Investment				
Redeemable non-cumulative optionally convertible preference shares	277.38	-	-	277.38
Redeemable non-cumulative non-convertible preference shares	616.00	-	-	616.00
Investment in quoted mutual funds	9,461.17	9,461.17	-	-
	95,955.68	**94,941.67**	**-**	**1,014.01**

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 2019:

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	1,48,090.45	1,48,090.45	-	-
Unquoted equity shares	126.20	-	-	126.20
B. FVPL financial Instruments				
Investment				
Redeemable non-cumulative optionally convertible preference shares	301.63	-	-	301.63
Redeemable non-cumulative non- convertible preference shares	616.00	-	-	616.00
Quoted mutual funds	9,009.09	9,009.09	-	-
	1,58,143.37	**1,57,099.54**	**-**	**1,043.83**

Note

There have been no transfers between level 1 and level 2 during the year period.

i) Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include -

a) The fair values of the quoted equity shares are based on price quotations at the reporting date.

b) The fair value of Mutual Funds is determined using the NAV at the balance sheet date.

c) 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 and preference shares.

d) 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. 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 consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

(ii) The following table presents the changes in level 3 items for the period ended 31 March 2020 and 31 March 2019

Particulars	Redeemable non-cumulative optionally convertible preference shares	Investment in Unquoted equity shares	Total
As at 1 April 2018	**259.53**	**119.62**	**379.15**
Gain recognised in statement of profit and loss	42.10	-	42.10
Gain recognised in other comprehensive income	-	6.58	6.58
As at 31 March 2019	**301.63**	**126.20**	**427.83**
Loss recognised in statement of profit and loss	(24.25)	-	(24.25)
Loss recognised in other comprehensive income	-	(5.57)	(5.57)
As at 31 March 2020	**277.38**	**120.63**	**398.01**

(iii) Financial instruments measured at amortised cost

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.

For financial assets and financial liabilities that are measured at fair value, the carrying amounts are equal to the fair value.

(iv) 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 2020 and 31 March 2019 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 2020: 4.5% - 5.5% (5.0%) 31 March 2019: 4.5% - 5.5% (5.0%)	0.5% (31 March 2019: 0.5%) increase in the growth rate would increase in fair value by INR 0.13 lakhs (31 March 2019: INR 0.38 lakhs) and 0.5% (31 March 2019: 0.5%) decrease in the growth rate would decrease in fair value by INR 0.14 lakhs (31 March 2019: INR 0.33 lakhs)
Investment in equity shares of Lionel Edward Limited	DCF method	Long-term growth rate for cash flows for subsequent years	31 March 2020: 12.5% - 11.5% (12.00%) 31 March 2019: 12.5% - 11.5% (12.0%)	0.5% (31 March 2019: 0.5%) increase in the growth rate would increase in fair value by INR 1.50 lakhs (31 March 2019: INR 1.50 lakhs) and 0.5% (31 March 2019: 0.5%) decrease in the growth rate would decrease in fair value by INR 1.50 lakhs (31 March 2019: INR 1.50 lakhs).
Investment in preference shares of Brajbhumi Nirmaan Private Limited	DCF method	Cost of equity	31 March 2020: 17.84% - 18.84% (18.34%) 31 March 2019: 17.84% - 18.84% (18.34%)	0.5% (31 March 2019: 0.5%) increase in the cost of equity would decrease in fair value by INR 6.86 lakhs (31 March 2019: INR 6.86 lakhs) and 0.5% (31 March 2019: 0.5%) decrease in the growth rate would increase in fair value by INR 6.69 lakhs (31 March 2019: INR 6.69 lakhs).
Investment in preference shares of Adventz Investments Company Private Limited	DCF method	Cost of equity	31 March 2020: 12.50% - 11.50% (12.00%) 31 March 2019: 12.50% - 11.50% (12.00%)	0.5% (31 March 2019: 0.5%) increase in the growth rate would decrease in fair value by INR 9.89 lakhs (31 March 2019: INR 9.98 lakhs) and 0.5% (31 March 2019: 0.5%) decrease in the growth rate would decrease in fair value by INR 9.98 lakhs (31 March 2019: INR 9.98 lakhs).

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. A list of related parties as identified by the management is as under:

i) Joint ventures of the Company:

1. Zuari Indian Oiltanking Private Limited, a Joint venture of Zuari Global Limited
2. Forte Furniture Products India Private Limited, a Joint venture of Zuari Global Limited
3. Soundaryaa IFPL Interiors Limited, a Joint venture of Indian Furniture Products Limited
4. Simon Engineering and Partners LLC, a Joint venture of Simon India Limited [refer note 35(3)(ii)]

ii) Associates of the Company:

1. New EROS Tradecom Limited, an associate of Zuari Investments Limited
2. Zuari Agro Chemicals Limited, an associate of Zuari Global Limited
3. Mangalore Chemicals and Fertilisers Limited, a subsidiary of Zuari Agro Chemicals Limited
4. Adventz Trading DMCC, a subsidiary of Zuari Agro Chemicals Limited
5. Zuari Maroc Phosphates Private Limited, a joint venture of Zuari Agro Chemicals Limited
6. Paradeep Phosphates Limited, a subsidiary of Zuari Maroc Phosphates Private Limited
7. Brajbhumi Nirmaan Private Limited, an associate of Zuari Infraworld India Limited

iii) Enterprises having significant influence, with whom there are transactions during the year:

1. Globalware Trading and Holdings Limited, exercing significant influence over Zuari Global Limited

iv) Key Management Personnel

1. Mr. S. K. Poddar, Chairman
2. Mr. N Suresh Krishnan, Managing Director (till 14 February 2020)
3. Mr. R S Raghvan, Managing Director (w.e.f. 15 February 2020)
4. Mrs. Jyotsna Poddar, Executive Director
5. Mr. Marco Wadia - Independent - Non - Executive Director
6. Mr. Krishan Kumar Gupta - Independent - Non - Executive Director
7. Mr. Jayant N Godbole - Independent - Non - Executive Director
8. Mr. Vijay Vyankatesh Paranjape - Independent - Non - Executive Director
9. Mr. Dipankar Chatterji - Independent - Non - Executive Director

v) Relative of Key Management Personnel

1. Mr. Akshay Poddar - son of Mr. S. K. Poddar
2. Mrs. Rekha Krishnan - wife of Mr. N. Suresh Krishnan.

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

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

B. Related party transactions

Following transactions were carried out with related parties in the ordinary course of business for the year ended 31 March 2020:

		For the year ended March 2020						For the year ended March 2019					
Sl. 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	**Payment made on their behalf:**												
	– Zuari Maroc Phosphates Private Limited	-	-	-	-	-	-	-	0.75	-	-	-	-
2	**Payment made on our behalf:**												
	– Zuari Agro Chemicals Limited	-	0.67	-	-	-	-	-	-	-	-	-	-
	– Forte Furniture Products India Private Limited	66.66	-	-	-	-	-	-	-	-	-	-	-
3	**Inter-Corporate deposits/ Loans/Advances/ Deposits given:**												
	– Zuari Agro Chemicals Limited	-	27,350.00	-	-	-	-	-	-	-	-	-	-
	– Forte Furniture Products India Private Limited	200.00	-	-	-	-	-	-	-	-	-	-	-
4	**Sale of duty credit scrips**												
	– Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	41.75	-	-	-	-
5	**Inter-Corporate deposits/ Loans/Advances/ Deposits taken:**												
	– Globalware Trading and Holdings Limited	-	-	737.48	-	-	-	-	-	85.67	-	-	-
	– Mr. Akshay Poddar	-	-	-	-	-	968.20	-	-	-	-	-	685.32
	– Adventz Trading DMCC	-	105.02	-	-	-	-	-	-	-	-	-	-
	– New Eros Tradecom Limited	-	125.00	-	-	-	-	-	-	-	-	-	-
6	**Inter-Corporate deposits/ Loans/Advances/ Deposits repaid:**												
	– Globalware Trading and Holdings Limited	-	-	-	-	-	-	-	-	53.50	-	-	-
	– Mr. Akshay Poddar	-	-	-	-	-	-	-	-	-	-	-	402.91
	– Adventz Trading DMCC	-	40.22	-	-	-	-	-	-	-	-	-	-
7	**Managerial remuneration#**												
	– Mr. R S Raghavan	-	-	-	12.14	-	-	-	-	-	-	-	-
	– Mr. N Suresh Krishnan	-	-	-	144.91	-	-	-	-	-	229.35	-	-
	– Mr. Jyotsna Poddar	-	-	-	68.35	-	-	-	-	-	68.35	-	-

