ZUARI INFRAWORLD INDIA LIMITED

STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Varma & Varma

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To the members of Zuari Infraworld India Limited.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Zuari Infraworld India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Profit and Loss statement (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 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

1. We draw attention to Note 7.7 of the standalone financial statements for the year ended 31 March 2020 regarding the advances paid to a sub-contractor aggregating to Rs 2,246.49 lakhs and interest accrued on the same for Rs. 33.72 lakhs 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.

2. We draw attention to Note 7.4 of the standalone financial statements for the year ended 31 March 2020 regarding advance payments aggregating to Rs. 639.61 lakhs to an agent under the Development Management Agreement, against whom Corporate Insolvency Resolution Process has been initiated by one of its operating creditor. 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.

3. We draw attention to Note No. 32 of the standalone financial statements, which describes the evaluation of the impact of Global pandemic COVID-19 and the recoverability of the carrying value of investments in subsidiaries and loans given to subsidiaries, carried out by the management of the company, on the company's business operations, financial position, carrying value of various assets including investment in subsidiaries and the uncertainties associated with such an evaluation in the present circumstances and that the impact may be different from that assessed as at the date of approval of these financial statements.

Our Opinion is not modified in the respect of the above matters.

VARMA & VARMA * BANGALORE * CHARTERED ACCOUNTANTS

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Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board of Directors report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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 SAs 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.

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

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- 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

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

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

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.

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

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ,we give in the **Annexure A** statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(2) As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit

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

(c) The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure B**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the company has complied with provisions of section 197 of the Act to the extent applicable in respect of managerial remuneration paid during the year and this is subject to approval of the shareholders in the ensuing annual general meeting.

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

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 of the standalone financial statements;

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **VARMA & VARMA**
Chartered Accountants
FRN 004532S

VARMA & VARMA BANGALORE CHARTERED ACCOUNTANTS

Srinivas. K.P.
K P SRINIVAS
Partner
M. No. 208520
UDIN: 20208520AAAAHT5043.

Place: Bangalore
Date: 24/6/2020

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ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Paragraph (1) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors Report of even date on the Standalone financial statements of Zuari Infraworld India Limited for the year ended March 31, 2020.

(i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and equipment;

(b) We have been informed that the Property, Plant and Equipment of the company have been physically verified by the management during the year, which in our opinion, is reasonable having regards to the size of the Company and nature of its assets and that no material discrepancies were noticed on such verification.

(c) According to the information and explanation given to us by the company, the title deeds of immovable property of the company which is part of the inventory is held by the Company in its own name. As stated in the Note 13 of the standalone financial statements the immovable property has been mortgaged with the banks/ financial institutions as a security for the facilities availed.

(ii) The company does not carry inventory of the nature covered by Ind AS-2. Thus paragraph 3(ii) of the order does not apply to the company.

(iii) The company has granted loans and given guarantee to the parties covered in the register maintained under section 189 of the Companies Act, 2013 "the Act", further:

(a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of loans granted by the company to one party covered in the register maintained under section 189 of the Act, *(total loan amount granted during the financial year Rs.1,815.00 lakhs and fair value of the loan outstanding as at balance sheet date is Rs.5,227.01 lakhs)* are not prejudicial to the interest of the company. Further, the company has also given corporate guarantee to one of the banks for extending facilities to a step-down subsidiary outside India.

(b) In respect of above loans, interest along with principal amount is payable after three years from the date of its disbursement and no amount was overdue in respect of principal and interest.

(c) According to the information and explanations given to us and based on the audit procedures conducted by us, no amounts are overdue for more than 90 days.

(iv) According to the information and explanations given to us and based on the audit procedures conducted by us in respect of loans, investments, guarantee's and security provisions of section 185 and 186 of the Act have been complied with.

(v) The company has not accepted deposits in accordance with directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company.

(vi) According to the information and explanations given to us, the maintenance of cost records under 148 (1) of the Act read with Companies (Cost records and Audit) Rules, 2014 are not applicable to the company.

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(vii) (a) According to the information and explanations given to us and as per our verification of the records of the company, The Company has been fairly regular, in depositing undisputed statutory dues including provident fund, employees 'state insurance, income-tax, Goods and Service tax, duty of customs, labour cess and any other statutory dues, to the extent applicable with the appropriate authorities and no material statutory dues are outstanding for more than six months from the due date as at the year-end, except for labour cess under Building and Other Construction Workers Act, 1996 amounting to Rs.1,79,118, which has been subsequently paid.

(b) According to the information and explanations given to us, there are no unpaid dues of income tax or Goods and Service Tax disputed taxes as on March 31, 2020 except for the following:

Name of the Statute	Nature of Dues	Amount (In Rs.)	Period	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	59,86,305	FY 2016-17	Rectification rights pending before Assistant Information System (AIS)

Demand of Rs. 5,94,040 towards Tax Deducted at Source as per TRACES portal of Income Tax Department, against which company is in process of filing rectification.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks or financial institutions except for minor delays in repayment of interest on the borrowing from financial institutions after considering moratorium as detailed below. The Company did not have any outstanding loans or borrowings from Government and there are no dues to debenture holders during the year.

Particulars	Nature of Dues	Amount of default (Rs)	Default (in days)
LIC Housing Finance Limited	Repayment of Interest on the borrowings	1,47,34,269	6 days

As per the information and explanations given to us, the Company has exercised the option under RBI circular dated 27-03-2020 on COVID-19 regulatory package availing the facility of moratorium period for the repayment of term loan and interest from bank/financial institutions.

(ix) The company has not raised any money by way of initial public offer or further public offer and hence clause (ix) is not applicable to the company to that extent. According to the information and explanations provided to us, the Company has utilised the monies raised by way of term loans for the purpose for which the loan was obtained.

(x) According to the information and explanations given to us and the records of the company examined by us, no frauds by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations provided to us, the Company has paid/provided managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act and this is subject to approval of the shareholders in the ensuing annual general meeting.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable.

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(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable. As stated in Note 13.7 of the standalone financial statements, the redemption period for the preference shares which was due during the year was extended.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

for **VARMA & VARMA**
Chartered Accountants
FRN 004532S

Srinivas. K.P.

K P SRINIVAS
Partner
M. No. 208520

Place: Bangalore
Date: 24/6/2020

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ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Paragraph (2) (g) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors Report of even date on the standalone financial statements of Zuari Infraworld India Limited for the year ended March 31, 2020.

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

We have audited the internal financial controls over financial reporting of **Zuari Infraworld India Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

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Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company including basis of allocating expenses to various projects 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 **VARMA & VARMA**
Chartered Accountants
FRN 004532S

Srinivas. K. P.
K P SRINIVAS
Partner
M. No. 208520

Place: Bangalore
Date: 24/6/2020

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ZUARI INFRAWORLD INDIA LIMITED
STANDALONE BALANCE SHEET AS AT 31 MARCH 2020
(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

	Note No.	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
(a.) Property, plant and equipment	3.1	200.60	135.42
(b.) Other intangible assets	3.2	0.99	1.36
(c.) Right-of-use assets	3.3	213.92	-
(d.) Financial assets:			
(i.) Investments	4	12,029.34	11,419.48
(ii.) Loans	5	5,227.01	2,917.56
(iii.) Other financial assets	6.1	33.40	31.16
(e.) Income tax assets (net)		43.96	51.38
(f.) Other assets	7.1	870.42	1,077.44
		18,619.64	**15,633.80**
Current assets			
(a.) Inventories	8	28,410.76	26,506.29
(b.) Financial assets			
(i.) Trade receivables	9	580.36	618.52
(ii.) Cash and bank balances	10	680.18	685.50
(iii.) Other financial assets	6.2	578.77	437.45
(c.) Other assets	7.2	3,355.85	3,428.05
		33,605.92	**31,675.81**
		52,225.56	**47,309.61**
EQUITY AND LIABILITIES			
Equity			
(a.) Equity share capital	11	4,655.00	4,655.00
(b.) Other equity	12	10,251.85	10,238.35
		14,906.85	**14,893.35**
Liabilities			
Non-current liabilities			
(a.) Financial liabilities			
(i.) Borrowings	13.1	22,789.05	18,937.23
(ii.) Lease liabilities	14.1	491.75	-
(iii.) Trade payables	15.1		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		40.07	39.01
(iv.) Other financial liabilities	16.1	-	24.92
(b.) Provisions	17.1	44.33	53.72
(c.) Deferred tax liability (net)	18	271.16	220.60
		23,636.36	**19,275.48**
Current liabilities			
(a.) Financial liabilities			
(i.) Borrowings	13.2	1,000.31	1,058.11
(ii.) Lease liabilities	14.2	65.92	-
(iii.) Trade payables	15.2		
- Total outstanding dues of micro enterprises and small enterprises		2.08	4.56
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,685.49	1,117.77
(iv.) Other financial liabilities	16.2	2,212.19	2,437.06
(b.) Other liabilities	19	8,714.69	8,517.83
(c.) Provisions	17.2	1.68	5.44
		13,682.35	**13,140.77**
		52,225.56	**47,309.61**

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

For and behalf of the Board of Directors of
Zuari Infraworld India Limited

R S RAGHAVAN
Director
DIN:00362555

Place: Gurgaon
Date: 11 June, 2020

ALOK BANERJEE
Director & CEO
DIN: 01371033

Place: Bangalore
Date: 11 June, 2020

ANSHUL A. BANSAL
Chief Financial Officer

Nishu Kakkar
NISHU KAKKAR
Company Secretary
M.No. A-46334

As per our report of even date attached
For VARMA & VARMA
Chartered Accountants
FRN 004532S

Srinivas. K.P.
K P SRINIVAS
Partner
M. No. 208520

Place: Bangalore
Date: 24/6/2020

VARMA & VARMA BANGALORE CHARTERED ACCOUNTANTS

ZUARI INFRAWORLD INDIA LIMITED
STANDALONE PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 MARCH 2020
(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from operations	20	2,703.85	2,185.30
Other income	21	1,175.55	1,144.54
Total Income		**3,879.39**	**3,329.84**
EXPENSES:			
Purchase of materials, sub contract charges and other project costs	22	3,981.23	2,443.19
Changes in construction work-in-progress	23	(1,950.08)	(1,150.67)
Employee benefit expenses	24	298.14	274.25
Finance costs	25	786.19	959.17
Depreciation and amortization expense	26	70.71	19.93
Other expenses	27	449.99	608.46
Total expenses		**3,636.17**	**3,154.32**
Profit before tax		**243.22**	**175.52**
Tax expense	28		
Current tax expense		60.28	4.00
Tax expense of earlier years		9.63	2.60
Deferred tax		78.97	139.41
Total tax Expense		**148.88**	**146.00**
Profit for the year		**94.34**	**29.52**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans (Gratuity)		(0.08)	5.40
Tax relating to items that will not be reclassified to profit or loss		0.02	(1.40)
Total Other Comprehensive Income		**(0.06)**	**4.00**
Total Comprehensive Income for the year		**94.29**	**33.51**
Earning per equity share (in Rs.)	31		
Basic & Diluted		0.20	0.06
Weighted average number of shares used in computing Earnings per share		4,65,50,000	4,65,50,000

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

For and behalf of the Board of Directors of
Zuari Infraworld India Limited

As per our report of even date attached
For VARMA & VARMA
Chartered Accountants
FRN 004532S

Srinivas. K.P.
K P SRINIVAS
Partner
M. No. 208520

Place: Bangalore
Date: 24/6/2020

R S RAGHAVAN
Director
DIN:00362555

Place: Gurgaon.
Date: 11 June, 2020

ALOK BANERJEE
Director & CEO
DIN: 01371033

Nishu Kakkar

ANSHUL A. BANSAL
Chief Financial Officer

NISHU KAKKAR
Company Secretary
M.No. A-46334

Place: Bangalore.
Date: 11 June, 2020.

VARMA & VARMA BANGALORE CHARTERED ACCOUNTANTS

ZUARI INFRAWORLD INDIA LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

A. Equity share capital	Note No.	As at 31 March 2020	As at 31 March 2019
Balance at the beginning and at the end of the year	11	**4,655.00**	**4,655.00**

B. Other equity

Particulars	Securities premium account	Equity Component of convertible preference shares	Retained earnings	Total
Balance as at 1 April 2018	**10,305.00**	**415.96**	**(135.36)**	**10,585.59**
Adjustment pursuant to adoption of Ind AS 115	-	-	(514.53)	(514.53)
Income tax effect on above adjustment	-	-	133.78	133.78
Balance as at 1 April 2018 after adj. under Ind AS 115	**10,305.00**	**415.96**	**(516.12)**	**10,204.84**
Profit for the year	-	-	29.52	29.52
Remeasurement of defined benefit obligations	-	-	4.00	4.00
Balance as at 31 March 2019	**10,305.00**	**415.96**	**(482.61)**	**10,238.35**
Adjustment pursuant to adoption of Ind AS 116	-	-	(109.18)	(109.18)
Income tax effect on above adjustment	-	-	28.39	28.39
Balance as at 1 April 2019 after adj. under Ind AS 116	**10,305.00**	**415.96**	**(563.40)**	**10,157.56**
Profit for the year	-	-	94.34	94.34
Remeasurement of defined benefit obligations	-	-	(0.06)	(0.06)
Balance as at 31 March 2020	**10,305.00**	**415.96**	**(469.11)**	**10,251.85**

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

For and behalf of the Board of Directors of
Zuari Infraworld India Limited

R S RAGHAVAN
Director
DIN:00362555

Place: Gurgoan
Date: 11 June, 2020

ALOK BANERJEE
Director & CEO
DIN: 01371033

Place: Bangalore
Date: 11 June, 2020

ANSHUL A. BANSAL
Chief Financial Officer

NISHU KAKKAR
Company Secretary
M.No. A-46334

As per our report of even date attached
For VARMA & VARMA
Chartered Accountants
FRN 004532S

Srinivas. K. P.
K P SRINIVAS
Partner
M. No. 208520

Place: Bangalore
Date: 24/6/2020

VARMA & VARMA BANGALORE CHARTERED ACCOUNTANTS

ZUARI INFRAWORLD INDIA LIMITED

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
I. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit for the year	**243.22**	**175.52**
Adjustments to reconcile profit and loss to net cash provided by operating activities:		
Depreciation & amortisation expense	101.55	29.42
Interest Income	(537.86)	206.37
Balances no longer required, net	1.15	11.55
Net gain on investments	(610.46)	(825.30)
Interest expense	2,858.14	2,852.08
Fair value adjustment to security deposits, net.	(2.24)	(1.23)
Re-measurement gains on defined benefit plans through OCI	(0.08)	5.40
Operating profit before working capital changes	**2,053.42**	**2,453.82**
Adjustment for net changes in :		
Trade receivables	38.16	1,249.84
Financial and other assets	(15.36)	84.49
Inventories	(1,904.47)	(1,150.67)
Trade payables	566.18	(184.75)
Provisions	(13.16)	12.66
Financial and other liabilities	1,499.16	(2,188.41)
Net cash generated from operations	**2,223.92**	**276.99**
Income taxes paid, net of refunds	(62.49)	76.38
Net cash generated from operating activities	**2,161.43**	**353.37**
II. CASH FLOW FROM INVESTING ACTIVITIES :		
Additions to property, plant and equipment	(123.57)	(9.52)
Investments in Mutual Funds	(3,774.60)	(5,523.08)
Proceeds from sale of Investments in Mutual Funds	3,775.21	7,250.51
Loans to subsidiaries, net of repayments	(1,815.00)	(2,283.15)
Deposits held with banks	-	(500.00)
Receipts from net investment in right-of-use assets	42.94	-
Interest received	5.25	0.64
Net cash from Investing activities	**(1,889.77)**	**(1,064.61)**
III. CASH FLOW FROM FINANCING ACTIVITIES :		
Borrowings, net of repayments	2,156.07	2,934.31
Interest paid (including interest transferred to work-in-progress)	(2,471.21)	(2,492.45)
Net cash used in financing activities	**(315.14)**	**441.86**

VARMA & VARMA BANGALORE CHARTERED ACCOUNTANTS

ZUARI INFRAWORLD INDIA LIMITED
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020
(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Net Changes in Cash and Cash equivalents during the year	**(43.48)**	**(269.38)**
Cash and Cash equivalents at the beginning of the year	185.50	454.88
Cash and Cash equivalents at the end of the year (Refer Note 10)	**142.02**	**185.50**

Disclosure pursuant to Ind-AS 7 as amended:

Particulars	As at 01 April 2019	Cash Flow	Trf. to Securities Premium	Non-Cash Adj. *(Fair Value Adjustments)*	As at 31 March 2020
Redeemable Preference Shares (Debt portion)	928.51 (814.76)	- -	- -	130.15 (113.75)	1,058.66 (928.51)

Cash flows from operating activities are reported using the indirect method.

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

As per our report of even date attached
For VARMA & VARMA
Chartered Accountants
FRN 004532S

Srinivas. K. P.
K P SRINIVAS
Partner
M. No. 208520

Place: Bangalore
Date: 24/6/2020

VARMA & VARMA BANGALORE CHARTERED ACCOUNTANTS

For and behalf of the Board of Directors of
Zuari Infraworld India Limited

R S RAGHAVAN
Director
DIN:00362555

Place: Gurgoan
Date: 11 June, 2020

ALOK BANERJEE
Director & CEO
DIN: 01371033

Place: Bangalore.
Date: 11 June, 2020

ANSHUL A. BANSAL
Chief Financial Officer

Nishu Kakkar
NISHU KAKKAR
Company Secretary
M.No. A-46334

1 Corporate information:

Zuari Infraworld India Limited ("the Company" or "ZIIL") [CIN: U45309KA2007PLC043161] is a wholly owned subsidiary of Zuari Global Limited ("ZGL") The company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.The Company is primarily into the business of developing residential cum commercial properties intended for sale.

The standalone financial statements were approved for issue in accordance with a resolution of the directors passed on meeting held through video conference and other visual means (VC) dated June 11, 2020.

2 Significant accounting policies:

(a.) Basis of preparation

The standalone financial statements of the Company have been prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and in accordance with the reporting requirements under Companies Act, 2013 ("the Act"), to the extent notified.

These Accounting policies have been consistently applied by the Company in the preparation and presentation of these financial statements except where a newly issued/ notified accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy which was in use.

Current and Non-current classification
All Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. As the Company is engaged in developing a residential cum commercial project, the normal operating cycle is based on the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has ascertained its operating cycle at least 12 months after the reporting date for the purpose of Current - Non-current classification of assets and liabilities, which is considered appropriate.

The standalone financial statements are presented in Indian Rupees and all the amounts disclosed in the financial statements have been rounded off to the nearest lakhs pursuant to the requirements of schedule III of the Companies Act, 2013., except when otherwise indicated.

(b.) Use of accounting estimates, accounting judgements, and assumptions:

Preparation of these financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. Such estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year.

The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of such assumptions in these financial statements have been disclosed in the ensuing notes. Accounting estimates could change from year to year and also actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding these estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made and their effects, if material, are disclosed by way of notes to the financial statements.

Significant accounting judgements, estimates and assumptions :

(i.) Useful life of Property, plant & equipment:
The determination of estimated useful lives and expected residual values are based on the technical evaluation carried by the Company and these are reviewed by the Management of the Company at each reporting date.

(ii.) Impairment of financial assets and evaluation of impairment indicators:
The evaluation of applicability of impairment indicators for an assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. As at the balance sheet date based on the historical default rates absorbed over the expected useful life, the Management assess the fair value of various financial assets and liabilities and their resultant fair values.

(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 cost of disposal and its value in use. The calculation of fair value less costs of disposal is based on available data from binding sales transaction conducted at arms' length for similar assets or observable market prices / guidance value less incremental cost for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from budget for the future years and do not include any restricting activities not committed for or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rates used for the DCF model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

VARMA & VARMA BANGALORE CHARTERED ACCOUNTANTS

(iv.) **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, which may or may not occur.

(v.) **Construction work-in-progress**
The Company holds inventories stated at the lower of cost and net realisable value. Such inventories include land, work in progress and completed units. Considering the nature of the activity and, in particular the scale of its developments and the length of the development cycle, the Company has to allocate project-wide development costs between units being built. It also has to forecast the costs to complete on such developments.

In making such assessments and allocations, there is a degree of inherent estimation uncertainty; in particular due to the need to take account of future direct input costs, sales prices and the need to allocate project-wide costs on an appropriate basis to reflect the overall level of development risk, including planning risk. The Company has established internal controls designed to effectively assess and review inventory carrying values and ensure the appropriateness of the estimates made. These assessments and allocations evolve over the life of the development in line with the risk profile, and accordingly the margins reflects these evolving estimates. Similarly, these estimates impact the carrying value of inventory at each reporting date as this is a function of costs incurred in the year and the allocation of inventory to costs of sales on each property sold.

(vi.) **Defined benefit plans (gratuity benefits)**
The cost of the defined benefit gratuity plan 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.

(vii.) **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.

(viii.) **Leases**
The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 on Leases. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

(c.) Property, plant and equipment and Depreciation

(i.) **Property, plant and equipment**
The Property, plant and equipment ('PPE') of the Company are stated at historical cost less accumulated depreciation and impairment losses, if any. The cost comprises of the purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its current working condition for the intended use. Any discounts or rebates are deducted in arriving at the purchase price. Subsequent expenditure related to an item of PPE is added to its book value only if it increased the future benefits from the existing assets beyond its previously assessed standard performance.

Recognition principle:
The cost of an item of property, plant and equipment is recognised as an asset if, and only if:
(i.) it is probable that future economic benefits associated with the item will flow to the Company; and
(ii.) the cost of the item can be measured reliably.

De-recognition principle:
Gain/ (losses) arising from the de-recognition of a PPE are measured as the difference between the net proceeds on disposal and the carrying amount of the PPE. The resultant gain/(losses) are recognised in the Profit or Loss statement when the PPE is de-recognised.

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(ii.) **Depreciation**

Depreciation is calculated on the Straight Line basis over the estimated useful life of the PPE after retaining estimated residual value not exceeding 5% of the original cost, except for Leasehold improvements and aluminium panels used for construction. Depreciation on assets used for the project has been considered as part of construction and development cost. 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 considered appropriate.

Upon adoption of Ind AS, the Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1 April 2015.

The Company has estimated the useful lives which is detailed as under for each category of PPE:

Name of Assets	Useful Lives
Office Equipment	5 years
Plant & Machinery (P&M)	8 years
Furniture & Fixtures	10 years
Computer and servers	5 and 6 years
Motor Vehicles	10 years
Leasehold Improvements	Over the primary lease period (10 years)
Aluminium panel used for construction (P&M)	4 years
Temporary structure	1 year

(d.) Intangible Assets and Amortisation

(i.) **Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Subsequent to initial recognition, the intangible assets are stated at cost less accumulated amortisation and impairment losses, if any.

Recognition:

The cost of an item of intangible asset is recognised as an asset if, and only if:
(i.) it is probable that future economic benefits associated with the item will flow to the Company; and
(ii.) the cost of the item can be measured reliably.

De-recognition:

Gain/ (losses) arising from the de recognition of intangibles are measured as the difference between the net proceeds on disposal and the carrying amount of the intangibles. The resultant gain/(losses) are recognised in the Profit and Loss statement when the intangible asset is de-recognised.

(ii.) **Amortisation**

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized on the Straight Line basis 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 least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the profit and loss statement unless such expenditure forms part of carrying value of another asset. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets representing computer software is amortised on the straight line basis over a estimated useful economic life of five years.

Upon first-time adoption of Ind AS, the Company had elected to measure all its intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1 April 2015.

(e.) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i.) **The Company as a Lessee:**

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the lease term or useful life of right-of-use asset, whichever is earlier. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

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The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 on Leases to short-term leases of all assets that have a lease term of 12 months or leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

(ii.) **The Company as a Lessor:**
At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

When the Company 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 Company applies the exemption described above, then it classifies the sub-lease as an operating lease and recognises lease income accordingly.

If an arrangement or contract contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

(iii.) **Transition**
Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which supersedes the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

The Company has adopted Ind AS 116, effective from the financial year beginning April 1, 2019 and applied the standard to its leases, using the modified retrospective method with cumulative effect of initially applying the standard, recognised on the date of initial application (i.e., April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019.

Refer note 2(e) – Significant accounting policies – Leases in the financial statements of the Company for the year ended 31 March 2019, for the accounting policy pursuant to Ind AS 17.

(f.) Impairment

(i.) **Financial assets (other than at fair value)**
The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii.) **Non-financial assets (Tangible and intangible assets)**
Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss statement.

(g.) Borrowing Costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing cost also includes exchange differences, if any to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs that are directly attributable to the construction of development property are capitalized as part of the cost till such time the property is ready for its intended sale. All other borrowing costs are expensed in the year they occur.

Borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and do not qualify for capitalisation. However, the Company does not normally suspend capitalising borrowing costs during a period when it carries out substantial technical and administrative work. The Company also does not suspend capitalising borrowing costs when a temporary delay considering the nature of industry, is a necessary part of the process of getting an asset ready for its intended use or sale.

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(h.) Foreign Currency Translation

The Company's financial statements are prepared and presented in Indian Rupees, which is also it's functional currency.

Initial Recognition:
Foreign currency transactions, if any, are recorded at exchange rate prevailing on the date of transaction/ realisation.

Conversion / Reinstatement:
Foreign currency monetary items are translated using the 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.) Inventories

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

Inventories (comprising Land under Development and Construction Work-in-Progress) are stated at lower of cost and net realizable value. Cost includes expenses, net of taxes recoverable, specifically attributable to construction and development of property intended for sale. The allocation of common costs is based on the normal level of the activities.

Construction work-in-progress of constructed properties include the cost of land, internal development costs, external development charges, construction costs, overheads, borrowings cost, development/construction materials and is valued lower of cost/estimated cost and net realisable value.

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

(j.) Provisions and Contingent Liabilities

(i.) **Provisions**
A provision is recognised when the Company has a present obligation as a result of 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 recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the profit and loss statement 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 recognised as a finance cost.

(ii.) **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 recognise a contingent liability but discloses its existence in the financial statements.

(k.) Revenue Recognition

The Company derives revenues primarily from development and sale of residential cum commercial properties and related services, maintenance and consulting. Effective 1 April 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers"using the cumulative effect transition method being applied to contracts that were not completed as of 1 April 2018.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, in writing, to the contract, the parties to contract are committed to perform the irrespective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control over the promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

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To determine whether to recognize revenue, the Company follows a five step model as envisaged in Ind AS 115 given below:
Identifying the contract with a customer
Identifying the performance obligations
Determining the transaction price
Allocating the transaction price to the performance obligations
Recognizing revenue when/as performance obligation(s) are satisfied.

(i.) **Identify the Contract with Customer**
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.

(ii.) **Identifying the performance obligations**
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)

(iii.) **Determining the transaction price**
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, existence of any financial component and any other non-cash consideration, 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, the Company recognizes revenue in the amount to which it has a right to invoice.

(iv.) **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. For services that are not provided separately, the standalone selling price is estimated using adjusted market assessment approach.

(v.) **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.

The main revenue streams for Zuari Infraworld India Limited relate are as under:
- Residential cum commercial properties (constructed properties)
- Development Management Services.
- Sales Commission.

Revenue from sale of residential cum commercial properties (constructed properties)
The Company develops and sells residential cum commercial properties. Revenue is recognised when control over the property has been transferred to the customer. The properties have generally no alternative use for the company due to contractual restrictions. Enforceable right to payment does not arise until legal title or posession of the property is deemed to have been passed to the customer. Therefore, revenue is recognised at a point in time when the legal title has been passed to the customer or pocession of property is deemed to have been passed to the customer. Each unit of the flats or properties are classified as a separate performance obligation and revenue is recognised upon legal transfer of asset to buyer or when the pocession of property is deemed to have been passed to the customer.

The revenue is measured at the transaction price agreed under the contract. In most cases, the consideration is linked with the process of construction and does not involve any significant financial component.

The Company has not adjusted the promised amount of consideration for the effects of a significant financing component. In the view of the Management of the Company, the contract with a customers would not have a significant financing component as there is no difference between the promised consideration and the cash selling price of the residential units (as described in paragraph 61 and 62 of Ind AS 115) had the same been sold on full cash basis.

Income from sale of services
Income from service contracts which is in the nature of fees for specified periods are recognised on accrual basis to the extent the services have been rendered and invoices are raised in accordance with the contractual terms with the customers and recoveries are reasonably certain.

