



**ZUARI INFRAWORLD INDIA  
LIMITED**

**STANDALONE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
31 MARCH 2019**

## INDEPENDENT AUDITORS' REPORT

To,  
The Members of Zuari Infracore India Limited,  
Bangalore.

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of Zuari Infracore India Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Profit and Loss statement, 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.

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, 2019, profit, 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

We draw attention to Note 7.7 of the financial statements for the year ended 31 March 2019 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.

Our Opinion is not modified in the respect of this matter.





### 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.

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

### Auditor's Responsibilities for the Audit of the 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:

- (i) 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.
- (ii) 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.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) 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.
- (v) 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.
- (vi) 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.
- (vii) 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.
- (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 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197 of the Act is not applicable to the Company.

- (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 29.2 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

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



Place: Gurgaon  
Date : 20<sup>th</sup> May 2019

Page 4 of 9



**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 Infracore India Limited for the year ended 31st March, 2019.

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and equipment;
- (b) The Property, Plant and equipment of the Company have not been physically verified by the Management during the year. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any, has been properly dealt with in the books of account.
- (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.1,826.65 lakhs and balance outstanding as at balance sheet date including interest accruals is Rs.2,917.56 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.
- (vii) (a) According to the information and explanation given to us and as per our verification of the records of the company, The Company has been generally 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 have been outstanding for more than six months from the due date as at the year-end.
- (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 31<sup>st</sup> March, 2019 except for the TDS default demand of Rs.6,13,260/- as per the TRACES portal of Income Tax Department.
- (viii) According to information and explanations given to us and as per our verification of the records of the company, the company has not defaulted in repayment of its dues to bank and financial institutions during the year, except a minor delay as given below:

Particulars	Nature of Dues	Amount of default (Rs)	Default (in days)
HDFC Bank Limited	Principal repayment of Term Loan	5,00,00,000	3 days

The Company has not issued debentures or obtained loans from Government.

- (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 provisions of section 197 read with Schedule V to the Act is not applicable to the company for the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations provided to us and as per our verification, all the transactions with related parties are in compliance with section 177 and 188 of the Companies Act 2013 since in the view of the company these transactions have been undertaken on arm's length basis in the ordinary course of business and all the details as required to be disclosed by the applicable accounting standard (Ind AS 24 – Related Parties Disclosures) have been disclosed in the standalone financial statements for the year ended 31 March 2019



- (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.
- (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) 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

Place: Gurgaon  
Date : 20<sup>th</sup> May 2019



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



**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 Infracore India Limited for the year ended 31st March, 2019.

**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 Infracore India Limited** ("the Company") as of 31<sup>st</sup> March 2019 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.





### 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 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

Place: Gurgaon  
Date: 20<sup>th</sup> May 2019



**ZUARI INFRAWORLD INDIA LIMITED**  
**STANDALONE BALANCE SHEET**

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

	Note No.	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a.) Property, plant and equipment	3.1	135.42	154.89
(b.) Other intangible assets	3.2	1.36	1.80
(c.) Financial assets:			
(i.) Investments	4	11,419.48	12,326.80
(ii.) Loans	5.1	2,917.56	860.07
(iii.) Other financial assets	6.1	31.16	29.09
(d.) Income tax assets (net)		51.38	115.59
(e.) Other non current assets	7.1	1,077.44	884.12
		<b>15,633.80</b>	<b>14,372.36</b>
<b>Current assets</b>			
(a.) Inventories	8	26,506.29	17,408.05
(b.) Financial assets			
(i.) Trade receivables	9	618.52	1,868.36
(ii.) Cash & Cash equivalents	10	185.50	454.88
(iii.) Other bank balances	10.1	500.00	-
(iv.) Loans	5.2	9.44	1.88
(v.) Other financial assets	6.2	428.01	958.49
(c.) Other current assets	7.2	3,428.05	2,952.46
		<b>31,675.81</b>	<b>23,644.12</b>
		<b>47,309.61</b>	<b>38,016.48</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a.) Equity share capital	11	4,655.00	4,655.00
(b.) Other equity	12	10,238.35	10,585.59
		<b>14,893.35</b>	<b>15,240.59</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a.) Financial liabilities			
(i.) Borrowings	13.1	18,937.23	12,470.06
(ii.) Trade payables	14.1		
- dues to micro and small enterprises		-	-
- dues to other creditors		39.01	199.57
(iii.) Other financial liabilities	15.1	24.92	26.01
(b.) Provisions	16.1	53.72	39.49
(c.) Deferred tax liability (net)	17	220.60	213.57
		<b>19,275.48</b>	<b>12,948.69</b>
<b>Current liabilities</b>			
(a.) Financial liabilities			
(i.) Borrowings	13.2	1,058.11	3,500.00
(ii.) Trade payables	14.2		
- dues to micro and small enterprises		4.56	-
- dues to other creditors		1,117.77	1,146.53
(iii.) Other financial liabilities	15.2	2,437.06	3,133.07
(b.) Other current liabilities	18	8,517.83	2,040.58
(c.) Provisions	16.2	5.44	7.02
		<b>13,140.77</b>	<b>9,827.20</b>
		<b>47,309.61</b>	<b>38,016.48</b>

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

*This is the balance sheet referred to in our report of even date attached.*

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

For VARMA & VARMA,  
Chartered Accountants  
FRN 004532S

*Suresh Krishnan*  
**N SURESH KRISHNAN**  
Director  
DIN: 00021965

*Sunil Sethy*  
**SUNIL SETHY**  
Director  
DIN: 00244104

*Alok Banerjee*  
**ALOK BANERJEE**  
Chief Executive Officer

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

*Anshul A. Bansal*  
**ANSHUL A. BANSAL**  
Chief Financial Officer

*C G Ramegowda*  
**C G RAMEGOWDA**  
Company Secretary

Place: Gurgaon  
Date: 20 May 2019

Place: Gurgaon  
Date: 20 May 2019





**ZUARI INFRAWORLD INDIA LIMITED**  
**STANDALONE PROFIT AND LOSS STATEMENT**  
(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>REVENUE:</b>			
Revenue from operations	19	2,185.30	663.28
Other income	20	1,144.54	632.84
<b>Total Income</b>		<b>3,329.84</b>	<b>1,296.12</b>
<b>EXPENSES:</b>			
Purchase of materials, sub-contract charges and other project costs	21	2,443.19	2,558.44
Changes in Construction Work-in-progress	22	(1,150.67)	(2,105.56)
Employee benefit expenses	23	274.25	143.23
Other expenses	24	608.46	338.23
<b>Total expenses</b>		<b>2,175.22</b>	<b>934.34</b>
<b>Profit Before Interest, Tax and Depreciation &amp; Amortisation</b>		<b>1,154.62</b>	<b>361.77</b>
Finance costs	25	959.17	242.94
Depreciation and amortization expense	26	19.93	24.18
<b>Profit before tax expenses</b>		<b>175.52</b>	<b>94.65</b>
<b>Tax expenses:</b>			
Current tax expense	27	4.00	6.00
Tax Expense of earlier years		2.60	4.74
Deferred tax charge/(credit)		139.40	102.65
<b>Tax Expenses for the year (net)</b>		<b>146.00</b>	<b>113.39</b>
<b>Profit/(Loss) for the year before other comprehensive income</b>		<b>29.52</b>	<b>(18.74)</b>
<b>Other comprehensive income / (Loss)</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of defined benefit plans ( Gratuity)		5.40	6.65
Deferred tax on above defined benefit plans		(1.40)	(1.73)
<b>Total Other Comprehensive Income/(Loss)</b>		<b>4.00</b>	<b>4.92</b>
<b>Total Comprehensive Income/(Loss)</b>		<b>33.51</b>	<b>(13.81)</b>
<b>Earning/(Loss) per share (In Rs.)</b>			
Basic & Diluted	30	0.06	(0.04)
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

*Suresh Krishnan*  
**N SURESH KRISHNAN**  
Director  
DIN: 00021965

*Sunil Sathy*  
**SUNIL SETHY**  
Director  
DIN: 00244104

*Alok Banerjee*  
**ALOK BANERJEE**  
Chief Executive Officer

*Anshul A. Bansal*  
**ANSHUL A. BANSAL**  
Chief Financial Officer

*C G Ramegowda*  
**C G RAMEGOWDA**  
Company Secretary

Place: Gurgaon  
Date: 20 May 2019

*This is the profit & loss statement referred to in our report of even date attached.*

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

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

Place: Gurgaon  
Date: 20 May 2019



**ZUARI INFRAWORLD INDIA LIMITED**  
**STANDALONE STATEMENT OF CHANGES IN EQUITY**  
(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

			As at March 31, 2019	As at March 31, 2018
<b>A. Equity share capital</b>			<b>4,655</b>	<b>4,655</b>
<b>B. Other equity</b>				
	Securities premium account	Equity Component of convertible preference shares	Retained earnings	Total
<b>Balance as at 1 April, 2017</b>	7,650.00	424.95	(121.55)	7,953.40
Profit for the year	-	-	(18.74)	(18.74)
Income tax effect on the interest on preference shares	-	(146.15)	-	(146.15)
Remeasurement of defined benefit obligations	-	-	4.92	4.92
Security premium on the issue of preference shares	2,655.00	-	-	2,655.00
Equity component of preference shares issued	-	137.15	-	137.15
<b>Balance as at 31 March, 2018</b>	<b>10,305.00</b>	<b>415.96</b>	<b>(135.36)</b>	<b>10,585.59</b>
Adjustment pursuant to adoption of Ind AS 115	-	-	(514.53)	(514.53)
Income tax effect on above adjustment	-	-	133.78	133.78
<b>Balance as at 1 April, 2018 after adjustments under Ind AS 115</b>	<b>10,305.00</b>	<b>415.96</b>	<b>(516.12)</b>	<b>10,204.84</b>
Profit for the year ended 31 March 2019	-	-	29.52	29.52
Remeasurement of defined benefit obligations	-	-	4.00	4.00
<b>Balance as at 31 March, 2019</b>	<b>10,305.00</b>	<b>415.96</b>	<b>(482.61)</b>	<b>10,238.35</b>

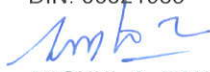
The accompanying notes forms an integral part of the standalone financial statements

*This is the statement of changes in equity referred to in our report of even date.*