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

		For the year ended March 2020						For the year ended March 2019					
Sl. 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
	'#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 Holding Company as a whole and hence individual figures cannot be determined.												
8	**Dividend received**												
	– Zuari Indian Oiltanking Private Limited	25.00	-	-	-	-	-	-	-	-	-	-	-
9	**Advance received from customer**												
	– Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	776.25	-	-	-	-
10	**Reimbursement of expenses (given)/ received**												
	– Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	7.44	-	-	-	-
	– Mr. Marco Wadia	-	-	-	-	-	-	-	-	-	0.17	-	-
11	**Lease rentals received**												
	– Zuari Indian Oiltanking Private Limited	169.96	-	-	-	-	-	156.14	-	-	-	-	-
	– Zuari Agro Chemicals Limited	-	48.39	-	-	-	-	-	44.43	-	-	-	-
12	**Sitting fees paid**												
	– Mr. S. K. Poddar	-	-	-	3.75	-	-	-	-	-	2.30	-	-
	– Mr. Marco Wadia	-	-	-	11.80	-	-	-	-	-	12.05	-	-
	– Mr. Krishan Kumar Gupta	-	-	-	1.85	-	-	-	-	-	4.05	-	-
	– Mr. Jayant N Godbole	-	-	-	2.05	-	-	-	-	-	5.05	-	-
	– Mr. Dipanker Chartterji	-	-	-	2.60	-	-	-	-	-	-	-	-
	– Mr. Vijay V Paranjape	-	-	-	4.15	-	-	-	-	-	-	-	-
13	**Management fees / service charges received**												
	– Zuari Indian Oiltanking Private Limited	16.54	-	-	-	-	-	15.75	-	-	-	-	-
	– Forte Furniture Products India Private Limited	107.33	-	-	-	-	-	158.68	-	-	-	-	-
14	**Dividends paid**												
	– Globalware Trading and Holdings Limited	-	-	74.92	-	-	-	-	-	74.92	-	-	-
	– New Eros Tradecom Limited	-	11.97	-	-	-	-	-	11.97	-	-	-	-

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

		For the year ended March 2020						For the year ended March 2019					
Sl. 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**
	– Mr. S. K. Poddar	-	-	-	2.73	-	-	-	-	-	2.73	-	-
	– Mr. Akshay Poddar	-	-	-	-	-	2.38	-	-	-	-	-	2.38
	– Mrs. Jyotsna Poddar	-	-	-	0.72	-	-	-	-	-	0.72	-	-
15	**Investment in equity shares**												
	– Forte Furniture Products India Private Limited	391.86	-	-	-	-	-	-	-	-	-	-	-
16	**Interest expense**												
	– Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	216.69	-	-	-	-
	– Mr. Akshay Poddar	-	-	-	-	-	93.88	-	-	-	-	-	24.56
	– Globalware Trading and Holdings Limited	-	-	65.69	-	-	-	-	-	3.64	-	-	-
	– New Eros Tradecom Limited	-	14.65	-	-	-	-	-	-	-	-	-	-
17	**Payment against income tax litigations**												
	– Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	825.50	-	-	-	-
18	**Purchase of property, plant and equipments**												
	– Forte Furniture Products India Private Limited	2.09	-	-	-	-	-	4.21	-	-	-	-	-
19	**Repayment of land advance**												
	– Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	700.00	-	-	-	-
20	**ICDs given repaid**												
	– Forte Furniture Products India Private Limited	400.00	-	-	-	-	-	-	-	-	-	-	-
21	**Payment received on their behalf**												
	– Forte Furniture Products India Private Limited	16.14	-	-	-	-	-	59.14	-	-	-	-	-
22	**Sale of goods to**												
	– Zuari Agro Chemicals Limited	-	289.76	-	-	-	-	-	254.66	-	-	-	-
	– Forte Furniture Products India Private Limited	25.35	-	-	-	-	-	170.08	-	-	-	-	-
23	**Purchase of goods from**												
	– Forte Furniture Products India Private Limited	124.44	-	-	-	-	-	331.24	-	-	-	-	-
24	**Interest income on ICDs**												
	– Forte Furniture Products India Private Limited	173.64	-	-	-	-	-	159.38	-	-	-	-	-
	– Zuari Agro Chemicals Limited	-	1,921.67	-	-	-	-	-	-	-	-	-	-

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

		For the year ended March 2020						For the year ended March 2019					
Sl. 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
25	**Lease rental received from**												
	– Forte Furniture Products India Private Limited	494.25	-	-	-	-	-	494.25	-	-	-	-	-
26	**Conversion charges and consignment fees**												
	– Forte Furniture Products India Private Limited	-	-	-	-	-	-	8.19	-	-	-	-	-
27	**Transactions with funds for post employment benefit trust**												
	– Zuari Industries Limited Employees Provident Fund	-	-	-	-	86.21	-	-	-	-	-	85.65	-
	– Zuari Industries Limited Sr. Staff Superannuation Fund	-	-	-	-	14.02	-	-	-	-	-	16.00	-
	– Zuari Industries Limited Non Management Employees Pension Fund	-	-	-	-	3.14	-	-	-	-	-	3.02	-
	– Simon India Ltd Gratuity Fund	-	-	-	-	25.92	-	-	-	-	-	47.99	-
	– Simon India Ltd. Staff Superannuation Fund	-	-	-	-	2.87	-	-	-	-	-	3.84	-
28	**Balances written back**												
	– Mr. N Suresh Krishnan	-	-	-	-	-	-	-	-	-	34.65	-	-
29	**Manpower Services**												
	– Zuari Agro Chemicals Limited	-	920.22	-	-	-	-	-	703.66	-	-	-	-
	– Mangalore Chemicals and Fertilizers Limited	-	124.41	-	-	-	-	-	109.12	-	-	-	-
	– Paradeep Phosphates Limited	-	415.88	-	-	-	-	-	379.98	-	-	-	-
	– Forte Furniture Products India Private Limited	8.42	-	-	-	-	-	-	-	-	-	-	-

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Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

Related party balances as at 31 March 2020:

S. no.	Balances outstanding	As at 31 March 2020						As at 31 March 2019					
		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**												
	– Forte Furniture Products India Private Limited	1,050.00	-	-	-	-	-	1,250.00	-	-	-	-	-
	– Zuari Agro Chemicals Limited	-	27,350.00	-	-	-	-	-	-	-	-	-	-
2	**Trade payables**												
	– Forte Furniture Products India Private Limited	95.17	-	-	-	-	-	2.61	-	-	-	-	-
	– Zuari Agro Chemicals Limited	-	0.51	-	-	-	-	-	-	-	-	-	-
3	**Advances from customers**												
	– Zuari Agro Chemicals Limited	-	477.10	-	-	-	-	-	735.03	-	-	-	-
4	**Managerial remuneration payable**												
	– Mr. N Suresh Krishnan	-	-	-	-	-	-	-	-	-	67.05	-	-
5	**Trade receivables**												
	– Brajbhumi Nirmaan Private Limited	-	404.02	-	-	-	-	-	404.02	-	-	-	-
	– New Eros Tradecom Limited	-	-	-	-	-	-	-	0.77	-	-	-	-
	– Simon Engineering and Partners, LLC	23.10	-	-	-	-	-	21.69	-	-	-	-	-
	– Soundaryaa IFPL Interiors Limited	4.00	-	-	-	-	-	17.00	-	-	-	-	-
	– Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	41.75	-	-	-	-
	– Zuari Indian Oiltanking Private Limited	-	-	-	-	-	-	7.60	-	-	-	-	-
6	**Impairment allowance of doubtful debts**												
	– Simon Engineering and Partners, LLC	23.10	-	-	-	-	-	21.69	-	-	-	-	-
7	**Advances or deposits recoverable/debtors**												
	– Zuari Indian Oiltanking Private Limited	6.08	-	-	-	-	-	7.60	-	-	-	-	-
	– Zuari Agro Chemicals Limited	-	45.79	-	-	-	-	-	4.51	-	-	-	-
	– Zuari Maroc Phosphates Private Limited	-	0.89	-	-	-	-	-	0.89	-	-	-	-
8	**Other recoverable**												
	– Brajbhumi Nirmaan Private Limited	-	157.33	-	-	-	-	-	157.33	-	-	-	-
	– Adventz Trading DMCC	-	37.85	-	-	-	-	-	-	-	-	-	-

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

S. no.	Balances outstanding	As at 31 March 2020						As at 31 March 2019					
		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
	– Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	6.25	-	-	-	-
9	**Interest receivable on ICD/ Loan**												
	– Mr. N Suresh Krishnan	-	-	-	-	-	-	-	-	-	9.80	-	-
	– Forte Furniture Products India Private Limited	353.13	-	-	-	-	-	196.85	-	-	-	-	-
10	**Advance against sale of land**												
	– Zuari Agro Chemicals Limited	-	3,209.13	-	-	-	-	-	3,209.13	-	-	-	-
11	**Advances against income tax under litigations**												
	– Zuari Agro Chemicals Limited	-	1,708.35	-	-	-	-	-	1,708.35	-	-	-	-
12	**Advance received against sale of constructed properties**												
	– Mrs. Rekha Krishnan	-	-	-	-	-	-	-	-	-	-	-	53.38
	– Mr. Krishan Kumar Gupta	-	-	-	-	-	-	-	-	-	54.01	-	-
13	**Deposit of provident fund**												
	– Zuari Industries Limited Employees Provident Fund	-	-	-	-	3.43	-	-	-	-	-	7.21	-
14	**Deposit of superannuation fund**												
	– Zuari Industries Limited Sr. Staff Superannuation Fund	-	-	-	-	-	-	-	-	-	-	1.33	-
15	**Deposit of non-management employees pension fund**												
	– Zuari Industries Limited Non Management Employees Pension Fund	-	-	-	-	0.27	-	-	-	-	-	0.28	-
16	**Interest payable on loans**												
	– Globalware Trading and Holdings Limited	-	-	122.86	-	-	-	-	-	46.71	-	-	-
	– Mr. Akshay Poddar	-	-	-	-	-	127.78	-	-	-	-	-	25.42
	– New Eros Tradecom Limited	-	14.65	-	-	-	-	-	-	-	-	-	-
17	**Loans taken**												
	– Globalware Trading and Holdings Limited	-	-	469.68	-	-	-	-	-	376.55	-	-	-
	– Mr. Akshay Poddar	-	-	-	-	-	1,801.28	-	-	-	-	-	761.40

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020

(All amounts in INR lakhs, unless stated otherwise)

S. no.	Balances outstanding	As at 31 March 2020						As at 31 March 2019					
		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
	– Adventz Trading DMCC	-	64.79	-	-	-	-	-	-	-	-	-	-
	– New Eros Tradecom Limited	-	125.00	-	-	-	-	-	-	-	-	-	-
18	**Other payables**												
	– Forte Furniture Products India Private Limited	117.94	-	-	-	-	-	124.41	-	-	-	-	-
19	**7% NCPRS issued to**												
	– New Eros Tradecom Limited	-	82.09	-	-	-	-	-	70.17	-	-	-	-
	– Mr. S. K. Poddar	-	-	-	-	-	-	-	31.53	-	-	-	-
20	**Other receivable**												
	– Adventz Trading DMCC	-	37.85	-	-	-	-	-	56.04	-	-	-	-

Note:

During the year ended 31 March 2020, 19,726,078 shares of Chambal Fertilizers & Chemicals Limited were pledged by the Holding Company to the lenders of Zuari Agro Chemicals Limited, an associate of the Holding Company.

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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 2020 and 31 March 2019.

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 2020.

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 2020 and 31 March 2019.
- The sensitivity of equity is calculated at 31 March 2020 and 31 March 2019 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 2020		INR lakhs
INR Borrowings	+50	(305.00)
INR Borrowings	-50	305.00
31 March 2019		
INR Borrowings	+50	(312.72)
INR Borrowings	-50	312.72

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.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

USD	Change in USD rate	Effect on profit before tax INR lakhs	Effect on pre-tax equity INR lakhs
31 March 2020	+5%	(700.36)	(700.36)
	-5%	700.36	700.36
31 March 2019	+5%	(673.51)	(673.51)
	-5%	673.51	673.51

SAR	Change in SAR rate	Effect on profit before tax INR lakhs	Effect on pre-tax equity INR lakhs
31 March 2020	+5%	19.60	19.60
	-5%	(19.60)	(19.60)
31 March 2019	+5%	61.12	61.12
	-5%	(61.12)	(61.12)

AED	Change in AED rate	Effect on profit before tax INR lakhs	Effect on pre-tax equity INR lakhs
31 March 2020	+5%	1.44	1.44
	-5%	(1.44)	(1.44)
31 March 2019	+5%	0.39	0.39
	-5%	(0.39)	(0.39)

EURO	Change in Euro rate	Effect on profit before tax	Effect on pre-tax equity INR lakhs
31 March 2020	+5%	-	-
	-5%	-	-
31 March 2019	+5%	13.79	13.79
	-5%	(13.79)	(13.79)

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, EURO and SAR, where the functional currency of the entity is a currency other than AED, 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 INR 120.63 (31 March 2019 : INR 126.20 lakhs). Sensitivity analysis of these investments have been provided in note 45.

At the reporting date on 31 March 2020, the company has investments in mutual funds INR 9,461.17 (31 March 2019: INR 9,009.09 lakhs). A decrease of 5% on the NSE/ BSE market price could have an impact of approximately INR 473.06 Lakhs (31 March 2019: INR 450.45 lakhs) on the profit attributable to the Group. An increase of 5% in the value of the mutual funds would also impact profit or loss vice versa.

Equity price sensitivity

The table below summarises the impact of increase/decrease of the index on the Company's equity and profit for the period. The analysis is based on the assumption that the equity index had increased by 5% or decreased by 5% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Particulars	Impact on profit after tax	Impact on other components of equity
31 March 2020		
NSE Nifty 50-increases by 5%	473.06	4,274.03
NSE Nifty 50-decreases by 5%	(473.06)	(4,274.03)
31 March 2019		
NSE Nifty 50-increases by 5%	450.45	7,405.05
NSE Nifty 50-decreases by 5%	(450.45)	(7,405.05)

(All amounts in INR lakhs, unless stated otherwise)

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 customers. 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 2018	**1,381.37**
Net impairment loss recognised during the year*	243.59
Impairment allowance on 31 March 2019	**1,624.96**
Net impairment loss reversed during the year*	(243.88)
Impairment allowance on 31 March 2020	**1,381.08**

*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 respective companies. 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.