Sales Commission from sale of plots/ residential units
Commission from sale of plots/ residential flats upon sale of the plots/ flats as per the terms of contract and recoveries are reasonably certain.

Other income
Other income comprises of interest income, dividend income and gain/loss on investments. Interest income is recognized on accrual basis using the effective interest method. Dividend is recognised as and when the right to receive payment is established by the reporting date, which is generally when shareholders approve the dividend.

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(l.) Taxes on income

(i.) Current income tax
Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities using own estimates in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii.) Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax relating to items recognised outside profit or loss statement is recognised outside profit or loss (either in other comprehensive income or in equity).

(m.) Retirement and other Employee Benefits

(i.) Provident Fund
Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss statement of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable under the scheme.

(ii.) Gratuity
Gratuity liability under the Payment of Gratuity Act 1972, are defined benefit obligations and are provided for on the basis of actuarial valuation on projected unit credit method, made at the end of each financial year. The gratuity liability is not funded.

(iii.) Compensated Absences
Short term compensated absences are provided for based on estimates by the Management considering the entitlements outstanding as at the reporting date. Long term compensated absences are provided for based on actuarial valuation made at the end of each financial year. The actuarial valuation is done as per projected unit credit method.

Remeasurements:
Remeasurements, 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. Remeasurements are not reclassified to profit or loss statement in subsequent periods. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

(n.) Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

(i.) Financial assets at amortised cost
Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii.) Financial assets at fair value through other comprehensive income
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

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(iii.) **Financial assets at fair value through profit or loss**
Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

(iv.) **Financial liabilities**
Financial liabilities are measured at amortised cost using the effective interest method.

(v.) **Equity instruments**
An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

(vi.) **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.

(o.) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period 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.

(p.) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Chief operating decision maker reviews the performance of the Company according to the nature of business which primarily comprises of development of real estate projects , both residential and commercial.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

(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.

Retained earnings are adjusted for 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
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 if any as they are considered an integral part of the Company's cash management.

(s.) Investments

Investments in subsidiary, Joint Ventures and Associates are accounted at their cost in the separate financial statements. Investment in preference shares in Associates and mutual funds are accounted for at fair value through profit and loss (FVTPL) at the reporting date.

(t.) Recent Accounting pronouncements:

Ministry of Corporate Affairs ('MCA') notifies new standards or ammendments to the existing standards. There were no such new standards or ammendments which have been notified or made applicable with effect from 01 April 2020.

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

3 Property, plant and equipment

3.1 Tangible assets

Particulars	Plant and Equipment	Office Equipment	Leasehold Improvements	Computers	Furniture and Fixtures	Temporary Structures	Vehicles	Total
Deemed Cost								
As at 01 April 2018	**6.77**	**40.92**	**129.21**	**15.98**	**45.22**	**0.85**	**0.65**	**239.59**
Additions	-	4.58	3.65	-	1.29	-	-	9.52
Disposal	-	-	-	-	-	-	-	-
As at 31 March 2019/ 01 April 2019	**6.77**	**45.49**	**132.86**	**15.98**	**46.51**	**0.85**	**0.65**	**249.11**
Additions	121.39	1.69	-	0.49	-	-	-	123.57
Disposal	-	-	-	-	-	-	-	-
As at 31 March 2020	**128.16**	**47.19**	**132.86**	**16.47**	**46.51**	**0.85**	**0.65**	**372.68**
Accumulated depreciation								
As at 01 April 2018	**3.58**	**24.52**	**31.73**	**9.13**	**15.70**	**0.00**	**0.05**	**84.70**
Charge for the year	1.02	6.26	13.97	2.33	5.34	-	0.08	28.99
Disposals/adjustments	-	-	-	-	-	-	-	-
As at 31 March 2019/ 01 April 2019	**4.59**	**30.78**	**45.70**	**11.46**	**21.04**	**0.00**	**0.12**	**113.69**
Charge for the year	29.83	6.60	14.55	1.48	5.86	-	0.08	58.40
Disposals/adjustments	-	-	-	-	-	-	-	-
As at 31 March 2020	**34.42**	**37.38**	**60.25**	**12.93**	**26.90**	**0.00**	**0.20**	**172.08**
Carrying amount (net)								
As at 01 April 2018	**3.19**	**16.40**	**97.47**	**6.85**	**29.52**	**0.85**	**0.60**	**154.89**
Additions	-	4.58	3.65	-	1.29	-	-	9.52
Disposal	-	-	-	-	-	-	-	-
Depreciation	(1.02)	(6.26)	(13.97)	(2.33)	(5.34)	-	(0.08)	(28.99)
As at 31 March 2019/ 01 April 2019	**2.18**	**14.72**	**87.16**	**4.52**	**25.47**	**0.85**	**0.52**	**135.42**
Additions	121.39	1.69	-	0.49	-		-	123.57
Disposal	-	-	-	-	-		-	-
Depreciation	(29.83)	(6.60)	(14.55)	(1.48)	(5.86)	-	(0.08)	(58.40)
As at 31 March 2020	**93.74**	**9.81**	**72.61**	**3.54**	**19.61**	**0.85**	**0.45**	**200.60**

Note:
Also refer Note 26 of the standalone financial statements for amount of depreciation transferred to construction work-in-progress.

3.2 Other Intangible Assets

Particulars	Computer Software	Total
Deemed Cost		
As at 01 April 2018	**22.06**	**22.06**
Additions	-	-
Disposal	-	-
As at 31 March 2019/ 01 April 2019	**22.06**	**22.06**
Additions	-	-
Disposal	-	-
As at 31 March 2020	**22.06**	**22.06**
Accumulated depreciation		-
As at 01 April 2018	**20.26**	**20.26**
Charge for the year	0.43	0.43
Disposals/adjustments	-	-
As at 31 March 2019/ 01 April 2019	**20.69**	**20.69**
Charge for the year	0.37	0.37
Disposals/adjustments	-	-
As at 31 March 2020	**21.06**	**21.06**
Carrying amount (net)		
As at 31 March 2019/ 01 April 2019	**1.36**	**1.36**
As at 31 March 2020	**0.99**	**0.99**

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

3 Property, plant and equipment

3.3 Right of Use Assets (RoU)

Particulars	ROU	Total
Deemed Cost		
As at 01 April 2018	-	-
Additions	-	-
Disposal	-	-
As at 31 March 2019/ 01 April 2019	**256.70**	**256.70**
Additions	-	-
Disposal	-	-
As at 31 March 2020	**256.70**	**256.70**
Accumulated depreciation		
As at 01 April 2018	-	-
Charge for the year	-	-
Disposals/adjustments	-	-
As at 31 March 2019/ 01 April 2019	-	-
Charge for the year	42.78	42.78
Disposals/adjustments	-	-
As at 31 March 2020	**42.78**	**42.78**
Carrying amount (net)		
As at 31 March 2019/ 01 April 2019	**256.70**	**256.70**
As at 31 March 2020	**213.92**	**213.92**

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4	Investments	As at 31 March 2020	As at March 31 2019
4.1	**Non-current**		
(i)	**Investments in equity instruments carried at cost** **Unquoted equity Instruments**		
	Investment in Subsidiaries (refer note 4.2 below)		
	Zuari Infra Middle East Limited - wholly owned subsidiary (refer note 4.2.below) [10,000 (2019:10,000) Equity Shares of AED 1 each (1 AED = Rs.16.64)]	1.66	1.66
	Investment in Associates		
	Brajbhumi Nirmaan Private Limited [10,00,000 (2019:10,00,000) Equity Shares of Rs10 each, issued at a premium of Rs 179.40/-]	1,894.00	1,894.00
	Darshan Nirman Private Limited [2,500 (2019: 2,500) Equity Shares of Rs 10 each]	0.25	0.25
	Pranati Niketan Private Limited [2,500 (2019:2,500) Equity Shares of Rs 10 each]	0.25	0.25
		1,896.16	**1,896.16**
(ii)	**Investments in redeemable non-cumulative optionally convertible preference shares**		
	Unquoted Investments in preference shares in associate carried at fair value through Profit or Loss: (fully paid)		
	Brajbhumi Nirmaan Private Limited (Refer Note 4.5. below) [5,00,000 shares of Rs 100 each, fully paid, Date of Maturity 30 November 2023] (1% Redeemable Non-Cumulative optionally convertible preference shares) (Initial Cost : Rs.500 lakhs)	672.00	696.25
		672.00	**696.25**
(iii)	**Investments in mutual funds (Quoted) (refer note 4.4 below)**		
	Investments at fair value through Profit or Loss:		
	ICICI Prudential Fixed Maturity plan Series (77-1473 Days Plan C) [Nil units (2019:50,00,000 units) at Rs 10 per unit, Date of Maturity May 25, 2019]	-	686.65
	ICICI Prudential Fixed Maturity plan Series (78-1130 Days Plan T) [Nil units (2019:1,00,00,000 units) at Rs 10 per unit, Date of Maturity April 25, 2019]	-	1,264.47
	ICICI Prudential Fixed Maturity plan Series (78-1156 Days Plan T) [Nil units (2019:50,00,000 units) at Rs 10 per unit, Date of Maturity May 29, 2019]	-	628.33
	SBI Debt Fund Series B-36 (1131 Days) [Nil units (2019:85,00,000 units) at Rs 10 per unit, Date of Maturity May 06, 2019]	-	1,067.19
	SBI Debt Fund Series C - 1 (1100 Days) Direct Growth [1,50,00,000 units (2019: 1,50,00,000 units) at Rs 10 per unit, Date of Maturity June 26, 2020]	1,676.27	1,685.04
	ICICI Prudential Corporate Bond Fund - Direct plan - Growth [1,30,81,249 units (2019: Nil units) at Rs 20 per unit]	2,813.79	-
	SBI Debt Fund Series C - 23 (1100 Days) Direct Growth [2,00,00,000 units (2019: 2,00,00,000 units) at Rs10 per unit, Date of Maturity September 03, 2021]	2,319.42	2,123.28
	SBI Magnum ultra short duration fund Direct Growth [Nil units (2019: 6.06 units) at Rs.3,845/- per unit]	-	0.25
	SBI Debt Fund Series C - 16 (1100 Days) Direct Growth [1,26,70,900 units (2019:1,26,70,900 units) at Rs.10 per unit, Date of Maturity June 01, 2021]	1,495.43	1,371.85
	SBI Magnum low duration fund Direct Growth [43,965 units (2019: Nil units) at Rs.10 per unit]	1,156.27	-
		9,461.17	**8,827.06**
		12,029.34	**11,419.48**

Note: The above balance of investments in mutual funds are as per the statement accounts from that fund.

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

4.2 The foreign subsidiary in Dubai, UAE has accumulated losses which exceed it's networth as at the year end. The subsidiary and the step down subsidiary company is engaged in the business of the development of long term real estate project which is in its initial stage.

As per the consolidated financial statements for the year ended 31 March 2020 of Zauri Infra Middle East Limited, the said subsidiary, the Management has considered that Company as a going concern for the following reasons:

(a) The parent entities and JV Partners have resolved not to dissolve the group and continue its operations availing funding from the banks and or venture capital against the securities of the parent entities.

(b) The management will obtain the approvals for the project which were lapsed due to significant delays in commencment of project, submitting required applications and documents.

(c) The parent entities have full confidence in the successful completion of the project and have agreed to provide and or make an alternative financial and the business arrangements for the successful completion of the project and to meet with its financial requirements.

(d) The management is confident about off plan sale of units under new brand name by the second half of the financial year to end 31 March 2022 enabling the group to generate cash flow to meet with the development cost.

(e) The existing creditors and lendor of unsecured loans have agreed to extend their support and once the project construction work is commenced, the creditors support will be further gained.

(f) As per the revised forecast prepared by the management, the operating and financial performance are positive and profitable.

(g) Key executive management is in place with the company and its parent entities and upon commencement of the additional project manager / officials will be inducted.

(h) There are no changes in government legislation that may adversely affect the company.

Considering the above, the Management of the Company is confident that carrying value of investement and Loans given to subsidiary as stated in Note 5 are fully recoverable and hence no provision for impairment in the carrying value of the investment in this subsidiary or adjustments in respect of the carrying value of loan is considered necessary by the Management of the Company in the standalone financial statements.

4.3 Summary of Investment and their valuation (Also, refer note 35):

Investment Class	Method of Valuation	As at 31 March 2020	As at March 31 2019
Unquoted equity Instruments	Carried at cost (deemed cost)	1,896.16	1,896.16
Unquoted preference Instruments	Discounted cash flows method* (fair value)	672.00	696.25
Mutual funds	Market observable inputs (fair value)	9,461.17	8,827.06
		12,029.34	**11,419.48**

* based on the valuation report issued by the independent firm of Chartered Accountants.

4.4 Investments in mutual funds

Investments in mutual funds are held under lien in favour of Yes Bank Limited, GIFT City for providing finance facility 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, Investment 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 has been classified as Fair Value through profit and loss (FVTPL). (Also refer note 30.3 of the standalone financial statements)

The details of Investments in mutual funds sold during the year are given below:

Descriptions	For the year ended March 31, 2020			For the year ended March 31, 2019		
	Carrying value	Sale Proceeds	Gain/Income	Carrying value	Sale Proceeds	Gain/Income
ICICI Prudential Fixed Maturity	686.65	694.41	7.76	-	-	-
ICICI Prudential Fixed Maturity	1,264.47	1,270.23	5.76	-	-	-
ICICI Prudential Fixed Maturity	628.33	635.35	7.02	-	-	-
SBI Debt Fund Series	1,067.19	1,074.61	7.42	-	-	
SBI Magnum Ultra Short Fund	0.25	0.27	0.02	-	-	
SBI Liquid Fund Direct Growth	100.00	100.33	0.33	-	-	
LGD Yes Liquid Fund	-	-	-	1,000.00	1,006.72	6.72
SBI Debt Fund Series	-	-	-	1,254.93	1,267.09	12.16
ICICI Liquid Money Market Fund	-	-	-	206.00	206.15	0.15
SBI Magnum Ultra SDF	-	-	-	1,049.75	1,099.09	49.33
SBI Short Term Fund	-	-	-	3,558.39	3,671.45	113.06
	3,746.89	**3,775.21**	**28.32**	**7,069.07**	**7,250.51**	**181.44**

4.5 Investments in Redeemable optionally convertible Non-cumulative Preference Shares:

Company has made investment in 1% Redeemable optionally convertible Non-cumulative Preference Shares of Brajbhumi Nirmaan Private Limited, an associate. These investments in shares does not satisfy contractual cash flow test as they are optionally convertible into equity shares and their dividends are linked to profits earned. Accordingly, the Company has classified these investments in shares at Fair value through profit and loss (FVTPL). The fair valuation for this purpose was carried by an Independent firm of Chartered Accountants.

5 Loans	As at 31 March 2020	As at March 31 2019
Unsecured, Considered Good		
Non - Current		
Loan to subsidiary (carried at amortised cost) (also refer note 4.2)	5,227.01	2,917.56
	5,227.01	**2,917.56**

5.1 Unsecured Loan to Zuari Infraworld Middle East Limited, Dubai, a wholly owned subsidiary is to meet working capital requirements of that company and carries interest rate of 14% per annum. These loans along with interest are repayable in equivalent Indian Currency with three year moratorium for payment of interest and principal from the date of disbursement. These loans are expected to be rolled over along with interest dues for further period and hence calssified as non-current. For detailed schedule of repayment terms refer table below:

Amounts in lakhs

Details of loan and date of disbursement	Loan Amount	Repaid during the year	Fair value adjustment	Fair value of loan as at 31 March 2020	Due Date of repayment	Amount disbursed (In foreign Currency)
Loan 2 - 03 May, 2017	287.14	-	116.44	403.58	02 May, 2020	AED 18.09
Loan 3 - 12 Jul, 2017	35.58	-	13.32	48.90	11 Jul, 2020	AED 2.00
Loan 4 - 16 Aug, 2017	459.90	-	165.15	625.05	15 Aug, 2020	AED 26.00
Loan 5 - 25 April, 2018	240.18	-	60.96	301.15	24 Apr, 2021	AED 13.19
Loan 6 - 23 May, 2018	187.67	-	45.54	233.21	22 May, 2021	AED 10.00
Loan 7 - 25 June, 2018	283.67	-	65.13	348.80	24 Jun, 2021	AED 15.20
Loan 8 - 21 Sept, 2018	20.00	-	3.91	23.91	20 Sep, 2021	AED 1.00
Loan 9 - 24 Oct, 2018	1,095.12	-	200.30	1,295.42	23 Oct, 2021	AED 54.00
Loan 10 - 03 April, 2019	15.00	-	1.85	16.85	02 Apr, 2022	AED 0.80
Loan 11 - 25 April, 2019	500.00	-	57.82	557.82	24 Apr, 2022	USD 7.04
Loan 12 - 19 July, 2019	200.00	-	17.14	217.14	18 Jul, 2022	USD 2.86
Loan 13 - 31 Oct, 2019	1,100.00	-	55.19	1,155.19	30 Oct, 2022	USD 15.49
Total	**4,424.26**	**-**	**802.75**	**5,227.01**		

6 Other financial assets	As at 31 March 2020	As at March 31 2019
Unsecured, Considered Good		
6.1 Non-current		
Security deposits (carried at amortised cost)*	31.00	28.76
Security deposits (carried at cost)*	2.40	2.40
	33.40	**31.16**
6.2 Current		
Security deposits - Current (Carried at cost)*	44.62	26.04
Interest accrued and due - Others (refer note 7.7. below)*	33.72	33.72
Interest Accrued but not due on deposit with bank	5.43	5.09
Advance to employees*	10.95	9.44
Expenses recoverable (refer note 6.5. below)	192.99	189.23
Net Investment in sublease of right-of-use asset (also refer note 14)	201.07	-
Unbilled Revenue - Service Contracts	90.00	173.93
	578.77	**437.45**

* These balances are subject to confirmation.

6.4 Includes service income accrued and not billed as at the reporting date to related parties;		
Zuari Infra Middle East Limited, UAE - Commission towards financial guarantee	90.00	-
Zuari Global Limited, India - Sales and Development Management Commission	-	57.05
	90.00	**57.05**

6.5 Includes expenses recoverable from related parties;		
Brajbhumi Nirmaan Private Limited, India	157.33	157.33
Zuari Infra Middle East Limited, UAE	35.66	31.91
	192.99	**189.23**

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7	Other Assets	As at 31 March 2020	As at March 31 2019
	Unsecured, Considered Good		
7.1	**Non-Current**		
	Advances recoverable in cash or kind (refer note 7.3 & 7.4 below)	639.61	846.63
	Capital Advance (towards acquisition of software license)	10.60	10.60
	Goods and Service Tax Refund (refer note 7.6. below)	188.19	188.19
	Karnataka VAT - refund receivable	32.01	32.01
	Service tax - refund receivable	10.35	10.35
	Less: Provision towards service tax refund	(10.35)	(10.35)
		870.42	1,077.44
7.2	**Current**		
	Advance to vendors (refer note 7.7. below)	2,507.81	2,576.84
	Goods and Services tax input credit (refer note 7.5. below)	508.24	463.27
	Prepaid expenses (refer note 7.8. below)	241.19	286.70
	Other receivable (Refer Note 7.9. below)	98.61	99.30
	Prepaid lease-current (security deposit paid)	0.00	1.94
		3,355.85	3,428.05

7.3 Includes mobilisation advance to a sub-contractor aggregating to Rs. Nil (2019: Rs 207.02 lakhs) in respect of which the sub-contractor vendor has furnished bank guarantee to the extent of Rs Nil (2019: Rs 210.56 lakhs). This bank guarantee which was valid up to 30 June 2019 was encashed by the company during the year and was adjusted against the advance.

7.4 Includes advance payments made by the Company under the Development Management Agreement to agencies which are entitled to certain percentage of income calculated in the manner specified therein. The advance payments made aggregated to Rs. 639.61 lakhs as at 31 March 2020 (2019: Rs. 639.61 lakhs) and these 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 doesnot 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.

7.5 Goods and Service Tax Input credits carried in the books includes input tax credits aggregating to Rs. 52.02 lakhs (2019: 36.83 lakhs) relating to advance payments to vendors and unpaid vendors bills beyond time period stipulated under GST Law, which will be claimed in the returns in the subsequent periods when the company is eligible to claim such credits under the provisions of the GST Law.

7.6 Represents Goods and Service Tax paid on export of services which is expected to be claimed as refund. The Company is in the process of filing refund application and expects to realise the same in full.

7.7 Includes recoverable advances paid to a sub-contractor amounting to Rs.2,246.49 lakhs (2019: Rs 2,246.49 lakhs). The Management is in negotiation with that party for its recovery including interest accrued Rs.33.72 lakhs (2019: Rs.33.72 lakhs) as disclosed in Note 6.2 and is confident that this advance will be ultimately fully recovered by the Company or through other companies of the Adventz Group. Hence in the view of the Management no provision is considered necessary at this stage.

7.8 Includes Rs.228.71 lakhs (2019: Rs.283.22 lakhs) on account of brokerage & sales commission paid to an agency for services, on gross sale consideration receivable from customers. As per the agreement, in the event of non-completion of sale transaction, such commission is refundable by the agency. The commission paid is charged to the Profit & Loss Statement as and when revenue is recognised on a proportionate basis.

7.9 Represents amount recoverable from Indian Furniture Product Limited, a subsidiary of the holding company as per the unconditional undertaking given by the said company in respect of sale of residential unit to one of the customer.

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8	Inventories (valued at lower of cost or net realizable value)	As at 31 March 2020	As at March 31 2019
	Completed units (Refer Note 8.1. below)	2,395.34	4,392.84
	Construction Work-In-Progress (includes cost of Land, Borrowing Cost and Project Construction and Development Cost) (Refer Note 8.2. below)	26,015.42	22,113.44
		28,410.76	**26,506.29**

8.1 Represents residential units in respect of which company has entered into agreement for sale with the respective customers, amounts received against these agreements by the company has been reported as advance from customers in Note No. 19. Pending receipt of balance consideration, if any and effecting the transfer of legal title/deemed handover of the property, the same is reported as Inventory.

8.2 Includes Rs.2,980.86 lakhs (2019: Rs.2,630.63 lakhs) being cost incurred towards project in Goa managed by M/s. Zuari Global Limited which is pending formalising the terms and conditions. These balances are subject to confirmation from that party however, the Management of the company expects these costs to be recovered in full.

8.3 The Management has reviewed the carrying value of its construction 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 in any loss and thus no adjustments/ provisions to the carrying value of project work-in-progress was required and external valuation was not 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.

Refer Note No. 13 for the information on construction work in progress pledged as security by the company.

9	Trade receivables	As at 31 March 2020	As at March 31 2019
	Unsecured, Considered Good		
9.1	**Current**		
	Trade receivables - Related Parties (refer note 9.2. below)	524.22	594.35
	Trade receivables - others*	56.14	24.17
		580.36	**618.52**
9.2	**Receivables from the related parties;**		
	Zuari Global Limited	-	95.02
	Brajbhumi Nirmaan Private Limited	404.02	404.02
	Zuari Infra SJM Properties LLC, Dubai	64.75	39.86
	Zuari Infra Middle East Limited, Dubai	55.44	55.44
		524.22	**594.35**

9.3 The Management of the Company expects full realisation of these receivables from related parties, accordingly no allowance towards non recovery is considered necessary by the Management.

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

*Subject to confirmation.
Note: Refer Note No.13 for the information on trade receivables pledged as security by the Company.

10	Cash and bank balances	As at 31 March 2020	As at March 31 2019
	Cash and cash equivalent		
	Balances held in banks in current account	142.02	185.50
	Other earmarked balances held with bank		
	Deposits held with banks with more than 3 months but less that 12 months maturity period	538.16	500.00
		680.18	**685.50**

Note: The above balances held with banks are as per the statement of account obtained from that bank.

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

11	Share capital	As at 31 March 2020	As at 31 March 2019
11.1			
(i)	**Authorised**		
	5,00,00,000 (2019:5,00,00,000) Equity Shares of Rs. 10 each	5,000.00	5,000.00
	1,50,00,000 (2019:1,50,00,000) Preference Shares of Rs. 10 each	1,500.00	1,500.00
		6,500.00	**6,500.00**
(ii)	**Issued, subscribed & paid up**		
	4,65,50,000 (2019:4,65,50,000) Equity Shares of Rs 10 each	4,655.00	4,655.00
	1,14,50,000 (2019:1,14,50,000) Non-Convertible Cumulative Redeemable Preference Shares of Rs 10 each issued at premium of Rs. 90 each. (Also, refer note 13.7. below)	1,145.00	1,145.00
		5,800.00	**5,800.00**

11.2 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars (shares of Rs. 10/- each)	As at 31 March 2020 Nos.	As at 31 March 2020 Amount (Rs.)	As at 31 March 2019 Nos.	As at 31 March 2019 Amount (Rs.)
At the beginning of the year	4,65,50,000	4,655.00	4,65,50,000	4,655.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	**4,65,50,000**	**4,655.00**	**4,65,50,000**	**4,655.00**

11.3 Details of shareholders holding more than 5% shares in the Company as at 31 March 2020

Name of the Shareholder	As at 31 March 2020 No's.	As at 31 March 2020 % holding	As at 31 March 2019 No's.	As at 31 March 2019 % holding
Zuari Global Limited, the Holding Company (Including 10,000 equity shares jointly held)	4,65,50,000	100%	4,65,50,000	100.00%

Note: As per the records maintained by the Company including the registers of members/ shareholders, the above share holding represents both legal and beneficial ownership.

11.4 Rights, preferences and restrictions attached to equity shares:

Company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares are entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the Shareholder.

11.5 The company has not issued any securities convertible into equity/preference shares.

11.6 For the period of five years immediately preceding the date as at which the Balance Sheet is prepared :
No shares were allotted as fully paid up pursuant to a contract without payment being received in cash.
No shares were allotted as fully paid up by way of bonus shares.
No shares were bought back.

11.7 There were no shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.

11.8 There were no calls unpaid or forfeited shares.

Refer Note 13.7. below for details of Cumulative Compulsorily redeemable preference shares issued by the Company.

12	Other equity	As at 31 March 2020	As at 31 March 2019
12.1	**Deemed equity on fair-value adjustment to Non-convertible cumulative redeemable preference Shares:**		
	Equity component of redeemable Preference Shares	562.11	562.11
	Income tax effect on the interest portion on Preference shares	(146.15)	(146.15)
		415.96	**415.96**
	Also refer note 13.7. below for detailed disclosure on preference shares.		
12.2	**Security Premium Account:**		
	As at the beginning and end of the year	10,305.00	10,305.00
		10,305.00	**10,305.00**

Security premium represents premium on issue of cumulative compulsorily redeemable preference shares.

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12.3 Balance in profit and Loss Statement

As at the beginning of the year.	(482.61)	(135.36)
Adjustment pursuant to adoption of Ind AS 115	-	(514.53)
Income tax effect on above adjustment	-	133.78
Adjustment pursuant to adoption of Ind AS 116	(109.18)	-
Income tax effect on above adjustment	28.39	-
Add: Profit for the year before OCI	94.34	29.52
Add: Re-measurement gains/(loss) on defined benefit plans, not reclassified to profit or loss*	(0.06)	4.00
Net deficits in the profit and loss statement	**(469.11)**	**(482.61)**
	10,251.85	**10,238.35**

***The Remeasurements gains in respect of employee benefits included above are as under;**		
As at the beginning of the year.	**13.24**	**9.24**
Remeasurements gain/(loss) on defined benefit plans	(0.08)	5.40
Income tax effect on above	0.02	(1.40)
Balance carried forward	**13.18**	**13.24**

13 Borrowings	**As at 31 March 2020**	**As at 31 March 2019**
13.1 Long-term borrowings:		
(i) Secured Loans		
Term Loans from banks:		
Yes Bank Limited (refer 13.3. below)	1,010.19	1,010.19
Less: Current maturities of long term borrowings (refer note 16.2. below)	(1,010.19)	-
	-	**1,010.19**
Term Loans from others:		
LIC Housing Finance Limited (refer 13.4. below)	16,419.59	15,425.84
	16,419.59	**16,436.03**
(ii) Unsecured Loans		
Inter-Corporate Deposits from related parties (refer note 13.5. below)		
Zuari Global Limited (carried at amortised cost)	3,577.79	2,309.99
Inter-Corporate Deposits from others		
Adventz Finance Private Limited (carried at amortised cost)	1,733.00	1,572.69
Less: Current maturities of long term borrowings (refer note 16.2. below)	-	(2,309.99)
	5,310.79	**1,572.69**
Liability component of compound financial instrument		
Non-Convertible Cumulative Redeemable Preference Shares (Also, refer note 13.7. below)	1,058.66	928.51
	22,789.05	**18,937.23**
13.2 Short -term borrowings:		
Unsecured loans		
Inter-Corporate Deposits from (refer note 13.5. below)		
Anchor Investment Private Limited (carried at Amortised cost)	-	309.65
Meenakshi Tea Co Limited (carried at Amortised cost)	-	206.44
Sree Ram Plywood Manufacturing Co Pvt Ltd (carried at Amortised cost)	400.00	-
Texmaco Infrastructure & Holdings Limited (carried at Amortised cost)	600.31	542.02
	1,000.31	**1,058.11**

13.3 Yes Bank Limited - Term Loan

Term Loan facility with a sanctioned limit of Rs.1,000 lakhs to refinance the promoter loans and Inter Corporate deposits with a maximum tenor of 24 months and repayable on 19 July 2020. The said term loan facility is secured by charge on Development fee receivables and Corporate Guarantee from Zuari Global Limited, the holding company executed in favour of the bank. The outstanding balance as at 31 March 2020 is Rs. 1,010.19 lakhs (2019:Rs. 1,010.19 lakhs).