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

  
**N SURESH KRISHNAN**  
Director  
DIN: 00021965


  
**SUNIL SETHY**  
Director  
DIN: 00244104

  
**ANSHUL A. BANSAL**  
Chief Financial Officer

  
**C G RAMEGOWDA**  
Company Secretary

  
**ALOK BANERJEE**  
Chief Executive Officer

For VARMA & VARMA  
Chartered Accountants  
FRN 004532S

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

Place: Gurgaon  
Date: 20 May 2019

Place: Gurgaon  
Date: 20 May 2019





**ZUARI INFRAWORLD INDIA LIMITED**  
**STANDALONE CASH FLOW STATEMENT**

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

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before taxation	175.52	94.65
Adjustments for :		
Depreciation & Amortisation	29.42	34.26
Loss on sale of tangible assets (net)	-	2.56
Interest Income	(24.48)	(21.24)
Balances written-off	11.55	1.11
Short Term Capital Gain - Mutual Fund	(181.44)	(4.45)
Dividend from Mutual funds	-	(4.64)
Gain on fair value adjustments to financial assets through profit or loss	(643.86)	(485.63)
Fair value adjustment to inter corporate deposits, net.	230.85	(77.46)
Interest expense	2,738.33	1,923.39
Fair value adjustment to security deposits, net.	(1.23)	(0.94)
Provision towards service refund receivable	-	10.35
Adjustment on amortisation of financial assets, net	-	0.01
Re-measurement gains on defined benefit plans through OCI	5.40	6.65
Fair value adjustment to preference shares issued	113.75	95.37
<b>Operating Profit/(Loss) before working Capital Changes</b>	<b>2,453.82</b>	<b>1,573.99</b>
Adjustment for changes in :		
Decrease/(Increase) in trade receivables	1,249.84	85.66
(Increase) / Decrease in financial and Other assets	84.49	2,095.64
(Increase) / Decrease in Inventories	(1,150.67)	(2,105.56)
(Decrease)/Increase in Trade Payables	(184.75)	(576.60)
(Decrease)/Increase in Provisions	12.66	(1.01)
(Decrease)/Increase in Financial and other liabilities	(2,188.41)	(394.14)
<b>Net cash generated from operations</b>	<b>276.99</b>	<b>677.98</b>
Direct Taxes Paid ( net of refund including Interest on refund)	76.38	32.96
<b>Net cash generated from operating activities</b>	<b>353.37</b>	<b>710.94</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Additions to tangible/intangible assets	(9.52)	(31.80)
Proceeds from sale of tangible/intangible assets	-	1.39
Investments in Mutual Funds	(5,523.08)	(7,295.96)
Proceeds from sale of Investments in Mutual Funds	7,250.51	2,350.41
Loans to subsidiaries, net of repayments	(2,283.15)	(782.61)
Fixed deposits with bank	(500.00)	-
Interest received	0.64	15.50
<b>Net cash from Investing activities</b>	<b>(1,064.61)</b>	<b>(5,743.06)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Issue of Preference shares (at a premium)	-	2,950.00
Proceeds from Short term Borrowings (net)	1,000.00	3,500.00
Proceeds from Long term Borrowings (net)	1,934.31	800.00
Interest Paid	(2,492.45)	(1,923.39)
<b>Net cash used in financing activities</b>	<b>441.86</b>	<b>5,326.61</b>
<b>Net Changes in Cash and Cash equivalents during the year</b>	<b>(269.38)</b>	<b>294.49</b>
Cash and Cash equivalents at the beginning of the year	454.88	160.39
<b>Cash and Cash equivalents at the end of the year (Refer Note 10)</b>	<b>185.50</b>	<b>454.88</b>

**Disclosure pursuant to Ind-AS 7 as amended:**

Particulars	As at 01 April 2018	Cash Flow	Trf. to Securities Premium	Non-Cash Adj. (Fair Value adjustments)	As at 31 March 2019
Redeemable Preference Shares (Debt portion)	814.76	-	-	113.75	928.51

This is the cash flow statement referred to in our report of even date attached

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

*Suresh Krishnan*  
**N SURESH KRISHNAN**  
 Director  
 DIN: 00021965

*Sunil Sethy*  
**SUNIL SETHY**  
 Director  
 DIN: 00244104

*Alok Banerjee*  
**ALOK BANERJEE**  
 Chief Executive Officer

*Anshul A. Bansal*  
**ANSHUL A. BANSAL**  
 Chief Financial Officer

*C G Ramegowda*  
**C G RAMEGOWDA**  
 Company Secretary

Place: Gurgaon  
Date: 20 May 2019

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

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

Place: Gurgaon  
Date: 20 May 2019





**1. Corporate information:**

Zuari Infraworld India Limited ("the Company" or "ZIIL") is a wholly owned subsidiary of Zuari Global Limited ("ZGL"). The company is a public limited company incorporated with registration number U45309KA2007PLC043161 on 18 June 2007 and having its registered office at Bangalore.

The Company is primarily into the business of developing residential cum commercial properties intended for sale.

The financial statements were approved for issue in accordance with the resolution of the Board of directors at the meeting held on 20th May, 2019.

**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 Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and in accordance with the reporting requirement 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 as one year 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 in lakhs, 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 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. These estimates are most relevant to the goodwill and other intangibles with indefinite useful lives recognised in the financial statements.





**(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.

**(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 financial statements 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.

**(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 trade discounts or rebates are deducted in arriving at the purchase cost. 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:**

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:**

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 provided under the Straight Line Method after retaining estimated residual value not exceeding 5% of the original cost, except for Leasehold improvements. 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., 1st April, 2015.





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

Name of Assets	Useful Lives
Office Equipment	5 years
Plant & Machinery	8 years
Furniture & Fixtures	10 years
Computer and servers	5 and 6 years
Motor Vehicles	10 years
Leasehold Improvements	Over the primary lease period
Temporary structure	1 years

(d.)

**(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 under the Straight Line Method 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 statement of profit and loss 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 using the straight line method over a period of 5 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., 1st April, 2015.

(e.) **Leases (other than land leases)**

**Operating Leases as a lessee:**

Operating Lease payments are recognised as an expense in the Profit and Loss Statement on a straight line basis with reference to lease terms and other considerations except where:-

- (i) Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on
- (ii) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(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 a provision matrix. The provision matrix takes into account 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 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.

**(h.) Foreign Currency Translation**

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

**(i.) Initial Recognition:**

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

**(ii.) 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.

**(iii.) 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).

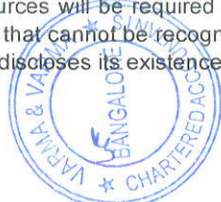
**(i.) Inventories**

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.

**(j.) Provisions, Contingent Liabilities and Capital Commitments****(i.) 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.





**(ii.) 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.

**(k.) Revenue Recognition**

The Company has applied Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under erstwhile Ind AS 18 "Revenue" read with Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable) issued by the Institute of Chartered Accountants of India (the "ICAI").

The details of accounting policies under Ind AS 18 are disclosed separately if they are different from those under erstwhile revenue standards and the impact of changes is disclosed separately in the financial statements.

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

The Company follows a five step model as envisaged in Ind AS 115 given below to determine whether to recognize revenue:

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

**Identify the Contract with Customer**

The Company evaluates whether a valid contract is satisfying all the following conditions:

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

**Identifying the performance obligations**

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

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

**Determining the transaction price**

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.

**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.



**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.

**(i) 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. However, an enforceable right to payment does not arise until legal title has passed to the customer. Therefore, revenue is recognised at a point in time when the legal title has 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.

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 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.

**(ii) 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.

**(ii) Sales Commission from sale of plots/ residential units**

Commission from sale of plots/ residential flats upon sale of the plots/ flats and after receipt of specified sum of consideration as per the terms of contracts.

**(iv) 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.

**(I.) 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 provisions of 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/further 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.

**(iv) 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.



**(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 profit and loss statement.

**(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.)**

**(i) 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

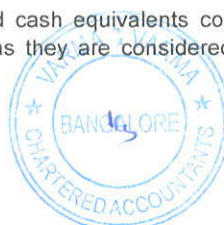
All transactions with owners of the parent are recorded separately within equity.

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.

**(ii) 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.





**(r.) Investments**

Investments in subsidiary, Joint Ventures and Associates are accounted at their deemed cost in 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.

**(s.) Inventories**

The cost of inventories shall comprise of all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are valued at lower of cost and Net Realisable Value (NRV). The cost is determined as under : construction work in progress of constructed properties/projects includes the cost of land, internal development cost, external development charges, construction costs, overheads, borrowing costs, construction materials and the same is valued at lower of cost/estimated cost or NRV.

**(t.) Recent Accounting pronouncements****(i.) New Accounting Standards not yet adopted:**

On 30 March, 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018 notified a new standard, amendments to existing standards and interpretations which are effective for financial year beginning after April 1, 2019, and have not been applied in preparing these standalone financial statements. New standards, amendments to standards and interpretations that could have a potential impact on the financial statements of the Company are:

**(a) Ind AS 116 - Leases**

Ind AS 116, Leases supersedes the existing standard on leases, Ind AS 17 Lease, and the related interpretations. The new standard introduces a single lessee accounting model for lessee and eliminates the accounting difference between an operating lease and finance lease. Lessee's with operating leases will have a significant impact in accounting under the new standard. The accounting and classification in the books of lessor shall be based on existing operating/finance lease model.

Ind AS 116, Leases sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

The new standard allows for two methods of transition: the full retrospective approach, under which the effect of adoption of this standard is presented retrospectively to each prior reporting period in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors or the modified retrospective approach, where the cumulative effect of applying the standard retrospectively is recognized at the date of initial application. The standard is effective for financial year beginning on or after April 1, 2019. The Management is currently assessing the impact of adopting this standard on the Company's financial statements.

**(b.) Amendment to Ind AS 12 – Income taxes :** On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

**(c.) Amendment to Ind AS 19 – plan amendment, curtailment or settlement-** On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: • to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and • to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

**(ii.) New standards adopted by the Company**

The Company has adopted Ind AS 115 - Revenue from Contracts with Customers with effect from April 01, 2018. The new revenue recognition standard replaces the existing standards Ind AS 11, Ind AS 18 and all the revenue related interpretations and guidance's.

The new standard envisages single model revenue recognition which requires to recognize revenue when customer has transferred control of goods or service rather than transfer of risks and rewards. The Company has accordingly changed its accounting policies and made adjustments in opening retained earnings. Refer note 37 for further details.