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 2020				
Borrowings#	90,417.44	1,25,127.28	8,148.10	2,23,692.82
Trade payables	48,686.07	40.07	-	48,726.14
Other financial liabilities	8,289.68	0.60		8,290.28
Lease Liabilties	465.61	1,566.41	710.12	2,742.14
	1,47,858.80	**1,26,734.36**	**8,858.22**	**2,83,451.39**

Year ended 31 March 2019				
Borrowings#	47,739.70	88,223.51	38,619.43	1,74,582.65
Trade payables	39,646.41	39.01	-	39,685.42
Other financial liabilities	3,756.43	253.68	-	4,010.11
	91,142.54	**88,516.20**	**38,619.43**	**2,18,278.18**

#The same includes contractual interest cash outflows related to the borrowings.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

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 2020	As at 31 March 2019
Borrowings (including debt portion of preference shares)	1,92,421.32	1,47,104.36
Trade payables	47,528.57	39,152.40
Less: cash and cash equivalents	3,037.88	3,282.97
Net debts	**2,36,912.01**	**1,82,973.79**
Equity	1,16,683.34	2,18,184.25
Total capital	**1,16,683.34**	**2,18,184.25**
Capital and net debt	**3,53,595.35**	**4,01,158.04**
Gearing ratio (%)	**67.00%**	**45.61%**

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 major 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 2020 and 31 March 2019.

Note 50. Revenue related disclosures:

Revenue from Contracts with Customers

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Ind AS 115 includes a 5 step approach and detailed guidelines which are on allocation of revenue to performance obligations within multi-element arrangements, measurement and recognition of variable consideration and the timing of revenue recognition. Five step model is as follows:

(i) Identify the contract(s) with customer;
(ii) Identify separate performance obligations in the contract;
(iii) Determine the transaction price;
(iv) Allocate the transaction price to the performance obligations; and
(v) Recognise revenue when a performance obligation is satisfied.

According to Ind AS 115, revenue is recognized over time (percentage of completion) either when the performance creates an asset that the customer controls as the asset is created (e.g. work in progress) or when the performance creates an asset with no alternative use and an enforceable right to payment as performance is completed to date has been secured. Revenue is also recognized over time if the customer simultaneously receives and consumes the benefits from goods and services as performed.

Significant changes in contract assets and liabilities

Contract liabilities - Advance from customers	31 March 2020	31 March 2019
Opening balance of Contract liabilities	**17,001.84**	**6,480.12**
Add: Amount of advance from customer reversed	-	7,129.14
Less: Amount of revenue recognised against opening contract liabilities	6,892.59	3,099.03
Add: Addition in balance of contract liabilities for current year	8,534.47	7,537.93
Less: Amount of revenue recognised against current year contract liabilities	2,067.14	-
Closing balance of Contract liabilities	**16,576.58**	**18,048.16**

(All amounts in INR lakhs, unless stated otherwise)

Contract liabilities - Deferred revenue	As at 31 March 2020	As at 31 March 2019
Opening balance of Contract liabilities - Deferred revenue	**1,125.75**	**179.41**
Less: Amount of revenue recognised against opening contract liabilities	1,125.75	179.41
Add: Addition in balance of contract liabilities for current year	101.20	1,125.75
Closing balance of Contract liabilities - Deferred revenue	**101.20**	**1,125.75**

Contract assets - unbilled revenue	31 March 2020	31 March 2019
Opening balance of contract assets	**6,547.51**	**1,160.00**
Less: Amount of unbilled revenue transferred to advance from customer reversed	-	199.47
Less: Amount of revenue recognised against opening contract liabilities	6,004.27	180.48
Add: Addition in balance of contract assets for the current year	200.28	5,767.46
Closing balance of contract assets	**743.52**	**6,547.51**

Contract assets - Cost Incurred to obtain a contract	31 March 2020	31 March 2019
Opening balance of contract assets	**415.84**	**94.56**
Less: Amount of prepaid expense recorded as expense in statement of profit & loss in current year	380.26	34.02
Add: Addition in balance of prepaid expenses in current year	-	355.30
Closing balance of contract assets	**35.58**	**415.84**

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the revenue as per contracted price:

	31 March 2020	31 March 2019
Revenue as per contracted price	76,282.82	77,418.90
Significant financing component	820.07	-
Revenue recognised	**77,102.89**	**77,418.90**

Assets and liabilities related to contracts with customers

Particulars	As at 31 March 2020		As at 31 March 2019	
	Non-current	Current	Non-current	Current
Contract assets				
Unbilled revenue	-	743.52	-	6,547.51
Cost Incurred to obtain a contract	-	35.58	-	415.84
Contract liabilities				
Advance from customers	-	16,576.58	-	18,076.97
Deferred revenue	-	101.20	-	1,125.75

Revenue from operations as per Ind AS 115

Performance obligation of the Group

a) Real estate business

The agreement to sell states that the Customer is entitled to a fully developed residential apartment. There can be various goods like labour, building materials, etc. and construction services that are integrated to construct and provide a built apartment. However, the ancillary services like parking lot, gymnasium, club membership etc. and gift of gold coin, do not affect the benefits that customer may obtain from the apartment individually. The Group is providing a significant integration service of combining the material and construction services for the overall promise is to deliver the fully built apartment/villa/floor in a township together with ancillary parking space. On the other hand, facilities like gymnasium and club membership separately identifiable and the intent Group does not really integrate them with construction service to deliver a combined output. Similarly, gold coin is altogether a different product and does not really integrate them with construction service to deliver a combined output.

Based on above analysis, the performance obligation is identified as:

- A fully developed apartment/villa in the township
- Ancillary amenities like: club membership, gymnasium membership etc.
- Gold Coin

The price charged from the customer shall be allocated on respective obligations based on their standalone selling price.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

b) Engineering business

The agreement with the customer specifies the obligation of Simon India wherein Simon India is responsible for

(i) Engineering & design of the plant,

(ii) procurement of material including equipment; and

(iii) civil, erection & commissioning of plant/structure as per the agreement.

The customer can benefit from each of the above together with other available resources which are available on stand-alone basis as they have a standalone fair value to the Customer. The Group is providing a significant integration service of combining the abovementioned goods and services. Each service offered by the Group to its customer is interlinked with other service in order to achieve one commercial objective as per contract and therefore goods/service customize other goods/service promised in the contract and represent a 'single performance obligation',i.e., to deliver fully developed plant.

c) Sugar and power

In case of sale of sugar, there are two performance obligation of the Group:

- Sale of sugar
- Facilitation of transport service

Transaction price is inclusive of price of both performance obligation. Management of the Group has allocated transaction price over different performance obligation basis the price charged by the Group from customers against each obligation. The Group recognizes revenue when it transfers control over a product or service to a customer. For goods, revenue is recognised when customers are billed (in case of ex-works) or when goods are delivered at the delivery point (as per terms of the agreement) and for services, when necessary obligation regarding facilitation has been performed and control has been transferred to the customer. Further, for such service arrangement, Group assess Principal versus agent consideration for recognizing revenue. Management determines that in case of facilitation of transport service, Transporter is primarily responsible for delivering the products, inventory risk of the product lies with the transporter and the entity is not exposed to credit risk for the amount receivable from a customer once goods has been delivered at transporter premises. Basis such consideration, management concluded that the Group is acting as an agent for arranging such transport and therefore recording such revenue on net basis.