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13.4 LIC Housing Finance Limited

Term loan facility of Rs.20,000 lakhs for takeover of outstanding loan of Rs.13,000 lakhs from Federal bank limited and as a top up for construction finance for Zuari Garden City Phase I, II & III project which 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. This loan is secured by equitable mortgage on the Land and Building to be constructed under project name 'Zuari Garden City' in area measuring to 50 Acres and 35 Guntas (excluding sold units), Project receivables and further secured by Corporate Guarantee issued by Zuari Global Limited, the Holding Company. There are other conditions and financial covenants attached to this bank facility, which are in ordinary course of business. The loan outstanding as at 31 March 2020 is Rs.16,419.59 lakhs (as at 31 March 2019 : Rs.15,425.84 lakhs).

13.5 Unsecured Inter-Corporate Deposits from related parties

(i) **Zuari Global Limited, Holding Company**

Unsecured term loan from Zuari Global Limited, the holding company to meet the working capital needs of the Company. The unpaid loans which was due for payment during the year was rolled over and renewed for a further period up to 31 December 2021, without any changes to the existing terms and condition, detailed as under.

Terms of Repayment:

Particulars	Outstanding 01 April 2019	Loans during the Year	Repaid	Interest accrued and due	Outstanding 31 March 2020 (including interest accrued)	Due Date*
Loan 1-4 at 8% p.a.	733.00	-	-	16.57	749.57	31-Dec-21
Loan 5 at 8% p.a.	339.99	-	-	24.55	364.54	31-Dec-21
Loan 22 at 12% p.a.	500.00	-	186.82	22.73	335.91	31-Dec-21
Loan 30 at 12% p.a.	412.00	-	-	44.62	456.62	31-Dec-21
Loan 31-32 at 12% p.a.	325.00	-	-	35.20	360.20	31-Dec-21
Loan 33-36 at 14% p.a.	-	1,940.00	697.10	68.07	1,310.97	31-Dec-21
Total	**2,309.99**	**1,940.00**	**883.93**	**211.73**	**3,577.79**	

* Due dates after considering rollover/ renewal during the year.

(ii) **Adventz Finance Private Limited**

Unsecured general purpose loan for working capital purposes for Rs.2,000 lakhs from Adventz Finance Private Limited, a group company carries 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 period up to 31 December 2021 and accordingly is reclassified as non-current during the year. The loan outstanding including interest accruals as at 31 March 2020 is Rs.1,733.00 lakhs (31 March 2019 : Rs.1,572.79 lakhs).

13.6 Other Unsecured Inter-Corporate Deposits

Unsecured short-term inter corporate deposits from the following parties to meet working capital requirements of the Company. The details of the same is given below.

Party Name	Amount borrowed during the year	Amount Repaid during the year	Rate of Interest	Date / due date for Repayment	Interest Accrued and not due	As at 31 March 2020 (including accrued interest)
Anchor Investments Private Limited	-	300.00	14.50%	01-May-19	-	-
Meenakshi Tea Company Limited	-	200.00	14.50%	01-May-19	-	-
Sanghi Steel Udyog Private Limited	500.00	500.00	14.50%	25-Jul-19	-	-
Sree Ram Plywood Manufacturing Co Private Limited	1,050.00	650.00	15.00%	12-Aug-20	-	400.00
Texmaco Infrastructure & Holdings Limited	500.00	500.00	12.00%	Repayable on demand	100.31	600.31
Total	**2,050.00**	**2,150.00**			**100.31**	**1,000.31**

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13.7 Non-Convertible Cumulative Redeemable Preference Shares:

(i) **Reconciliation of Shares Outstanding at the beginning and end of the reporting year**

Non-Convertible Cumulative Redeemable Preference Shares of Rs 10 each, issued at premium Rs 90 per share	As at 31 March 2020	As at 31 March 2019
At the beginning of the year	1,14,50,000	1,14,50,000
Issued during the year	-	-
Outstanding at the end of the year	**1,14,50,000**	**1,14,50,000**

(ii) **Shares holding more than 5% as at the beginning and end of the reporting year**

Non-Convertible Cumulative Redeemable Preference Shares of Rs 10 each, issued at premium Rs 90 per share.	As at 31 March 2020		As at 31 March 2019	
	In No's	In %	In No's	In %
Mr. Saroj Kumar Poddar	85,00,000	74%	85,00,000	74%
Texmaco Infrastructure & Holdings Limited	29,50,000	26%	29,50,000	26%
Outstanding at the end of the year	**1,14,50,000**	**100%**	**1,14,50,000**	**100%**

(iii) **Rights, preferences & restrictions attached to Non-Convertible Cumulative Redeemable Preference Shares:**
The Company has only one class of non-convertible preference share having a par value of Rs 10 per share, carrying coupon rate of 8.5% per annum which are cumulative in nature and redeemable on 31 March 2025 (70,00,000 Shares), 31 March 2021 (15,00,000 Shares) and 31 March 2022 (29,50,000 Shares) respectively. During the year the Company has extended the redemption period of 70,00,000 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 the company. These shares are redeemable at a price band of Rs 125 - Rs 150 per preference share.

(iv) Pursuant to Schedule III of the Companies Act 2013 ("the Act"), for companies whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015 read with Indian Accounting Standard 32 - Disclosure of Financial Instruments, Non-convertible redeemable preference shares which are settled in cash needs to be classified as 'financial liability' and not 'equity'. Accordingly company has computed the fair value of these preference shares considering the effective interest rate (EIR) at 14% and the portion computed as 'Borrowing' amounting to Rs.1,058.43 lakhs (2019 : Rs.928.51 lakhs) has been classified under 'Long-term Borrowings' and the portion computed as the deemed equity amounting to Rs. 415.96 lakhs (2019 : Rs.415.96 lakhs), net of taxes has been reported under 'Other Equity'.

With respect to premium received on issue as well as the additional premium payable on redemption of preference shares no adjustments/ disclosures has been carried out as contemplated in Ind-AS 32 and Ind-AS 109 read with Schedule III of the Act, since such classification of the 'securities premium account' into 'borrowings' or 'other equity' will be inconsistent with the provisions of section 52 of the Act which stipulates the manner in which the securities premium account can be utilised. Also the additional premium payable on the redemption has not been recognised in the absence of the accumulated profits since recognition of such a liability will be violative of section 55 of the Act.

Considering above, the Company has been legally advised that no further recognition or adjustments to the premium amounts are required in view of the specific provisions of section 52 and 55 of the Act. Accordingly, no adjustments as required under Ind-AS 32 and Ind-AS 109 read with Schedule III of the Act are made in respect of the premium payable on redemption

14 Lease Liabilities	As at 31 March 2020	As at 31 March 2019
14.1 Non-Current		
Lease Liability	491.75	-
	491.75	-
14.2 Current		
Lease Liability	65.92	-
	65.92	-
	557.67	-

14.3 Other Notes on leases

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of Rs.256.70 lakhs, 'Net investment in sublease' of ROU asset of Rs.214.78 lakhs and a lease liability of Rs.580.66 lakhs. The cumulative effect of applying the standard was debited to retained earnings, which amounted to Rs.80.79 lakhs (net of tax effect on the same Rs. 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.

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(i.) **The movement in lease liabilities is as follows:**

Particulars	For the year ending March 31 2020
Balance at the beginning*	580.66
Finance cost accrued during the year	78.17
Payment/payable towards lease liabilities	128.20
Balance as at the end	**530.63**

*excluding refundable rent deposit of Rs.27.03 carried at amortised cost.

(ii.) **The details of the contractual maturities of lease liabilities as at 31 March 2020 on an undiscounted basis are as follows :**

Particulars	As at March 31 2020
Less than one year	136.09
One year to five years	614.89
more than five years	-
Total	**750.98**

(iii.) **The movement in net investment in sublease is as follows:**

Particulars	For the year ending March 31 2020
Balance at the beginning	214.78
Interest income accrued during the year	29.23
Lease receipts	42.94
Balance as at the end	**201.07**

(iv.) **The details of the contractual maturities of net investment in sublease of right-of-use asset as at 31 March 2020 on an undiscounted basis are as follows :**

Particulars	For the year ending 31 March 2020
Less than one year	47.24
One year to five years	241.14
more than five years	-
Total	**288.38**

(v.) The Company has incurred Rs.13.24 lakhs for the year ended 31 March 2020 towards expenses relating to short term leases.

15	**Trade payables**		**As at 31 March 2020**	**As at 31 March 2019**
15.1	**Non-Current**			
	Retention Money - non current (carried at cost) *		40.07	39.01
			40.07	**39.01**
15.2	**Current**			
	Retention Money - current (carried at cost)*	refer note 15.4. below	292.22	234.59
	Dues to related parties (carried at cost)	refer note 15.3. below	39.91	39.42
	Dues to micro & small enterprises (carried at cost)*	refer note 15.5. below	2.08	4.56
	Dues to creditors other than micro & small enterprises (carried at cost)*	refer note 15.4. below	1,353.36	843.76
		-	**1,687.56**	**1,122.33**
15.3	**Due to Related Parties comprises of due to;**			
	Simon India Limited		36.93	36.93
	Forte Furniture Products India Private Limited		1.52	1.52
	Zuari Finserv Limited (Formerly known as Zuari Finserv Private Limited)		1.46	0.97
			39.91	**39.42**

15.4 Includes retention money Rs.131.23 lakhs (2019 : Rs.131.23 lakhs) and other trade payables Rs.25.48 lakhs (2019: Rs.25.48 lakhs) to one of the sub contractors in respect of which the Management is in negotiation with party for full and the final settlement. The said balance is subject to confirmation from that party.

15.5 Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 based on the information available with the Company are as under:

Principal amount due to suppliers under MSMED Act	1.68	4.28
Interest accrued and due to suppliers on above amount	0.06	0.10
Payment made to suppliers beyond appointed day during the year	6.93	4.31
Interest paid to suppliers during the year	-	-
Interest due and payable to suppliers towards payment already made during the year	0.34	0.18

* Balances are subject to confirmation

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

16	Other Financial Liabilities	As at 31 March 2020	As at 31 March 2019
16.1	**Non-Current**		
	Other financial liabilities (carried at amortised cost)		
	Rent Deposit (Refer note 14.3)	-	12.93
	Deferred Rental on security deposits (fair value adjustment) - Non-current (Refer note 14.3)	-	11.99
		-	24.92
16.2	**Current**		
	Other financial liabilities (carried at cost)		
	Current maturity of long term loans (refer note 13)	1,010.19	2,309.99
	Refundable deposit (refer note 16.4 below)	1,000.00	-
	Other Deposits	14.96	14.96
	Due to employees	149.28	97.14
	Due to related parties (refer note 16.3 below)	37.31	11.67
	Due to others	0.44	0.91
	Others:		
	Deferred Rental on security deposits (fair value adjustment) - Current portion (Refer note 14.3)	-	2.37
		2,212.19	2,437.06

16.3 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.

16.4	Due to related parties comprises of dues to;		
	Mr. Alok Banerjee	26.47	8.57
	Mr. Anshul Amit Bansal	10.50	2.42
	Mr. C G Ramegowda	-	0.68
	Ms. Nishu Kakkar	0.35	-
		37.31	11.67

17	Provisions	As at 31 March 2020	As at 31 March 2019
17.1	**Non-Current**		
	Provision for gratuity obligation	31.97	38.59
	Provision for compensated absences	12.35	15.14
		44.33	53.72
17.2	**Current**		
	Provision for gratuity obligation	1.16	2.91
	Provision for compensated absences	0.51	2.53
		1.68	5.44

Also, refer note 37 for detailed disclosures on employee benefit plans.

18	Deferred tax (Asset) / liability (net)	As at 31 March 2020	As at 31 March 2019
18.1	**Tax effect of items constituting deferred tax liabilities**		
	Unrealised gain on investment in mutual funds carried at fair value through profit or loss	265.07	314.58
	Unrealised gain on Investment in preference shares carried at fair value through profit or loss	44.72	51.03
	Lease liabilities	8.71	-
	Timing differences on benefit obligations through OCI	0.02	1.40
	Financial liabilities and assets carried at amortised cost;		
	- Interest on preference shares	98.44	56.29
	- Unwinding of security deposit received	-	0.53
		416.96	423.83
18.2	**Tax effect of items constituting deferred tax assets**		
	Property, plant and equipment and Intangible assets	22.27	18.23
	Provision for employee benefits obligations	11.98	15.38
	MAT Credit Entitlement	50.17	50.17
	Financial liabilities and assets carried at amortised cost;		
	- Unwinding of security deposit received	-	0.08
	Others	61.37	119.37
		145.79	203.23
	Unused Tax Losses	267.88	271.92
	Less: Not considered for deferred tax purposes	(267.88)	(271.92)
		-	-
		271.16	220.60

Also, refer note 28 for other tax related disclosures.

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18.3 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.

18.4 As the management expects that the interest on Non convertible cumulative redeemable Preference shares will not be allowed as a deduction, the income tax impact on the same has been recognised in Other Equity, since the initial recognition was in Other Equity.

19	Other liabilities	As at 31 March 2020	As at 31 March 2019
	Current		
	Statutory dues	105.32	89.71
	Advances from customers relating to;		
	- Completed units pending registration or transfer of possession	2,304.66	4,339.82
	- Construction work-in-progress	5,194.86	3,415.08
	- Maintenance charges	14.73	46.79
	- Other customer advances (refer note 19.2. below)	1,035.18	626.43
	Advances from related party	59.94	-
		8,714.69	8,517.83

19.1	Advance from related party comprises of;		
	Zuari Global Limited	59.94	-

19.2 Includes advances of Rs.446.23 lakhs (2019:Rs.279.52 lakhs) in respect of cancelled residential units in respect of which the Company is in negotiation with parties for selling units of other projects against which these amounts are expected to be adjusted and Rs.318.00 lakhs (2019: Rs.313.50 lakhs) collected from the buyers towards club membership charges fees which will be adjusted against the expenses incurred in this regard.

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20	Revenue from operations	For the year ended 31 March 2020	For the year ended 31 March 2019
	Sale of residential units	2,275.08	1,346.57
	Development management fees	310.02	632.51
	Sales commission on sale of plots/residential units	38.10	177.37
	Maintenance charges*	75.67	1.07
	Other operating revenue	4.99	27.78
		2,703.85	**2,185.30**

* Net of expense Rs. Nil (2019: Rs.47.44 lakhs).

21	Other income	For the year ended 31 March 2020	For the year ended 31 March 2019
	Interest Income on ;		
	Deposits with Bank	43.41	5.72
	Inter-Corporate Deposits to subsidiary	494.45	230.85
	Income tax refund	-	18.76
	Rent from sub-lease* (Refer note 14)	-	2.97
	Gains from redemption of Mutual Fund	28.32	181.44
	Net gain on financial assets measured at fair value through Profit and loss	582.15	638.66
	Adjustment on amortisation of security deposit	2.24	2.07
	Unwinding of financial liability, security deposit from sub lease	-	1.25
	Finance Guarantee Commission	24.90	62.37
	Balances no longer required	-	0.45
	Other miscellaneous income	0.09	-
		1,175.55	**1,144.54**

* Rent from sub-lease reported above are net of expenses Rs.Nil (2019:Rs.36.07 lakhs)

22	Project construction and development expenses	For the year ended 31 March 2020	For the year ended 31 March 2019
	Architect Fees	14.65	9.61
	Depreciation on assets - Projects	30.84	4.82
	Civil Work	1,509.82	144.26
	Site Office Expenses	9.94	0.02
	Project Staff Costs	120.77	0.91
	Property Tax	4.00	7.56
	Infrastructure Expenses	4.60	16.10
		1,694.62	**183.27**
	Add: Borrowing cost transferred to construction work in progress	2,071.95	1,893.36
	Add: Employee benefit expenses transferred to construction work in progress	161.82	262.41
	Add: Other expenses transferred to construction work in progress	52.83	104.15
		3,981.23	**2,443.19**

23	Changes in construction work-in-progress	For the year ended 31 March 2020	For the year ended 31 March 2019
	Completed units of stock		
	Completed units at the beginning of the year pursuant to Ind AS 115	4,392.84	5,639.61
	Completed units at the end of the year	2,395.34	4,392.84
	Changes in completed units during the year	**1,997.51**	**1,246.77**
	Construction Work-in- progress		
	Construction work-in-progress at the beginning of the year	**22,113.44**	17,408.05
	Add: adjustment pursuant to adoption of Ind AS 115	-	2,307.95
	Less: Recovery of cost incurred towards project manged by holding company	(45.61)	-
	Adjusted Inventory at the beginning of the year	**22,067.83**	**19,716.00**
	Add: Construction cost incurred during the year (refer note 22)	3,981.23	2,443.19
	Less: Recovery		-
	Less: Modification/ rework expenses charged to profit and loss	(33.64)	(45.75)
	Construction work-in-progress at the end of the year	**26,015.42**	**22,113.44**
	Changes in construction work in progress	**(3,947.59)**	**(2,397.44)**
	Total (Increase) / Decrease (a+b)	**(1,950.08)**	**(1,150.67)**

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24	Employee benefit expenses	For the year ended 31 March 2020	For the year ended 31 March 2019
	Salaries and wages	411.90	486.64
	Contribution to provident and other funds	24.71	23.80
	Gratuity	13.47	13.91
	Compensated absences	3.84	8.58
	Staff welfare expenses	6.05	3.72
		459.97	**536.66**
	Less: Employee benefit expenses transferred to construction work in progress	(161.82)	(262.41)
		298.14	**274.25**

25	Finance costs	For the year ended 31 March 2020	For the year ended 31 March 2019
	Interest expense:		
	Interest on borrowings	2,679.20	2,738.33
	Interest on dues to micro & small enterprises	0.11	0.28
	Interest on lease liabilities (Refer note 14)	48.68	-
	Interest on security deposits	-	0.16
	Interest on non-convertible cumulative redeemable preference shares	130.15	113.75
		2,858.14	**2,852.52**
	Less: Borrowing cost transferred to construction work in progress	(2,071.95)	(1,893.36)
		786.19	**959.17**

25.1 Capitalisation of the Borrowing cost is not required to be suspended when substantial technical and administrative work is carried out or when there is a temporary delay which is a necessary part of the process of getting an asset ready for sale. The Management is of the view that the slow progress of various real estate projects are temporary in nature considering the nature of the industry and the economic conditions prevailing across the industry. Accordingly, capitalisation (transfer to inventory) of interest cost is not suspended during the year except for certain early stage projects in respect of which interest cost is suspended with effect from March 2020 considering various developments.

26	Depreciation and amortization expenses	For the year ended 31 March 2020	For the year ended 31 March 2019
	Depreciation of Property, plant and equipment	58.40	28.99
	Amortisation of intangible assets	0.37	0.43
	Amortisation of right-of-use-assets	42.78	-
		101.55	**29.42**
	Less: Depreciation on leasehold improvements attributable to sub-lease income adjusted against sublease income.	-	(4.68)
	Less: Depreciation transferred to construction work-in-progress	(30.84)	(4.82)
		70.71	**19.93**

27	Other expenses	For the year ended 31 March 2020	For the year ended 31 March 2019
	Rent	13.24	100.12
	Travel and conveyance	27.12	15.08
	Legal and professional fees	45.13	52.30
	Communication and internet charges	7.77	12.84
	Office Expenses	57.56	67.64
	Repairs and maintenance	8.26	6.60
	Auditors remuneration	11.67	6.25
	Recruitment expenses, net	0.55	5.37
	Advertising and publicity	78.98	83.02
	Rates and taxes	14.50	12.85
	Commission & Brokerage	66.86	214.49
	Maintenance and Security	143.03	97.32
	Insurance	17.87	12.40
	Directors sitting fees	4.70	5.35
	Miscellaneous expenses	4.42	9.41
	Balances no longer required, net	1.15	11.55
		502.81	**712.61**
	Less: Other expenses transferred to construction work in progress	(52.83)	(104.15)
		449.99	**608.46**
27.1	**Remuneration to Auditors' reported above includes**		
	Statutory Audit Fees (relating to previous year Rs.0.87 lakhs (2019:Nil))	9.17	5.00
	Tax Audit Fees (relating to previous year Rs.0.23 lakhs (2019:Nil))	1.20	0.75
	Certification fees	1.30	0.50
		11.67	**6.25**

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

28 Income Tax	For the year ended 31 March 2020	For the year ended 31 March 2019
Income tax expense	60.28	4.00
Income tax of earlier year	9.63	2.60
Deferred tax charge/(credit)	78.95	139.41
	148.86	**146.00**

28.1 Income tax expense for the year reconciled to the accounting profit	For the year ended 31 March 2020	For the year ended 31 March 2019
Profit before tax	243.22	175.52
Income tax expense calculated at 26% (2019:26%)	63.24	45.64
Adjustments for:		
Gain on fair value adjustments to preference shares	-	40.08
Expenses not considered for tax purposes.	(1.03)	-
Gain on fair value adjustments to Mutual funds taxable at differential rate	(192.46)	50.47
Interest portion fair value adjustment to preference shares issued	76.00	-
Other adjustments	67.43	1.27
Tax effect on unused tax losses not recognised	65.78	10.32
Tax expenses of earlier year debited to profit and loss	9.63	2.60
Minimum Alternate Tax (MAT) of earlier year debited to profit and loss	60.28	(4.37)
	148.86	**146.00**

28.2 The tax effects of timing differences that resulted in changes in deferred tax are as follows:	For the year ended 31 March 2020	For the year ended 31 March 2019
Fair valuation of investment in mutual funds	(49.52)	112.44
Unwinding of security deposit paid	0.08	0.04
Interest accrued on preference shares issued (Adjustment pursuant to Ind-AS)	42.16	(29.58)
Difference between accounting base and tax base of tangible & Intangible assets	(4.04)	(0.24)
Unwinding of security deposit received	(0.53)	0.28
Temporary differences on benefit obligations	2.02	(3.29)
Fair valuation of investment in Preference shares	(6.31)	51.03
Gain on sale of flats recognised as per Ind AS 115	58.00	17.10
Lease Liabilties	37.10	-
MAT Credit Entitlement	-	(8.37)
	78.95	**139.40**

28.3 Deferred tax assets arising from the carry forward of unused tax losses not are recognised in these financial statements as there is no convincing evidence that sufficient taxable profit will be available in the future against which the unused tax losses can be utilised by the Company, which is considered appropriate by the Management.

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29 Disclosure of Interest in subsidiaries, joint arrangements and associates:

29.1 Disclosure of Interest in the following subsidiaries:

Name	Country of Incorporation	Ownership Interest of ZIIL (%)		Method used to account for investments
		As at 31 March 2020	As at 31 March 2019	
Zuari Infra Middle East Limited, Dubai	UAE	100%	100%	At Cost

29.2 Disclosure of Interest in the following associates:

Name	Country of Incorporation	Ownership Interest of ZIIL (%)		Method used to account for investments
		As at 31 March 2020	As at 31 March 2019	
Brajbhumi Nirmaan Private Limited	India	25%	25%	At Cost
Darshan Nirman Private Limited	India	25%	25%	At Cost
Pranati Niketan Private Limited	India	25%	25%	At Cost

Note: As at 31 March 2020 Brajbhumi Nirmaan Private Limited holds 50% of Darshan Nirman Private Limited and 50% of Pranati Niketan Private Limited.

30 Commitments and Contingencies

30.1 Contingent Liabilities (not provided for)

Particulars	March 31 2020	March 31 2019
Dividend on Non Convertible redeemable cumulative preference shares not yet declared	439.31	411.94
Income Tax demand for FY 2016-17 against which company has filed rectification, pending rectification no provision is considered necessary at this stage.	59.86	-
Tax demand for defaults under Section 201 of Income Tax Act, 1961 as per TRACES portal of Income tax website, against which company is in the process of filing rectification.	5.94	6.13
Customer claims not acknowledged as debt by the Company	37.98	32.68
Total	**543.09**	**450.75**

30.2 Capital Commitments

Estimated amount of contracts remaining to be executed on Project construction and development, net of advances aggregates to Rs.6,745.10/- lakhs (2019:Rs.3,489.92/-/- lakhs).

30.3 Corporate Guarantees and pledge of assets:

The Company has executed Corporate Guarantees jointly with the Zuari Global Limited, the holding company in favour of Yes Bank Limited for extending financing facility to Zuari SJM Properties LLC, Dubai, a Step-down subsidiary of the Company. The amount of finance facility extended is USD 630 lakhs (In Indian Rupees 47,061 lakhs, considering 1 USD = Rs 74.70 as at the reporting date (2019: USD 630 lakhs (In Indian Rupees 44,056 lakhs, considering 1 USD = Rs 69.93).

(a) The Company's share of the value of Corporate Guarantee is USD 200 lakhs (using closing exchange rate of Rs.74.7 per USD as at reporting date (2019: USD 200 lakhs using closing exchange rate of Rs.69 per USD)).	14,940.00	13,986.00
(b) The company has also provided security by way of pledge of mutual funds held in the name of the Company (fair value as at reporting date) for the loan referred to in (a) above.	9,461.17	8,826.81

31 Earnings Per Share ("EPS")

Basic earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year. There are no dilutive potential equity shares, accordingly the Diluted EPS are also calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during as at the end year.

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

(No. of shares in absolute numbers)

Particulars	March 31 2020	March 31 2019
Profit before OCI attributable to equity holders of the parent company	94.34	29.52
Weighted Average number of equity shares used for computing EPS (Basic & Diluted)	4,65,50,000	4,65,50,000
Earning/(Loss) Per Share (Basic and Diluted) (Rs.)	0.20	0.06
Face value per share (Rs.)	10.00	10.00

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32 Impact of Covid-19

The outbreak of Global pandemic Covid-19 has resulted in the Government of India undertaking drastic measures for containment of the disease including enforcing compulsory full lockdown. In view of these measures, the operations at the company was fully shutdown from March, 23 2020 and the company was able to resume its operations during May 2020 with limited manpower in phased manner with necessary approvals from the appropriate authority. The incremental costs incurred by the company to adhere to the standard operating procedures notified by the Government / Authorities was not significant.

The current lockdown owing to the coronavirus crisis has hugely impacted the world economy as well as a majority of sectors across the globe, including real estate. The management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of various assets including inventory, investments and loans to the subsidiaries (also refer note 4.2 of the standalone financial statements) after taking into account various internal and external information upto the date of approval of these financial statements and have concluded that they are recoverable based on the expected future performance of the Company and it's subsidiaries. The Company has also assessed various scenarios and assumptions and based on the current estimates, the management of the Company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2020, are fully recoverable and that no provision/ adjustment is required.

Further, considering the effect of ongoing pandemic situation the regulatory authorities have extended the timelines for completion of ongoing projects under RERA regulations and the Management of the Company is confident of meeting the extended timelines for completion.

Considering the present financial position of the Company and its ability to raise funds, the Management of the Company doesnot forsee any adverse impact on its ability to continue as going concern and meeting its liability as and when they fall due.

The impact assessment of Covid-19 is a continuing process given the uncertainities associated with its nature as well as its duration and the Management will continue to monitor any events/changes to future economic conditions. Accordingly, the impact may be different from that estimated as at the date of approval of these financial statements.