ZUARI INFRAWORLD INDIA LIMITED  
 NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019  
 (All Amounts in Indian Rupees in lakhs, unless otherwise stated)

3.1 Property, plant and equipment ( Tangible Assets )

	Plant and Equipment	Office Equipment	Leasehold Improvements	Computers	Furniture and Fixtures	Temporary Structures	Vehicles	Total
<b>Deemed Cost</b>								
As at April 1, 2017	6.77	40.85	93.35	12.81	47.70	0.85	-	202.34
Additions	-	1.46	35.86	3.16	3.84	-	0.65	44.97
Disposal	-	(1.40)	-	-	(6.32)	-	-	(7.72)
As at March 31, 2018/ April 01, 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 March 31, 2019	6.77	45.49	132.86	15.98	46.51	0.85	0.65	249.11
<b>Accumulated depreciation</b>								
As at April 1, 2017	2.38	18.68	18.68	5.88	12.55	0.00	-	58.17
Charge for the year	1.20	6.73	13.05	3.25	6.02	-	0.05	30.30
Disposals/adjustments	-	(0.89)	-	-	(2.88)	-	-	(3.77)
As at March 31, 2018/ April 01, 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 March 31, 2019	4.59	30.78	45.70	11.46	21.04	0.00	0.12	113.69
<b>Carrying amount (net)</b>								
As at April 1, 2017	4.40	22.18	74.67	6.93	35.14	0.85	-	144.17
Additions	-	1.46	35.86	3.16	3.84	-	0.65	44.97
Disposal	-	(0.51)	-	-	(3.44)	-	-	(3.95)
Depreciation	(1.20)	(6.73)	(13.05)	(3.25)	(6.02)	-	(0.05)	(30.30)
As at March 31, 2018/ April 01, 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 March 31, 2019	2.18	14.72	87.16	4.52	25.47	0.85	0.52	135.42





ZUARI INFRAWORLD INDIA LIMITED  
 NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019  
 (All Amounts in Indian Rupees in lakhs, unless otherwise stated)

3.2 : Other Intangible Assets

Computer Software	Amount
<b>Deemed Cost</b>	
As at April 1, 2017	22.06
Additions	-
Disposal	-
As at March 31, 2018/ April 01, 2018	22.06
Additions	-
Disposal	-
As at March 31, 2019	22.06
<b>Accumulated depreciation</b>	
As at April 1, 2017	16.29
Charge for the year	3.96
Disposals/adjustments	-
As at March 31, 2018/ April 01, 2018	20.26
Charge for the year	0.43
Disposals/adjustments	-
As at March 31, 2019	20.69
<b>Carrying amount (net)</b>	
As at March 31, 2018/ April 01, 2018	1.80
As at March 31, 2019	1.36







**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

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

**4.3. Investments in mutual funds**

Investments in mutual funds are pledged 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 29)

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

Descriptions	For the year ended March 31, 2019			For the year ended March 31, 2018		
	Carrying value	Sale Proceeds	Gain/Income	Carrying value	Sale Proceeds	Gain/Income
LGD Yes Liquid Fund Direct - Growth	1,000.00	1,006.72	6.72	-	-	-
SBI Debt Fund Series B-17 (1100 days) Direct Growth	1,254.93	1,267.09	12.16	-	-	-
ICICI Liquid - P8101 Money Market Fund - Direct Growth	206.00	206.15	0.15	-	-	-
SBI Magnum Ultra SDF Direct Growth	1,049.75	1,099.09	49.33	-	-	-
SBI Short Term Fund - Direct Plan - Growth	3,558.39	3,671.45	113.06	-	-	-
ICICI Prudential (Liq.) Mutual Fund	-	-	-	395.00	396.37	1.37
IDFC-Money Mgr. Fd. - Treasury Plan	-	-	-	50.00	50.18	0.18
L&T Liquid Fund	-	-	-	25.00	25.23	0.23
L&T Ultra Short Term Fund	-	-	-	571.32	573.99	2.67
SBI Mg. Insta Cash Fund (Daily Div.)	-	-	-	1,300.00	1,304.64	4.64
	<b>7,069.07</b>	<b>7,250.51</b>	<b>181.44</b>	<b>2,341.32</b>	<b>2,350.41</b>	<b>9.08</b>

**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 as Fair value through profit and loss (FVTPL). The fair valuation was carried by an Independent valuer.

**5. Loans**

As at  
March 31, 2019      As at  
March 31, 2018

**Unsecured, Considered Good**
**5.1. Non - Current**

Loan to related party (carried at amortised cost) (Refer Note 5.3 below)

2,917.56      860.07

**2,917.56      860.07**

**5.2. Current**

Advance to Employees

9.44      1.88

**9.44      1.88**

**2,927.01      861.95**

**5.3. 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 years moratorium for payment of interest and principal from the date of disbursement. For detailed schedule of repayment terms refer table below:**

Movement in Loan and their repayment schedule is as under:

Details of loan	Date of disbursement	Loan Amount	Repaid during the year	Accrued Interest	Closing balance	Maturity Date	Amount disbursed (AED)
Loan 2	03 May, 2017	287.14	-	71.85	358.99	02 May, 2020	18.09
Loan 3	12 July, 2017	35.58	-	7.92	43.49	11 July, 2020	2.00
Loan 4	16 August, 2017	459.90	-	96.08	555.98	15 August, 2020	26.00
Loan 5	25 April, 2018	240.18	-	27.69	267.87	24 April, 2021	13.19
Loan 6	23 May, 2018	187.67	-	19.77	207.44	22 May, 2021	10.00
Loan 7	25 June, 2018	283.67	-	26.59	310.26	24 June, 2021	15.20
Loan 8	21 September, 2018	20.00	-	1.27	21.27	20 September, 2021	1.00
Loan 9	24 October, 2018	1,095.12	-	57.15	1,152.27	23 October, 2021	54.00
<b>Total</b>		<b>2,609.26</b>	<b>-</b>	<b>308.30</b>	<b>2,917.56</b>		<b>139.48</b>

**ZUARI INFRAWORLD INDIA LIMITED**

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

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

6. Other financial assets	As at March 31, 2019	As at March 31, 2018
<b>Unsecured, Considered Good</b>		
<b>6.1. Non-current</b>		
Security deposits (carried at amortised cost)	28.76	26.69
Security deposits (carried at cost)*	2.40	2.40
	<b>31.16</b>	<b>29.09</b>
<b>6.2. Current</b>		
Security deposits - Current (Carried at cost)*	26.04	24.71
Interest accrued and due - Others (refer note 7.7. below)*	33.72	33.72
Interest Accrued but not due	5.09	-
Expenses Recoverable (refer note 6.5. below)	189.23	704.75
Unbilled Revenue - Service Contracts	173.93	14.59
Unbilled Revenue - Project	-	180.72
	<b>428.01</b>	<b>958.49</b>
<i>* Balances are subject to confirmation.</i>		
<b>6.4 Includes service income accrued and not billed to related parties;</b>		
Zuari Infra Middle East Limited, UAE - Commission towards financial guarantee	-	13.24
Zuari Global Limited, India - Sales and Development Management Commission	57.05	1.35
	<b>57.05</b>	<b>14.59</b>
<b>6.5 Includes expenses recoverable from related parties;</b>		
Brajbhumi Nirmaan Private Limited, India	157.33	157.33
Zuari Infra Middle East Limited, UAE	31.91	536.39
	<b>189.23</b>	<b>693.72</b>

7. Other Assets	As at March 31, 2019	As at March 31, 2018
<b>Unsecured, Considered Good</b>		
<b>7.1. Non-Current</b>		
Advances recoverable in cash or kind (refer note 7.3 & 7.4 below)	846.63	850.17
Capital Advance (towards acquisition of software license)	10.60	-
Goods and Service Tax Refund (refer note 7.5. below)	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)
Prepaid lease (Security deposit paid)	-	1.94
	<b>1,077.44</b>	<b>884.12</b>
<b>7.2. Current</b>		
Goods and Service Tax Input Credit (Refer Note 7.6. below)	463.27	447.95
Advance to vendors (refer note 7.7. below)	2,576.84	2,418.30
Prepaid expenses (refer note 7.8. below)	286.70	84.28
Other receivable (Refer Note 7.9. below)	99.30	-
Prepaid lease-current (security deposit paid)	1.94	1.93
	<b>3,428.05</b>	<b>2,952.46</b>

**7.3.** Includes mobilisation advances to a sub-contractor aggregating to Rs 207.02 lakhs (2018: Rs 210.56 lakhs) in respect of which the sub-contractor vendor has furnished bank guarantee to the extent of Rs 210.56 lakhs (2018: Rs 237.13 lakhs) which is valid up to 30 June, 2019. These advances shall be adjusted against the subsequent running bills from the subcontractor and these balances are subjected to confirmation from that party.

**7.4.** Under the Development Management Agreement with an agent, the Agency is entitled to certain percentage of income calculated in the manner specified therein. The Company has made advance payments aggregating to Rs. 639.61 lakhs as at 31 March, 2019 (2018: Rs. 639.61 lakhs). The amount will be adjusted in the year when the agency becomes entitled to share of income as per the agreement. The Management expects to adjust/recover the same in full and hence is of the view that no adjustment is necessary at this stage and these balances are subject to confirmation from that party.





**ZUARI INFRAWORLD INDIA LIMITED****NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

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

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

7.6. Goods and Service Tax Input credits carried in the books includes input tax credits aggregating to Rs. 36.83 lakhs (2018: Nil) pertaining 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 will be eligible to claim such credits under the provisions of the GST Law.

7.7. Includes recoverable advances paid to a sub-contractor amounting to Rs 2,246.49 lakhs (as at 31 March 2018: Rs 2,246.49 lakhs). The Management is in negotiation with that party for its recovery including interest accrued (as at 31 March 2018:Rs.33.72 lakhs) Rs 33.72 lakhs as disclosed in Note 6.2 and is confident that this advance will be ultimately fully recovered. Hence in the view of the Management no provision is considered necessary at this stage.

7.8. Includes Rs.283.22 lakhs (2018: Rs.94.56 lakhs ) on account of brokerage & sales commission paid to an agency for services, on gross sale consideration receivable from customers. As per the agreement, in the event of non-completion of sale transaction, such commission is refundable by the agency. The commission paid is charged to the Profit & Loss Statement as and when revenue is recognized. For, adjustment to prepaid expenses account pursuant to adoption of Ind AS 115 refer note no. 37.

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.

<b>8. Inventories</b> (valued at lower of cost or net realizable value)	<b>As at</b> <b>March 31, 2019</b>	<b>As at</b> <b>March 31, 2018</b>
Completed units ( Refer Note 8.1. below)	4,392.84	-
Construction Work-In-Progress (includes cost of Land , Borrowing Cost and Project Construction) and Development Cost) (Refer Note 8.2. below)	22,113.44	17,408.05
	<b>26,506.29</b>	<b>17,408.05</b>

Also refer note 37 for further disclosure on project and adjustment pursuant to adoption of Ind AS 115

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. 18. Pending receipt of balance consideration and execution of absolute sale deed effecting the transfer of legal title, the same is reported as Inventory.

8.2. Includes Rs. 2,630.63 lakhs (2018: Rs. 2,396.32 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 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.

Refer Note 13 for the information on construction work in progress pledged with banks/ financial institutions as security by the company.

<b>9. Trade receivables</b>	<b>As at</b> <b>March 31, 2019</b>	<b>As at</b> <b>March 31, 2018</b>
<b>Unsecured, Considered Good</b>		
<b>Current</b>		
Trade receivables - Related Parties (refer note 9.1. below)	594.35	469.51
Trade receivables - from sale of completed units (refer note 9.5. below)	-	1,390.03
Trade receivables - others	24.17	8.82
<b>Total Trade Receivables</b>	<b>618.52</b>	<b>1,868.36</b>
<b>9.1. Trade Receivables from the related parties;</b>		
Zuari Global Limited	95.02	65.49
Brajbhumi Nirmaan Private Limited	404.02	404.02
Zuari Infra SJM Properties LLC, Dubai	39.86	-
Zuari Infra Middle East Limited, Dubai	55.44	-
	<b>594.35</b>	<b>469.51</b>

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

9.3. 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.