In case of power business, Group sells power to its customer, wherein obligation of the Group is to sale and deliver power at the delivery point as agreed between the Group and the customer. Revenue is recognised once control has been transferred to the customer, which is done at delivery point. Since there is only one obligation for power business, no such allocation has been done

Note 51. 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 52: 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 2020	31 March 2019	Purpose
1	Texmaco Infrastructure and Holdings Limited	-	1,006.33	Strategic Investment
2	Forte Furniture Products India Private Limited	400.00	-	Strategic Investment
		400.00	**1,006.33**	

B. Disclosure of loan given:

S.No	Name of loanee	Opening balance	Loan given	Loan repaid	Outstanding balance	Purpose
1	Texmaco Infrastructure and Holdings Limited	-	200.00	-	200.00	General Business Purpose
2	Forte Furniture Products India Private Limited	1,250.00	200.00	400.00	1,050.00	General Business Purpose
3	ANS Industries Limited	220.00	-	-	220.00	General Business Purpose
3	Innovation Management Solution DMCC	-	288.40	-	288.40	General Business Purpose
4	Zuari Agro Chemicals Limited	-	27,350.00	-	27,350.00	General Business Purpose
		1,470.00	**28,038.40**	**400.00**	**29,108.40**	

Note 52A: 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 2020	31 March 2019	31 March 2020	31 March 2019
1	Forte Furniture Products India Private Limited	Joint venture	1,050.00	-	1,450.00	-
2	Zuari Agro Chemicals Limited	Associate	27,350.00	-	27,350.00	-

Note 53 Restatement of previously reported financial information

The Group, in order to comply with Ind AS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' 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 31 March 2019 (Extract)	Audited	Adjustments	Restated
ASSETS			
Non-current assets			
Investments accounted for using the equity method	47,548.12	(3,778.86)	43,769.26
Total non-current assets		**(3,778.86)**	
EQUITY AND LIABILITIES			
Equity			
Total equity	2,21,658.38	(3,778.86)	2,17,879.52
Total		**(3,778.86)**	

Statement of Profit and Loss for the year ended 31 March 2019 (Extract)	Audited	Adjustments	Restated
Loss before share of loss of associates and joint ventures, exceptional items and tax (I-II)	**(5,267.21)**	-	**(5,267.21)**
Share of loss of associates and joint ventures	**(7,462.03)**	(3,778.86)	**(11,240.89)**
Loss before tax	(12,729.24)	(3,778.86)	(16,508.10)
Total tax expense	(1,741.87)	-	(1,741.87)
Loss for the year	**(10,987.37)**	**(3,778.86)**	**(14,766.23)**
Total comprehensive loss for the year	**(19,209.05)**	**(3,778.86)**	**(22,987.91)**
Earnings per share:			
Basic	(30.79)		(43.62)
Diluted	(30.79)		(43.62)

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.

Note

During the year, Zuari Agro Chemicals Limited (an associate of the Holding Company) has restated its financial statements for the year ended 31 March 2019 as per Ind AS 8 "Accounting Policies, Change in Accounting Estimates and Errors" for recording an impairment loss of INR 11,779.39 lakhs and consequently, the Group has restated share of profit/(loss) of an associate along with the tax impact on the same. Refer note 63(b) for further details.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

Note 54

The Holding Company had demerged its fertilizer undertaking to Zuari Agro Chemicals Limited (ZACL), an associate of the Holding Company with effect from 1 July 2011. The Holding Company has, during the financial year ended 31 March 2017, based on Hon'ble High Court Order on demerger of fertilizer undertaking, identified the amount of income tax paid or payable 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 or payable under protest by the Holding Company. During the year ended 31 March 2017, the Company had received INR 2,533.85 lakhs from ZACL on this account. During the previous year ended 31 March 2019, pursuant to the aforesaid OGE of ITAT order (refer note 57) , the management has carried out the exercise to finalize an amount and repaid an amount of INR 825.50 lakhs to ZACL, out of the receipts of income tax refund. The carrying value of such advance is INR 1,708.35 lakhs and classified under non-current liability.

Note 55 Statutory group information:

S. No.	Name of the Entity	Net Assets, i.e., total assets minus total liabilities as at 31 March 2020		Share in Profit or Loss for the year ended 31 March 2020		Share in Other comprehensive Income for the year ended 31 March 2020		Share in Total comprehensive Income for the year ended 31 March 2020	
		As % of consolidated net assets	Amount (INR in lakhs)	As % of consolidated profit or loss	Amount (INR in lakhs)	As % of consolidated net assets	Amount (INR in lakhs)	As % of consolidated profit or loss	Amount (INR in lakhs)
	Zuari Global Limited (Console)	100.00	1,16,683.34	100.00	(36,694.81)	100.00	(64,440.91)	100.00	(1,01,135.72)
1	**Holding Company**								
	Zuari Global Limited	112.35	1,31,089.28	(3.52)	1,292.41	83.62	(53,885.88)	52.00	(52,593.47)
2	**Indian subsidiaries**								
	Indian Furniture Products Limited	3.07	3,577.00	2.59	(950.29)	0.00	(1.19)	0.94	(951.48)
	Simon India Limited	6.10	7,122.31	3.68	(1,349.91)	1.96	(1,265.31)	2.59	(2,615.22)
	Zuari Finserv Limited	1.71	1,992.99	0.53	(195.27)	0.00	(1.95)	0.20	(197.22)
	Zuari Management Services Limited	1.05	1,219.61	1.06	(390.14)	9.76	(6,290.10)	6.61	(6,680.24)
	Zuari Infraworld India Limited	12.78	14,906.85	(0.26)	94.34	0.00	(0.06)	(0.09)	94.28
	Zuari Sugar & Power Limited	(1.40)	(1,632.21)	4.83	(1,772.49)	-	-	1.75	(1,772.49)
	Zuari Investments Limited	5.51	6,424.18	4.83	(1,771.20)	27.73	(17,871.11)	19.42	(19,642.31)
	Zuari Insurance Brokers Limited	0.52	611.68	(0.43)	158.54	(0.00)	0.22	(0.16)	158.76
	Gobind Sugar Mills Limited	(8.03)	(9,364.43)	20.32	(7,456.06)	(0.06)	37.08	7.34	(7,418.98)
3	**Foreign subsidiaries**								
	Zuari Infra Middle East Limited	0.42	486.01	(0.17)	61.58	-	-	(0.06)	61.58
	Zuari Infraworld SJM Elysium Properties LLC (formerly known as SJM Elysium Properties LLC)	(0.75)	(880.59)	0.55	(202.80)	-	-	0.20	(202.80)
4	**Minorities Interest in subsidiaries**								
	Indian Furniture Products Limited	0.08	90.72	(0.82)	302.54	0.02	(14.57)	(0.28)	287.97
	Gobind Sugar Mills Limited	2.65	3,089.98	(7.05)	2,586.36	(0.00)	1.64	(2.56)	2,588.00

S. No.	Name of the Entity	Net Assets, i.e., total assets minus total liabilities as at 31 March 2020		Share in Profit or Loss for the year ended 31 March 2020		Share in Other comprehensive Income for the year ended 31 March 2020		Share in Total comprehensive Income for the year ended 31 March 2020	
		As % of consolidated net assets	Amount (INR in lakhs)	As % of consolidated profit or loss	Amount (INR in lakhs)	As % of consolidated net assets	Amount (INR in lakhs)	As % of consolidated profit or loss	Amount (INR in lakhs)
5	**Indian joint ventures**								
	Zuari Indian Oil Tanking Private Limited	-	-	(0.34)	126.38	-	-	(0.12)	126.38
	Soundaryaa IFPL Interiors Limited	-	-	(0.00)	0.35	-	-	(0.00)	0.35
	Forte Furniture Products India Private Limited	-	-	3.53	(1,297.07)	(0.02)	15.42	1.27	(1,281.65)
6	**Associates**								
	Zuari Agro Chemicals Limited	-	-	70.11	(25,725.84)	0.55	(352.47)	25.79	(26,078.31)
	New Eros Tradecom Limited	-	-	(0.03)	12.55	1.52	(981.81)	0.96	(969.26)
	Darshan Nirmaan Private Limited	-	-	-	-	-	-	-	-
	Pranati Nirmaan Private Limited	-	-	-	-	-	-	-	-
	Brajbhumi Nirmaan Private Limited	-	-	0.01	(2.61)	-	-	0.00	(2.61)
7	**Eliminations & adjustments due to consolidation**	(36.04)	(42,050.04)	0.59	(216.18)	(25.09)	16,169.18	(15.77)	15,953.00
		100.00	**1,16,683.34**	**100.00**	**(36,694.81)**	**100.00**	**(64,440.91)**	**100.00**	**(1,01,135.72)**

Note 56 Statutory group information:

S. No.	Name of the Entity	Net Assets, i.e., total assets minus total liabilities as at 31 March 2019		Share in Profit or Loss for the year ended 31 March 2019		Share in Other comprehensive Income for the year ended 31 March 2019		Share in Total comprehensive Income for the year ended 31 March 2019	
		As % of consolidated net assets	Amount (INR in lakhs)	As % of consolidated profit or loss	Amount (INR in lakhs)	As % of consolidated net assets	Amount (INR in lakhs)	As % of consolidated profit or loss	Amount (INR in lakhs)
	Zuari Global Limited (Console)	100.00	2,18,184.25	100.00	(12,842.83)	100.00	(8,216.47)	100.00	(21,059.30)
1	**Holding Company**								
	Zuari Global Limited	84.35	1,84,037.68	(31.36)	4,027.70	314.93	(25,876.15)	103.75	(21,848.45)
2	**Indian subsidiaries**								
	Indian Furniture Products Limited	1.95	4,258.49	15.61	(2,005.00)	(0.01)	0.52	9.52	(2,004.48)
	Simon India Limited	4.46	9,737.53	5.45	(700.05)	(0.66)	54.58	3.07	(645.47)
	Zuari Finserv Limited	1.04	2,270.35	(0.19)	24.36	(0.03)	2.85	(0.13)	27.21
	Zuari Management Services Limited	3.62	7,899.85	3.05	(391.57)	(0.66)	(15,042.99)	73.29	(15,434.56)
	Zuari Infraworld India Limited	6.83	14,893.35	(0.23)	29.52	(0.03)	4.00	(0.16)	33.52
	Zuari Sugar & Power Limited	0.06	140.28	12.52	(1,607.39)	183.08	-	7.63	(1,607.39)

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

S. No.	Name of the Entity	Net Assets, i.e., total assets minus total liabilities as at 31 March 2019		Share in Profit or Loss for the year ended 31 March 2019		Share in Other comprehensive Income for the year ended 31 March 2019		Share in Total comprehensive Income for the year ended 31 March 2019	
		As % of consolidated net assets	Amount (INR in lakhs)	As % of consolidated profit or loss	Amount (INR in lakhs)	As % of consolidated net assets	Amount (INR in lakhs)	As % of consolidated profit or loss	Amount (INR in lakhs)
	Zuari Investments Limited	11.93	26,036.33	4.16	(534.73)	(0.05)	(5,344.01)	27.92	(5,878.74)
	Zuari Insurance Brokers Limited	0.21	452.93	(0.51)	65.38	-	0.20	(0.31)	65.58
	Zuari Commodity Trading Limited	0.05	104.84	0.05	(6.93)	65.04	0.16	0.03	(6.77)
	Gobind Sugar Mills Limited	(0.89)	(1,952.15)	27.89	(3,582.47)	(0.00)	23.53	16.90	(3,558.94)
3	**Foreign subsidiaries**								
	Globex Limited	-		-		-		-	-
	Zuari Infra Middle East Limited	0.18	384.26	1.13	(144.65)	-	-	0.69	(144.65)
	Zuari Infraworld SJM Elysium Properties LLC (formerly known as SJM Elysium Properties LLC)	(0.28)	(607.44)	1.91	(244.93)	-	-	1.16	(244.93)
4	**Minorities Interest in subsidiaries**								
	Indian Furniture Products Limited	(0.09)	(198.14)	(3.02)	388.41	(0.04)	3.57	(1.86)	391.98
	Gobind Sugar Mills Limited	0.23	502.87	(11.95)	1,534.99	(0.02)	1.64	(7.30)	1,536.63
5	**Indian joint ventures**								-
	Zuari Indian Oil Tanking Private Limited	-	-	(0.30)	38.60	0.00	(0.07)	(0.18)	38.53
	Soundaryaa IFPL Interiors Limited	-	-	0.02	(2.91)	-	-	0.01	(2.91)
	Forte Furniture Products India Private Limited	-	-	7.35	(943.98)	0.31	(25.59)	4.60	(969.57)
6	**Associates**								
	Zuari Agro Chemicals Limited	-	-	80.36	(10,320.11)	9.00	(739.39)	52.52	(11,059.50)
	New Eros Tradecom Limited	-	-	(0.07)	8.70	20.47	(1,682.14)	7.95	(1,673.44)
	Darshan Nirmaan Private Limited	-	-	-	-	-	-	-	-
	Pranati Nirmaan Private Limited	-	-	0.00	(0.02)	-	-	0.00	(0.02)
	Brajbhumi Nirmaan Private Limited	-	-	0.16	(21.14)	-	-	0.10	(21.14)
7	Eliminations and adjustments due to consolidation	(13.65)	(29,776.78)	(12.03)	1,545.39	(491.73)	40,402.82	(199.19)	41,948.21
		100.00	**2,18,184.25**	**100.00**	**(12,842.83)**	**99.59**	**(8,216.47)**	**100.00**	**(21,059.30)**

Note 57: 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 INR 5,500.00 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 had made income tax provision including interest thereon provided in an earlier year for various assessment years. However, subsequently, Income Tax Appellate Tribunal (ITAT) in March 2017, had issued favourable decisions for some assessment years such as 2006-07, 2008-09, 2009-10, 2010-11 and 2011-12. In previous year ended 31 March 2019, pursuant to order giving effect ('OGE') of ITAT order and corresponding receipt of refunds from income tax department by the Holding Company, other income included interest income on income tax refunds amounting to INR 809.45 lakhs and reversal of finance cost (interest on income tax liability recorded in earlier years) amounting to INR 669.09 lakhs, and tax expense/(credit) for the year ended 31 March 2019 includes income tax provision reversals amounting to (-) INR 1,182.75 lakhs. Moreover, the Hon'ble High Court of Bombay had accepted the appeal of department for these year against ITAT order in the financial year ended 31 March 2019, however, under the given circumstance the Holding Company has favourable decision from ITAT, the management believe there is remote chances of unfavourable decision from the Hon'ble High Court of Bombay.

Note 58: The global outbreak of Corona virus disease ("Covid-19") pandemic is causing significant economic slowdown and disruptions of business operations. There are uncertainties regarding the impact that Covid-19 is going to have on the operations of the Holding Company and its subsidiaries, joint ventures and associates, and the management is closely monitoring the developments. The management has considered the possible effects of the pandemic on the carrying values of assets and the business forecasts. In developing the assumptions relating to the possible impacts of this pandemic, the Holding Company has used internal and external information up to the date of approval of these financial statements. The Holding Company has also performed sensitivity analysis on the assumptions used and based on current estimates, it expects to recover the carrying amount of these assets and have sufficient liquidity for business operations for at least another twelve months. The impact of the pandemic on the Holding Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the management will continue to closely monitor any material changes. Similar note is included in the financial statements of a subsidiary, an associates and a joint venture.

Note 59: During the financial year ended 31 March 2019, the step down subsidiary company has made subscription for 50% share in the issued share capital of Burj District Development Ltd ("JV Company"), Cayman Islands made up of 25,000 shares of B class of USD 1 each as per JV agreement. The joint venture is engaged to carry out any activities which is not prohibited by the Companies Law (2011 revision) of Cayman Islands.

The JV Company has not opened bank account and hence the share capital is not contributed by the subsidiary company. The JV Company's incorporation and renewal expenses are accounted in subsidiary's books of account. The JV Company holds 1 share in Burj District One Limited, Jebel Ali Offshore Company, Dubai, UAE, which owns a plot of land on which the project "St Regis Residencies" is being developed by the subsidiary company. Post completion of the project, profitability and its sharing between the JV partners will be separately determined extracting qualifying costs and revenue from that company's account.