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

33 Related Party Disclosures

33.1 Details of related party and their relationship with the Company:

Sl. No	Name of the related party	Nature of relationship with the Company
1	Zuari Global Limited	Holding Company
2	Zuari Infra Middle East Limited, UAE	Subsidiary
3	Zuari Infraworld SJM Properties LLC, UAE (formerly SJM Elysium Properties LLC)	Step down Subsidiary
4	Burj District Development Limited, Cayman Islands	Joint Venture of Step down subsidiary
5	Burj District One Limited, UAE	Subsidiary of the Joint Venture of Step down subsidiary
6	Zuari Management Services Limited	Fellow Subsidiaries
7	Simon India Limited	Fellow Subsidiaries
8	Forte Furniture Products India Private Limited	Fellow Subsidiaries
9	Zuari Finserv Limited (formerly known as Zuari Finserv Private Limited)	Fellow Subsidiaries
10	Brajbhumi Nirmaan Private Limited	Associates
11	Darshan Nirman Private Limited	Associates
12	Pranati Niketan Private Limited	Associates
13	Narayanan Suresh Krishnan, Director (resigned w.e.f. March 02, 2020)	Key Management Personnel
14	R S Raghavan, Director (appointed w.e.f. March 02, 2020)	Key Management Personnel
15	L M Chandrashekaran (appointed w.e.f. March 02, 2020)	Key Management Personnel
16	Sunil Sethy, Independent Director (resigned w.e.f. March 19, 2020)	Key Management Personnel
17	Krishan K Gupta, Independent Director (resigned w.e.f. March 19, 2020)	Key Management Personnel
18	Alok Banerjee, CEO & Director (additionally appointed as Director w.e.f. March 02, 2020)	Key Management Personnel
19	Anshul Amit Bansal, Chief Financial officer	Key Management Personnel
20	C G Ramegowda, Company secretary (resigned w.e.f. September 05, 2020)	Key Management Personnel
21	Nishu Kakkar, Company secretary (appointed w.e.f. February 20, 2020)	Key Management Personnel
22	Saroj Kumar Poddar	Director of holding company

33.2 Details of transactions with related parties:

Sl. No	Particulars	Year ended 31 March 2020	Year ended 31 March 2019
1	**Payment made on our behalf by the Company:**		
	Zuari Global Limited	-	5.77
2	**Service Charges / Management Fees Paid**		
	Zuari Finserv Limited (Formerly known as Zuari Finserv Private Limited)	0.45	0.90
3	**Purchase of furnitures (PPE)**		
	Forte Furniture Products India Private Limited	-	1.29
4	**Recovery of cost incurred towards project handled by**		
	Zuari Global Limited	45.61	-
5	**Service Charges / Management Fees Income**		
	Zuari Global Limited - Development Management Commission	184.87	93.52
	Zuari Infra Middle East Limited- Development Management Commission	90.00	400.00
	Zuari Global Limited - Sales Commission	26.27	45.99
	Zuari Infraworld SJM Properties LLC - Finance Guarantee charges	24.90	39.86
	Zuari Infra Middle East Limited - Finance Guarantee charges	-	22.51
6	**Inter-Corporate Deposits Given- Asset**		
	Zuari Infra Middle East Limited		
	- Given	1,815.00	1,826.65
7	**Inter-Corporate Deposits Taken - Liability**		
	Zuari Global Limited		
	- Accepted	1,940.00	4,358.00
	- Repayment	883.93	4,256.01
8	**Interest on ICD (Expenses)**		
	Zuari Global Limited	293.50	201.65
9	**Interest on ICD given - Income (incl. adjustment on amortisation)**		
	Zuari Infra Middle East Limited	494.45	225.65
10	**Reimbursement of Expenses received/receivable**		
	Zuari Infra Middle East Limited	3.75	111.14

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33.3 Compensation paid to Key management personnel compensation:

Sl. No	Particulars	Year ended 31 March 2020	Year ended 31 March 2019
1	**Short-term employee benefits**		
	Alok Banerjee, CEO & Director (additionally appointed as Director w.e.f. March 02, 2020)	83.98	97.37
	Anshul Amit Bansal, Chief Financial officer	28.08	23.92
	C G Ramegowda, Company secretary (resigned w.e.f 05 September 2020)	5.42	13.23
	Nishu Kakkar Company secretary (appointed w.e.f. 20 February 2020)	0.47	-
2	**Retirement benefits (Provident fund and Gratuity)**		
	Alok Banerjee, Chief Executive Officer	22.27	22.16
	Anshul Amit Bansal, Chief Financial officer	5.26	4.46
	C G Ramegowda, Company secretary (resigned w.e.f 05 September 2020)	0.26	1.82
	Nishu Kakkar Company secretary (appointed w.e.f. 20 February 2020)	0.02	-
3	**Sitting fees**		
	Directors sitting fees to Non-executive Directors	4.70	5.35
Total compensation		**150.46**	**168.32**

33.4 Year-end balances

Sl. No	Particulars	As at 31 March 2020	As at 31 March 2019
1	**Trade payable**		
	Simon India Limited	36.93	36.93
	Forte Furniture Products India Private Limited	1.52	1.52
	Zuari Finserv Limited (Formerly known as Zuari Finserv Private Limited)	1.46	0.97
2	**Other payable**		
	Alok Banerjee	26.47	8.57
	Anshul Amit Bansal	10.50	2.42
	C G Ramegowda, Company secretary (resigned w.e.f 05 September 2020)	-	0.68
	Nishu Kakkar Company secretary (appointed w.e.f. 20 February 2020)	0.35	-
3	**Advances paid**		
	Zuari Global Limited	59.94	-
4	**Trade receivable**		
	Zuari Infra Middle East Limited	55.44	55.44
	Zuari Infra SJM Properties LLC	64.75	39.86
	Brajbhumi Nirmaan Private Limited	404.02	404.02
	Zuari Global Limited	-	95.02
5	**Expenses Recoverable**		
	Brajbhumi Nirmaan Private Limited	157.33	157.33
	Zuari Infra Middle East Limited	35.66	31.91
6	**Loans to related parties**		
	Zuari Infra Middle East Ltd. (including interest accrual)	5,227.01	2,917.56
7	**Loans from related parties:**		
	Zuari Global Limited	3,577.79	2,309.99
8	**Other year-end balances**		
	(a) Included in Project Work-in-Progress		
	Zuari Global Limited	2,980.86	2,630.63
	(b) Service Income accrued and not billed		
	Zuari Infra Middle East Limited	90.00	-
	Zuari Global Limited	-	57.05

33.5 Other Year end balances

Zuari Infra Middle East Limited			
(i)	Corporate Guarantee (USD 200 lakhs at closing exchange rate of Rs.74.70 per USD as at reporting date (2019: USD 200 lakhs using closing exchange rate of Rs.69.93 per USD))	14,940.00	13,986.00
(ii)	Pledge of mutual funds held in the name of the Company	9,461.17	8,826.81

33.6 Terms and conditions

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and in the normal course of business.

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34 Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of loans and borrowings, trade and other payables, security deposits and employee dues. 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 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 the finance team that advises on financial risks and the appropriate financial risk governance framework for the Company. Further, the company is primarily operating in the real estate sector which is subject to The Real Estate (Regulation and Development) Act, 2016 (RERA).

34.1 Market risk

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

(i) 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. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Term Loan facility from LIC Housing Finance Limited and Yes Bank Limited is subject to floating rate of interest based on MCLR, while the borrowings from the related entities carry interest at a fixed rates.

Interest sensitivity analysis	Outstanding Loan facility subject to floating rates	Increase/ decrease in basis points	Effect on profit before tax
For the year ended 31 March 2020			
Increase in base points	17,429.78	+50	87.15
Decrease in base points	17,429.78	-50	(87.15)
For the year ended 31 March 2019			
Increase in base points	16,436.03	+50	82.18
Decrease in base points	16,436.03	-50	(82.18)

(ii) Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's net investments in foreign subsidiaries.

(iii) Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company's Board of Directors reviews and approves all Investment decisions.

34.2 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.

Trade receivables

(i) Sale of units (Villas/ Villaments & Apartments):

Customer credit risk is managed by "CRM team" subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer dues with respect to Customers demands are regularly monitored for proactive actions.

(ii) Development Management Fees:

Apart from real estate activities, the Company also provides Project Development services. The Trade Receivables includes dues from these activities aggregated to Rs. 404.02 lakhs (2019: Rs 499.04 lakhs)

An impairment analysis is performed at each reporting date on an individual basis for these entities. The Company does not hold collaterals as security. The Company evaluates the concentration of risk with respect to trade receivables as Nil, as its customers are related and are part of the same group and with respect of sale of flats & villas the sale deed is executed only after the realisation.

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

34.3 Liquidity risk

The Company monitors its risk of a shortage of funds regularly and is directly monitored by CFO of the company .
The Company's objective is to maintain balance between continuity of funding and flexibility through the use of bank loans and Debt Preference Shares.

The management expects to renew/rollover all of the short term debts/borrowings that are falling due in next 12 months. Further the Company is confident of increased operational cash inflows from bookings of flats/villas/apartments and is also ensured of continued support from its Holding/ Associates Companies and the Promoters.

The management also obtained consent from the preference shareholders for extension of the redemption of preference shares which are due for redemption on 31 March 2020. These preference shares are now due for redemption on 31 March 2025.

34.4 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to ensure their ability to continue as going concern and 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 table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2020:

Particulars	On demand	< 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings *(Incl. Debt portion of Preference Shares)*	600.31	-	1,548.88	20,577.55	2,072.81	24,799.55
Trade payables	34.30	423.50	1,229.77	40.07	-	1,727.64
Lease liabilities	-	24.21	72.64	321.59	139.22	557.67
Other financial liabilities	8.93	16.13	161.53	-	1,015.40	1,202.00
Total	**643.54**	**463.84**	**3,012.82**	**20,939.21**	**3,227.43**	**28,286.85**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2019:

Particulars	On demand	< 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings *(Incl. Debt portion of Preference Shares)*	542.02	2,826.08	2,140.34	6,369.05	10,427.84	22,305.33
Trade payables	0.65	849.50	244.22	66.97	-	1,161.34
Other financial liabilities		108.81	0.56	0.33	42.27	151.98
Total	**542.66**	**3,784.40**	**2,385.13**	**6,436.36**	**10,470.11**	**23,618.66**

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

35 Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments

Financial Assets

Particulars	Carrying value	
	As at 31 March 2020	As at 31 March 2019
Financial assets carried at fair value through profit or loss		
Quoted mutual funds	9,461.17	8,827.06
Preference Shares held in Associate Company	672.00	696.25
Financial assets carried at amortised cost		
Interest accrued and due	33.72	33.72
Interest accrued and not due	5.43	5.09
Expenses Recoverable - Related parties	192.99	189.23
Unbilled Revenue - Service contracts	90.00	173.93
Net investment (sub-lease)	201.07	-
Security deposits	31.00	28.76
Loan to Subsidiary	5,227.01	2,917.56
Trade Receivables	580.36	618.52
Cash and bank balances	680.18	685.50
Advance to employees	10.95	9.44
Financial assets carried at cost		
Investments in Associate	1,896.16	1,896.16
Security deposits	47.02	28.44
Total	**19,129.06**	**16,109.67**

Financial liabilities

Particulars	Carrying value	
	As at 31 March 2020	As at 31 March 2019
Financial liabilities carried at amortised cost		
LIC Housing Finance Limited	16,419.59	15,425.84
Yes Bank Limited	-	1,010.19
Preference shares (debt portion)	1,058.66	928.51
Security deposit towards sub lease	-	12.93
Inter corporate deposits	6,311.11	2,630.80
Deferred Rental on security deposits	-	14.36
Current maturity of long term loans	1,010.19	2,309.99
Refundable deposit	1,000.00	-
Lease liability including current portion	557.67	-
Other payable to related parties	37.31	11.67
Other deposits	14.96	14.96
Dues to employees	149.28	97.14
Trade payables	1,728.08	1,162.26
Total	**28,286.85**	**23,618.66**

Other Notes:

(i.) The management assessed that cash and cash equivalents, other bank balances, trade receivables, retention money, inter corporate deposits, loan to related party and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(ii.) The following methods and assumptions were used to estimate the fair values:

(a.) The fair values of the unquoted Preference shares have been estimated using a DCF model and considering the future cash outflow in this regard, based on a independent valuation . 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 Preference shares.

(b.) The fair values of the Company's interest-bearing borrowings and loans approximates to their carrying amounts i.e., cost as at the end of the reporting year. The own non-performance risk as at reporting was assessed to be insignificant.

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36 Fair 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:

Assets:	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments in Mutual funds	9,461.17	9,461.17	-	-
	(8,827.06)	(8,827.06)	-	-
Preference shares held in Associate	672.00	-	-	672.00
	(696.25)	-	-	(696.25)

(i.) Amounts in the parenthesis represent previous year.

(ii.) There have been no transfers between Level 1 and Level 3 during the year.

This space has been intentionally left blank

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37 Gratuity (Employment benefit plan)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current	Non-current	Current	Non-current
Value of Plan - Gratuity (Un-Funded)	1.16	31.97	2.91	38.59

Gratuity:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

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:

(i.) **Net employee benefit expense (recognized in Employee Cost) for the year ended:**

Particulars	As at 31 March 2020	As at 31 March 2019
Current Service Cost	10.47	11.31
Net Interest Cost	3.00	2.60
Expense recognised in profit and loss statement	**13.47**	**13.91**

(ii.) **Actuarial (gain)/loss on obligation:**

Particulars	As at 31 March 2020	As at 31 March 2019
(Gain)/loss from change in demographic assumptions	0.28	-
(Gain)/loss from change in financial assumptions	(4.86)	(0.05)
Experience (gains) / losses	4.65	(5.35)
Total actuarial (gain)/loss	**0.08**	**(5.40)**

(iii.) **Other comprehensive income**

Particulars	As at 31 March 2020	As at 31 March 2019
Actuarial (Gain)/Loss recognized for the period	0.08	(5.40)
Asset limit effect	-	-
Return on Plan Assets excluding net interest	-	-
Unrecognized Actuarial (Gain)/Loss from previous period	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	**0.08**	**(5.40)**

(iv.) **Changes in the present value of the defined benefit obligation are, as follows:**

Particulars	As at 31 March 2020	As at 31 March 2019
Opening defined obligation	41.50	36.61
Current service cost	10.47	11.31
Interest cost	3.00	2.60
Contribution paid	(21.91)	(3.63)
Actuarial (gain)/ loss on obligations	0.08	(5.40)
Defined benefit obligation	**33.14**	**41.50**

(v.) **The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:**

Particulars	As at 31 March 2020	As at 31 March 2019
Mortality	IALM (2012-14) Ult.	IALM (2006-08) Ult.
Interest / Discount Rate	6.77%	7.50%
Rate of increase in compensation	First two years - 8% 3rd year onwards - 6.5%	9%
Expected average remaining service	15.66	8.7
Benefit of normal retirement considered as per Payment of Gratuity Act, 1972	Rs. 20 Lakhs	Rs. 20 Lakhs
Employee Attrition Rate (Past Service)	PS: 0 to 18 years : 3% PS: 18 to 30 years : 2% PS: 30 to 42 years : 1%	PS: 0 to 40 years: 8%

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

(vi.) **A quantitative sensitivity analysis for significant assumption as at the reporting date is as shown below:**

Gratuity Plan	As at 31 March 2020		As at 31 March 2020	
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	+1% increase	-1% decrease	+1% increase	-1% decrease
Impact on defined benefit obligation	30.11	36.75	36.02	30.67

Gratuity Plan	As at 31 March 2019		As at 31 March 2019	
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	+1% increase	-1% decrease	+1% increase	-1% decrease
Impact on defined benefit obligation	39.20	44.11	43.95	39.30

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.

(vii.) **The following payments are expected contributions to the defined benefit plan in future years:**

Particulars	As at 31 March 2020	As at 31 March 2019
Within the next 12 months	1.16	2.91
Between 2 and 5 years	17.78	28.91
Between 5 and 10 years	4.40	9.19
Total expected payments	**23.35**	**41.01**

Note: The above disclosures are based on the valuation report by an independent actuary and relied upon by the auditors.

38 Segment Information

Information regarding Operating Segment Reporting as per Ind AS-108

The Chief Financial Officer monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Company has identified only one segment i.e., real estate sector as its reportable segment for the purpose of Ind AS 108.

Real Estate segment (RE) is into development, sale, management and operation of all or any part of townships, housing projects, including leasing of self owned commercial premises and also rendering development management services and thus entire business has been considered as a single operating component by the Management.

38.1 The following table presents assets and liabilities information for the Company's operating segments as at year end:

Geographical information	Non-current assets		Revenue from operations	
	As at 31 March 2020	As at 31 March 2019	for the year ended 31 March 2020	for the year ended 31 March 2019
India	1,329.89	1,265.60	2,613.85	1,785.30
Outside India (Dubai)	-	-	90.00	400.00
	1,329.89	**1,265.60**	**2,703.85**	**2,185.30**

Note:

Non-current assets disclosed above are excluding Investment in subsidiaries & Associates, financial instruments, deferred tax assets, post-employment benefit assets etc.

38.2 Revenue from the customers contributing more than 10% of the total revenue are given below:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Customer A	-	139.51
Customer B	-	270.38
Customer C	-	400.00
Total	**-**	**809.89**

Note:

There are no customers who individually contribute more than 10% of the total revenue of the Company. Accordingly, no disclosures has been made in this regard.

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

39 **Disaggregation of revenue**

Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019	
	India	Outside India	India	Outside India
Sale of residential units	2,275.08	-	1,346.57	-
Development management fees	220.02	90.00	232.51	400.00
Sales Commission on sale of plots/residential units	38.10	-	177.37	-
Maintenance charges	75.67	-	1.07	-
Other Operating revenue	4.99	-	27.78	-
Total	**2,613.85**	**90.00**	**1,785.30**	**400.00**

40 Accounts of most of the trade payables, trade receivables, loans & advances and customer advances are subject to confirmation and management does not except any material adjustments had the confirmation were received. In the opinion of the Management none of the assets, other than property plant and equipment, have a value lower on realisation in the ordinary course of business than the amount at which they are stated in these financial statements.

Signatures to notes 1-2 & 29-40

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

For and behalf of the Board of Directors of
Zuari Infraworld India Limited

R S RAGHAVAN
Director
DIN:00362555

Place: Gurgoan.
Date: 11 June, 2020

ALOK BANERJEE
Director & CEO
DIN: 01371033

Place: Bangalore
Date: 11 June, 2020.

ANSHUL A. BANSAL
Chief Financial Officer

Nishu Kakkar
NISHU KAKKAR
Company Secretary
M.No. A-46334

As per our report of the even date attached
For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

Srinivas. K. P.
K P SRINIVAS
Partner
M. No. 208520

Place: Bangalore
Date: 24/6/2020

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ZUARI INFRAWORLD INDIA LIMITED

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Varma & Varma

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of,
Zuari Infraworld India Limited,
Bangalore

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Zuari Infraworld India Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries listed in Annexure I (Holding Company and its subsidiaries together referred to as "the Group") and its associates listed in Annexure I, which comprise the consolidated Balance Sheet as at 31 March 2020, the consolidated Profit and Loss statement (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31 March 2020, of consolidated loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group and its associates in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

1. We draw attention to Note 7.7 of the consolidated financial statements for the year ended 31 March 2020 regarding the advances paid to a sub-contractor aggregating to Rs 2,246.49 lakhs and interest accrued on the same for Rs. 33.72 lakhs 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.

2. We draw attention to Note 7.4 of the consolidated financial statements for the year ended 31 March 2020 regarding advance payments aggregating to Rs.639.61 lakhs to an agent under the Development Management Agreement, against whom Corporate Insolvency Resolution Process has been initiated by one of its operating creditor. 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.

3. We draw attention to Note No. 32 of the consolidated financial statements, which describes the evaluation of the impact of Global pandemic COVID-19 carried out by the management of the company on the company's business operations, financial position, carrying value of various assets including investment in subsidiaries and the uncertainties associated with such an evaluation in the present circumstances and that the impact may be different from that assessed as at the date of approval of these financial statements.

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4. We draw attention to Note 8.4 and 32 of the consolidated financial statements and the following Emphasis of Matter paragraph included in the aforesaid audit report on the consolidated financial statements of Zuari Infra Middle East Limited, a wholly owned foreign subsidiary, issued by an independent firm of Chartered Accountants 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 11 and 30 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, 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 out before the end of 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."

   Our opinion is not modified in respect of above matters.

Other Information

The Holding Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board of Directors report but does not include the consolidated financial statements and our auditor's report thereon.
Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities 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 intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs 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 consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities 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 consolidated 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 jointly controlled entities to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by 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.

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We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

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

Other Matter

We did not audit the consolidated financial statements of one subsidiary, which consists of itself, it's subsidiary, one joint venture and a subsidiary of that joint venture, all of which are incorporated outside India, whose consolidated financial statements reflect total assets of Rs. 36,176.16 lakhs as at 31st March 2020, total revenues of Rs. 415.42 lakhs and net cash out flows amounting to Rs. 15.28 lakhs for the year ended on that date, as considered in the consolidated financial statements. These consolidated financial statements of the subsidiary have been audited by the auditors of that subsidiary.

The consolidated financial statements also include the Group's share of net loss of Rs. 1.75 lakhs for the year ended 31st March 2020, as considered in the consolidated financial statements, in respect of three associates to the extent recognised as detailed in Note 4.1, whose financial statements have not been audited by us. These financial statements of the associates have been audited by the auditors of those associates.

The reports of the auditors of the subsidiary and associates as mentioned above, 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 and associates, 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 and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, 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 purposes 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 Consolidated Balance Sheet, the Consolidated Profit and Loss Statement, the consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement 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.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

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(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its associate companies incorporated in India, none of the directors of the Group companies, its associate companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure A**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the provisions of section 197 of the Act is to the extent applicable with respect to managerial remuneration paid during the year and this is subject to approval of the shareholders in the ensuing annual general meeting.

(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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates– Refer Note 30 to the consolidated financial statements.

(ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its associate companies incorporated in India.

for **VARMA & VARMA**
Chartered Accountants
FRN 004532S

Srinivas. K. P.
K P SRINIVAS
Partner
M. No. 208520
UDIN: 20208520AAAAHU6861

Place: Bangalore
Date : 24/6/2020

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in Clause (g) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors Report of even date on the Consolidated financial statements of Zuari Infraworld India Limited for the year ended 31st March, 2020.

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, We have audited the internal financial controls over financial reporting of Zuari Infraworld India Limited (hereinafter referred to as "the Holding Company") and its associate companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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 Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

VARMA & VARMA BANGALORE CHARTERED ACCOUNTANTS

424, 4th C Main, 6th Cross, OMBR Layout, Banaswadi, Bangalore 560043
Tel : +91+80+42444999, Email: bangalore@varmaandvarma.com

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its associate companies which are companies incorporated in India, have, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company including basis of allocating expenses to various projects 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 Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to three associate companies, which are companies incorporated in India, is based on the corresponding reports of the statutory auditors of such companies incorporated in India.

for **VARMA & VARMA**
Chartered Accountants
FRN 004532S

VARMA & VARMA BANGALORE CHARTERED ACCOUNTANTS

Srinivas. k.p.
K P SRINIVAS
Partner
M. No. 208520

Place: Bangalore
Date : 24/6/2020

424, 4th C Main, 6th Cross, OMBR Layout, Banaswadi, Bangalore 560043
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Annexure-I

List of entities included in the Consolidated financial statements for the year ended 31 March 2020:

Zuari Infra Middle East Limited, UAE	Wholly owned subsidiary
Zuari Infraworld SJM Properties LLC, UAE	Step Down Subsidiary
Brajbhumi Nirmaan Private Limited	Associate
Pranati Niketan Private Limited	Associate
Darshan Nirmaan Private Limited	Associate
Rosewood Agencies Private Limited	Subsidiary of Associate
Neobeam Agents Private Limited	Subsidiary of Associate
Mayapur Commercial Private Limited	Subsidiary of Associate
Nexus Vintrade Private Limited	Subsidiary of Associate
Bahubali Tradecomm Private Limited	Subsidiary of Associate
Hopeful Sales Private Limited	Subsidiary of Associate
Divine Realdev Private Limited	Subsidiary of Associate
Kushal Infraproperty Private Limited	Subsidiary of Associate
Beatle Agencies Private Limited	Subsidiary of Associate
Suhana Properties Private Limited	Subsidiary of Associate
Saket Mansions Private Limited	Subsidiary of Associate

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ZUARI INFRAWORLD INDIA LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 March 2020
(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

	Note No.	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
(a.) Property, plant and equipment	3.1	290.91	234.42
(b.) Other intangible assets	3.2	0.99	1.36
(c.) Right-of-use assets	3.3	213.92	-
(d.) Goodwill on consolidation		58.75	58.75
(e.) Financial assets:			
(i.) Investments	4	12,418.90	11,810.79
(ii.) Other financial assets	6.1	33.40	59.91
(f.) Income tax assets (net)		43.96	51.38
(g.) Other assets	7.1	5,196.42	5,031.21
		18,257.24	**17,247.82**
Current assets			
(a.) Inventories	8	58,785.94	48,477.42
(b.) Financial assets			
(i.) Trade receivables	9	460.16	523.21
(ii.) Loans	5	288.40	-
(iii.) Cash and bank balances	10	686.77	706.40
(iv.) Other financial assets	6.2	526.48	451.59
(c.) Other assets	7.2	3,550.53	3,604.57
		64,298.29	**53,763.19**
		82,555.53	**71,011.01**
EQUITY AND LIABILITIES			
Equity			
(a.) Equity share capital	11	4,655.00	4,655.00
(b.) Other equity	12	8,477.51	8,922.35
		13,132.51	**13,577.35**
Liabilities			
Non-current liabilities			
(a.) Financial liabilities			
(i.) Borrowings	13.1	50,121.83	41,949.73
(ii.) Lease liabilities	14.1	491.75	-
(iii.) Trade payables	15.1		
total outstanding dues of micro enterprises and small enterprises		-	-
total outstanding dues of creditors other than micro enterprises and small enterprises		40.07	39.01
(iv.) Other financial liabilities	16.1	-	253.68
(b.) Provisions	17.1	44.33	53.72
(c.) Deferred tax liability (net)	18	270.40	219.83
		50,968.37	**42,515.98**
Current liabilities			
(a.) Financial liabilities			
(i.) Borrowings	13.2	1,198.54	1,642.30
(ii.) Lease liabilities	14.2	65.92	-
(iii.) Trade payables	15.2		
total outstanding dues of micro enterprises and small enterprises		2.08	4.56
total outstanding dues of creditors other than micro enterprises and small enterprises		4,854.55	1,169.80
(iv.) Other financial liabilities	16.2	3,540.84	3,509.12
(b.) Other liabilities	19	8,746.21	8,546.64
(c.) Provisions	17.2	46.51	45.26
		18,454.64	**14,917.68**
		82,555.53	**71,011.01**

The accompanying notes form an integral part of the consolidated financial statements

For and behalf of the Board of Directors of
Zuari Infraworld India Limited

R S RAGHAVAN
Director
DIN:00362555

Place: Gurgoan
Date: 11 June, 2020

ALOK BANERJEE
Director & CEO
DIN: 01371033

Place: Bangalore
Date: 11 June, 2020

ANSHUL A. BANSAL
Chief Financial Officer

Nishu Kakkar
NISHU KAKKAR
Company Secretary
M.No. A-46334

As per our report of even date attached
For VARMA & VARMA
Chartered Accountants
FRN 004532S

Srinivas. K. P.
K P SRINIVAS
Partner
M. No. 208520

Place: Bangalore
Date: 24/6/2020

VARMA & VARMA BANGALORE CHARTERED ACCOUNTANTS

ZUARI INFRAWORLD INDIA LIMITED

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from operations	20	2,613.85	1,785.30
Other income	21	1,071.63	906.56
Total Income		**3,685.48**	**2,691.86**
EXPENSES:			
Purchase of materials, sub contract charges and other project costs	22	12,385.28	12,619.20
Changes in construction work-in-progress	23	(10,354.13)	(11,326.68)
Employee benefit expenses	24	282.54	130.84
Finance costs	25	789.75	1,065.28
Depreciation and amortization expense	26	94.35	42.39
Other expenses	27	594.33	688.85
Total expenses		**3,792.11**	**3,219.87**
Loss before share profit/(loss) in associates and tax expense		**(106.63)**	**(528.01)**
Loss before share in net profit/(loss) of associates		(1.75)	(20.26)
Loss before tax expense		**(108.38)**	**(548.27)**
Tax expense	28		
Current tax expense		60.28	4.00
Tax expense of earlier years		9.63	2.60
Deferred tax		78.97	139.41
Total tax Expense		**148.88**	**146.00**
Loss for the year		**(257.26)**	**(694.28)**
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Exchange differences arising on translation of foreign operations		**(106.73)**	**(55.23)**
Remeasurement of defined benefit plans (Gratuity)		(0.08)	5.40
Deferred tax on above defined benefit plans		0.02	(1.40)
Total Other Comprehensive Income		**(106.79)**	**(51.24)**
Total Comprehensive Income for the year		**(364.05)**	**(745.51)**
Earning per equity share (in Rs.)	31		
Basic & Diluted		(0.55)	(1.49)
Weighted average number of shares used in computing Earnings per share		4,65,50,000	4,65,50,000

The accompanying notes form an integral part of the consolidated financial statements

For and behalf of the Board of Directors of
Zuari Infraworld India Limited

R S RAGHAVAN
Director
DIN:00362555

Place: Gurgaon
Date: 11 June, 2020

As per our report of even date attached
For VARMA & VARMA
Chartered Accountants
FRN 004532S

Srinivas. K.P.