ZUARI INFRAWORLD INDIA LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

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

9.4. During the preceeding financial year receivables in respect of the completed projects against which demand notes were raised and pending execution of sale deed were reported as trade receivables. During the current financial year this was reversed pursuant to adoption of Ind AS 115. (Also refer note 37 for further details)

Refer Note No. 13 for the information on trade receivables pledged with banks/financial institutions as security by the Company.

10. Cash and cash equivalents	As at March 31, 2019	As at March 31, 2018
Balances held in banks in current account*	185.50	454.88
	185.50	454.88

\* As per the statement of account obtained from bank and includes 2 accounts with balances aggregating to Rs. 6.94 lakhs held pursuant to requirement of Real Estate Regulatory Authority (RERA) Act, 2016.

10.1 Other bank balances	As at March 31, 2019	As at March 31, 2018
Deposits held with banks with more than 3 months but less than 12 months maturity period	500.00	-
	500.00	-

*This space has been intentionally left blank*





ZUARI INFRAWORLD INDIA LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

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

11. Share capital	As at March 31, 2019	As at March 31, 2018
<b>11.1 (a.) Authorised</b>		
50,000,000 (2018 : 50,000,000) Equity Shares of Rs. 10 each	5,000.00	5,000.00
15,000,000 (2018 : 15,000,000) Preference Shares of Rs. 10 each	1,500.00	1,500.00
	<b>6,500.00</b>	<b>6,500.00</b>
<b>(b.) Issued, subscribed &amp; paid up</b>		
4,65,50,000 (2018: 4,65,50,000) Equity Shares of Rs 10 each	4,655.00	4,655.00
1,14,50,000 (2018 : 85,00,000) Non-Convertible Cumulative Redeemable Preference Shares of Rs 10 each issued at premium of Rs. 90 each. (Also, refer note 13.10. below )	1,145.00	1,145.00
	<b>5,800.00</b>	<b>5,800.00</b>

**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 March 31, 2019		As at March 31, 2018	
	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	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>4,65,50,000</b>	<b>4,655.00</b>	<b>4,65,50,000</b>	<b>4,655.00</b>

**11.3 Details of shareholders holding more than 5% shares in the Company and share holding by related parties as at March 31, 2019**

Name of the Shareholder	As at March 31, 2019		As at March 31, 2018	
	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%

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 13.10. below for details of Cumulative Compulsorily redeemable preference shares issued by the Company.

12. Other equity	As at March 31, 2019	As at March 31, 2018
<b>12.1 Deemed equity on fair-value adjustment to Non-convertible cumulative redeemable preference Shares:</b>		
At the beginning of the year	415.96	424.95
Equity component of redeemable Preference Shares issued during the year	-	137.15
Income tax effect on the interest portion on Preference shares	-	(146.15)
	<b>415.96</b>	<b>415.96</b>

Also refer note 13.10. below for detailed disclosure on preference shares



ZUARI INFRAWORLD INDIA LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019

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

<b>12.2 Security Premium:</b>		
As at the beginning of the year	10,305.00	7,650.00
Add: Security premium received during the year	-	2,655.00
<b>As at the end of the year</b>	<b>10,305.00</b>	<b>10,305.00</b>
Premium on issue of cumulative compulsorily redeemable preference shares.		
<b>12.3 Balance in profit &amp; Loss Statement</b>		
As at the beginning of the year.	(135.36)	(121.55)
Adjustment pursuant to adoption of Ind AS 115	(514.53)	-
Income tax effect on above	133.78	-
Add: Profit for the year	29.52	(18.74)
Add: Re-measurement gains/(loss) on defined benefit plans, not reclassified to profit or loss	4.00	4.92
<b>Net deficits in the profit and loss statement</b>	<b>(482.61)</b>	<b>(135.36)</b>
	<b>10,238.35</b>	<b>10,585.59</b>

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

As at the beginning of the year.	14.16	9.24
Remeasurements gain/(loss) on defined benefit plans	5.40	6.65
Income tax effect on above	(1.40)	(1.73)
<b>Balance carried forward to next year</b>	<b>18.16</b>	<b>14.16</b>

13. Borrowings	As at March 31, 2019	As at March 31, 2018
----------------	-------------------------	-------------------------

13.1 Long-term borrowings:

(a.) Secured Loans

Term Loans from banks:

Federal Bank Limited (refer note 13.3. below)	-	12,488.63
Less: Current maturities of long term borrowings (refer note 15.2. below)	-	(833.33)
	-	<b>11,655.30</b>

Yes Bank Ltd (refer 13.4. below)

1,010.19 -

Term Loans from others:

LIC Housing Finance Limited (refer 13.5. below)*	15,425.84	-
	<b>16,436.03</b>	<b>11,655</b>

(b.) Unsecured Loans

Inter-Corporate Deposits from related parties (refer note 13.6. below)

Zuari Global Limited (carried at Amortised cost)	2,309.99	2,208.00
Adventz Finance Private Limited (carried at Amortised cost)	1,572.69	-
Less: Current maturities of long term borrowings (refer note 15.2. below)	(2,309.99)	(2,208.00)
	<b>1,572.69</b>	-

Liability component of compound financial instrument

Non-Convertible Cumulative Redeemable Preference Shares (Also, refer note 13.10. below)	928.51	814.76
	<b>18,937.23</b>	<b>12,470.06</b>

13.2 Short-term borrowings:

(a.) Secured Loans

Term Loans from banks:

ICICI Bank Limited (refer 13.7. below)	-	1,500.00
--	---	----------

(b.) Unsecured loans

Inter-Corporate Deposits from (refer note 13.9. below)

Adventz Finance Private Limited (carried at Amortised cost)	-	2,000.00
Anchor Investment Private Limited (carried at Amortised cost) *	309.65	-
Meenakshi Tea Co Limited (carried at Amortised cost) *	206.44	-
Texmaco Infrastructure & Holdings Limited (carried at Amortised cost) *	542.02	-
	<b>1,058.11</b>	<b>2,000.00</b>
	<b>1,058.11</b>	<b>3,500.00</b>

\* Balances are subject to confirmation.





**13.3 Federal Bank Limited**

Term loan facility of Rs. 15,000 lakhs (including overdraft facility of Rs. 500 lakhs) as a sub-limit of the overall sanctioned limits, is secured by equitable mortgage on the Land and Building to be constructed under project name "Zuari Garden City " in area admeasuring to 50 Acres and 35 Guntas, Project receivables including all insurance and it is further secured by Corporate Guarantee of Rs. 15,000 lakhs 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. This loan was pre-closed during the year, Rs.64.95 lakhs paid as pre-closure charges was debited to profit and loss statement. There is no outstanding dues of Principal or Interest as at 31 March 2019 (As at 31 March 2018: 12,489 lakhs).

**13.4 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. The said term loan facility was secured by charge on Development fee receivables and Corporate guarantee from Zuari Global Limited, the holding company executed in favour of the bank.

**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 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 admeasuring to 50 Acres and 35 Guntas(excluding sold units) and Project receivables. Further is 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 2019 is Rs.15,426 lakhs (As at 31 March 2018 : Nil). There are no continuing default in repayment of Principal or Interest as at the year end.

**13.6 Unsecured Inter-Corporate Deposits from related parties****(a.) 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 30 June 2019, without any changes to the existing terms and condition detailed as under.

Terms of Repayment:

Particulars	Outstanding 01 April, 2018	Loans during the Year	Repaid	Outstanding 31 March, 2019	Due Date
Loan 1-4 at 8% p.a.*	733.00	-	-	733.00	30 June, 2019
Loan- 5 at 8% p.a.*	400.00	-	60.01	339.99	30 June, 2019
Loan 6-8 & 11-18 at 12% p.a.	1,075.00	-	1,075.00	-	30 June, 2018
Loan 19-21 at 12% p.a.	-	50.00	50.00	-	30 June, 2019
Loan 22 at 12% p.a.	-	500.00	-	500.00	30 June, 2019
Loan 23-29 at 12% p.a.	-	1,883.00	1,883.00	-	30 June, 2019
Loan-30 at 12% p.a.	-	1,600.00	1,188.00	412.00	30 June, 2019
Loan 31-32 at 12% p.a.	-	325.00	-	325.00	30 June, 2019
	<b>2,208.00</b>	<b>4,358.00</b>	<b>4,256.01</b>	<b>2,309.99</b>	

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

**(b.) 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 unpaid loan which was rolled over during the preceding financial year and was due for repayment during the current financial year was extended for a further period up to 30 June 2020 and accordingly was reclassified as non-current during the year. The loan outstanding including interest accruals as at 31 March 2019 is Rs.1,573 lakhs. As at 31 March 2018: Rs.2,000 lakhs )

**13.7 ICICI Bank Limited**

Short-term loan facility of Rs.1,500 lakhs to meet working capital requirements of the Company. The facility is secured by the exclusive charge over the Trade Receivables (other than project receivables) of the Company and Equitable Mortgage over the Land at Vrindavan, Uttar Pradesh owned by Brajbhumi Nirman Private Limited ("BNPL") , an associate and by way of an irrevocable and unconditional Corporate Guarantee from BNPL. There are other conditions and financial covenants attached to this bank facility, which are in ordinary course of business. This loan was fully repaid during the year. The amount outstanding as at 31 March 2019 is Nil (As at 31 March 2018 : Rs. 1,500 lakhs)

Terms of Repayment:

Particulars	Principal Amount	No. of Instalments	Interest Rate	Outstanding Instalments	Outstanding Loan as at 31 March 2019
Short-term loan	1,500.00	Repayable within 180 days of drawdown. (Drawdown: 28th March 2018)	MCLR Plus spread of 1.25% (9.2%)	NA	Nil  (as at 31 March, 2018 Rs 1,500 lakhs)



## 13.8 HDFC Bank

Unsecured short-term loan facility of Rs.1,000 lakhs (2018: 700 lakhs) to meet working capital requirements of the Company. This loan was availed and repaid during the year.