Note 60: In relation to ongoing litigations/disputes of IL&FS Security Services Limited ("Clearing Member") with the Securities and Exchange Board of India, National Stock Exchange, National Securities Clearing Corporation Limited and some of its trading members as on date, the regulators of India have frozen collaterals of Clearing Member which inter alia impacted the deposits/ collaterals made by the trading members including one of the subsidiary company, Zuari Finserv Limited, amounting to INR 549.86 lakhs. Therefore, the aforesaid subsidiary company along with other trading members have filed a civil appeal with Hon'ble Supreme Court of India (SC).

Note 61: One subsidiary of the Group, Zuari Investments Limited, after the demerger of operation division, had applied for registration with Reserve Bank of India (RBI) as Non Deposit taking Systematically Important Core Investment Company (ND-SI-CIC) under section 45- IA of the RBI Act vide application dated 25 March 2019. The management has responded to clarification sought by the RBI. RBI had also issued notice to the subsidiary company asking for explanation for delay in submission of application for which the subsidiary company has submitted its responses. The subsidiary company sought time for meeting with relevant officials in March 2020 to explain the matter, however, the matter got derailed due to lock down imposed following spread of Corona Virus.

The management is of the view that the subsidiary company fulfills the requisite conditions for registration with RBI as ND-SI-CIC. The management of the subsidiary company is in the process of filing necessary responses with the RBI for obtaining the registration at the earliest.

The management is of the view that the impact of such non-registration is currently not ascertainable but is not expected to be material to the accompanying financial statements.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

Note 62: As on 31 March 2020, the accumulated losses of Gobind Sugar Mills Limited, a subsidiary company amounted to INR 17,633.52 lakhs. The management of the subsidiary company is confident to generate sufficient profits and cash from operations in near future considering improved sugar sale prices, industry focused state and central government trade policies, expanded operations in form of commencement of Ethanol Plant (Distillery having capacity of 100,000 litres per day) and setting up of 16 MW Co-generation Power Plant. Also, the subsidiary company has availed moratorium period for principal and interest payments, under Covid 19 - Regulatory Package announced by Reserve Bank of India by rescheduling its repayments of loans and payment of interest. In view of the same, the management of the subsidiary company is confident of generating sufficient cash flows in the future to meet the its financial obligations. Hence, the financial statements of the subsidiary company have been prepared on a going concern basis.

Note 63: Notes reproduced from consolidated financial statements of Zuari Agro Chemicals Limited (an Associate of the Holding Company) for the year ended 31 March 2020

a) The Parent Company is in the business of manufacturing and trading of various types of fertilizer products. Due to significant delays in receipt of subsidy from the Government of India in earlier periods, drought like situation in our key marketing area in earlier periods there was consequent deterioration of the Parent Company's liquidity position, which led to elongation of the working capital cycle of our Parent Company. The Parent Company was unable to pass on the increase in the prices of the raw materials to the farmers which contributed to the cash flow mismatch and reduced financial flexibility of our Parent Company, on account of which the Parent Company is having net current liability position of INR 150,627.37 lakhs as at 31 March 2020. These factors adversely impacted company's cash flow, debt positions, delay in repayment of loans on contractual maturity date, recall of loans from two lenders due to non-meeting of covenant breach, downgrading of their rating to (ICRA) D and prolonged shut down of its plants for different periods during the year.

With optimal working capital liquidation/ realization and in agreement with lenders on the Resolution plan, the Parent Company has cleared all the overdues with Banks / Financial Institutions by 5 December 2019 and have reduced its borrowings and all accounts are now standard with all lenders since 2 January 2020. Also, different plants commenced its operations due to availability of raw materials and working capital. All these have helped upgrading of its rating to (ICRA) B stable in April 2020.

The management believes that the Parent Company will be able to realize its assets and discharge its liabilities in the normal course of business and thus material uncertainty will be resolved due to various steps undertaken (explained above), restructuring and sale of certain assets as explained in note 62(b) and note 62(c), ongoing discussion with other lenders for funding as required, expected advance from a Group Company against acquisition of assets, and future cash flow projections, the management of Parent Company believes that the Parent Company is fully secured in relation to the payment of external debts payable by the Parent Company.

b) Pursuant to board approval obtained on 5 February 2020 and vide business transfer agreement dated 31 March 2020, the Parent Company has transferred assets and liabilities of its retail, speciality nutrients business (SPN) & allied, crop protection & care business (CPC), seeds and blended businesses to Zuari FarmHub Limited (ZFL) with effect from 31 March 2020, on a going concern basis under a slump sale arrangement at a consideration of INR 78,556.00 lakhs based on valuation from an independent expert. Consequently, the Parent Company has prepared the consolidatated financial statements in accordance with the principles of Ind AS 110 "Consolidated Financial Statements".

Subsequent to year end, OCP Group has expressed an interest to make an investment in ZFL of USD 46.5 million (equivalent to INR 35,184.00 lakhs) to acquire 30% stake in ZFL, subject to the completion of a confirmatory due dilligence by OCP. The Parent Company has accepted the offer.

c) In October 2019, with a view to building a large fertilizer company with access to both Phosphates and Nitrogenous fertilizers and to access the markets serviced by the Parent Company, it proposed and OCP group agreed to evaluate Parent Company's Goa plant for a merger into or slump sale to Paradeep Phosphates Limited (PPL) on both Strategic and financial grounds.

With this objective in mind, reputed advisors were engaged both by the Parent Company and OCP and after detailed discussions, both Parent Company and OCP have recently agreed to a valuation of USD 280 million for the Goa plant of the Parent Company. This transaction would bring in long term funds in the Parent Company and would take care of long-term Liabilities of the Parent Company.

Both the parties have also agreed that the said valuation is subject to a confirmatory due diligence to be undertaken by PPL for purchase of Goa Plant of the Parent Company and other legal requirements including approval of Government of India.

It may be noted that presently, the Parent Company and OCP hold 50% each of the total equity capital of Zuari Maroc Phosphates Private Limited (ZMPPL) and ZMPPL holds 80.45 % of the Share capital of PPL.

d) In respect of the Parent Company's investment of INR 11,943.47 lakhs (31 March 2019: INR 11,943.47 lakhs) in the rock phosphate mining project (which is under development) through MCA Phosphate Pte Limited (MCAP), a joint venture company, there had been a deadlock between the Parent Company and its JV partner Mitsubishi about certain impairments recorded in the financial statements of MCAP for financial years 2015-16 and 2016-17.

On 15 February 2018, MCAP had issued a share offer notice by virtue of which the Parent Company was offered to subscribe to certain ordinary shares. In light of the objections already raised by the Parent Company in regard to the impairment and adoption of accounts and the nominal value at which the shares were issued, it did not subscribe to the rights issue.

On 30 May 2018, the Parent Company obtained a clarification from the JV partner that its shareholding in MCAP has been diluted from 30% to 0.17% with effect from 1 April 2018. The Parent Company initiated legal proceedings before the High Court of Singapore on 4 June 2018 seeking certain relief. An order has been passed by the High Court of Singapore on 13 August 2018 mandating that inter alia no steps should be taken: i) in respect of any matter specified as a super-majority decision in the shareholders agreement dated 20 December 2011, without the prior written consent of the Parent Company, to, among other things, preserve the Parent Company's original investment; and ii) no steps should be taken to change the shareholding of MCAP or to amend the Articles of Association of MCAP or to act in any manner inconsistent with the shareholders agreement mentioned above.

The Parent Company had initiated arbitration proceedings against the JV partner in accordance with the arbitration rules of the International Chamber of Commerce (ICC). The ICC, vide its order dated 4 December 2018 on an application for interim relief amended the order passed by the High Court of Singapore by allowing the respondents (i.e. Mitsubishi Corporation and MCA Phosphate Pte Limited) to exercise contractual options to purchase or sell shares of MCA Phosphates Pte. Limited in accordance with the terms of any applicable agreements. Mitsubishi Corporation has agreed not to exercise such contractual options till the final award is issued in the aforesaid arbitration. The Parent Company has filed its claim with the arbitration tribunal on 23 April 2019.