K P SRINIVAS
Partner
M. No. 208520

Place: Bangalore
Date: 24/6/2020

ALOK BANERJEE
Director & CEO
DIN: 01371033

Place: Bangalore
Date: 11 June, 2020

ANSHUL A. BANSAL
Chief Financial Officer

Nishu Kakkar
NISHU KAKKAR
Company Secretary
M.No. A-46334

VARMA & VARMA * BANGALORE * CHARTERED ACCOUNTANTS

ZUARI INFRAWORLD INDIA LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

	Note No	As at 31 March 2020	As at 31 March 2019
A. Equity share capital	11	**4,655.00**	**4,655.00**

B. Other equity

	Securities premium account	Equity Component of convertible preference shares	Retained earnings	OCI Reserve (Foreign Currency Translation reserve)	Total
Balance as at 1 April 2018	10,305.00	415.96	(674.19)	1.86	10,048.62
Adjustment pursuant to adoption of Ind AS 115	-	-	(514.53)	-	(514.53)
Income tax effect on above adjustment	-	-	133.78	-	133.78
Balance as at 1 April 2018 after adj. under Ind AS 115	**10,305.00**	**415.96**	**(1,054.95)**	**1.86**	**9,667.87**
Profit for the year	-	-	(694.28)	-	(694.28)
Remeasurement of defined benefit obligations	-	-	4.00	-	4.00
Adjustments for foreign currency translation	-	-	-	(55.23)	(55.23)
Balance as at 31 March 2019	**10,305.00**	**415.96**	**(1,745.23)**	**(53.38)**	**8,922.35**
Adjustment pursuant to adoption of Ind AS 116	-	-	(109.18)	-	(109.18)
Income tax effect on above adjustment	-	-	28.39	-	28.39
Balance as at 1 April 2019 after adj. under Ind AS 116	**10,305.00**	**415.96**	**(1,826.02)**	**(53.38)**	**8,841.56**
Profit for the year	-	-	(257.26)	-	(257.26)
Remeasurement of defined benefit obligations	-	-	(0.06)	-	(0.06)
Adjustments for foreign currency translation	-	-	-	(106.73)	(106.73)
Balance as at 31 March 2020	**10,305.00**	**415.96**	**(2,083.34)**	**(160.11)**	**8,477.51**

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

For and behalf of the Board of Directors of
Zuari Infraworld India Limited

R S RAGHAVAN
Director
DIN:00362555

Place: Gurgoan
Date: 11 June, 2020

ALOK BANERJEE
Director & CEO
DIN: 01371033

Place: Bangalore
Date: 11 June, 2020

ANSHUL A. BANSAL
Chief Financial Officer

Nishu Kakkar
NISHU KAKKAR
Company Secretary
M.No. A-46334

As per our report of even date attached
For VARMA & VARMA
Chartered Accountants
FRN 004532S

Srinivas. K. P.
K P SRINIVAS
Partner
M. No. 208520

Place: Bangalore
Date: 24/6/2020

VARMA & VARMA * BANGALORE * CHARTERED ACCOUNTANTS

ZUARI INFRAWORLD INDIA LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020
(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

		For the year ended 31 March 2020	For the year ended 31 March 2019
I.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Profit for the year	**(108.38)**	**(548.27)**
	Adjustments to reconcile profit and loss to net cash provided by operating activities:		
	Depreciation & amortisation expense	125.19	51.88
	Foreign currency translation reserve	(121.68)	(55.23)
	Interest Income	(43.42)	(24.48)
	Balances written-off	1.15	11.55
	Net gain on investments	(610.46)	(820.10)
	Interest expense	5,195.30	8,092.49
	Fair value adjustment to security deposits, net.	(2.24)	(1.23)
	Re-measurement gains on defined benefit plans through OCI	(0.08)	5.40
	Exchange difference on cash and cash equivalents	0.52	(1.20)
	Adjustments for share of loss in subsidiary	1.75	20.26
	Operating Profit/(Loss) before working Capital Changes	**4,437.65**	**6,731.07**
	Adjustment for net changes in:		
	Trade receivables	63.06	1,582.94
	Financial and other assets	42.61	7,006.78
	Inventories	(10,308.52)	(19,274.25)
	Trade payables	3,582.31	(235.04)
	Provisions	(8.15)	32.33
	Financial and other liabilities	1,141.70	(2,599.58)
	Net cash generated from operations	**(1,049.34)**	**(6,755.75)**
	Direct taxes paid (net of refund incl. Interest on refund)	(62.49)	76.38
	Net cash generated from operating activities	**(1,111.83)**	**(6,679.37)**
II.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Additions to property, plant and equipment	(123.57)	(10.78)
	Investments in Mutual Funds	(3,774.60)	(5,526.25)
	Proceeds from sale of Investments in Mutual Funds	3,775.21	7,250.51
	Fixed deposits with bank	-	(500.00)
	Loan given by subsidiary to its associate	(288.40)	-
	Receipts from net investment in right-of-use assets	42.94	-
	Interest received	5.26	0.64
	Net cash from Investing activities	**(363.17)**	**1,214.12**
III.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Borrowings, net of repayments	6,298.39	11,829.52
	Interest Paid (including amount transferred to work-in-progress)	(4,880.65)	(6,633.76)
	Net cash used in financing activities	**1,417.74**	**5,195.76**
	Net Changes in Cash and Cash equivalents during the year	**(57.27)**	**(269.49)**
	Exchange difference on cash and cash equivalent	**(0.52)**	1.20
	Cash and Cash equivalents at the beginning of the year	206.40	474.69
	Cash and Cash equivalents at the end of the year (Refer Note 10)	**148.62**	**206.40**

VARMA & VARMA
BANGALORE
CHARTERED ACCOUNTANTS

(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

	For the year ended 31 March 2020	For the year ended 31 March 2019

Disclosure pursuant to Ind-AS 7 as amended:

Particulars	As at 01 April 2019	Cash Flow	Trf. to Securities Premium	Non-Cash Adj. *(fair value adjustments)*	As at 31 March 2019
Redeemable Preference	928.51	-	-	130.15	1,058.66
Shares (Debt portion)	(814.76)	-	-	(113.75)	(928.51)

Cash flows from operating activities are reported using the indirect method.

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached
For VARMA & VARMA
Chartered Accountants
FRN 004532S

Srinivas K.P.
K P SRINIVAS
Partner
M. No. 208520

Place: Bangalore
Date: 24/6/2020

For and behalf of the Board of Directors of
Zuari Infraworld India Limited

R S RAGHAVAN
Director
DIN:00362555

Place: Gurgoan
Date: 11 June, 2020

ALOK BANERJEE
Director & CEO
DIN: 01371033

ANSHUL A. BANSAL
Chief Financial Officer

Nishu Kakkar
NISHU KAKKAR
Company Secretary
M.No. A-46334

Place: Bangalore
Date: 11 June, 2020

VARMA & VARMA
BANGALORE
CHARTERED ACCOUNTANTS

1 Corporate information:

The Consolidated Ind AS financial statements of Zuari Infraworld India Limited [CIN: U45309KA2007PLC043161] and its Subsidiary ("hereinafter collectively referred as the "Company" / the "Group") and its associates are for the year ended 31 March 2018. The Company is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Group's primary business is pre-dominantly into the business of developing long term real estate projects (residential cum commercial property intended for sale).

The consolidated financial statements were approved for issue in accordance with a resolution of the directors passed on meeting held through video conference and other visual means (VC) dated June 11, 2020.

2 Significant accounting policies:

(a.) Basis of preparation

The consolidated financial statements of the group have been prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and in accordance with the reporting requirement under Companies Act, 2013 ("the Act"), to the extent notified.

These Accounting policies have been consistently applied by the group in the preparation and presentation of these financial statements except where a newly issued/ notified accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy which was in use.

Current and Non-current classification
All Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. As the Company is engaged in developing a residential cum commercial project, the normal operating cycle is based on the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has ascertained its operating cycle at least 12 months after the reporting date for the purpose of Current - Non-current classification of assets and liabilities, which is considered appropriate.

The consolidated financial statements are presented in Indian Rupees and all the amounts disclosed in the financial statements have been rounded off to the nearest lakhs pursuant to the requirements of schedule III of the Companies Act, 2013., except when otherwise indicated.

(b.) Basis of consolidation
The consolidated financial statements comprise the financial statements of the Parent Company, its subsidiaries, and its associates 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

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

(c.) Consolidation procedure

These consolidated financial statements have been prepared following the below mentioned procedures:

(1.) Subsidiary has been consolidated on a line-by-line basis by combining together the book values of the like items of assets, liabilities, income, expenses, and cash flows of the parent with those of its subsidiary, offsetting (eliminating) the carrying amount of the parent's investment in subsidiary and the parent's portion of equity of each subsidiary and after eliminating all significant intra-group balances and intra-group transactions and also unrealized profits or losses.

(2.) Interests in the assets, liabilities, income and expenses of the Associates over which the Group has significant influence but not control have been consolidated using Equity method. Under the equity method of accounting , the investment in an associate is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

(3.) The difference of the cost to the Group of its investment in Subsidiary over its proportionate share in the equity of the investee Group as at the date of acquisition of stake is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be. While in the case of Associates such Goodwill or Capital Reserve is adjusted to the carrying value of investments.

(4.) The intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (including profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets) are eliminated in full. Intragroup losses indicating an impairment are recognised in the consolidated financial statements. Pursuant to Ind AS12 on Income Taxes the temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions are recognised.

VARMA & VARMA BANGALORE CHARTERED ACCOUNTANTS

(5.) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. However the minority interests has been restricted to zero on the transition date i.e. April 1, 2015 using the exemption provided by the Ind AS 101 and the accumulated losses attributable to the 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 Parent Company.

(6.) The financial statements of the group entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group i.e. year ended 31 March 2020.

List of Subsidiaries and Associates considered for consolidation:

(A) Following Wholly Owned Foreign Subsidiary has been consolidated on line by line basis:

Name of the Group	Country of Incorporation	Share of Ownership Interest as at 31 March 2020	Share of Ownership Interest as at 31 March 2019
Zuari Infra Middle East Limited	Dubai, UAE	100.00%	100.00%

The information relating to the subsidiary of Zuari Infra Middle East Limited is given below

Name of the Group	Country of Incorporation	Share of Ownership Interest as at 31 March 2020	Share of Ownership Interest as at 31 March 2019
Zuari Infraworld SJM Properties LLC (Refer Note below)	UAE	100.00%	100.00%

Note: Shareholding in Zuari Infraworld SJM Properties LLC includes 51% held by a nominee shareholder as per the Shareholders Agreement dated 18 August 2014. As per the terms of this agreement Zuari Infra Middle East Limited has complete control over the management and accordingly this Company has been considered as a subsidiary with 100% interest and thus consolidated. The paid up share capital corresponding to the 51% interest has been included under other current liabilities, which is considered appropriate by the Management.

Going Concern

As per the consolidated financial statement for the year ended 31 March 2020 of Zauri Infra Middle East Limited, a subsidiary and also as detailed in Note 4.6, although accumulated losses amounted to more than 50% of the subsidiary's paid up share capital, the accompayning consolidated financial statements have been prepared on the basis that the group will continue as a going concern. The Management of the subsidiary company has considered subsidiary company as a going concern for the following reasons:

(a) The parent entities and JV Partners have resolved not to dissolve the group and continue its operations availing funding from the banks and or venture capital against the securities of the parent entities.

(b) The management will obtain the approvals for the project which were lapsed due to significant delays in commencment of project, submitting required applications and documents.

(c) The parent entities have full confidence in the successful completion of the project and have agreed to provide and or make an alternative financial and the business arrangements for the successful completion of the project and to meet with its financial requirements.

(d) The management is confident about off plan sale of units under new brand name by the second half of the financial year to end 31 March 2022 enabling the group to generate cash flow to meet with the development cost.

(e) The existing creditors and lendor of unsecured loans have agreed to extend their support and once the project construction work is commenced, the creditors support will be further gained.

(f) As per the revised forecast prepared by the management, the operating and financial performance are positive and profitable.

(g) Key executive management is in place with the company ans its parent entities and upon commencement of the additional project manager / officials will be inducted.

(h) There are no changes in government legislationthat may adversely affect the company.

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(B) Following investments in Associates have been consolidated using Equity Method of Accounting:

Name of the Group	Country of Incorporation	Share of Ownership Interest as at 31 March 2020	Share of Ownership Interest as at 31 March 2019
Brajbhumi Nirmaan Private Limited * [based on consolidated financial statements including its subsidiaries is given below]	India	25%	25%
Pranati Niketan Private Limited	India	25%	25%
Darshan Nirmaan Private Limited	India	25%	25%

* As at 31 March 2020, Brajbhumi Nirmaan Private Limited holds 50% (2019: 50%) each in Pranati Niketan Private Limited and Darshan Nirmaan Private Limited respectively.

The information relating to the subsidiaries of Brajbhumi Nirman Private Limited (BNPL), an associate are given below:

Name of the Group	Country of Incorporation	Share of Ownership Interest as at 31 March 2020	BNPL's share of Ownership Interest as at 31 March 2020
Rosewood Agencies Private Limited	India	100.00%	25.00%
Neobeam Agents Private Limited	India	100.00%	25.00%
Mayapur Commercial Private Limited	India	100.00%	25.00%
Nexus Vintrade Private Limited	India	100.00%	25.00%
Bahubali Tradecomm Private Limited	India	100.00%	25.00%
Hopeful Sales Private Limited	India	100.00%	25.00%
Divine Realdev Private Limited	India	100.00%	25.00%
Kushal Infraproperty Private Limited	India	100.00%	25.00%
Beatle Agencies Private Limited	India	100.00%	25.00%
Suhana Properties Private Limited	India	100.00%	25.00%
Saket Mansions Private Limited	India	100.00%	25.00%

Name of the Group	Country of Incorporation	Share of Ownership Interest as at 31 March 2019	BNPL's share of Ownership Interest as at 31 March 2019
Rosewood Agencies Private Limited	India	100.00%	25.00%
Neobeam Agents Private Limited	India	100.00%	25.00%
Mayapur Commercial Private Limited	India	100.00%	25.00%
Nexus Vintrade Private Limited	India	100.00%	25.00%
Bahubali Tradecomm Private Limited	India	100.00%	25.00%
Hopeful Sales Private Limited	India	100.00%	25.00%
Divine Realdev Private Limited	India	100.00%	25.00%
Kushal Infraproperty Private Limited	India	100.00%	25.00%
Beatle Agencies Private Limited	India	100.00%	25.00%
Suhana Properties Private Limited	India	100.00%	25.00%
Saket Mansions Private Limited	India	100.00%	25.00%

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(d.) Use of accounting estimates, accounting judgements, and assumptions:

Preparation of these financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. Such estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year.

The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of such assumptions in these financial statements have been disclosed in the ensuing notes. Accounting estimates could change from year to year and also actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding these estimates. Changes in estimates are reflected in the financial statements in the year in which changes are made and their effects, if material, are disclosed by way of notes to the financial statements.

Significant accounting judgements, estimates and assumptions :

(i.) **Useful life of Property, plant & equipment:**
The determination of estimated useful lives and expected residual values are based on the technical evaluation carried by the Company and these are reviewed by the Management of the Company at each reporting date.

(ii.) **Impairment of financial assets and evaluation of impairment indicators:**
The evaluation of applicability of impairment indicators for an assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. As at the balance sheet date based on the historical default rates absorbed over the expected useful life, the Management assess the fair value of various financial assets and liabilities and their resultant fair values.

(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 cost of disposal and its value in use. The calculation of fair value less costs of disposal is based on available data from binding sales transaction conducted at arms' length for similar assets or observable market prices / guidance value less incremental cost for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from budget for the future years and do not include any restricting activities not committed for or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rates used for the DCF model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

(iv.) **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, which may or may not occur.

(v.) **Construction work-in-progress**
The Company holds inventories stated at the lower of cost and net realisable value. Such inventories include land, work in progress and completed units. Considering the nature of the activity and, in particular the scale of its developments and the length of the development cycle, the Company has to allocate project-wide development costs between units being built. It also has to forecast the costs to complete on such developments.

In making such assessments and allocations, there is a degree of inherent estimation uncertainty; in particular due to the need to take account of future direct input costs, sales prices and the need to allocate project-wide costs on an appropriate basis to reflect the overall level of development risk, including planning risk. The Company has established internal controls designed to effectively assess and review inventory carrying values and ensure the appropriateness of the estimates made. These assessments and allocations evolve over the life of the development in line with the risk profile, and accordingly the margins reflects these evolving estimates. Similarly, these estimates impact the carrying value of inventory at each reporting date as this is a function of costs incurred in the year and the allocation of inventory to costs of sales on each property sold.

(vi.) **Defined benefit plans (gratuity benefits)**
The cost of the defined benefit gratuity plan 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.

(vii.) **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.

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(viii.) **Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 on Leases. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

(e.) Property, plant and equipment and Depreciation

(i.) **Property, plant and equipment**

The Property, plant and equipment ('PPE') of the Company are stated at historical cost less accumulated depreciation and impairment losses, if any. The cost comprises of the purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its current working condition for the intended use. Any discounts or rebates are deducted in arriving at the purchase price. Subsequent expenditure related to an item of PPE is added to its book value only if it increased the future benefits from the existing assets beyond its previously assessed standard performance.

Recognition principle:

The cost of an item of property, plant and equipment is recognised as an asset if, and only if:
(i.) it is probable that future economic benefits associated with the item will flow to the Company; and
(ii.) the cost of the item can be measured reliably.

De-recognition principle:

Gain/ (losses) arising from the de-recognition of a PPE are measured as the difference between the net proceeds on disposal and the carrying amount of the PPE. The resultant gain/(losses) are recognised in the Profit or Loss statement when the PPE is de-recognised.

(ii.) **Depreciation**

Depreciation is calculated on the Straight Line basis over the estimated useful life of the PPE after retaining estimated residual value not exceeding 5% of the original cost, except for Leasehold improvements and aluminium panels used for construction. Depreciation on assets used for the project has been considered as part of construction and development cost. 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 considered appropriate.

Upon adoption of Ind AS, the Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e.. 1 April 2015.

The Company has estimated the useful lives which is detailed as under for each category of PPE:

Name of Assets	Useful Lives
Office Equipment	5 years
Plant & Machinery (P&M)	8 years
Furniture & Fixtures	10 years
Computer and servers	5 and 6 years
Motor Vehicles	10 years
Leasehold Improvements	Over the primary lease period (10 years)
Aluminium panel used for construction (P&M)	4 years
Temporary structure	1 year

(f.) Intangible Assets and Amortisation

(i.) **Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Subsequent to initial recognition, the intangible assets are stated at cost less accumulated amortisation and impairment losses, if any.

Recognition:

The cost of an item of intangible asset is recognised as an asset if, and only if:
(i.) it is probable that future economic benefits associated with the item will flow to the Company; and
(ii.) the cost of the item can be measured reliably.

De-recognition:

Gain/ (losses) arising from the de recognition of intangibles are measured as the difference between the net proceeds on disposal and the carrying amount of the intangibles. The resultant gain/(losses) are recognised in the Profit and Loss statement when the intangible asset is de-recognised.

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(ii.) **Amortisation**

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized on the Straight Line basis 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 least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the profit and loss statement unless such expenditure forms part of carrying value of another asset. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets representing computer software is amortised on the straight line basis over a estimated useful economic life of five years.
Upon first-time adoption of Ind AS, the Company had elected to measure all its intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1 April 2015.

(g.) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i.) **The Company as a Lessee:**

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the lease term or useful life of right-of-use asset, whichever is earlier. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 on Leases to short-term leases of all assets that have a lease term of 12 months or leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

(ii.) **The Company as a Lessor:**

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

When the Company 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 Company applies the exemption described above, then it classifies the sub-lease as an operating lease and recognises lease income accordingly.

If an arrangement or contract contains lease and non-lease components, the Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract.

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(iii.) **Transition**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which supersedes the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

The Company has adopted Ind AS 116, effective from the financial year beginning April 1, 2019 and applied the standard to its leases, using the modified retrospective method with cumulative effect of initially applying the standard, recognised on the date of initial application (i.e., April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on 1 April 2019.

Refer note 2(e) – Significant accounting policies – Leases in the consolidated financial statements of the Company for the year ended 31 March 2019, for the accounting policy pursuant to Ind AS 17.

(h.) Impairment

(i.) **Financial assets (other than at fair value)**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ii.) **Non-financial assets (Tangible and intangible assets)**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss statement.

(i.) Borrowing Costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing cost also includes exchange differences, if any to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs that are directly attributable to the construction of development property are capitalized as part of the cost till such time the property is ready for its intended sale. All other borrowing costs are expensed in the year they occur.

Borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and do not qualify for capitalisation. However, the Company does not normally suspend capitalising borrowing costs during a period when it carries out substantial technical and administrative work. The Company also does not suspend capitalising borrowing costs when a temporary delay considering the nature of industry, is a necessary part of the process of getting an asset ready for its intended use or sale.

(j.) Foreign Currency Translation

The Company's financial statements are prepared and presented in Indian Rupees, which is also it's functional currency.

Initial Recognition:
Foreign currency transactions, if any, are recorded at exchange rate prevailing on the date of transaction/ realisation.
Conversion / Reinstatement:
Foreign currency monetary items are translated using the 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).

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(k.) Inventories

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

Inventories (comprising Land under Development and Construction Work-in-Progress) are stated at lower of cost and net realizable value. Cost includes expenses, net of taxes recoverable, specifically attributable to construction and development of property intended for sale. The allocation of common costs is based on the normal level of the activities.

Construction work-in-progress of constructed properties include the cost of land, internal development costs, external development charges, construction costs, overheads, borrowings cost, development/construction materials and is valued lower of cost/estimated cost and net realisable value.

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

(l.) Provisions and Contingent Liabilities

(i.) Provisions

A provision is recognised when the Company has a present obligation as a result of 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 recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the profit and loss statement 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 recognised as a finance cost.

(ii.) 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 recognise a contingent liability but discloses its existence in the financial statements.

(m.) Revenue Recognition

The Company derives revenues primarily from development and sale of residential cum commercial properties and related services, maintenance and consulting. Effective 1 April 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers"using the cumulative effect transition method being applied to contracts that were not completed as of 1 April 2018.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, in writing, to the contract, the parties to contract are committed to perform the irrespective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control over the promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

To determine whether to recognize revenue, the Company follows a five step model as envisaged in Ind AS 115 given below:
Identifying the contract with a customer
Identifying the performance obligations
Determining the transaction price
Allocating the transaction price to the performance obligations
Recognizing revenue when/as performance obligation(s) are satisfied.

(i.) Identify the Contract with Customer

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.

(ii.) Identifying the performance obligations

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)

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(iii.) **Determining the transaction price**
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, existence of any financial component and any other non-cash consideration, 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, the Company recognizes revenue in the amount to which it has a right to invoice.

(iv.) **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. For services that are not provided separately, the standalone selling price is estimated using adjusted market assessment approach.

(v.) **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.

The main revenue streams for Zuari Infraworld India Limited relate are as under:
- Residential cum commercial properties (constructed properties)
- Development Management Services.
- Sales Commission.

Revenue from sale of residential cum commercial properties (constructed properties)
The Company develops and sells residential cum commercial properties. Revenue is recognised when control over the property has been transferred to the customer. The properties have generally no alternative use for the company due to contractual restrictions. Enforceable right to payment does not arise until legal title or posession of the property is deemed to have been passed to the customer. Therefore, revenue is recognised at a point in time when the legal title has been passed to the customer or pocession of property is deemed to have been passed to the customer. Each unit of the flats or properties are classified as a separate performance obligation and revenue is recognised upon legal transfer of asset to buyer or when the pocession of property is deemed to have been passed to the customer.

The revenue is measured at the transaction price agreed under the contract. In most cases, the consideration is linked with the process of construction and does not involve any significant financial component.

The Company has not adjusted the promised amount of consideration for the effects of a significant financing component. In the view of the Management of the Company, the contract with a customers would not have a significant financing component as there is no difference between the promised consideration and the cash selling price of the residential units (as described in paragraph 61 and 62 of Ind AS 115) had the same been sold on full cash basis.

Income from sale of services
Income from service contracts which is in the nature of fees for specified periods are recognised on accrual basis to the extent the services have been rendered and invoices are raised in accordance with the contractual terms with the customers and recoveries are reasonably certain.

Sales Commission from sale of plots/ residential units
Commission from sale of plots/ residential flats upon sale of the plots/ flats as per the terms of contract and recoveries are reasonably certain.

Other income
Other income comprises of interest income, dividend income and gain/loss on investments. Interest income is recognized on accrual basis using the effective interest method. Dividend is recognised as and when the right to receive payment is established by the reporting date, which is generally when shareholders approve the dividend.

(n.) **Taxes on income**

(i.) **Current income tax**
Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities using own estimates in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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(ii.) **Deferred tax**

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax relating to items recognised outside profit or loss statement is recognised outside profit or loss (either in other comprehensive income or in equity).

(o.) Retirement and other Employee Benefits

(i.) **Provident Fund**
Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss statement of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable under the scheme.

(ii.) **Gratuity**
Gratuity liability under the Payment of Gratuity Act 1972, are defined benefit obligations and are provided for on the basis of actuarial valuation on projected unit credit method, made at the end of each financial year. The gratuity liability is not funded.

(iii.) **Compensated Absences**
Short term compensated absences are provided for based on estimates by the Management considering the entitlements outstanding as at the reporting date. Long term compensated absences are provided for based on actuarial valuation made at the end of each financial year. The actuarial valuation is done as per projected unit credit method.

Remeasurements:
Remeasurements, 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. Remeasurements are not reclassified to profit or loss statement in subsequent periods. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

(p.) Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

(i.) **Financial assets at amortised cost**
Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii.) **Financial assets at fair value through other comprehensive income**
Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in other comprehensive income.

(iii.) **Financial assets at fair value through profit or loss**
Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

(iv.) **Financial liabilities**
Financial liabilities are measured at amortised cost using the effective interest method.

(v.) **Equity instruments**
An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

(vi.) **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.

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(q.) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period 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.

(r.) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Chief operating decision maker reviews the performance of the Company according to the nature of business which primarily comprises of development of real estate projects , both residential and commercial.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.

(s.) 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.

Retained earnings are adjusted for 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

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.

(t.) 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 if any as they are considered an integral part of the Company's cash management.

(u.) Investments

Investments in subsidiary, Joint Ventures and Associates are accounted at their cost in the separate financial statements. Investment in preference shares in Associates and mutual funds are accounted for at fair value through profit and loss (FVTPL) at the reporting date.

(v.) Recent Accounting pronouncements:

Ministry of Corporate Affairs ('MCA') notifies new standards or ammendments to the existing standards. There were no such new standards or ammendments which have been notified or made applicable with effect from 01 April 2020.