Terms of Repayment:

Particulars	Principal Amount	No. of Instalments	Interest Rate	Outstanding Instalments	Outstanding Loan
Short-term loan	1,000	Rs.500 within 120 days of initial drawdown Rs.500 within 180 days of initial drawdown	12% calculated on 365 days basis.	NA	-

## 13.9 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.

Sl. No	Party Name	Amount borrowed during the year	Amount Repaid during the year	Rate of Interest	Due date for Repayment	Interest Accrued and not due	As at 31 March 2019 (including accrued interest)
i	Anchor Investments Private Limited	300	-	14.50%	01 May, 2019	9.65	309.65
ii	Meenakshi Tea Company Limited	200	-	14.50%	01 May, 2019	6.44	206.44
iii	Texmaco Infrastructure & Holdings Limited	500	-	12.00%	Payable on demand	42.02	542.02
iv	Vistaar Financial Services Private Limited	500	500	13.00%	Repaid	-	-

## 13.10 Non-Convertible Cumulative Redeemable Preference Shares:

## (a.) 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 2019	As at 31 March 2018
At the beginning of the year	1,14,50,000	85,00,000
Issued during the year	-	29,50,000
<b>Outstanding at the end of the year</b>	<b>1,14,50,000</b>	<b>1,14,50,000</b>

## (b.) 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	As at 31 March 2019		As at 31 March 2018	
	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%
<b>Outstanding at the end of the year</b>	<b>1,14,50,000</b>	<b>100%</b>	<b>1,14,50,000</b>	<b>100%</b>





**(c.) Rights, preferences and 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 31st March 2020 (70,00,000 Shares), 31st March 2021 (15,00,000 Shares) and 31st March 2022 (29,50,000 Shares) respectively. 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.

(d) 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.928.51 lakhs (2018:Rs.814.75 lakhs) has been classified under 'Long-term Borrowings' and the portion computed as the deemed equity amounting to Rs. 562.11 lakhs (2018:Rs.562.11 lakhs) 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

<b>14. Trade payables</b>		<b>As at</b>	<b>As at</b>
		<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>14.1 Non-Current</b>			
Retention Money - non current (carried at cost) *		39.01	174.08
Due to others - non current (carried at cost)*	refer note 14.4. below	-	25.48
		<b>39.01</b>	<b>199.57</b>
<b>14.2 Current</b>			
Retention Money - current (carried at cost)*	refer note 14.4. below	234.59	145.98
Dues to related parties (carried at cost)	refer note 14.3. below	39.42	36.93
Dues to others (carried at cost)*	refer note 14.4. below	843.76	963.61
Dues to micro & small enterprises(carried at cost)*	refer note 14.5. below	4.56	-
		<b>1,122.33</b>	<b>1,146.53</b>
<b>14.3 Due to Related Parties comprises of due to;</b>			
Simon India Limited		36.93	36.93
Forte Furniture Products India Private Limited		1.52	-
Zuari Finserv Private Limited		0.97	-
		<b>39.42</b>	<b>36.93</b>
<b>14.4</b>	Includes retention money Rs.131.23 lakhs (as at 31 March 2018 : Rs.142.78 lakhs) and other payables Rs.25.48 lakhs (as at 31 March 2018: Rs.25.48 lakhs) to a sub contractors in respect of which the Management is in negotiation with party for full and the final settlement.		
<b>14.5</b>	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:		
i	Principal amount due to suppliers under MSMED Act.	4.28	-
ii	Interest accrued and due to suppliers on above amount	0.10	-
iii	Payment made to suppliers beyond appointed day during the year	4.31	-
iv	Interest paid to suppliers during the year	-	-
v	Interest due and payable to suppliers towards payment already made during the year	0.18	-

\* Balances are subject to confirmation



**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

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

15. Other Financial Liabilities	As at March 31, 2019	As at March 31, 2018
<b>15.1 Non-Current</b>		
<b>Other financial liabilities (carried at amortised cost)</b>		
Rent Deposit	12.93	12.77
Deferred Rental on security deposits (fair value adjustment) - Non-current	11.99	13.24
	<b>24.92</b>	<b>26.01</b>
<b>15.2 Current</b>		
<b>Other financial liabilities (carried at cost)</b>		
Current maturity of long term loans (refer note 13)	2,309.99	3,041.33
Other Deposits	14.96	-
Due to employees	97.14	68.42
Due to related parties (refer note 15.3 below)	11.67	20.09
Due to others	0.91	0.85
Others:		
Deferred Rental on security deposits (fair value adjustment)-Current	2.37	2.37
	<b>2,437.06</b>	<b>3,133.07</b>
<b>15.3 Due to related parties comprises of dues to;</b>		
Zuari Global Limited	-	2.86
Mr. Alok Banerjee	8.57	12.40
Mr. Anshul Amit Bansal	2.42	4.01
Mr. C G Ramegowda	0.68	0.83
	<b>11.67</b>	<b>20.09</b>
<b>16. Provisions</b>	As at March 31, 2019	As at March 31, 2018
<b>16.1 Non-Current</b>		
Provision for gratuity obligation	38.59	33.32
Provision for compensated absences	15.14	6.17
	<b>53.72</b>	<b>39.49</b>
<b>16.2 Current</b>		
Provision for gratuity obligation	2.91	3.29
Provision for compensated absences	2.53	3.73
	<b>5.44</b>	<b>7.02</b>
Also, refer note 35 for detailed disclosures on employee benefit plans.		
<b>17. Deferred tax (Asset)/liability (net)</b>	As at March 31, 2019	As at March 31, 2018
<b>17.1 Tax effect of items constituting deferred tax liabilities</b>		
Fair valuation of investment in mutual funds	314.58	202.14
Interest on preference shares	56.29	85.86
Investment in preference shares	51.03	-
Unwinding of security deposit received	0.53	0.25
Timing differences on benefit obligations through OCI	1.40	1.73
	<b>423.83</b>	<b>289.98</b>
<b>17.2 Tax effect of items constituting deferred tax assets</b>		
Unwinding of security deposit paid	0.08	0.11
Difference between accounting base and tax base of tangible & Intangible assets	18.23	17.99
Timing differences on benefit obligations	15.38	13.82
Tax effect on adjustment pursuant to adoption of IND AS 115, Net	116.68	-
Others	2.69	2.69
MAT Entitlement	50.17	41.81
	<b>203.23</b>	<b>76.42</b>
Unused Tax Losses	271.92	309.54
Less: Not considered for deferred tax purposes	(271.92)	(309.54)
	<b>220.60</b>	<b>213.57</b>
Also, refer note 27 for other tax related disclosures.		





**ZUARI INFRAWORLD INDIA LIMITED**

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

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

17.3. 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.

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

**18. Other current liabilities**

	As at March 31, 2019	As at March 31, 2018
Statutory dues	89.71	73.67
Advances from Customers	7,835.10	1,564.14
Others ( refer note 18.1 below)	593.02	402.77
	<b>8,517.83</b>	<b>2,040.58</b>

18.1. Includes refundable advances of Rs.279.52 lakhs (2018:Rs. 5 lakhs) in respect of cancelled residential units and Rs.313.5 lakhs collected from the buyers towards club membership charges fees which will be transferred to the residential units owners society/organisation on its formation.

This space has been intentionally left blank



**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

(Amount in Rupees, except otherwise stated)

19. Revenue from operations	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of residential units	1,346.57	362.27
Development management fees	632.51	301.01
Sales Commission on sale of plots/residential units	177.37	-
Other Operating revenue	28.85	-
	<b>2,185.30</b>	<b>663.28</b>
20. Other income	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Income on ;		
Deposits with Bank	5.72	0.82
Inter-Corporate Deposits to subsidiary	230.85	96.43
Income tax refund	18.76	5.74
Others	-	0.32
Rent from sub-lease *	2.97	3.63
Dividend from Mutual funds	-	4.64
Gains from redemption of Mutual Fund	181.44	4.45
Gain on fair value adjustments to financial assets through Profit and loss		
- Preference Shares	42.10	-
- Mutual Funds	596.56	485.63
Adjustment on amortisation of security deposit	2.07	1.92
Unwinding of financial liability, security deposit from sub lease	1.25	2.37
Finance Guarantee Commission	62.37	19.36
Balances no longer required	0.45	-
Miscellaneous income	-	7.53
	<b>1,144.54</b>	<b>632.84</b>

\* Rent from sub-lease reported above are net of expenses Rs. 36.07 lakhs (2018:Rs. 34.80 lakhs)

21. Project construction and development expenses	For the year ended March 31, 2019	For the year ended March 31, 2018
Architect Fees	9.61	13.13
Consultancy Fee	-	0.37
Depreciation on assets - Projects	4.82	6.36
Project Approval cost	-	3.03
Civil Work	144.26	283.39
Landscape Expenses	-	39.65
Site Office Expenses	0.02	-
Project Staff Costs	0.91	-
Property Tax	7.56	-
Infrastructure Expenses	16.10	123.99
<b>Sub Total</b>	<b>183.27</b>	<b>469.93</b>
Add: Borrowing cost incurred during the year	1,893.36	1,783.33
Add: Employee benefit expenses transferred to construction work in progress	262.41	412.59
Add: Other expenses transferred to construction work in progress	104.15	113.59
Less: Balance no longer required written back	-	(221.00)
	<b>2,443.19</b>	<b>2,558.44</b>

22. Changes in inventories	For the year ended March 31, 2019	For the year ended March 31, 2018
(a.) Completed units of stock		
Completed units at the beginning of the year pursuant to Ind AS 115	5,639.61	-
Completed units at the end of the year (Refer Note 8)	4,392.84	-
<b>Changes in completed units during the year</b>	<b>1,246.77</b>	<b>-</b>
(b.) Construction Work-in- progress		
Construction work-in-progress at the beginning of the year (Refer Note 8)	17,408.05	15,302.49
Add: adjustment pursuant to adoption of Ind AS 115	2,307.95	-
<b>Adjusted Inventory at the beginning of the year</b>	<b>19,716.00</b>	<b>15,302.49</b>
Add: Construction cost incurred during the year	2,443.19	2,558.44
Less: Charged to profit and loss during the year	(45.75)	(452.88)
<b>Construction work-in-progress at the end of the year</b>	<b>22,113.44</b>	<b>17,408.05</b>
<b>Changes in construction work in progress</b>	<b>(2,397.44)</b>	<b>(2,105.56)</b>
<b>Total (Increase) / Decrease (a+b)</b>	<b>(1,150.67)</b>	<b>(2,105.56)</b>





**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

(Amount in Rupees, except otherwise stated)