For the year ended 31 March 2019, as per the requirement of arbitration proceedings, the valuation of MCAP investment in Fosfatos del Pacifico S.A. (FDP), the mining project company, was done by an independent valuer for the purpose of submission of the valuation report of the said investment to ICC, which indicated a value higher than the carrying value of investment in the books of the Parent Company. Based on the report of independent valuer, impairment loss of INR 1,161.76 lakhs recognised for the year 31 March 2018 had been reversed in 31 March 2019 and disclosed as an exceptional income.

During the current year, based upon multiple hearings for arbitration which occurred between 9 September 2019 to 12 September 2019, ICC has passed its partial award on February 11, 2020. The Arbitral Tribunal (by majority) agreed that approval of MCAP's financial statements for Financial Year 2016 and 2017 was in violation of Parent Company's Super Majority Rights; it refused to grant any other reliefs claimed by the Parent Company for the reasons cited in the Partial Award including the Parent Company's prayer for a buy-out for an amount of USD 37 million.

The Arbitral Tribunal also held that the higher of the fair market value and book value of MCAP's shares is currently USD 0. For the purposes of buy-out in terms of the MCAP Shareholders Agreement, the Call Price for Parent Company's 21,690,000 ordinary shares in MCAP are valued at USD 0.01 per share. Consequently, the Parent Company and JV Partner entered into a stipulation agreement on 27 March 2020, vide which they inter alia was agreed:

- Parent Company will pay JV Partner USD 216,900/- towards the costs incurred by JV Partner in the Arbitration;
- JV Partner will buy Parent Company's shares in MCAP for a total value of USD 216,900

ICC has passed its final order on 7 May 2020. As per final order, Parties shall have no rights or claims against each other. Each Party will bear its own costs of ICC arbitration and Singapore Proceedings, except that the Parent Company will reimburse JV Partner $216,900 for fees paid by JV Partner to the ICC.

JV Partner will exercise its Call Option to purchase Parent Company's shares of MCAP for $216,900. Within 15 days of the Final Award, Parent Company will transfer to JV Partner all of its shares of MCAP which the Parent Company has already initiated through its counsels. MCAP shall thereafter exercise the Put Option and will promptly provide notice to counsel for Parent Company when that is done. Additionally, ICC reimburses the Parties for any fees previously paid to the ICC, Zuari will be entitled to 85% of such reimbursed fees, and Mitsubishi will be entitled to 15% of reimbursed fees.

Basis the ICC order and stipulation agreement, the Parent Company has assessed the fair value of the said investment as at 31 March 2019 and have concluded that the impairment loss was required to be recognized as at 31 March 2019. Accordingly, the Parent Company has recognized an impairment loss of INR 11,779.36 lakhs in the consolidated financial statements and the figures for the year ended 31 March 2019 have been appropriately restated and disclosed under exceptional items as per Ind AS 8 "Accounting Policies, Change in Accounting Estimates and Errors"

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31st March 2020
(All amounts in INR lakhs, unless stated otherwise)

Also, the Parent Company has concluded that the Parent Company would cease to consolidate MCAP as Joint Venture in accordance with Ind AS 28 "Investments in Associates and Joint Ventures" using equity method of consolidation for the year ended 31 March 2020. Accordingly, the Parent Company has recognized an consolidation adjustment of INR 60.85 lakhs in opening retained earnings for earlier years and reversal of loss of INR 97.22 lakhs and OCI income of INR 384.96 lakhs recognized from 1 April 2019 till 31 December 2019 in the consolidated financial statements and the figures for the year ended 31 March 2020 and carried investment at fair value of USD 0.01 as at 31 March 2020.

As per the requirements of paragraph 40A(b) of Ind AS 1 "Presentation of Financial Statements", the Group has not presented the third balance sheet i.e. at the beginning of 01 April 2018 as the management believes that the restatement as explained above does not have a material effect on the information in the balance sheet at the beginning of 01 April 2018.

e) The Parent Company is carrying a receivable of INR 1,949.03 lakhs (31 March 2019: INR 1,949.03 lakhs) for the period February 2013 and 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 at 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 Nutrient Based Subsidy rates of 2013 should be applicable. The Parent Company had filed writ petition at Hon'ble High Court of Delhi against Department of Fertilizer to recover this amount. Pursuant to the court order the Court hearing was granted by DoF to present its claims and also submitted written representations. DoF vide their order dated 29 September 2019 had rejected the representation and submissions by the Parent Company. The Parent Company is in the process of filing writ petition to the higher authority against the order passed by DoF and based on the legal assessment done by the Parent Company, it is hopeful to realize the aforesaid amount, hence, no provision has been made in the accounts.

f) Vide notification number 26/ 2018 dated June 13, 2018, the Government has amended the definition of "Net Input Tax Credit (ITC)" for the purpose of GST refund on account of inverted duty structure with effect from July 01, 2017 to include ITC availed only on inputs which excludes input services. The management has contested this amendment (both retrospective and prospective) at different levels of authorities including but not limited to filing a writ petition in the Hon'ble High Court of Bombay at Goa in this regard. Basis legal view obtained the management and also relying on similar fact pattern in an order dated 18 September 2018 of the High Court of Gujarat in respect of another application of another company on this matter wherein ad-interim relief was granted, believes that the refund in respect of tax paid on input services and that no liability including interest, if any, would arise from the same. Consequently, as at 31 March 2020, the Parent Company and the Group has carried forward an amount of INR 8,286.84 lakhs and INR 14,066.22 lakhs, respectively as amount recoverable towards this matter.

g) In case of Parent Company, due to loan repayment defaults during the year, the remuneration of INR 81.00 lakhs paid to its Managing Director in accordance with ordinary resolution but not without prior approval from banks/ financial institutions and approval of shareholders by special resolution as per provisions of Section 197 of Companies Act, 2013 (Act) read with Schedule V, has been recognized as recoverable from Managing Director as at year end. As per Section 197(10) of the Act, the Parent Company proposes to seek approval of shareholders by way of special resolution for waiver of recovery of remuneration paid to Managing Director, after obtaining prior approval from the banks / financial institutions.

Note 64: Notes reproduced from consolidated financial statements of Zuari Infraworld India Limited (a Subsidiary of the Holding Company) for the year ended 31 March 2020:

a) Recoverable advances paid to a sub-contractor amounting to INR 2,246.49 lakhs (as at 31 March 2019: INR 2,246.47 lakhs). The Management is in negotiation with party for its recovery including interest accrued INR 33.72 lakhs and is confident that this advance will be ultimately fully recovered. Hence in the view of the Management no provision is considered necessary at this stage.

b) Non-current advances includes advance payments of INR 639.61 lakhs (31 March 2019: INR 639.61 lakhs) under the Development Management Agreement to agencies which are entitled to certain percentage of income calculated in the manner specified therein. The amount will be adjusted in the year when the agency becomes entitled to share of income as per the agreement. One of the operating creditors of one of the Agency company has initiated insolvency proceeding against that Company. The management does not expect any significant effect of the same on its carrying balance and expects to adjust/recover the same in full and accordingly no adjustment is considered necessary at this stage and these balances are subject to confirmation from that party.

c) As per the consolidated financial statements of Zuari Infra Middle East Limited, UAE, no major construction work activities are carried out during the year , the management has not considered appropriate to carry out a detailed valuation of development work in progress as of 31 March 2020 by an external professional valuer. The management has decided to carry out professional valuation of development work in progress after obtaining revised approval from authorities and post appointment of contractor which will happen before the second quarter of the current financial year 2020-21.

This is the summary of consolidated 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 June 2020

For and on behalf of the Board of Directors of
Zuari Global Limited

R.S. Raghavan
Managing Director
DIN: 00362555

Vijay Vyankatesh Paranjape
Director
DIN: 00237398

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Company Secretary
Membership No. 31286

Date : 25 June 2020

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Zuari Global Limited

Jai Kisaan Bhawan, Zuarinagar, Goa - 403 726