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020
(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

3 Property, plant and equipment

3.1 Tangible assets

Particulars	Plant and Equipment	Office Equipment	Leasehold Improvements	Computers	Furniture and Fixtures	Temporary Structures	Vehicles	Total
Deemed Cost								
As at 01 April 2018	**6.77**	**57.20**	**129.21**	**15.98**	**45.22**	**0.85**	**132.23**	**387.45**
Additions	-	5.83	3.65	-	1.29	-	-	10.78
Disposal	-	-	-	-	-	-	-	-
Foreign currency transition differences	-	-	-	-	-	-	-	-
As at 31 March 2019/ 01 April 2019	**6.77**	**63.03**	**132.86**	**15.98**	**46.51**	**0.85**	**132.23**	**398.23**
Additions	121.39	1.69	-	0.49	-	-	-	123.57
Disposal	-	-	-	-	-	-	-	-
Foreign currency transition differences	-	2.74	-	-	-	-	21.17	23.91
As at 31 March 2020	**128.16**	**67.46**	**132.86**	**16.47**	**46.51**	**0.85**	**153.40**	**545.71**
Accumulated depreciation								
As at 01 April 2018	**3.58**	**27.64**	**31.73**	**9.13**	**15.70**	**0.00**	**24.59**	**112.36**
Charge for the year	1.02	11.85	13.97	2.33	5.34	-	16.94	51.45
Disposals/adjustments	-	-	-	-	-	-	-	-
Foreign currency transition differences	-	-	-	-	-	-	-	-
As at 31 March 2019/ 01 April 2019	**4.59**	**39.50**	**45.70**	**11.46**	**21.04**	**0.00**	**41.53**	**163.81**
Charge for the year	29.83	12.32	14.55	1.48	5.86	-	18.01	82.04
Disposals/adjustments	-	-	-	-	-	-	-	-
Foreign currency transition differences	-	1.61	-	-	-	-	7.34	8.96
As at 31 March 2020	**34.42**	**53.42**	**60.25**	**12.93**	**26.90**	**0.00**	**66.88**	**254.81**
Carrying amount (net)								
As at 31 March 2019/ 01 April 2019	**2.18**	**23.54**	**87.16**	**4.52**	**25.47**	**0.85**	**90.70**	**234.42**
As at 31 March 2020	**93.74**	**14.04**	**72.61**	**3.54**	**19.61**	**0.85**	**86.52**	**290.91**

Note: Also refer Note 26 of the consolidated financial statements for amount of depreciation transferred to construction work-in-progress.

3.2 : Other Intangible Assets

Intangible Assets	Computer Software	Total
Deemed Cost		
As at 01 April 2018	**22.06**	**22.06**
Additions	-	-
Disposal	-	-
As at 31 March 2019/ 01 April 2019	**22.06**	**22.06**
Additions	-	-
Disposal	-	-
As at 31 March 2020	**22.06**	**22.06**
Accumulated depreciation		-
As at 01 April 2018	**20.26**	**20.26**
Charge for the year	0.43	0.43
Disposals/adjustments	-	-
As at 31 March 2019/ 01 April 2019	**20.69**	**20.69**
Charge for the year	0.37	0.37
Disposals/adjustments	-	-
As at 31 March 2020	**21.06**	**21.06**
Carrying amount (net)		
As at 31 March 2019/ 01 April 2019	**1.36**	**1.36**
As at 31 March 2020	**0.99**	**0.99**

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

3.3 : Right of Use Assets (RoU)

Particulars	ROU	Total
Deemed Cost		
As at 01 April 2018	-	-
Additions	-	-
Disposal	-	-
As at 31 March 2019/ 01 April 2019	256.70	**256.70**
Additions	-	-
Disposal	-	-
As at 31 March 2020	**256.70**	**256.70**
Accumulated depreciation		
As at 01 April 2018	-	-
Charge for the year	-	-
Disposals/adjustments	-	-
As at 31 March 2019/ 01 April 2019	-	-
Charge for the year	42.78	42.78
Disposals/adjustments	-	-
As at 31 March 2020	**42.78**	**42.78**
Carrying amount (net)		
As at 31 March 2019/ 01 April 2019	**256.70**	**256.70**
As at 31 March 2020	**213.92**	**213.92**

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4	Investments	As at 31 March 2020	As at 31 March 2019
4.1	**Non-current**		
(i)	**Investments in equity instruments carried at cost (Unquoted)**		
	Investment in Associates		
	Brajbhumi Nirmaan Private Limited		
	As at the beginning of the year	697.49	717.75
	Adjustment for share of profit/(loss) in Associates	(1.75)	(20.26)
		695.73	**697.49**
	Adjustment for Goodwill on Consolidation	1,590.01	1,590.01
		2,285.74	**2,287.49**
	The Company holds 10,00,000 (2019:10,00,000) Equity Shares of Rs.10 each, issued at a premium of Rs 179.40 per share.		
	Darshan Nirman Private Limited		
	As at the beginning of the year	(0.40)	(0.40)
	Adjustment for share of profit/(loss) in Associates (refer note below)	-	-
		(0.40)	**(0.40)**
	Adjustment for Goodwill on Consolidation	0.36	0.36
		(0.04)	**(0.04)**
	The Company holds 2,500 (2019:2,500) Equity Shares of Rs 10 each.		
	Pranati Niketan Private Limited		
	As at the beginning of the year	(0.34)	(0.34)
	Adjustment for share of profit/(loss) in Associates (refer note below)	-	-
		(0.34)	**(0.34)**
	Adjustment for Goodwill on Consolidation	0.36	0.36
		0.02	**0.02**
		2,285.73	**2,287.48**
	The Company holds 2,500 (2019:2,500) Equity Shares of Rs 10 each.		

Note: The interest in associates is the carrying amount of the investment in the associate determined using the equity method. During the year since the entity's share of losses in two of its associates equals or exceeds its interest in the associate, the entity has discontinued recognising its share of further losses.

(ii)	**Investments in redeemable non-cumulative optionally convertible preference shares**		
	Unquoted Investments in preference shares in associate carried at fair value through Profit or Loss: (fully paid)		
	Brajbhumi Nirmaan Private Limited (Refer Note 4.4. below) [5,00,000 shares of Rs 100 each, fully paid, Date of Maturity 30 November 2023] (1% Redeemable Non-Cumulative optionally convertible preference shares) (Initial Cost : Rs.500 lakhs)	672.00	696.25
		672.00	**696.25**

Note: As per the audited consolidated financial statement of the associate entity the investment in optionally convertible preference shares have been considered as compound financial instrument.

(iii)	**Investments in mutual funds (Quoted)** **Investments at fair value through Profit or Loss:**		
	ICICI Prudential Fixed Maturity plan Series (77-1473 Days Plan C) [Nil units (2019:50,00,000 units) at Rs 10 per unit, Date of Maturity May 25, 2019]	-	686.65
	ICICI Prudential Fixed Maturity plan Series (78-1130 Days Plan T) [Nil units (2019:1,00,00,000 units) at Rs 10 per unit, Date of Maturity April 25, 2019]	-	1,264.47
	ICICI Prudential Fixed Maturity plan Series (78-1156 Days Plan T) [Nil units (2019:50,00,000 units) at Rs 10 per unit, Date of Maturity May 29, 2019]	-	628.33
	SBI Debt Fund Series B-36 (1131 Days) [Nil units (2019:85,00,000 units) at Rs 10 per unit, Date of Maturity May 06, 2019]	-	1,067.19
	SBI Debt Fund Series C - 1 (1100 Days) Direct Growth [1,50,00,000 units (2019: 1,50,00,000 units) at Rs 10 per unit, Date of Maturity June 26, 2020]	1,676.27	1,685.04
	ICICI Prudential Corporate Bond Fund - Direct plan - Growth [1,30,81,249 units (2019: Nil units) at Rs 20 per unit]	2,813.79	-
	SBI Debt Fund Series C - 23 (1100 Days) Direct Growth [2,00,00,000 units (2019: 2,00,00,000 units) at Rs10 per unit, Date of Maturity September 03, 2021]	2,319.42	2,123.28
	SBI Magnum ultra short duration fund Direct Growth [Nil units (2019: 6.06 units) at Rs.3,845/- per unit]	-	0.25
	SBI Debt Fund Series C - 16 (1100 Days) Direct Growth [1,26,70,900 units (2019:1,26,70,900 units) at Rs.10 per unit, Date of Maturity June 01, 2021]	1,495.43	1,371.85
	SBI Magnum low duration fund Direct Growth [43,965 units (2019: Nil units) at Rs.10 per unit]	1,156.27	-
		9,461.17	**8,827.06**
		12,418.90	**11,810.79**

Note: The above balance of investment in mutual funds are as per the statement accounts from that fund.

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4.2 Summary of Investment and their valuation (Also, refer note 36):

Investment Class	Method of Valuation	As at 31 March 2020	As at 31 March 2019
Unquoted equity Instruments	Carried at cost (deemed cost)	2,285.73	2,287.48
Unquoted preference Instruments	Discounted cash flows method* (fair value)	672.00	696.25
Mutual funds	Market observable inputs (fair value)	9,461.17	8,827.06
		12,418.90	**11,810.79**

* based on the valuation report issued by an independent firm of chartered accountants.

4.3 Investments in mutual funds

Investments in mutual funds are held under lien in favour of Yes bank Limited, GIFT City for providing finance facility 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, Investment 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 has been classified as Fair Value through profit and loss (FVTPL). (Also refer note 30.3 of the consolidated financial statements)

The details of Investments in mutual funds sold during the year are given below:

Descriptions	For the year ended 31 March 2020			For the year ended 31 March 2019		
	Carrying value	Sale Proceeds	Gain/Income	Carrying value	Sale Proceeds	Gain/Income
ICICI Prudential Fixed Maturity	686.65	694.41	7.76	-	-	-
ICICI Prudential Fixed Maturity	1,264.47	1,270.23	5.76	-	-	-
ICICI Prudential Fixed Maturity	628.33	635.35	7.02	-	-	-
SBI Debt Fund Series	1,067.19	1,074.61	7.42	-	-	-
SBI Magnum Ultra Short Fund	0.25	0.27	0.02	-	-	-
SBI Liquid Fund Direct Growth	100.00	100.33	0.33	-	-	-
LGD Yes Liquid Fund	-	-	-	1,000.00	1,006.72	6.72
SBI Debt Fund Series	-	-	-	1,254.93	1,267.09	12.16
ICICI Liquid Money Market Fund	-	-	-	206.00	206.15	0.15
SBI Magnum Ultra SDF	-	-	-	1,049.75	1,099.09	49.33
SBI Short Term Fund	-	-	-	3,558.39	3,671.45	113.06
	3,746.89	**3,775.21**	**28.32**	**7,069.07**	**7,250.51**	**181.44**

4.4 Investments in Redeemable optionally convertible Non-cumulative Preference Shares:

Company has made investment in 1% Redeemable optionally convertible Non-cumulative Preference Shares of Brajbhumi Nirmaan Private Limited, an associate. These investments in shares does not satisfy contractual cash flow test as they are optionally convertible into equity shares and their dividends are linked to profits earned. Accordingly, the Company has classified these investments in shares at Fair value through profit and loss (FVTPL). The fair valuation for this purpose was carried by an Independent firm of Chartered Accountants.

4.5 Investment by Zuari Infraworld SJM Properties LLC, Dubai

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 US$ 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 hold 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.

The subsidiary company's interest in an joint venture is accounted for using the equity method in the financial statements.

4.6 Accumulated losses of Zuari Infra Middle East Limited, a subsidiary company.

The subsidiary company has incurred a loss of AED 15.59 lakhs (equivalent Rs. 321.15 lakhs) during the year (2019: AED 32.45 lakhs (equivalent Rs. 610.95 lakhs)) and has accumulated losses of AED 70.76 lakhs (equivalent Rs.1457.65 lakhs) (2019: AED 55.16 lakhs (equivalent Rs.1038.52 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.

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

5	Loans	As at 31 March 2020	As at 31 March 2019
	Unsecured, Considered Good		
5.1	**Current**		
	Loan to business associate (carried at cost) (Refer Note below)	288.40	-
		288.40	-

Note: This represents unsecured and non-interest bearing loans given to a business associate which is repayable on demand, accordingly classified as current by the Management.

6	Other financial assets	As at 31 March 2020	As at 31 March 2019
	Unsecured, Considered Good		
6.1	**Non-current**		
	Security deposits (carried at amortised cost)*	31.00	28.76
	Security deposits (carried at cost)*	2.40	31.15
		33.40	**59.91**
6.2	**Current**		
	Security deposits - Current (Carried at cost)*	73.60	26.04
	Interest accrued and due - Others (refer note 7.7. below)*	33.72	33.72
	Interest Accrued but not due	5.43	5.09
	Advance to employees* (refer note 6.5. below)	55.34	55.49
	Expenses Recoverable (refer note 6.6. below)*	157.33	157.33
	Net Investment in sublease	201.07	-
	Unbilled Revenue - Service Contracts	-	173.93
		526.48	**451.59**
	* These balances are subject to confirmation.		
6.4	**Includes service income accrued and not billed to related parties;**		
	Zuari Global Limited, India - Sales and Development Management Commission	-	57.05
		-	**57.05**
6.5	**Includes advance to related parties;**		
	Puja Poddar, Key Managerial Personnel of Subsidiary Company and relative of a director of the Holding Company	39.41	36.01
6.6	**Includes expenses recoverable from related parties;**		
	Brajbhumi Nirmaan Private Limited, India	157.33	157.33
		157.33	**157.33**

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7	Other Assets	As at 31 March 2020	As at 31 March 2019
	Unsecured, Considered Good		
7.1	**7.1. Non-Current**		
	Advances recoverable in cash or kind (refer note 7.3 & 7.4 below)	639.61	846.63
	Capital Advance (refer note 7.10. below)	4,336.60	3,964.38
	Goods and Service Tax Refund (refer note 7.6. below)	188.19	188.19
	Karnataka VAT - refund receivable	32.01	32.01
	Service tax - refund receivable	10.35	10.35
	Less: Provision towards service tax refund	(10.35)	(10.35)
		5,196.42	**5,031.21**
7.2	**Current**		
	Advance to vendors (refer note 7.7. below)	2,507.81	2,576.84
	Goods and Services tax input credit (Refer Note 7.5. below)	508.24	463.27
	Prepaid expenses (refer note 7.8. below)	283.73	327.90
	Other receivable (Refer Note 7.9. below)	136.46	155.34
	Credit of Input VAT	114.29	79.28
	Prepaid lease-current (security deposit paid)	-	1.94
		3,550.53	**3,604.57**

7.3 Includes mobilisation advances to a sub-contractor aggregating to Rs. Nil (2019: Rs 207.02 lakhs) in respect of which the sub-contractor vendor has furnished bank guarantee to the extent of Rs Nil (2019: Rs 210.56 lakhs). This bank guarantee which was valid up to 30 June 2019 was encashed by the company during the year and was adjusted against the advance.

7.4 Includes advance payments made by the Company under the Development Management Agreement to agencies which are entitled to certain percentage of income calculated in the manner specified therein. The advance payments made aggregated to Rs. 639.61 lakhs as at 31 March 2020 (2019: Rs. 639.61 lakhs) and these 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.

7.5 Goods and Service Tax Input credits carried in the books includes input tax credits aggregating to Rs. 52.02 lakhs (2019: 36.83 lakhs) relating to advance payments to vendors and unpaid vendors bills beyond time period stipulated under GST Law, which will be claimed in the returns in the subsequent periods when the company is eligible to claim such credits under the provisions of the GST Law.

7.6 Represents Goods and Service Tax paid on export of services which is expected to be claimed as refund. The Company is in the process of filing refund application and expects to realise the same in full.

7.7 Includes recoverable advances paid to a sub-contractor amounting to Rs.2,246.49 lakhs (2019: Rs 2,246.49 lakhs). The Management is in negotiation with that party for its recovery including interest accrued Rs.33.72 lakhs (2019: Rs.33.72 lakhs) as disclosed in Note 6.2 and is confident that this advance will be ultimately fully recovered by the Company or through other companies of the Adventz Group. Hence in the view of the Management no provision is considered necessary at this stage.

7.8 Includes Rs.228.71 lakhs (2019: Rs.283.22 lakhs) on account of brokerage & sales commission paid to an agency for services, on gross sale consideration receivable from customers. As per the agreement, in the event of non-completion of sale transaction, such commission is refundable by the agency. The commission paid is charged to the Profit & Loss Statement as and when revenue is recognised on a proportionate basis.

7.9 **Other receivables includes from related parties;**

Adventz Trading DMCC	37.85	56.04

Other receivables also includes recoverable from Indian Furniture Product Limited, a subsidiary of the holding company as per the unconditional undertaking given by the said company in respect of sale of residential unit to one of the customer.

7.10 This includes advance amount paid Rs. 4,326.00 lakhs (2019: 3,953.78 lakhs) to a related party (Joint venturer) as per Property Development Contract towards purchase of land on which "St. Regis Residencies" project is being developed by the company. The balance amount of Rs.24,514 lakhs (AED 119 million considered at rate of Rs.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 Rs.28,840 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 in the financial statements of the subsidiary.

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8	Inventories (valued at lower of cost or net realizable value)	As at 31 March 2020	As at 31 March 2019
	Completed units (Refer Note 8.1. below)	2,395.34	4,392.84
	Construction Work-In-Progress (includes cost of Land , Borrowing Cost and Project Construction and Development Cost) (Refer Note 8.2.and 8.4 below)	26,015.42	22,113.44
	Development Work-In-Progress relating to subsidiary (Refer Note 8.4 below)	30,375.18	21,971.13
		58,785.94	**48,477.42**

8.1 Represents residential units in respect of which company has entered into agreement for sale with the respective customers, amounts received against these agreements by the company has been reported as advance from customers in Note No. 19. Pending receipt of balance consideration and execution of absolute sale deed effecting the transfer of legal title/deemed handover of the property, the same is reported as Inventory.

8.2 Includes Rs.2,980.86 lakhs (2019: Rs.2,630.63 lakhs) being cost incurred towards project in Goa managed by M/s. Zuari Global Limited which is pending formalising the terms and conditions. These balances are subject to confirmation from that party however, the Management of the company expects these costs to be recovered in full.

8.3 The Management has reviewed the carrying value of its construction 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 in any loss and thus no adjustments/ provisions to the carrying value of project work-in-progress was required and external valuation was not 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.

8.4 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.

Refer Note No. 13 for the information on construction work in progress pledged as security by the company.

9	Trade receivables	As at 31 March 2020	As at 31 March 2019
	Unsecured, Considered Good		
9.1	**Current**		
	Trade receivables - Related Parties (refer note 9.1. below)	404.02	499.04
	Trade receivables - others*	56.14	24.17
		460.16	**523.21**
9.2	**Receivables from the related parties;**		
	Zuari Global Limited	-	95.02
	Brajbhumi Nirmaan Private Limited	404.02	404.02
		404.02	**499.04**

*Balances are subject to confirmation

9.3 The Management of the Company expects full realisation of these receivables, accordingly no allowance towards non recovery is considered necessary by the Management.

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

Refer Note No. 13 for the information on trade receivables pledged as security by the Company.

10	Cash and bank balances	As at 31 March 2020	As at 31 March 2019
	Cash and cash equivalent		
	Cash on hand	0.59	0.51
	Balances held in banks in current account	148.02	205.89
	Other balances held with bank		
	Deposits held with banks with more than 3 months but less that 12 months maturity period	538.16	500.00
		686.77	**706.40**

Note: These balances are as per the statement of account obtained from that bank and subject to confirmation.

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

11	Share capital	As at 31 March 2020	As at 31 March 2019
11.1			
(i)	**Authorised**		
	5,00,00,000 (2019:5,00,00,000) Equity Shares of Rs. 10 each	5,000.00	5,000.00
	1,50,00,000 (2019:1,50,00,000) Preference Shares of Rs. 10 each	1,500.00	1,500.00
		6,500.00	**6,500.00**
(ii)	**Issued, subscribed & paid up**		
	4,65,50,000 (2019:4,65,50,000) Equity Shares of Rs 10 each	4,655.00	4,655.00
	1,14,50,000 (2019:1,14,50,000) Non-Convertible Cumulative Redeemable Preference Shares of Rs 10 each issued at premium of Rs. 90 each. (Also, refer note 13.9. below)	1,145.00	1,145.00
		5,800.00	**5,800.00**

11.2 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at 31 March 2020		As at 31 March 2019	
(shares of Rs. 10/- each)	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
At the beginning of the year	4,65,50,000	4,655.00	4,65,50,000	4,655.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	**4,65,50,000**	**4,655.00**	**4,65,50,000**	**4,655.00**

11.3 Details of shareholders holding more than 5% shares in the Company as at 31 March 2020

Name of the Shareholder	As at 31 March 2020		As at 31 March 2019	
	No's.	% holding	No's.	% holding
Zuari Global Limited, the Holding Company (Including 10,000 equity shares jointly held)	4,65,50,000	100%	4,65,50,000	100.00%

Note: As per the records maintained by the Company including the registers of members/ shareholders, the above share holding represents both legal and beneficial ownership.

11.4 Rights, preferences and restrictions attached to equity shares:

Company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares are entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of the equity shares held by the Shareholder.

11.5 The company has not issued any securities convertible into equity/preference shares.

11.6 For the period of five years immediately preceding the date as at which the Balance Sheet is prepared :
No shares were allotted as fully paid up pursuant to a contract without payment being received in cash.
No shares were allotted as fully paid up by way of bonus shares.
No shares were bought back.

11.7 There were no shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.

11.8 There were no calls unpaid or forfeited shares.

Refer Note 13.9. below for details of Cumulative Compulsarily redeemable preference shares issued by the Company.

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

12	Other equity	As at 31 March 2020	As at 31 March 2019
12.1	**Deemed equity on fair-value adjustment to Non-convertible cumulative redeemable preference Shares:**		
	Equity component of redeemable Preference Shares	562.11	562.11
	Income tax effect on the interest portion on Preference shares	(146.15)	(146.15)
		415.96	**415.96**
	Also refer note 13.9. below for detailed disclosure on preference shares.		
12.2	**Security Premium Account:**		
	As at the beginning and end of the year	10,305.00	10,305.00
		10,305.00	**10,305.00**
	Security premium represents premium on issue of cumulative compulsarily redeemable preference shares.		
12.3	**Balance in profit and Loss Statement**		
	As at the beginning of the year.	(1,745.23)	(674.19)
	Adjustment pursuant to adoption of Ind AS 115	-	(514.53)
	Income tax effect on above adjustment	-	133.78
	Adjustment pursuant to adoption of Ind AS 116	(109.18)	-
	Income tax effect on above adjustment	28.39	-
	Add: Profit for the year before OCI	(257.26)	(694.28)
	Add: Re-measurement gains/(loss) on defined benefit plans, not reclassified to profit or loss	(0.06)	4.00
	Net deficits in the profit and loss statement	**(2,083.34)**	**(1,745.23)**
12.4	**Foreign currency translation reserve**		
	As at the beginning of the year.	(53.38)	1.86
	Exchange differences on translating the financial statements of foreign subsidiary	(106.73)	(55.23)
		(160.11)	**(53.38)**
		8,477.51	**8,922.35**

The Remeasurements gains in respect of employee benefits included above are as under;

	As at the beginning of the year.	**18.16**	**14.16**
	Remeasurements gain/(loss) on defined benefit plans	(0.08)	5.40
	Income tax effect on above	0.02	(1.40)
	Balance carried forward	**18.10**	**18.16**

13	Borrowings	As at 31 March 2020	As at 31 March 2019
13.1	**Long-term borrowings:**		
(i)	**Secured Loans**		
	Term Loans from banks:		
	Yes bank limited (refer 13.3. below)	1,010.19	1,010.19
	Yes Bank Ltd, IFSC Banking Unit (refer 13.4. below)	22,697.90	20,744.89
	Less: Current maturities of long term borrowings (refer note 16.2. below)	(1,010.19)	-
		22,697.90	**21,755.08**
	Term Loans from others:		
	LIC housing finance limited (refer note 13.5. below)	16,419.59	15,425.84
		39,117.49	**37,180.93**
(ii)	**Unsecured Loans**		
	Inter-Corporate Deposits from related parties (refer note 13.6. below)		
	Zuari Global Limited (carried at amortised cost)	3,577.79	2,309.99
	Akshay Poddar	1,801.28	761.40
	Globalware Trading & Holdings Limited, UAE	469.68	376.55
	Less: Current maturities of long term borrowings (refer note 16.2. below)	-	(2,309.99)
		5,848.76	**1,137.95**
	Other Loans (refer note 13.8)		
	Adventz Finance Private Limited (carried at amortised cost)	1,733.00	1,572.69
	Fairy Ryde Limited	1,127.91	-
	Purshottam Kanji Co	1,236.00	1,129.65
	Less: Current maturities of long term borrowings (refer note 16.2. below)	-	-
		4,096.91	**2,702.34**
	Liability component of compound financial instrument		
	Non-Convertible Cumulative Redeemable Preference Shares (Also, refer note 13.9 below)	1,058.66	928.51
		50,121.83	**41,949.73**

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13.2 Short -term borrowings:

(i) Secured Loans		
Term Loans from banks		
Vehicle Loan	72.52	117.22
	72.52	**117.22**
(ii) Unsecured loans		
Inter-Corporate Deposits from related parties (refer note 13.6. below)		
Adventz Trading DMCC	64.79	-
Indian Furniture Products Limited	30.01	-
	94.80	-
Inter-Corporate Deposits from (refer note 13.7. below)		
Anchor Investment Private Limited (carried at Amortised cost)	-	309.65
Meenakshi Tea Co Limited (carried at Amortised cost)	-	206.44
Sree Ram Plywood Manufacturing Co Pvt Ltd (carried at Amortised cost)	400.00	-
Texmaco Infrastructure & Holdings Limited (carried at Amortised cost)	600.31	542.02
Adventz Properties Ltd	8.24	188.28
Adventz General Trading LLC	8.24	-
Adventz Investments Limited	14.42	-
Innovation Management Solutions DMCC (refer note 13.8 below)	-	278.71
	1,031.22	**1,525.09**
	1,198.54	**1,642.30**

13.3 Yes Bank Limited - Term Loan

Term Loan facility with a sanctioned limit of Rs.1,000 lakhs to refinance the promoter loans and Inter Corporate deposits with a maximum tenor of 24 months and repayble on 19 July 2020. The said term loan facility is secured by charge on Development fee receivables and Corporate Guarantee from Zuari Global Limited, the holding company executed in favour of the bank. The outstanding balance as at 31 March 2020 is Rs. 1,010.19 lakhs (2019:Rs. 1,010.19 lakhs).

13.4 Yes Bank Ltd, IFSC Banking Unit

Finance facilty avialed by Zuari SJM Properties LLC, Dubai step down subsidiary comprising of term loan facility with the total sanctioned limit of Rs.45,320.00 lakhs [AED 220 million at rate at the reporting date of Rs.20.60 per AED (USD 60 million)] (2019: Rs.41,420.50 lakhs [AED 220 million at rate at the reporting date of Rs.18.83 per AED (USD 60 million)]) and Treasury (swaps) upto Rs. Nil (2019: Rs.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, UAE
- Charge on share of project cash flow including reimbursement and surplus.
- Mortgage of land in Goa owned by Zuari Global Ltd ("Ultimate parent company") amounting to USD 620 lakhs.
- Pledge of liquid debt mutual funds unit owned by group companies amounting to USD 132 lakhs .
- Pledge of listed India shares held by New Eros TradeCom Limited amounting to USD 73 lakhs.
- Corporate guarantee provide by group Indian holding companies amounting to USD 400 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.

13.5 LIC Housing Finance Limited

Term loan facility of Rs.20,000 lakhs for takeover of outstanding loan of Rs.13,000 lakhs from Federal bank limited and as a top up for construction finance for Zuari Garden City Phase I, II & III project which 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. This loan is secured by equitable mortgage on the Land and Building to be constructed under project name 'Zuari Garden City' in area measuring to 50 Acres and 35 Guntas (excluding sold units), Project receivables and further secured by Corporate Guarantee issued by Zuari Global Limited, the Holding Company. There are other conditions and financial covenants attached to this bank facility, which are in ordinary course of business. The loan outstanding as at 31 March 2020 is Rs.16,419.59 lakhs (as at 31 March 2019 : Rs.15,425.84 lakhs).

13.6 Unsecured Inter-Corporate Deposits from related parties

(i) Zuari Global Limited, Holding Company

Unsecured term loan from Zuari Global Limited, the holding company to meet the working capital needs of the Company. The unpaid loans which was due for payment during the year was rolled over and renewed for a further period up to 31 December 2021, without any changes to the existing terms and condition, detailed as under.