23. Employee benefit expenses	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and wages	486.64	504.46
Contribution to provident and other funds	23.80	26.68
Gratuity	13.91	14.34
Compensated absences	8.58	8.18
Staff welfare expenses	3.72	2.17
	<b>536.66</b>	<b>555.82</b>
Less: Employee benefit expenses transferred to construction work in progress	(262.41)	(412.59)
	<b>274.25</b>	<b>143.23</b>
24. Other expenses	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent	100.12	95.14
Travel and conveyance	15.08	30.54
Legal and professional fees	52.30	32.49
Communication and internet charges	12.84	10.24
Office Expenses	67.64	62.68
Repairs and maintenance	6.60	21.08
Auditors remuneration	6.25	6.50
Recruitment expenses	5.37	5.61
Advertising and publicity expense	83.02	38.77
Rates and taxes	12.34	19.36
Commission & Brokerage	214.49	23.01
Maintenance and Security Expenses	97.32	50.00
Miscellaneous expenses	27.68	42.38
Provision for service tax refund receivable	-	10.35
Balances written-off	11.55	1.11
Loss on disposal of Asset	-	2.56
	<b>712.61</b>	<b>451.83</b>
Less: Other expenses transferred to construction work in progress	(104.15)	(113.59)
	<b>608.46</b>	<b>338.23</b>
<b>24.1 Remuneration to Auditors' reported above includes</b>		
Statutory Audit Fees	5.00	5.00
Tax Audit Fees	0.75	0.75
Certification fees	0.50	0.50
Out of pocket expenses	-	0.25
	<b>6.25</b>	<b>6.50</b>
25. Finance costs	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Interest expense:</b>		
Interest on borrowings	2,738.33	1,923.39
Interest on delayed payment of Income tax	-	1.43
Interest on delayed payment of tax deducted at source	-	0.05
Interest on MSME	0.28	-
<b>Fair value adjustment pursuant to Ind AS:</b>		
Fair value adjustment initial recognition of inter corporate loans	-	4.61
Fair value adjustment on initial recognition of borrowings	-	-
Interest on security deposits	0.16	1.43
Interest on non-convertible cumulative redeemable preference shares	113.75	95.37
	<b>2,852.52</b>	<b>2,026.27</b>
Less: Borrowing cost transferred to construction work in progress	(1,893.36)	(1,783.33)
	<b>959.17</b>	<b>242.94</b>
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 industry and the economic conditions prevailing across the industry. Accordingly, capitalisation (transfer to inventory) of interest cost is not suspended during the year.		
26. Depreciation and amortization expenses	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation of tangible assets	28.99	30.30
Amortisation of intangible assets	0.43	3.96
Less: Depreciation on leasehold improvements attributable to sub-lease income adjusted against sublease income.	(4.68)	(3.72)
Less: Depreciation & amortisation transferred to construction work in progress	(4.82)	(6.36)
	<b>19.93</b>	<b>24.18</b>



**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

(Amount in Rupees, except otherwise stated)

27. Income Tax	For the year ended March 31, 2019	For the year ended March 31, 2018
Income tax expense	4.00	6.00
Income tax of earlier year	2.60	4.74
Deferred tax charge/(credit)	139.41	102.65
<b>Total</b>	<b>146.00</b>	<b>113.39</b>

27.1 Reconciliation of Income tax expense for the year with accounting profit are as follows:	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax	175.52	94.65
Income tax expense calculated at 26% (2018 : 26%)	45.64	24.61
<i>Adjustments for:</i>		
Gain on fair value adjustments to preference shares	40.08	-
Expenses not considered for tax purposes.	-	1.15
Gain on fair value adjustments to Mutual funds taxable at differential rate	50.47	(31.29)
Interest portion fair value adjustment to preference shares issued	-	9.64
Other adjustments	1.27	(11.35)
Tax effect on unused tax losses not recognised	10.32	75.74
Tax expenses of earlier year debited to profit and loss	2.60	4.74
Minimum Alternate Tax (MAT) of earlier year debited to profit and loss	(4.37)	40.15
	<b>146.00</b>	<b>113.39</b>

27.2 The tax effects of timing differences that resulted in changes in deferred tax are as follows:	For the year ended March 31, 2019	For the year ended March 31, 2018
Fair valuation of investment in mutual funds	112.44	94.97
Unwinding of security deposit paid	0.04	0.03
Interest accrued on preference shares issued (adjustment pursuant to Ind-AS)	(29.58)	(15.15)
Difference between accounting base and tax base of tangible & Intangible assets	(0.24)	4.92
Unwinding of security deposit received	0.28	0.25
Temporary differences on benefit obligations	(3.29)	(13.82)
Fair valuation of investment in Preference shares	51.03	-
Gain on sale of flats recognised as per IND AS 115	17.10	-
Others temporary differences	-	(2.69)
MAT Credit of the current year	(4.00)	40.15
MAT Credit of the earlier year	(4.37)	(6.00)
	<b>139.41</b>	<b>102.65</b>

27.3. 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.

*This space has been intentionally left blank*





**ZUARI INFRAWORLD INDIA LIMITED**

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

(Amount in Rupees, except otherwise stated)

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

**28.1. 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 2019	As at 31 March 2018	
(i) Zuari Infra Middle East Limited, Dubai	UAE	100%	100%	At Cost

**28.2. 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 2019	As at 31 March 2018	
(i) Brajbhumi Nirmaan Private Limited	India	25%	25%	At Cost
(ii) Darshan Nirman Private Limited	India	25%	25%	At Cost
(iii) Pranati Niketan Private Limited	India	25%	25%	At Cost

As at 31 March, 2019 Brajbhumi Nirmaan Private Limited holds 50% of Darshan Nirman Private Limited and 50% of Pranati Niketan Private Limited. (As at 31 March 2018: Nil)

**29. Commitments and Contingencies**

**29.1. Leases**

**Operating lease - as lessee**

The Company has taken office premises on an eleven year operating lease. The lease rentals recognized in the Profit and Loss account for the year are Rs.122.75 lakhs (2018: Rs.116.41 lakhs). The future lease payments of operating lease are as given below. Lease Rentals charged to the profit and loss statement and obligations on long term non-cancellable operating leases payable as per the rentals stated in the respective lease agreements:

Particulars	As at 31 March 2019	As at 31 March 2018
Lease rentals recognized during the year	122.75	116.41
Lease Obligations due		
- Within one year	127.63	122.75
- After one year but not more than five years	583.45	553.34
- More than five years	164.22	321.97

**29.2. Contingent Liabilities (not provided for)**

(i) Dividend on Non Convertible redeemable cumulative preference shares not yet declared	411.94	294.61
(ii) TDS demand under the Income Tax Act, 1961 as per TRACES, not acknowledged as det	6.13	8.22
(iii) Customer claims not acknowledged by the Company	32.68	-

**29.3. Capital Commitments**

Estimated amount of contracts remaining to be executed on Project construction and development, net of advances aggregates to Rs.3,489.92/- lakhs (2018:Rs.2,587.27/- lakhs).

**29.4. Corporate Guarantees and pledge of assets:**

**Corporate Guarantee**

(a.) 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 44,056 lakhs, considering 1 USD = Rs 69.93 as at the reporting date) (2018: Nil).

(i) The Company's share of the value of Corporate Guarantee is USD 200 lakhs (using closing exchange rate of Rs.69 per USD as at reporting date (2018: Nil)).	13,986.00	-
(ii) 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.	8,826.81	-



**ZUARI INFRAWORLD INDIA LIMITED****NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

(Amount in Rupees, except otherwise stated)

(b.) The Company has furnished Stand-by Letter of Credit (SBLC) with the sanctioned limit of Nil (2018 AED 1050 Lakhs (approximately Rs.17,760 Lakhs)) in favour of National Bank of Fujairah (NBF) and State Bank of India (SBI), Dubai obtained from State bank of India(SBI). This facility is with respect to term loan facilities availed by Zuari Infraworld Middle East Limited ,a Wholly owned subsidiary from that bank. This facility is secured by investments held in mutual funds by the Company and further secured by the land owned by the Zuari Global Limited, the holding Company. Guarantee Outstanding as at the reporting date is Nil (2018: AED 419 Lakhs (NBF) and USD 71.88 Lakhs (SBI))

The loan disbursed and remaining outstanding as at 31 March 2019 Nil (as at 31 March 2018 AED 397.20 Lakhs against the above guarantees furnished)

**30. 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 :

Particulars	(No. of shares in absolute numbers)	
	31 March 2019	31 March 2018
Profit / (Loss)before OCI attributable to equity holders of the parent company	29.52	(18.74)
Weighted Average number of equity shares used for computing EPS (Basic & Diluted)	4,65,50,000	4,65,50,000
Loss Per Share (Basic and Diluted) (Rs.)	(0.06)	(0.04)
Face value per share (Rs.)	10.00	10.00

*This space has been intentionally left blank*





**31. Financial risk management objectives and policies**

The Company's principal financial liabilities, comprise of loans and borrowings, trade and other payables. 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 into the real estate operations which is regulated by the Real Estate (Regulation and Development) Act, 2016 (RERA).

**31.1. 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
<b>For the year ended 31 March 2019</b>			
Increase in base points	16,436.03	+50	82.18
Decrease in base points	16,436.03	-50	(82.18)
<b>For the year ended 31 March 2018</b>			
Increase in base points	13,988.63	+50	69.94
Decrease in base points	13,988.63	-50	(69.94)

**(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.

There is no significant currency risk as substantially all financial assets and financial liabilities are denominated in Indian Rupees, except for investment in wholly owned subsidiary which is denominated in foreign currency.

**(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.

**31.2. 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****Sale of units (Villas/ Villament & 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.



**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. 594.35 lakhs (2018: Rs 469.51 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.

**31.3. 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 of the Group.

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.

**31.4. 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, 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
<b>Total</b>	<b>542.66</b>	<b>3,784.40</b>	<b>2,385.13</b>	<b>6,436.36</b>	<b>10,470.11</b>	<b>23,618.66</b>

**The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March, 2018:**

Particulars	On demand	< 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings (Incl. Debt portion of Preference Shares)	-	2,733.00	3,808.33	12,470.06	-	19,011.39
Trade payables	-	527.19	665.12	143.78	10.00	1,346.09
Other financial liabilities	-	88.52	0.79	0.88	27.57	117.75
<b>Total</b>	<b>-</b>	<b>3,348.70</b>	<b>4,474.24</b>	<b>12,614.71</b>	<b>37.57</b>	<b>20,475.23</b>





**ZUARI INFRAWORLD INDIA LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**  
(Amount in Rupees, unless otherwise stated)

**32. Related Party Disclosures**

**32.1. List of Related Parties and nature of relationship where control exists:**

<b>Holding Company</b>	Zuari Global Limited
<b>Subsidiary</b>	Zuari Infra Middle East Limited, UAE
<b>Step down Subsidiary</b>	Zuari Infraworld SJM Properties LLC ,UAE (formerly <i>SJM Elysium Properties LLC</i> )
<b>Joint Venture of Step down subsidiary</b>	Burj District Development Limited, Cayman Islands
<b>Subsidiary of the Joint Venture of Step down subsidiary</b>	Burj District One Limited, U.A.E.
<b>Fellow Subsidiaries</b>	Zuari Management Services Limited Simon India Limited Forte Furniture Products India Private Limited Zuari Finserv Private Limited (Erstwhile Zuari Investment Limited demerged w.e.f. 19 November 2017)
<b>Associates</b>	Brajbhumi Nirmaan Private Limited Darshan Nirmaan Private Limited Pranati Niketan Private Limited
<b>Key Management Personnel</b>	Mr.Narayanan Suresh Krishnan, Director Mr. Sunil Sethy, Independent Director Mr. Krishan Kumar Gupta, Independent Director Mr. Vishwajit Kumar Sinha, Non-Executive Director (Resigned w.e.f. 24 March 2018) Mr. Alok Banerjee, Chief Executive Officer Mr. Anshul Amit Bansal, Chief Financial officer Mr. C G Ramegowda, Company secretary
<b>Director of holding company</b>	Mr. Saroj Kumar Poddar

**32.2. Transactions with related parties:**

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
<b>i</b>	<b>Payment made on our behalf by the Company:</b> Zuari Global Limited	5.77	2.86
<b>ii</b>	<b>Service Charges / Management Fees Paid</b> Zuari Finserv Private Limited	0.90	0.05
<b>iii</b>	<b>Purchase of furnitures (PPE)</b> Forte Furniture Products India Private Limited	1.29	
<b>iv</b>	<b>Service Charges / Management Fees Income</b> Zuari Global Limited - Development Management Commission Zuari Infra Middle East Limited- Development Management Commission Zuari Global Limited - Sales Commission Zuari Infraworld SJM Properties LLC - Finance Guarantee charges Zuari Infra Middle East Limited - Finance Guarantee charges	93.52 400.00 45.99 39.86 22.51	219.01 - - - 19.36
<b>v</b>	<b>Inter-Corporate Deposits Given- Asset</b> Zuari Infra Middle East Limited - Given - Recovered	1,826.65 -	1,115.83 333.22
<b>vi</b>	<b>Inter-Corporate Deposits Taken - Liability</b> Zuari Global Limited - Accepted - Repayment	4,358.00 4,256.01	1,108.00 148.00
<b>vii</b>	<b>Interest on ICD (Expenses)</b> Zuari Global Limited	201.65	120.82
<b>viii</b>	<b>Interest on ICD given - Income</b> Zuari Infra Middle East Limited	225.65	96.43
<b>ix</b>	<b>Reimbursement of Expenses received/receivable</b> Zuari Infra Middle East Limited Brajbhumi Nirmaan Private Limited	111.14 -	168.50 100.37
<b>x</b>	<b>Zuari Infra Middle East Limited</b> (i) Corporate Guarantee (USD 200 lakhs at closing exchange rate of Rs.69.93 per USD as at reporting date) (ii) Pledge of mutual funds held in the name of the Company	13,986.00 8,826.81	- -



**ZUARI INFRAWORLD INDIA LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**  
(Amount in Rupees, unless otherwise stated)

**32.3. Key management personnel compensation:**

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>i. Short-term employee benefits</b>		
Mr. Alok Banerjee, Chief Executive Officer	97.37	99.78
Mr. Anshul Amit Bansal, Chief Financial officer	23.92	22.40
Mr. C G Ramegowda, Company secretary	13.23	12.63
<b>ii. Retirement benefits (Provident fund and Gratuity)</b>		
Mr. Alok Banerjee, Chief Executive Officer	4.51	5.85
Mr. Anshul Amit Bansal, Chief Financial officer	1.02	1.32
Mr. C G Ramegowda, Company secretary	0.57	0.74
<b>ii. Sitting fees</b>		
Directors sitting fees to Non-executive Directors	5.35	5.35
<b>Total compensation</b>	<b>145.98</b>	<b>148.07</b>

**32.4. Year-end balances**

<b>i. Trade payable</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Simon India Limited	36.93	36.93
Forte Furniture Products India Private Limited	1.52	
Zuari Finserv Private Limited	0.97	-
<b>ii. Other payable</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Mr. Alok Banerjee	8.57	12.40
Mr. Anshul Amit Bansal	2.42	4.01
Mr. C G Ramegowda	0.68	0.83
Zuari Global Limited	-	2.86
<b>iii. Trade receivable</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Zuari Infra Middle East Limited	55.44	-
Zuari Infra SJM Properties LLC	39.86	-
Brajbhumi Nirmaan Private Limited	404.02	404.02
Zuari Global Limited	95.02	65.49
<b>iv. Expenses Recoverable</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Brajbhumi Nirmaan Private Limited	157.33	157.33
Zuari Infra Middle East Limited	31.91	536.39
<b>v. Loans to related parties:</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Zuari Infra Middle East Ltd. (including interest accrual)	2,917.56	860.07
<b>vi. Loans from related parties:</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Zuari Global Limited	2,309.99	2,208.00
<b>vii</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>Zuari Infra Middle East Limited</b>		
(i) The Company's share of the value of Corporate Guarantee is USD 200 lakhs ( using closing exchange rate of Rs.69 per USD as at reporting date)	13,986.00	-
(ii) Pledge of mutual funds held in the name of the Company (fair value as at reporting date)	8,826.81	-
<b>viii. Other year-end balances</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
<b>(a) Included in Project Work-in-Progress</b>		
Zuari Global Limited.	2,630.63	2,396.32
Zuari Infra Middle East Limited.	-	45.75
<b>(b) Service Income accrued and not billed</b>		
Zuari Infra Middle East Limited.	-	13.24
Zuari Global Limited.	57.05	1.35

**32.5. 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.





## 33: Fair values

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

Particulars	Carrying value		Fair value	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
<b>(a.) Financial assets</b>				
<b><u>(i.) FVPL financial instruments:</u></b>				
Quoted mutual funds	8,827.06	9,776.49	8,827.06	9,776.49
Preference Shares held in Associate Company	696.25	654.15	696.25	654.15
<b><u>(ii.) Amortised Cost:</u></b>				
Interest accrued and due	33.72	33.72	33.72	33.72
Interest accrued and not due	5.09	-	5.09	-
Expenses Recoverable				
- Related parties	189.23	693.72	189.23	693.72
- Others	-	11.03	-	11.03
Unbilled Revenue - Service contracts				
- Related parties	57.05	14.59	57.05	14.59
- Others	116.88	-	116.88	-
Unbilled Revenue - Project Contracts	-	180.72	-	180.72
Security deposits	28.76	26.69	28.76	26.69
Loan to Subsidiary	2,917.56	860.07	2,917.56	860.07
Trade Receivables				
- Related parties	594.35	469.51	594.35	469.51
- Others	24.17	1,398.85	24.17	1,398.85
Cash and cash equivalents	185.50	454.88	185.50	454.88
Other bank balances	500.00	-	500.00	-
Advance to employee	9.44	1.88	9.44	1.88
<b><u>(iii.) Investments carried at cost</u></b>				
Investment in Associate	1,896.16	1,896.16	1,896.16	1,896.16
Security deposit	28.44	27.12	28.44	27.12
<b>Total</b>	<b>16,109.67</b>	<b>16,499.57</b>	<b>16,109.67</b>	<b>16,499.57</b>
<b>(b.) Financial liabilities</b>				
<b><u>(i.) Amortised Cost:</u></b>				
LIC Housing Finance Limited	15,425.84	-	15,425.84	-
YES Bank Limited	1,010.19	-	1,010.19	-
Federal Bank Ltd-Term Loan	-	12,488.63	-	12,488.63
ICICI Bank Ltd - Term Loan	-	1,500.00	-	1,500.00
Preference shares (debt portion)	928.51	814.76	928.51	814.76
Security deposit towards sub lease	12.93	12.77	12.93	12.77
Inter corporate deposits	2,630.80	2,000.00	2,630.80	2,000.00
Deferred Rental on security deposits	14.36	15.61	14.36	15.61
Current maturity of long term loans	2,309.99	2,208.00	2,309.99	2,208.00
Other payable to related parties	11.67	20.09	11.67	20.09
Other deposits	14.96	-	14.96	-
Dues to employees	97.14	68.42	97.14	68.42
Trade payables	1,162.26	1,346.94	1,162.26	1,346.94
<b>Total</b>	<b>23,618.66</b>	<b>20,475.23</b>	<b>23,618.66</b>	<b>20,475.23</b>

## Other Notes:

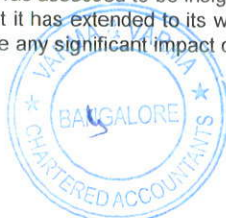
(i.) The management assessed that cash and cash equivalents, other bank balances, trade receivables, retention money, inter corporate deposits, loan to related party and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of 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 an 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 approximate 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.

(c.) The Company has not valued the Financial guarantee that it has extended to its wholly owned subsidiary to its fair value. It is the opinion of the Management that, had the same been valued it would not have any significant impact on these financial statements.



**34. Fair Value Hierarchy**

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

Quantitative disclosures of fair value measurement hierarchy for assets:

Assets:	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(i.) FVPL financial instruments:				
Investments in Mutual funds	8,827.06 (9,776.49)	8,827.06 (9,776.49)	- -	- -
Preference shares held in Associate	696.25 (654.15)	- -	- -	696.25 (654.15)

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

(ii.) There have been no transfers between Level 1 and Level 2 during the year.

This space has been left blank intentionally





**35. Gratuity (Employment benefit plan)**

Particulars	As at 31 March 2019		As at 31 March 2018	
	Current	Non-current	Current	Non-current
Value of Plan - Gratuity (Un-Funded)	2.91	38.59	3.29	33.32
	<b>2.91</b>	<b>38.59</b>	<b>3.29</b>	<b>33.32</b>

**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 profit or loss statement 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 2019	As at 31 March 2018
Current Service Cost	11.31	10.53
Past Service cost-(non vested benefits)	-	0.02
Past Service cost-(vested benefits)	-	1.81
Net Interest Cost	2.60	1.97

**(ii.) Amount recognised in Other Comprehensive Income for the year ended:**

Particulars	As at 31 March 2019	As at 31 March 2018
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	(0.05)	(2.27)
Experience (gains) / losses	(5.35)	(4.39)

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

Particulars	As at 31 March 2019	As at 31 March 2018
Opening defined obligation	36.61	30.02
Current service cost	11.31	10.53
Past Service cost-(non vested benefits)	-	0.02
Past Service cost-(vested benefits)	-	1.81
Interest cost	2.60	1.97
Contribution paid	(3.63)	(1.10)
Actuarial (gain)/ loss on obligations	(5.40)	(6.65)
Defined benefit obligation	<b>41.50</b>	<b>36.61</b>

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

Particulars	As at 31 March 2019	As at 31 March 2018
Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.
Interest / Discount Rate	7.50%	7.48%
Rate of increase in compensation	9%	9%
Expected average remaining service	8.7	9.16
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 40 years: 8%	PS: 0 to 40 years: 8%



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

Gratuity Plan Assumptions	As at 31 March 2019		As at 31 March 2019	
	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

Gratuity Plan Assumptions	As at 31 March 2018		As at 31 March 2018	
	Discount rate		Future salary increases	
Sensitivity Level	+1% increase	-1% decrease	+1% increase	-1% decrease
Impact on defined benefit obligation	34.07	39.52	39.34	34.17

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.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	As at 31 March 2019	As at 31 March 2018
Within the next 12 months	2.91	3.29
Between 2 and 5 years	28.91	15.20
Between 5 and 10 years	9.19	24.65
<b>Total expected payments</b>	<b>41.01</b>	<b>43.14</b>

Note: The above disclosures are based on the valuation report by the independent actuary.