Particulars	Outstanding 01 April 2019	Loans during the Year	Repaid	Interest accured and due	Outstanding 31 March 2020 (incl. int. accured)	Due Date*
Loan 1-4 at 8% p.a.	733.00	-	-	16.57	749.57	31-Dec-21
Loan 5 at 8% p.a.	339.99	-	-	24.55	364.54	31-Dec-21
Loan 22 at 12% p.a.	500.00	-	186.82	22.73	335.91	31-Dec-21
Loan 30 at 12% p.a.	412.00	-	-	44.62	456.62	31-Dec-21
Loan 31-32 at 12% p.a.	325.00	-	-	35.20	360.20	31-Dec-21
Loan 33-36 at 14% p.a.	-	1,940.00	697.10	68.07	1,310.97	31-Dec-21
Total	**2,309.99**	**1,940.00**	**883.93**	**211.73**	**3,577.79**	

* Due dates after considering rollover/ renewal during the year.

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(ii) Adventz Finance Private Limited

Unsecured general purpose loan for working capital purposes for Rs.2,000 lakhs from Adventz Finance Private Limited, a group company carries 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 period up to 31 December 2021 and accordingly is reclassified as non-current during the year. The loan outstanding including interest accruals as at 31 March 2020 is Rs.1,733.00 lakhs (31 March 2019 : Rs.1,572.79 lakhs).

(iii) Other loans from related party taken by subsidiary company

This represents unsecured and 12% (0 to 12%) per annum interest bearing loans availed from related parties which are repayable within a period of 2 years. The parties has also agreed to extend the financial support to the Company by not demanding payment of their outstanding dues till such time as the company's equity is restored

13.7 Other Unsecured Inter-Corporate Deposits

Unsecured short-term inter corporate deposits from the following parties to meet working capital requirements of the Company. The details of the same is given below.

Party Name	Amount borrowed during the year	Amount Repaid during the year	Rate of Interest	Date / due date for Repayment	Interest Accrued and not due	As at 31 March 2020 (including accrued interest)
Anchor Investments Private Limited	-	300.00	14.50%	01-May-19	-	-
Meenakshi Tea Company Limited	-	200.00	14.50%	01-May-19	-	-
Sanghi Steel Udyog Private Limited	500.00	500.00	14.50%	25-Jul-19	-	-
Sree Ram Plywood Manufacturing Co Private Limited	1,050.00	650.00	15.00%	12-Aug-20	-	400.00
Texmaco Infrastructure & Holdings Limited	500.00	500.00	12.00%	Repayable on demand	100.31	600.31

13.8 Other Unsecured Loans

This represents unsecured and 12% (0 to 12%) per annum interest bearing loans availed from related and non-related parties which are repayable within a period of 2 years.The parties has also agreed to extend the financial support to the Company by not demanding payment of their outstanding dues till such time as the company's equity is restored

13.9 Non-Convertible Cumulative Redeemable Preference Shares:

(i) Reconciliation of Shares Outstanding at the beginning and end of the reporting year

Non-Convertible Cumulative Redeemable Preference Shares of Rs 10 each, issued at premium Rs 90 per share	As at 31 March 2020	As at 31 March 2019
At the beginning of the year	1,14,50,000	1,14,50,000
Issued during the year	-	-
Outstanding at the end of the year	**1,14,50,000**	**1,14,50,000**

(ii) Shares holding more than 5% as at the beginning and end of the reporting year

Non-Convertible Cumulative Redeemable Preference Shares of Rs 10 each, issued at premium Rs 90 per	As at 31 March 2020		As at 31 March 2019	
	In No's	In %	In No's	In %
Mr. Saroj Kumar Poddar	85,00,000	74%	85,00,000	74%
Texmaco Infrastructure & Holdings Limited	29,50,000	26%	29,50,000	26%
Outstanding at the end of the year	**1,14,50,000**	**100%**	**1,14,50,000**	**100%**

(iii) Rights, preferences & restrictions attached to Non-Convertible Cumulative Redeemable Preference Shares:

The Company has only one class of non-convertible preference share having a par value of Rs 10 per share, carrying coupon rate of 8.5% per annum which are cumulative in nature and redeemable on 31 March 2025 (70,00,000 Shares), 31 March 2021 (15,00,000 Shares) and 31 March 2022 (29,50,000 Shares) respectively. During the year the Company has extended the redemption period of 70,00,000 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 the company. These shares are redeemable at a price band of Rs 125 - Rs 150 per preference share.

(iv) Pursuant to Schedule III of the Companies Act 2013 ("the Act"), for companies whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015 read with Indian Accounting Standard 32 - Disclosure of Financial Instruments, Non-convertible redeemable preference shares which are settled in cash needs to be classified as 'financial liability' and not 'equity'. Accordingly company has computed the fair value of these preference shares considering the effective interest rate (EIR) at 14% and the portion computed as 'Borrowing' amounting to Rs.1,058.43 lakhs (2019 : Rs.928.51 lakhs) has been classified under 'Long-term Borrowings' and the portion computed as the deemed equity amounting to Rs. 415.96 lakhs (2019 : Rs.415.96 lakhs), net of taxes has been reported under 'Other Equity'.

With respect to premium received on issue as well as the additional premium payable on redemption of preference shares no adjustments/ disclosures has been carried out as contemplated in Ind-AS 32 and Ind-AS 109 read with Schedule III of the Act, since such classification of the 'securities premium account' into 'borrowings' or 'other equity' will be inconsistent with the provisions of section 52 of the Act which stipulates the manner in which the securities premium account can be utilised. Also the additional premium payable on the redemption has not been recognised in the absence of the accumulated profits since recognition of such a liability will be violative of section 55 of the Act.

Considering above, the Company has been legally advised that no further recognition or adjustments to the premium amounts are required in view of the specific provisions of section 52 and 55 of the Act. Accordingly, no adjustments as required under Ind-AS 32 and Ind-AS 109 read with Schedule III of the Act are made in respect of the premium payable on redemption

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14	Lease Liabilities	As at 31 March 2020	As at 31 March 2019
14.1	**Non-Current**		
	Lease Liability	491.75	-
		491.75	-
14.2	**Current**		
	Lease Liability	65.92	-
		65.92	-
		557.67	-

14.3 Other Notes on leases

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of Rs.256.70 lakhs, 'Net investment in sublease' of ROU asset of Rs.214.78 lakhs and a lease liability of Rs.580.66 lakhs. The cumulative effect of applying the standard was debited to retained earnings, which amounted to Rs.80.79 lakhs (net of tax effect on the same Rs. 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.

(i.) **The movement in lease liabilities is as follows:**

Particulars	**For the year ending March 31 2020**
Balance at the beginning*	580.66
Finance cost accrued during the year	78.17
Payment/payable towards lease liabilities	128.20
Balance as at the end	**530.63**

*excluding refundable rent deposit of Rs.27.03 lakhs carried at amortised cost.

(ii.) **The details of the contractual maturities of lease liabilities as at 31 March 2020 on an undiscounted basis are as follows :**

Particulars	**As at March 31 2020**
Less than one year	136.09
One year to five years	614.89
more than five years	-
Total	**750.98**

(iii.) **The movement in net investment in sublease is as follows:**

Particulars	**For the year ending March 31 2020**
Balance at the beginning	214.78
Interest income accrued during the year	29.23
Lease receipts	42.94
Balance as at the end	**201.07**

(iv.) **The details of the contractual maturities of net investment in sublease of right-of-use asset as at 31 March 2020 on an undiscounted basis are as follows :**

Particulars	**For the year ending 31 March 2020**
Less than one year	47.24
One year to five years	241.14
more than five years	-
Total	**288.38**

(v.) The Company has incurred Rs.13.24 lakhs for the year ended 31 March 2020 towards expenses relating to short term leases and the subsidiary has charged the lease expenses to development work-in-progress. The subsidiary has charged lease rent to development work in progress.

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15	Trade payables		As at 31 March 2020	As at 31 March 2019
15.1	**Non-Current**			
	Retention Money - non current (carried at cost)*		40.07	39.01
			40.07	**39.01**
15.2	**Current**			
	Retention Money - current (carried at cost)*	refer note 15.4. below	292.22	234.59
	Dues to related parties (carried at cost)	refer note 15.3. below	133.87	79.25
	Dues to micro & small enterprises (carried at cost)*	refer note 15.5. below	2.08	4.56
	Dues to others (carried at cost)*	refer note 15.4. below	4,428.47	855.96
		-	**4,856.63**	**1,174.36**
15.3	**Due to Related Parties comprises of due to;**			
	Simon India Limited		36.93	36.93
	Zuari Global Limited		93.96	39.83
	Forte Furniture Products India Private Limited		1.52	1.52
	Zuari Finserv Limited (Formerly known as Zuari Finserv Private Limited)		1.46	0.97
			133.87	**79.25**

15.4 Includes retention money Rs.131.23 lakhs (2019 : Rs.131.23 lakhs) and other trade payables Rs.25.48 lakhs (2019: Rs.25.48 lakhs) to one of the sub contractors in respect of which the Management is in negotiation with party for full and the final settlement. The said balance is subject to confirmation from that party.

15.5 Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act) based on the information available with the Company are as under:

Principal amount due to suppliers under MSMED Act	1.68	4.28
Interest accrued and due to suppliers on above amount	0.06	0.10
Payment made to suppliers beyond appointed day during the year	6.93	4.31
Interest paid to suppliers during the year	-	-
Interest due and payable to suppliers towards payment already made during the year	0.34	0.18

* Balances are subject to confirmation

16	Other Financial Liabilities	As at 31 March 2020	As at 31 March 2019
16.1	**Non-Current**		
	Other financial liabilities (carried at amortised cost)		
	Rent Deposit	-	12.93
	Deferred Rental on security deposits (fair value adjustment) - Non-current	-	11.99
	Payables for capital purchases	-	228.76
		-	**253.68**
16.2	**Current**		
	Other financial liabilities (carried at cost)		
	Current maturity of long term loans (refer note 13)	1,010.19	2,309.99
	Interest accruals on loans (refer note 16.3)	1,192.71	1,056.99
	Refundable deposit (refer note 16.4)	1,000.00	-
	Other Deposits	14.96	14.96
	Due to employees	149.28	97.14
	Due to related parties (refer note 16.5 below)	173.25	26.74
	Due to others	0.44	0.91
	Others:		
	Deferred Rental on security deposits (fair value adjustment) - Current portion	-	2.37
		3,540.84	**3,509.12**
16.3	**Includes interest payable to related parties of subsidiary company;**		
	Akshay Poddar, Relative of a Director of Holding Company	127.78	25.42
	Adventz properties Limited, UAE	-	3.77
	Globalware Trading & Holdings Limited, UAE	122.86	48.34
		250.64	**77.52**

16.4 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.

16.5	**Due to related parties comprises of dues to;**		
	Mr. Alok Banerjee	26.47	8.57
	Mr. Anshul Amit Bansal	10.50	2.42
	Mr. C G Ramegowda	-	0.68
	Ms. Nishu Kakkar	0.35	-
	Mr. Vinay Varma, Key Managerial Personnel of Subsidiary	20.58	-
	Ms. Puja Poddar	115.36	15.06
		173.25	**26.74**

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17	Provisions	As at 31 March 2020	As at 31 March 2019
17.1	**Non-Current**		
	Provision for gratuity obligation	31.97	38.59
	Provision for compensated absences	12.35	15.14
		44.33	**53.72**
17.2	**Current**		
	Provision for gratuity obligation	1.16	2.91
	Provision for compensated absences	0.51	2.53
	Staff end of service benefits	44.83	39.82
		46.51	**45.26**

Also, refer note 37 for detailed disclosures on employee benefit plans.

18	Deferred tax (Asset) / liability (net)	As at 31 March 2020	As at 31 March 2019
18.1	**Tax effect of items constituting deferred tax liabilities**		
	Unrealised gain on investment in mutual funds carried at fair value through profit or loss	265.07	314.58
	Unrealised gain on Investment in preference shares carried at fair value through profit or loss	44.72	51.03
	Lease liabilities	8.71	-
	Timing differences on benefit obligations through OCI	0.02	1.40
	Financial liabilities and assets carried at amortised cost;		
	- Interest on preference shares	98.44	56.29
	- Unwinding of security deposit received	-	0.53
		416.96	**423.83**
18.2	**Tax effect of items constituting deferred tax assets**		
	Property, plant and equipment and Intangible assets	22.27	18.23
	Provision for employee benefits obligations	11.98	15.38
	MAT Credit Entitlement	50.17	50.17
	Unrealised Profit on DMC fees	0.76	0.76
	Financial liabilities and assets carried at amortised cost;		
	- Unwinding of security deposit received	-	0.08
	Others	61.37	119.37
		146.56	**203.99**
	Unused Tax Losses	267.88	449.00
	Less: Not considered for deferred tax purposes	(267.88)	(449.00)
		-	-
		270.40	**219.83**

Also, refer note 28 for other tax related disclosures.

18.3 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.

18.4 As the management expects that the interest on Non convertible cumulative redeemable Preference shares will not be allowed as a deduction, the income tax impact on the same has been recognised in Other Equity, since the initial recognition was in Other Equity.

19	Other liabilities	As at 31 March 2020	As at 31 March 2019
	Statutory dues	105.32	89.71
	Advances from customers relating to;		
	- Completed units pending registration or transfer of possession	2,304.66	4,339.82
	- Construction work-in-progress	5,194.86	3,415.08
	- Maintenance charges	14.73	46.79
	- Other customer advances (refer note 19.2. below)	1,035.18	626.43
	Advances from related party	59.94	-
	Others	31.52	28.81
		8,746.21	**8,546.64**

19.1	**Advance from related party comprises of;**		
	Zuari Global Limited	59.94	-

19.2 Includes advances of Rs.446.23 lakhs (2019:Rs.279.52 lakhs) in respect of cancelled residential units in respect of which the Company is in negotiation with parties for selling units of other projects against which these amounts are expected to be adjusted and Rs.318.00 lakhs (2019: Rs.313.50 lakhs) collected from the buyers towards club membership charges fees which will be adjusted against the expenses incurred in this regard.

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20	Revenue from operations	For the year ended 31 March 2020	For the year ended 31 March 2019
	Sale of residential units	2,275.08	1,346.57
	Development management fees	220.02	232.51
	Sales commission on sale of plots/residential units	38.10	177.37
	Maintenance charges*	75.67	1.07
	Other operating revenue	4.99	27.78
		2,613.85	1,785.30

* Net of expense Rs. Nil (2019: Rs.47.44 lakhs).

21	Other income	For the year ended 31 March 2020	For the year ended 31 March 2019
	Interest Income on ;		
	Deposits with Bank	43.42	5.72
	Income tax refund	-	18.76
	Rent from sub-lease* (refer note 14)	-	2.97
	Gains from redemption of Mutual Fund	28.32	181.44
	Net gain on financial assets measured at fair value through Profit and loss	582.15	638.66
	Adjustment on amortisation of security deposit	2.24	2.07
	Unwinding of financial liability, security deposit from sub lease	-	1.25
	Exchange gain	415.42	55.17
	Balances no longer required	-	0.45
	Other miscellaneous income	0.09	0.07
		1,071.63	906.56

* Rent from sub-lease reported above are net of expenses Rs.Nil (2019:Rs.36.07 lakhs)

22	Project construction and development expenses	For the year ended 31 March 2020	For the year ended 31 March 2019
	Architect Fees	106.25	385.72
	Depreciation on assets - Projects	30.84	4.82
	Civil Work	4,148.79	433.28
	Site Office Expenses	9.94	0.02
	Project Staff Costs	120.77	0.91
	Managerial remuneration and expenses	453.16	120.08
	Rent project office	166.57	151.46
	Marketing Expenses	113.78	73.84
	Property Tax	4.00	7.56
	Infrastructure Expenses	4.60	2,199.44
	Miscellaneous project Expenses	86.81	130.19
	Foreign exchange translations differences on consolidation in respect of inventories	2,519.55	1,080.49
		7,765.07	4,587.81
	Add: Borrowing cost incurred during the year	4,405.56	6,985.56
	Add: Employee benefit expenses transferred to construction work in progress	161.82	822.20
	Add: Other expenses transferred to construction work in progress	52.83	223.63
		12,385.28	12,619.20

23	Changes in inventories	For the year ended 31 March 2020	For the year ended 31 March 2019
	Completed units of stock		
	Completed units at the beginning of the year pursuant to Ind AS 115	4,392.84	5,639.61
	Completed units at the end of the year	2,395.34	4,392.84
	Changes in completed units during the year	**1,997.51**	**1,246.77**
	Construction Work-in- progress		
	Construction work-in-progress at the beginning of the year	**44,084.57**	29,203.17
	Add: adjustment pursuant to adoption of Ind AS 115	-	2,307.95
	Less: Recovery of cost incurred towards project manged by holding company	(45.61)	-
	Adjusted Inventory at the beginning of the year	**44,038.96**	**31,511.12**
	Add: Construction cost incurred during the year	12,385.28	12,619.20
	Less: Recovery		-
	Less: Modification/rework charges charged to profit and loss during the year	(33.64)	(45.75)
	Construction work-in-progress at the end of the year	**56,390.60**	**44,084.57**
	Changes in construction work in progress	**(12,351.64)**	**(12,573.45)**
	Total (Increase) / Decrease (a+b)	**(10,354.13)**	**(11,326.68)**

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24	Employee benefit expenses	For the year ended 31 March 2020	For the year ended 31 March 2019
	Salaries and wages	390.81	903.03
	Contribution to provident and other funds	24.71	23.80
	Gratuity	13.47	13.91
	Compensated absences	3.84	8.58
	Staff welfare expenses	11.53	3.72
		444.36	**953.04**
	Less: Employee benefit expenses transferred to construction work in progress	(161.82)	(822.20)
		282.54	**130.84**

25	Finance costs	For the year ended 31 March 2020	For the year ended 31 March 2019
	Interest expense:		
	Interest on borrowings	5,016.36	7,936.64
	Interest on MSME	0.11	0.28
	Fair value adjustment pursuant to Ind AS:		
	Interest on lease liability (refer note 14)	48.68	-
	Interest on security deposits	-	0.16
	Interest on non-convertible cumulative redeemable preference shares	130.15	113.75
		5,195.30	8,050.83
	Less: Borrowing cost transferred to construction work in progress	(4,405.56)	(6,985.56)
		789.75	**1,065.28**

25.1 Capitalisation of the Borrowing cost is not required to be suspended when substantial technical and administrative work is carried out or when there is a temporary delay which is a necessary part of the process of getting an asset ready for sale. The Management is of the view that the slow progress of various real estate projects are temporary in nature considering the nature of the industry and the economic conditions prevailing across the industry. Accordingly, capitalisation (transfer to inventory) of interest cost is not suspended during the year except for certain early stage projects in respect of which interest cost is suspended with effect from March 2020 considering various developments.

26	Depreciation and amortization expenses	For the year ended 31 March 2020	For the year ended 31 March 2019
	Depreciation of Property, plant and equipment	82.04	51.45
	Amortisation of intangible assets	0.37	0.43
	Amortisation of right of use assets	42.78	-
		125.19	**51.88**
	Less: Depreciation on leasehold improvements attributable to sub-lease income adjusted against sublease income.	-	(4.68)
	Less: Depreciation & amortisation transferred to construction work in progress	(30.84)	(4.82)
		94.35	**42.39**

27	Other expenses	For the year ended 31 March 2020	For the year ended 31 March 2019
	Rent	13.24	100.12
	Travel and conveyance	61.51	70.10
	Legal and professional fees	79.30	81.42
	Communication and internet charges	18.75	26.44
	Office Expenses	72.88	119.50
	Repairs and maintenance	23.64	22.41
	Auditors remuneration	16.02	10.80
	Recruitment expenses, net	0.55	5.37
	Advertising and publicity	79.42	89.97
	Rates and taxes	14.50	12.34
	Commission & Brokerage	66.86	214.49
	Maintenance and Security	143.03	97.32
	Insurance	45.98	34.94
	Directors sitting fees	4.70	5.35
	Miscellaneous expenses	5.63	10.36
	Balances written-off, net	1.15	11.55
		647.16	**912.48**
	Less: Other expenses transferred to construction work in progress	(52.83)	(223.63)
		594.33	**688.85**

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27.1 Remuneration to Auditors' reported above includes

Statutory Audit Fees (relating to previous year Rs.0.87 lakhs (2019:Nil))	9.17	5.00
Tax Audit Fees (relating to previous year Rs.0.23 lakhs (2019:Nil))	1.20	0.75
Certification fees	1.30	0.50
Fees of Subsidiary Company Auditors	4.35	4.55
	16.02	**10.80**

28 Income Tax	**For the year ended 31 March 2020**	**For the year ended March 31 2019**
Income tax expense	60.28	4.00
Income tax of earlier year	9.63	2.60
Deferred tax charge/(credit)	78.95	139.41
	148.86	**146.00**

28.1 Income tax expense for the year reconciled to the accounting profit	**For the year ended 31 March 2020**	**For the year ended March 31 2019**
Profit before tax	243.22	175.52
Income tax expense calculated at 26% (2019 : 26%)	63.24	45.64
Adjustments for:		
Gain on fair value adjustments to preference shares	-	40.08
Expenses not considered for tax purposes.	(1.03)	-
Gain on fair value adjustments to Mutual funds taxable at differential rate	(192.46)	50.47
Interest portion fair value adjustment to preference shares issued	76.00	-
Other adjustments	67.43	1.27
Tax effect on unused tax losses not recognised	65.78	10.32
Tax expenses of earlier year debited to profit and loss	9.63	2.60
Minimum Alternate Tax (MAT) of earlier year debited to profit and loss	60.28	(4.37)
	148.86	**146.00**

28.2 The tax effects of timing differences that resulted in changes in deferred tax are as follows:	**For the year ended 31 March 2020**	**For the year ended March 31 2019**
Fair valuation of investment in mutual funds	(49.52)	112.44
Unwinding of security deposit paid	0.08	0.04
Interest accrued on preference shares issued (Adjustment pursuant to Ind-AS)	42.16	(29.58)
Difference between accounting base and tax base of tangible & Intangible assets	(4.04)	(0.24)
Unwinding of security deposit received	(0.53)	0.28
Temporary differences on benefit obligations	2.02	(3.29)
Fair valuation of investment in Preference shares	(6.31)	51.03
Gain on sale of flats recognised as per Ind AS 115	58.00	17.10
Fair valuation of leases	37.10	-
MAT Credit entitlement	-	(8.37)
	78.95	**139.40**

28.3 Deferred tax assets arising from the carry forward of unused tax losses not are recognised in these financial statements as there is no convincing evidence that sufficient taxable profit will be available in the future against which the unused tax losses can be utilised by the Company, which is considered appropriate by the Management.

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29 Disclosure of Interest in subsidiaries, joint arrangements and associates:

29.1 Disclosure of Interest in the following subsidiaries:

Name	Country of Incorporation	Ownership Interest of ZIIL (%) As at 31 March 2020	Ownership Interest of ZIIL (%) As at 31 March 2019	Method used to account for investments
Zuari Infra Middle East Ltd	UAE	100%	100%	Line by line consolidation

29.2 Disclosure of Interest in the following associates:

Name	Country of Incorporation	Ownership Interest of ZIIL (%) As at 31 March 2020	Ownership Interest of ZIIL (%) As at 31 March 2019	Method used to account for investments
Brajbhumi Nirmaan Private Limited	India	25%	25%	Equity Accounting
Darshan Nirman Private Limited	India	25%	25%	Equity Accounting
Pranati Niketan Private Limited	India	25%	25%	Equity Accounting

Also, refer Note 2(c) for detailed disclosure and accounting treatment.

Note: As at 31 March 2020 Brajbhumi Nirmaan Private Limited holds 50% (2019: 50%) of Darshan Nirman Private Limited and 50% (2019: 50%) of Pranati Niketan Private Limited.

29.3 Information regarding Associates:

i. Carrying amount of investment in Associates	**As at 31 March 2020**	**As at 31 March 2019**
Darshan Nirmaan Private Limited	(0.04)	(0.04)
Pranati Nirmaan Private Limited	0.02	0.02
Brajbhumi Nirmaan Private Limited	2,285.74	2,287.49

ii. Share of Profit/(loss) of Associates	**As at 31 March 2020**	**As at 31 March 2019**
Darshan Nirmaan Private Limited	-	-
Pranati Nirmaan Private Limited	-	-
Brajbhumi Nirmaan Private Limited	(1.75)	(20.26)

Note: Also refer note 4 of the consolidated financial statements for the year ended 31 March 2020.

29.4 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) DARSHAN NIRMAAN PRIVATE LIMITED

i. Summarised Balance Sheet	**As at 31 March 2020**	**As at 31 March 2019**
Current assets, including cash and cash equivalents	277.33	277.42
Non-current financial liabilities	(279.66)	(279.53)
Equity	**(2.33)**	**(2.11)**
Proportion of the Group's ownership	25%	25%
Group's Share in Net Assets	(0.58)	(0.40)
Value of Goodwill on consolidation	0.36	0.36
Carrying amount of the investment	**(0.22)**	**(0.04)**

ii. Summarised Profit and Loss Statement	**For the year ended 31 March 2020**	**For the year ended 31 March 2019**
Other Expenses	(0.22)	(0.51)
Profit/(loss) before tax	**(0.22)**	**(0.51)**
Income tax (expense)/credit	-	-
Profit/(loss) for the year	**(0.22)**	**(0.51)**
Other Comprehensive Income	-	-
Total comprehensive income	**(0.22)**	**(0.51)**
Proportion of the Group's share	25%	25%
Group's share of profit/(loss) for the year	**(0.05)**	**(0.13)**

(b) PRANATI NIRMAAN PRIVATE LIMITED

i. Summarised Balance Sheet	**As at 31 March 2020**	**As at 31 March 2019**
Current assets, including cash and cash equivalents	217.87	217.95
Non-current financial liabilities	(219.61)	(219.48)
Equity	**(1.74)**	**(1.53)**
Proportion of the Group's ownership	25%	25%
Group's Share in Net Assets	(0.44)	(0.34)
Value of Goodwill on consolidation	0.36	0.36
Carrying amount of the investment	**(0.07)**	**0.02**

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ii. Summarised Profit and Loss Statement	For the year ended 31 March 2020	For the year ended 31 March 2019
Other Expenses	(0.22)	0.17
Profit/(loss) before tax	**(0.22)**	**0.17**
Income tax (expense)/credit	-	-
Profit/(loss) for the year	**(0.22)**	**0.17**
Other Comprehensive income	-	-
Total comprehensive Income	**(0.22)**	**0.17**
Proportion of the Group's share	25%	25%
Group's share of profit/(loss) for the year	**(0.05)**	**0.04**

(c) **BRAJBHUMI NIRMAAN PRIVATE LIMITED**

i. Summarised Balance Sheet	As at 31 March 2020	As at 31 March 2019
Current assets, including cash and cash equivalents	18,085.28	16,814.74
Non-current assets	42.13	47.58
Current liabilities including financial liabilities	(12,007.63)	(11,050.28)
Non current financial liabilities	(2,844.54)	(2,529.91)
Less: Deemed Equity	(421.54)	(421.54)
Equity	**2,853.70**	**2,860.60**
Proportion of the Group's ownership	25%	25%
Group's Share in Net Assets	713.42	715.15
Value of Goodwill on consolidation	1,590.01	1,590.01
Adjustments for unrealised profits	(17.66)	(17.66)
Carrying amount of the investment	**2,285.77**	**2,287.49**

Summarised Profit and Loss Statement	For the year ended 31 March 2020	For the year ended 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	10.98
	16.67	**196.68**
Profit/(loss) before tax	**(7.36)**	**(80.49)**
Income tax (expense)/credit	(0.35)	0.57
Profit for the year	**(7.01)**	**(81.06)**
Other Comprehensive Income	-	-
Total comprehensive income	**(7.01)**	**(81.06)**
Proportion of the Group's share	25%	25%
Group's share of profit/(loss) for the year	**(1.75)**	**(20.26)**

Note: The above furnished information are extracted from the audited financial statements of that associate entities for the year ended 31 March 2020.

30 Commitments and Contingencies

30.1 Contingent Liabilities (not provided for)

Particulars	31 March 2020	31 March 2019
Dividend on Non Convertible redeemable cumulative preference shares not yet declared	439.31	411.94
Income Tax demand for FY 2016-17 against which company has filed rectification, pending rectification no provision is considered necessary at this stage.	59.86	-
Tax demand for defaults under Section 201 of Income Tax Act, 1961 as per TRACES portal of Income tax website, against which company is in the process of filing rectification.	5.94	6.13
Customer claims not acknowledged by the Parent Company	37.98	32.68

As per the audited consolidated Financial statements of Brajbhumi Nirmaan Private Limited, an associate entity, disputed tax demands to the extent not provided for is as under:

(a.) Income Tax demand pertaining to AY.2015-16 (FY 2014-15) pending before Commissioner Income Tax (Appeals) Kolkata. Against this demand, Parent Company has deposited Rs.27.46 lakhs (2019: Rs.25.00 lakhs)	427.66	427.66
(b.) Value added Tax demands for period 2015-16 and 2014-15 pending before Additional Commissioner, Mathura	-	9.24

As per the audited Standalone financial statements of Darshan Nirmaan Private Limited, an associate entity for the year ended 31 MArch 2020, some 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 believes that the impact of these Cases will be insignificant and will not affect ownership of that Company's Land holdership.

30.2 Capital Commitments

Estimated amount of contracts remaining to be executed on Project construction and development, net of advances aggregates to,

Zuari Infraworld India Limited, Parent Company	6,745.10	3,489.92
Zuari Infra Middle East Limited, Subsidiary Company	25,920.45	23,795.51
(including amounts reported in Note 7.10 of the consolidated financial statement)		
	32,665.55	**27,285.43**

30.3 Corporate Guarantees and pledge of assets:

The Company has executed Corporate Guarantees jointly with the Zuari Global Limited, the holding company in favour of Yes Bank Limited for extending financing facility to Zuari SJM Properties LLC, Dubai, a Step-down subsidiary of the Company. The amount of finance facility extended is USD 630 lakhs (In Indian Rupees 47,061 lakhs, considering 1 USD = Rs 74.70 as at the reporting date (2019: USD 630 lakhs (In Indian Rupees 44,056 lakhs, considering 1 USD = Rs 69.93).

(a) The Company's share of the value of Corporate Guarantee is USD 200 lakhs (using closing exchange rate of Rs.74.7 per USD as at reporting date (2019: USD 200 lakhs using closing exchange rate of Rs.69 per USD)).	14,940.00	13,986.00
(b) The company has also provided security by way of pledge of mutual funds held in the name of the Company (fair value as at reporting date) for the loan referred to in (a) above.	9,461.17	8,826.81

31 Earnings Per Share ("EPS")

Basic Earnings Per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year. There are no dilutive potential equity shares, accordingly the Diluted EPS are also calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during as at the end year.

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

(No. of shares in absolute numbers)

Particulars	31 March 2020	31 March 2019
Profit before OCI attributable to equity holders of the parent company	(257.26)	(694.28)
Weighted Average number of equity shares used for computing EPS (Basic & Diluted)	4,65,50,000	4,65,50,000
Earning/(Loss) Per Share (Basic and Diluted) (Rs.)	(0.55)	(1.49)
Face value per share (Rs.)	10.00	10.00

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32 Impact of Covid-19

As per the Standalone financial statements of the Company for the year ended 31 March 2020

The outbreak of Global pandemic Covid-19 has resulted in the Government of India undertaking drastic measures for containment of the disease including enforcing compulsory full lockdown. In view of these measures, the operations at the company was fully shutdown from March, 23 2020 and the company was able to resume its operations during May 2020 with limited manpower in phased manner with necessary approvals from the appropriate authority. The incremental costs incurred by the company to adhere to the standard operating procedures notified by the Government / Authorities was not significant.

The current lockdown owing to the coronavirus crisis has hugely impacted the world economy as well as a majority of sectors across the globe, including real estate. The management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of various assets including inventory, investments and loans to the subsidiaries after taking into account various internal and external information upto the date of approval of these financial statements and have concluded that they are recoverable based on the expected future performance of the Company and it's subsidiaries. The Company has also assessed various scenarios and assumptions and based on the current estimates, the management of the Company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2020, are fully recoverable and that no provision/ adjustment is required.

Further, considering the effect of ongoing pandemic situation the regulatory authorities have extended the timelines for completion of ongoing projects under RERA regulations and the Management of the Company is confident of meeting the extended timelines for completion.

Considering the present financial position of the Company and its ability to raise funds, the Management of the Company doesnot forsee any adverse impact on its ability to continue as going concern and meeting its liability as and when they fall due.

The impact assessment of Covid-19 is a continuing process given the uncertainities associated with its nature as well as its duration and the Management will continue to monitor any events/changes to future economic conditions. Accordingly, the impact may be different from that estimated as at the date of approval of these financial statements.

As per the Consolidated financial statements of the Zuari Infra Middle East Limited, a subsidiary company for the year ended 31 March 2020

The breakdown of Global pandemic novel corona virus (COVID-19) has caused significant disruption to the business and economic activity across globe. Though there were no significant changes during the year, due to COVID-19 pandemic at the year end, the external circumstances have changed drastically. As the situation is fluid and rapidly evolving, it is not practicable to provide a quantitative estimate of the potential impact of this outbreak on the group at this stage.

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(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

33 **Related Party Disclosures**

33.1 **Details of related party and their relationship with the Company:**

Sl. No	Name of the related party	Nature of relationship with the Company
1	Zuari Global Limited	Holding Company
2	Zuari Infra Middle East Limited, UAE	Subsidiary
3	Zuari Infraworld SJM Properties LLC, UAE	Step down Subsidiary
4	Burj District Development Limited, Cayman Islands	Joint Venture (JV) of Step down subsidiary
5	Burj District One Limited, UAE	Subsidiary of the JV of Step down subsidiary
6	Zuari Management Services Limited	Fellow Subsidiaries
7	Simon India Limited	Fellow Subsidiaries
8	Forte Furniture Products India Private Limited	Fellow Subsidiaries
9	Zuari Finserv Limited (formerly known as Zuari Finserv Private Limited)	Fellow Subsidiaries
10	Brajbhumi Nirmaan Private Limited	Associates
11	Darshan Nirman Private Limited	Associates
12	Pranati Niketan Private Limited	Associates
13	Adventz Trading DMCC	Entities having common management control with subsidairy
14	Globalware Trading & Holdings Ltd, U.A.E	Entities having common management control with subsidairy
15	Indian Furniture Products Limited. U.A.E	Entities having common management control with subsidairy
16	Green Tree Property Management Co. LLC. U.A.E.	Joint Venture of Step down subsidiary
17	Narayanan Suresh Krishnan, Director (resigned w.e.f. March 02, 2020)	Key Management Personnel
18	R S Raghavan, Director (appointed w.e.f. March 02, 2020)	Key Management Personnel
19	L M Chandrashekaran (appointed w.e.f. March 02, 2020)	Key Management Personnel
20	Sunil Sethy, Independent Director (resigned w.e.f. March 19, 2020)	Key Management Personnel
21	Krishan K Gupta, Independent Director (resigned w.e.f. March 19, 2020)	Key Management Personnel
22	Alok Banerjee, CEO & Director (additionally appointed as Director w.e.f. March 02, 2020)	Key Management Personnel
23	Anshul Amit Bansal, Chief Financial officer	Key Management Personnel
24	C G Ramegowda, Company secretary (resigned w.e.f. Sept 05, 2020)	Key Management Personnel
25	Nishu Kakkar, Company secretary (appointed w.e.f. February 20, 2020)	Key Management Personnel
26	Vinay Varma	Key Management Personnel of subsidiary
27	Saroj Kumar Poddar	Director of holding company
28	Akshay Poddar	Person having significant influence & relative of director of holding company.
29	Puja Poddar	Person having significant influence in subsidiary & relative of director of holding company.

33.2 **Details of transactions with related parties:**

Sl. No	Particulars	Year ended 31 March 2020	Year ended 31 March 2019
1	**Payment made on our behalf by the Company:**		
	Zuari Global Limited	-	5.77
2	**Service Charges / Management Fees Paid**		
	Zuari Finserv Limited (Formerly known as Zuari Finserv Private Limited)	0.45	0.90
3	**Purchase of furnitures (PPE)**		
	Forte Furniture Products India Private Limited	-	1.29
4	**Recovery of cost incurred towards project handled by**		
	Zuari Global Limited	45.61	-
5	**Service Charges / Management Fees Income**		
	Zuari Global Limited - Development Management Commission	184.87	93.52
	Zuari Global Limited - Sales Commission	26.27	45.99

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Sl. No	Particulars	Year ended 31 March 2020	Year ended 31 March 2019
6	**Inter-Corporate Deposits Taken - Liability**		
	Zuari Global Limited		
	- Accepted	1,940.00	4,358.00
	- Repayment	883.93	4,256.01
	Globalware Trading & Holdings Ltd		
	- Accepted	737.48	85.67
	- Repayment	-	53.50
	Akshay Poddar		
	- Accepted	968.20	685.32
	- Repayment	-	402.91
	Indian Furniture Products Limited		
	- Accepted	33.02	80.96
	- Repayment	3.01	80.96
	Adventz Trading DMCC		
	- Accepted	105.02	-
	- Repayment	40.22	-
7	**Interest on ICD (Expenses)**		
	Zuari Global Limited	293.50	201.65
8	**Interest on loans taken from entities having common management control**		
	Adventz properties Limited	-	3.64
	Globalware Trading & Holdings Ltd	65.69	46.71
9	**Guarantee Commission**		
	Zuari Global Limited	62.51	42.86
10	**Interest on loan taken from person having significant influence**		
	Akshay Poddar	93.88	24.56

33.3 Compensation paid to Key management personnel compensation:

Sl. No	Particulars	Year ended 31 March 2020	Year ended 31 March 2019
1	**Short-term employee benefits**		
	Alok Banerjee, CEO & Director (additionally appointed as Director w.e.f. 02 Mar 2020)	83.98	97.37
	Anshul Amit Bansal, Chief Financial officer	28.08	23.92
	C G Ramegowda, Company secretary (resigned w.e.f 05 September 2020)	5.42	13.23
	Nishu Kakkar Company secretary (appointed w.e.f. 20 February 2020)	0.47	-
	Vinay Verma, Key Management Personnel of subsidiary	34.82	-
	Puja Poddar, Person having significant influence in subsidiary & relative of director of holding company.	92.85	117.71
2	**Retirement benefits (Provident fund and Gratuity)**		
	Alok Banerjee, CEO & Director (additionally appointed as Director w.e.f. 02 Mar 2020)	22.27	22.16
	Anshul Amit Bansal, Chief Financial officer	5.26	4.46
	C G Ramegowda, Company secretary (resigned w.e.f 05 September 2020)	0.26	1.82
	Nishu Kakkar Company secretary (appointed w.e.f. 20 February 2020)	0.02	-
3	**Sitting fees**		
	Directors sitting fees to Non-executive Directors	4.70	5.35
Total compensation		**278.14**	**286.02**

33.4 Year-end balances

Sl. No	Particulars	As at 31 March 2020	As at 31 March 2019
1	**Trade payable**		
	Simon India Limited	36.93	36.93
	Forte Furniture Products India Private Limited	93.96	1.52
	Zuari Finserv Limited (Formerly known as Zuari Finserv Private Limited)	1.52	0.97
	Zuari Global Limited	1.46	39.83
2	**Other payable**		
	Alok Banerjee,CEO& Director (additionally appointed as Director w.e.f. 02 Mar 2020)	26.47	8.57
	Anshul Amit Bansal, CFO	10.50	2.42
	C G Ramegowda, Company secretary (resigned w.e.f 05 September 2020)	-	0.68
	Nishu Kakkar Company secretary (appointed w.e.f. 20 February 2020)	0.35	-
3	**Advances paid**		
	Zuari Global Limited	59.94	-
4	**Trade receivable**		
	Brajbhumi Nirmaan Private Limited	404.02	404.02
	Zuari Global Limited	-	95.02
5	**Expenses Recoverable**		
	Brajbhumi Nirmaan Private Limited	157.33	157.33
6	**Loans from related parties:**		
	Zuari Global Limited	3,577.79	2,309.99
	Adventz Trading DMCC	64.79	-
	Globalware Trading & Holdings Ltd	469.68	376.55
	Indian Furniture Products Limited, U.A.E	30.01	-
	Akshay Poddar	1,801.28	761.40

(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

Sl. No	Particulars	As at 31 March 2020	As at 31 March 2019
7	**Interest payable on Loans from related parties:**		
	Globalware Trading & Holdings Ltd	122.86	46.71
	Akshay Poddar	127.78	25.42
8	**Advance for Land**		
	Green Tree Property Management Co. LLC. U.A.E.	4,326.00	3,964.38
9	**Other receivable**		
	Adventz Trading DMCC	37.85	56.04
10	**Remuneration payable / dues to employees**		
	Vinay Varma	20.58	-
	Puja Poddar	115.36	15.06
11	**Advance to employees**		
	Puja Poddar	39.41	36.01
12	**Other year-end balances**		
	(a) Included in Project Work-in-Progress		
	Zuari Global Limited	2,980.86	2,630.63
	(b) Service Income accrued and not billed		
	Zuari Global Limited	-	57.05

33.5 Terms and conditions

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and in the normal course of business.

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34 Financial risk management objectives and policies

The Company's principal financial liabilities, comprise of loans and borrowings, trade and other payables, security deposits and employee dues. 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 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 the finance team that advises on financial risks and the appropriate financial risk governance framework for the Company. Further, the company is primarily operating in the real estate sector which is subject to The Real Estate (Regulation and Development) Act, 2016 (RERA).

34.1 Market risk

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

(i.) 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. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. Term Loan facility from LIC Housing Finance Limited and Yes Bank Limited is subject to floating rate of interest based on MCLR, while the borrowings from the related entities carry interest at a fixed rates. In case of subsidiary Company except for vehicle loan and loan from related parties other than carrying floating rate of interest.

Interest sensitivity analysis	Outstanding Loan facility subject to floating rates	Increase/ decrease in basis points	Effect on profit before tax
For the year ended 31 March 2020			
Increase in base points	17,429.78	+50	87.15
Decrease in base points	17,429.78	-50	(87.15)
For the year ended 31 March 2019			
Increase in base points	16,436.03	+50	82.18
Decrease in base points	16,436.03	-50	(82.18)

(ii.) Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Parent Company's net investments in foreign subsidiaries.

(iii.) Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company's Board of Directors reviews and approves all Investment decisions.

34.2 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.

Trade receivables

(i.) Sale of units (Villas/ Villaments & Appartments):

Customer credit risk is managed by "CRM team" subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer dues with respect to Customers demands are regularly monitored for proactive actions.

(ii.) Development Management Fees:

Apart from real estate activities, the Company also provides Project Development services. The Trade Receivables includes dues from these activities aggregated to Rs.404.02 lakhs (2019: Rs 499.04 lakhs)

An impairment analysis is performed at each reporting date on an individual basis for these entities. The Company does not hold collaterals as security. The Company evaluates the concentration of risk with respect to trade receivables as Nil, as its customers are related and are part of the same group and with respect of sale of flats & villas the sale deed is executed only after the realisation.

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34.3 Liquidity risk

The Company monitors its risk of a shortage of funds regularly and is directly monitored by CFO of the company .

The Company's objective is to maintain balance between continuity of funding and flexibility through the use of bank loans and Debt Preference Shares.

The management expects to renew/rollover all of the short term debts/borrowings that are falling due in next 12 months. Further the Company is confident of increased operational cash inflows from bookings of flats/villas/apartments and is also ensured of continued support from its Holding/ Associates Companies and the Promoters.

The management also obtained consent from the preference shareholders for extension of the redemption of preference shares which are due for redemption on 31 March 2020. These preference shares are now due for redemption on 31 March 2025.

34.4 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to ensure their ability to continue as going concern and 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 table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2020:

Particulars	On demand	< 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings *(Incl. Debt portion of Preference Shares)*	600.31	25,179.08	1,548.88	20,680.08	5,002.01	**53,010.36**
Lease liabilities	-	24.21	72.64	321.59	139.22	**557.67**
Trade payables	34.30	440.05	4,270.86	53.93	97.56	**4,896.70**
Other financial liabilities	8.93	16.13	297.47	437.41	1,770.70	**2,530.64**
Total	**643.54**	**25,659.48**	**6,189.86**	**21,493.01**	**7,009.49**	**60,995.37**

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2019:

Particulars	On demand	< 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings *(Incl. Debt portion of Preference Shares)*	526.93	2,826.08	2,140.34	6,169.05	10,427.84	**22,090.24**
Trade payables	0.65	849.50	244.22	99.64	-	**1,194.01**
Other financial liabilities	-	163.71	0.56	0.33	255.16	**419.76**
Total	**527.57**	**3,839.29**	**2,385.13**	**6,269.02**	**10,683.00**	**23,704.02**

As per the consolidated financial statements of Zuari Infra Middle East Limited, a subsidiary Company

The primary objective of the subsidairy company capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholders value. The subsidiary company manages its capital structure and make adjustments to it in light of changes in the business conditions. No changes were made in the objectives, policies or processes during the year ended 31 March 2020. Capital comprises share capital in cash and kind (which is not measured) and accumulated losses and is measured at deficiency of asset of AED 70.66 lakhs (equivalent to Rs.1,455.59 lakhs) as at 31 March 2020 (Previous Year deficiency of asset of AED 55.06 lakhs (equivalent to Rs.1,134.23 lakhs).

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35 **Fair values**

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments

Particulars	**Carrying value**	
	As at 31 March 2020	**As at 31 March 2019**
Financial assets carried at fair value through profit or loss		
Quoted mutual funds	9,461.17	8,827.06
Preference Shares held in Associate Company	672.00	696.25
Financial assets carried at amortised cost		
Interest accrued and due	33.72	33.72
Interest accrued and not due	5.43	5.09
Expenses Recoverable - Related parties	157.33	157.33
Loans and advances	288.40	-
Unbilled Revenue - Service contracts	-	57.05
Unbilled Revenue - Others	-	116.88
Net investment (Sub-lease)	201.07	-
Security deposits	31.00	28.76
Trade Receivables	460.16	523.21
Cash and cash equivalents	686.77	706.40
Advance to employees	55.34	55.49
Financial assets carried at cost		
Investment in Associate	2,285.73	2,287.48
Security deposits	76.00	57.19
Total	**14,414.12**	**13,551.90**
Financial liabilities carried at amortised cost		
LIC Housing Finance Limited	16,419.59	15,425.84
Yes Bank Limited	-	1,010.19
Yes Bank Ltd, IFSC Banking Unit	22,697.90	20,744.89
Vehicle Loan	72.52	117.22
Preference shares (debt portion)	1,058.66	928.51
Security deposit towards sub lease	-	12.93
Loan from related parties	5,943.56	1,137.95
Other loans	5,128.13	4,227.43
Refundable deposit	1,000.00	-
Deferred Rental on security deposits	-	14.36
Current maturity of long term loans	1,010.19	2,309.99
Lease liability	557.67	-
Other payable to related parties	173.25	26.74
Other deposits	14.96	14.96
Dues to employees	149.28	97.14
Payables for capital purchases	-	228.76
Interest accruals on loans	1,192.71	1,056.99
Trade payables	4,897.14	1,214.29
Total	**60,315.57**	**48,568.20**

Other Notes:

(i.) The management assessed that cash and cash equivalents, other bank balances, trade receivables, retention money, inter corporate deposits, loan to related party and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(ii.) The following methods and assumptions were used to estimate the fair values:

(a.) The fair values of the unquoted Preference shares have been estimated using a DCF model and considering the future cash outflow in this regard, based on a independent valuation . 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 Preference shares.

(b.) The fair values of the Company's interest-bearing borrowings and loans approximates to their carrying amounts i.e., cost as at the end of the reporting year. The own non-performance risk as at reporting was assessed to be insignificant.

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36 Fair 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:

Assets:	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments in Mutual funds	9,461.17	9,461.17	-	-
	(8,827.06)	(8,827.06)	-	-
Preference shares held in Associate	672.00	-	-	672.00
	(696.25)	-	-	(696.25)

(i.) Amounts in the parenthesis represent previous year.
(ii.) There have been no transfers between Level 1 and Level 2 during the year.

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37 Gratuity (Employment benefit plan)

Particulars	As at 31 March 2020		As at 31 March 2019	
	Current	Non-current	Current	Non-current
Value of Plan - Gratuity (Un-Funded)	1.16	31.97	2.91	38.59

Gratuity:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

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:

(i.) Net employee benefit expense (recognized in Employee Cost) for the year ended:

Particulars	As at 31 March 2020	As at 31 March 2019
Current Service Cost	10.47	11.31
Net Interest Cost	3.00	2.60
Expense recognised in profit and loss statement	**13.47**	**13.91**

(ii.) Actuarial (gain)/loss on obligation:

Particulars	As at 31 March 2020	As at 31 March 2019
(Gain)/loss from change in demographic assumptions	0.28	-
(Gain)/loss from change in financial assumptions	(4.86)	(0.05)
Experience (gains) / losses	4.65	(5.35)
Total actuarial (gain)/loss	**0.08**	**(5.40)**

(iii.) Other comprehensive income

Particulars	As at 31 March 2020	As at 31 March 2019
Actuarial (Gain)/Loss recognized for the period	0.08	(5.40)
Asset limit effect	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	**0.08**	**(5.40)**

(iv.) Changes in the present value of the defined benefit obligation are, as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Opening defined obligation	41.50	36.61
Current service cost	10.47	11.31
Interest cost	3.00	2.60
Contribution paid	(21.91)	(3.63)
Actuarial (gain)/ loss on obligations	0.08	(5.40)
Defined benefit obligation	**33.14**	**41.50**

(v.) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	As at 31 March 2020	As at 31 March 2019
Mortality	IALM (2012-14) Ult.	IALM (2006-08) Ult.
Interest / Discount Rate	6.77%	7.50%
Rate of increase in compensation	First two years - 8% 3rd year onwards - 6.5%	9%
Expected average remaining service	15.66	8.7
Benefit of normal retirement considered as per Payment of Gratuity Act, 1972	Rs. 20 Lakhs	Rs. 20 Lakhs
Employee Attrition Rate (Past Service)	PS: 0 to 18 years : 3% PS: 18 to 30 years : 2% PS: 30 to 42 years : 1%	PS: 0 to 40 years: 8%

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(vi. A quantitative sensitivity analysis for significant assumption as at the reporting date is as shown below:

Gratuity Plan	As at 31 March 2020		As at 31 March 2020	
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	+1% increase	-1% decrease	+1% increase	-1% decrease
Impact on defined benefit obligation	30.11	36.75	36.02	30.67

Gratuity Plan	As at 31 March 2019		As at 31 March 2019	
Assumptions	**Discount rate**		**Future salary increases**	
Sensitivity Level	+1% increase	-1% decrease	+1% increase	-1% decrease
Impact on defined benefit obligation	39.20	44.11	43.95	39.30

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.

(vii. The following payments are expected contributions to the defined benefit plan in future years:

Particulars	As at 31 March 2020	As at 31 March 2019
Within the next 12 months	1.16	2.91
Between 2 and 5 years	17.78	28.91
Between 5 and 10 years	4.40	9.19
Total expected payments	**23.35**	**41.01**

Note: The above disclosures are based on the valuation report by an independent actuary and relied upon by the auditors.

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38. Additional information pursuant to part-III of the Schedule III to the Companies Act, 2013.

Name of the Entity	Net Assets i.e., Total Assets minus total liabilities as at		Share in Profit or Loss for the year ended		Share in Other comprehensive Income for the year ended		Share in total comprehensive income for the year ended	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
i. Parent								
Zuari Infraworld India Limited								
Amount	14,906.85	14,893.35	94.34	29.52	(0.06)	4.00	94.29	33.51
As % of Consolidated	113.51%	109.69%	-36.67%	-4.25%	0.05%	-7.80%	-25.90%	-4.50%
ii. Foreign subsidiaries								
a. Zuari Infra Middle East Limited								
Amount	486.01	384.26	61.58	(144.65)	-	-	61.58	(144.65)
As % of Consolidated	3.70%	2.83%	-23.94%	20.83%	-	-	-16.92%	19.40%
b. Zuari Infraworld SJM Elysium Properties LLC *(formely known as SJM Elysium Properties LLC)*								
Amount	(880.59)	(607.44)	(202.80)	(244.93)	-	-	(202.80)	(244.93)
As % of Consolidated	-6.71%	-4.47%	78.83%	35.28%	-	-	55.71%	32.85%
iii. Associates (share of profit/loss)								
a. Brajbhumi Nirmaan Private Limited								
Amount	-	-	(1.75)	(20.26)	-	-	(1.75)	(20.26)
As % of Consolidated	-	-	0.68%	2.92%	-	-	0.48%	2.72%
b. Pranati Niketan Private Limited								
Amount	-	-	-	-	-	-	-	-
As % of Consolidated	-	-	0.00%	0.00%	-	-	0.00%	0.00%
c. Darshan Nirmaan Private Limited								
Amount	-	-	-	-	-	-	-	-
As % of Consolidated	-	-	0.00%	0.00%	-	-	0.00%	0.00%
iv. Eliminations & adjustments on consolidation								
Amount	(1,379.75)	(1,092.81)	(208.63)	(313.95)	(106.73)	(55.23)	(315.36)	(369.18)
As % of Consolidated	-10.51%	-8.05%	81.10%	45.22%	99.95%	107.80%	86.63%	49.52%
Zuari Infraworld India Limited (Consolidated)								
In Amount	**13,132.51**	**13,577.36**	**(257.26)**	**(694.28)**	**(106.79)**	**(51.23)**	**(364.05)**	**(745.51)**
In Percentage (%)	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

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39 Segment Information

Information regarding Operating Segment Reporting as per Ind AS-108

The Chief Financial Officer monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Company has identified only one segment i.e., real estate sector as its reportable segment for the purpose of Ind AS 108.

Real Estate segment (RE) is into development, sale, management and operation of all or any part of townships, housing projects, including leasing of self owned commercial premises and also rendering development management services and thus entire business has been considered as a single operating component by the Management.

39.1 The following table presents assets and liabilities information for the Company's operating segments as at year end:

Geographical information	Non-current assets		Revenue from operations	
	As at 31 March 2020	As at 31 March 2019	for the year ended 31 March 2020	for the year ended 31 March 2019
India	1,353.53	1,282.06	2,613.85	1,785.30
Outside India (Dubai)	4,392.66	4,036.31	-	-
	5,746.19	**5,318.37**	**2,613.85**	**1,785.30**

Note:
Non-current assets disclosed above are excluding Investment in subsidiaries & Associates, financial instruments, deferred tax assets, post-employment benefit assets etc.

39.2 Revenue from the customers contributing more than 10% of the total revenue are given below:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Customer A	-	139.51
Customer B	-	270.38
Customer C	-	400.00
Total	-	**809.89**

Note:
There are no customers who individually contribute more than 10% of the total revenue of the Company. Accordingly, no disclosures has been made in this regard.

40 Disaggregation of revenue

Particulars	For the year ended 31 March 2020		For the year ended 31 March	
	India	Outside India	India	Outside India
Sale of residential units	2,275.08	-	1,346.57	-
Development management fees	220.02	-	232.51	-
Sales Commission on sale of plots/residential units	38.10	-	177.37	-
Maintenance charges	75.67	-	1.07	-
Other Operating revenue	4.99	-	27.78	-
Total	**2,613.85**	-	**1,785.30**	-

41 Accounts of most of the trade payables, trade receivables, loans & advances and customer advances are subject to confirmation and management does not except any material adjustments had the confirmation were received. In the opinion of the Management none of the assets, other than property plant and equipment, have a value lower on realisation in the ordinary course of business than the amount at which they are stated in these consolidated financial statements.

(Signatures to notes 1-2 & 29 to 41)

As per our report of the even date attached
For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

Srinivas.K.P.
K P SRINIVAS
Partner
M. No. 208520

Place: Bangalore
Date: 24/6/2020

For and behalf of the Board of Directors of
Zuari Infraworld India Limited

R S RAGHAVAN
Director
DIN:00362555

Place: Gurgoan
Date: 11 June, 2020

ALOK BANERJEE
Director & CEO
DIN: 01371033

Place: Bangalore.
Date: 11 June, 2020.

ANSHUL A. BANSAL
Chief Financial Officer

Nishu Kakkar
NISHU KAKKAR
Company Secretary
M.No. A-46334

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