### 36. 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, includes 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.

36.1. 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 2019	As at 31 March 2018	for the year ended 31 March 2019	for the year ended 31 March 2018
India	1,170.30	1,156.40	1,785.30	663.28
Outside India (Dubai)	95.30	-	400.00	-
	<b>1,265.60</b>	<b>1,156.40</b>	<b>2,185.30</b>	<b>663.28</b>

#### Note:

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

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

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Customer A	139.51	219.01
Customer B	270.38	82.00
Customer C	400.00	-
<b>Total</b>	<b>809.89</b>	<b>301.01</b>





**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

(Amount in Rupees, except otherwise stated)

**37. Disclosure pursuant to adoption of Ind AS 115 - Revenue from contracts with customers:**

The company has applied the modified retrospective approach as per para C3(b) to Appendix C of Ind AS 115 to the customer contracts that were not completed as on April 1, 2018 and the cumulative catchup effect of initially applying this standard recognised at the date of initial application i.e., April 1, 2018 in accordance with Ind AS 115 as an adjustment to the opening balance of the retained earnings. The transition effect/adjustment of Rs 380.76 lakhs (net of income tax effect for Rs. 133.77 lakhs) has been adjusted against the opening retained earnings. The above information for the year ended March 31, 2018 have not been restated, hence these are not comparable to that extent.

37.1. The following disclosures summarise the impact of adopting Ind AS 115 on companies financial results for the year ended 31 March, 2019 and it's financial position as on that date.

a. Financial Results	For the year ended March 31, 2019	Impact of adoption of Ind AS 115	Amount without effect of Ind AS 115	For the year ended March 31, 2018
<b>REVENUE:</b>				
Revenue from operations	2,185.30	1,346.57	838.74	663.28
Other income	1,144.54	-	1,144.54	632.84
<b>Total Income</b>	<b>3,329.84</b>	<b>1,346.57</b>	<b>1,983.27</b>	<b>1,296.13</b>
<b>EXPENSES:</b>				
Purchase of materials, sub contract charges and other project costs	2,443.19	-	2,443.19	2,558.44
Changes in Construction Work-in-progress	(1,150.67)	1,246.77	(2,397.44)	(2,105.56)
Employee benefit expenses	274.25	-	274.25	143.23
Other expenses	608.46	34.02	574.44	338.23
<b>Total expenses</b>	<b>2,175.22</b>	<b>1,280.79</b>	<b>894.43</b>	<b>934.34</b>
<b>Profit Before Interest, Tax and Depreciation &amp; Amo</b>	<b>1,154.62</b>	<b>65.78</b>	<b>1,088.84</b>	<b>361.78</b>
Finance costs	959.17	-	959.17	242.94
Depreciation and amortization expense	19.93	-	19.93	24.18
<b>Profit before tax expenses</b>	<b>175.52</b>	<b>65.78</b>	<b>109.74</b>	<b>94.66</b>
<b>Tax expenses:</b>				
Current tax expense	4.00	-	4.00	6.00
Tax Expense of earlier years	2.60	-	2.60	4.74
Deferred tax charge/(credit)	139.40	17.10	122.29	102.65
<b>Tax Expenses for the year (net)</b>	<b>146.00</b>	<b>17.10</b>	<b>128.89</b>	<b>113.39</b>
<b>Profit/(Loss) for the year before other comprehensive income</b>	<b>29.52</b>	<b>48.68</b>	<b>(19.15)</b>	<b>(18.73)</b>
<b>Other comprehensive income / (Loss)</b>				
<i>Items that will not be reclassified to profit or loss</i>				
Remeasurement of defined benefit plans (Gratuity)	5.40	-	5.40	6.65
Deferred tax on above defined benefit plans	(1.40)	-	(1.40)	(1.73)
<b>Total Other Comprehensive Income/(Loss)</b>	<b>4.00</b>	<b>-</b>	<b>4.00</b>	<b>4.92</b>
<b>Total Comprehensive Income/(Loss)</b>	<b>33.51</b>	<b>48.68</b>	<b>(15.15)</b>	<b>(13.80)</b>
<b>Earning/(Loss) per share (in Rs.)</b>				
Basic & Diluted	0.06	0.10	(0.04)	(0.04)
Weighted average number of shares used in computing Earnings per share	4,65,50,000	4,65,50,000	4,65,50,000	4,65,50,000



**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

(Amount in Rupees, except otherwise stated)

b. Financial Position	As at March 31, 2019	Impact of Ind AS 115	Amount without Ind AS 115 impact	As at March 31, 2018
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a.) Property, plant and equipment	135.42	-	135.42	154.89
(b.) Other intangible assets	1.36	-	1.36	1.80
(c.) Financial assets:				
(i.) Investments	11,419.48	-	11,419.48	12,326.80
(ii.) Loans	2,917.56	-	2,917.56	860.07
(iii.) Other financial assets	31.16	-	31.16	29.09
(d.) Income tax assets (net)	51.38	-	51.38	115.59
(e.) Other non current assets	1,077.44	-	1,077.44	884.12
	<b>15,633.80</b>	<b>-</b>	<b>15,633.80</b>	<b>14,372.36</b>
<b>Current assets</b>				
(a.) Inventories	26,506.29	(6,700.79)	19,805.49	17,408.05
(b.) Financial assets				
(i.) Trade receivables	618.52	1,390.03	2,008.55	1,868.36
(ii.) Cash & Cash equivalents	185.50	-	185.50	454.88
(iii.) Other bank balances	500.00	-	500.00	-
(iv.) Loans	9.44	-	9.44	1.88
(v.) Other financial assets	428.01	180.72	608.73	958.49
(c.) Other current assets	3,428.05	(303.07)	3,124.98	2,952.46
	<b>31,675.81</b>	<b>(5,433.11)</b>	<b>26,242.70</b>	<b>23,644.12</b>
	<b>47,309.61</b>	<b>(5,433.11)</b>	<b>41,876.50</b>	<b>38,016.48</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a.) Equity share capital	4,655.00	-	4,655.00	4,655.00
(b.) Other equity	10,238.35	332.08	10,570.43	10,585.59
	<b>14,893.35</b>	<b>332.08</b>	<b>15,225.43</b>	<b>15,240.59</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a.) Financial liabilities				
(i.) Borrowings	18,937.23	-	18,937.23	12,470.06
(ii.) Trade payables				
- dues to micro and small enterprises	-	-	-	-
- dues to other creditors	39.01	-	39.01	199.57
(iii.) Other financial liabilities	24.92	-	24.92	26.01
(b.) Provisions	53.72	-	53.72	39.49
(c.) Deferred tax liability (net)	220.60	116.68	337.27	213.57
	<b>19,275.48</b>	<b>116.68</b>	<b>19,392.16</b>	<b>12,948.69</b>
<b>Current liabilities</b>				
(a.) Financial liabilities				
(i.) Borrowings	1,058.11	-	1,058.11	3,500.00
(ii.) Trade payables				
- dues to micro and small enterprises	4.56	-	4.56	-
- dues to other creditors	1,117.77	-	1,117.77	1,146.53
(iii.) Other financial liabilities	2,437.06	-	2,437.06	3,133.07
(b.) Other current liabilities	8,517.83	(5,881.87)	2,635.96	2,040.58
(c.) Provisions	5.44	-	5.44	7.02
	<b>13,140.77</b>	<b>(5,881.87)</b>	<b>7,258.90</b>	<b>9,827.20</b>
	<b>47,309.61</b>	<b>(5,433.11)</b>	<b>41,876.50</b>	<b>38,016.48</b>





**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

(Amount in Rupees, except otherwise stated)

**c. Transition effect on adoption of Ind AS 115 is detailed as under:**

Description	Balance as on 31 March 2018	Adjustment as per Ind AS 115	Balance as on 1 April 2018
<b>Equity</b>			
Retained earning	(135.36)	(380.76)	(516.12)
<b>Assets</b>			
Accounts receivable	1,390.03	(1,390.03)	-
Inventory	17,408.05	7,947.56	25,355.62
Deferred tax assets	-	-	-
Unbilled revenue	180.72	(180.72)	-
Prepaid expense (pertaining to commission)	76.45	237.79	314.24
<b>Liabilities</b>			
Advance from customers	(1,564.14)	(7,129.14)	(8,693.28)
Deferred revenue	-	-	-
Deferred tax liabilities	(213.57)	133.78	(79.79)
Club membership deposit	(304.50)	-	(304.50)
Maintenance deposit	(75.28)	-	(75.28)

**d. Other disclosure relating to contracts with customers**

Significant changes in contract assets and liabilities

Advance from customers	Amount
Balance as at 01 April 2018	8,693.28
Less: Amount of revenue recognised against opening contract liabilities	(1,346.57)
Add: Addition in balance of contract liabilities for current year	678.64
Balance as at 31 March 2019	8,025.35

Contract assets - Prepaid expenses	Amount
Opening balance of Contract assets - Prepaid expenses	314.24
Less: Amount of prepaid expense recorded as expense in statement of profit & loss in current year	(34.02)
Add: Addition in balance of Prepaid expenses in current year	-
Closing balance of Contract assets - Prepaid expenses	280.22

**37.2. Disaggregation of revenue**

Particulars	For the year ended 31 March		For the year ended 31 March 2018	
	India	Outside India	India	Outside India
Sale of residential units	1,346.57	-	362.27	-
Development management fees	232.51	400.00	301.01	-
Sales Commission on sale of plots/residential units	177.37	-	-	-
Other Operating revenue	28.85	-	-	-
<b>Total</b>	<b>1,785.30</b>	<b>400.00</b>	<b>663.28</b>	<b>-</b>



**ZUARI INFRAWORLD INDIA LIMITED**

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2019**

(Amount in Rupees, except otherwise stated)

38. In the opinion of the Management none of the assets, other than fixed assets, have a value lower on realisation in the ordinary course of business than the amount at which they are stated in these financial statements. Accounts of most of the Trade Payables, Trade Receivables, loans & advances and Customer Advances are subject to confirmations.

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

*As per our report of the even date attached*

**For and behalf of the Board of Directors of  
Zuari Infracore India Limited**

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



**N SURESH KRISHNAN**

Director

DIN: 00021965



**SUNIL SETHY**

Director

DIN: 00244104



**ALOK BANERJEE**

Chief Executive Officer



**K P SRINIVAS**

Partner

M. No. 208520



**ANSHUL A. BANSAL**

Chief Financial Officer



**C G RAMEGOWDA**

Company Secretary

Place: Gurgaon

Date: 20 May 2019

Place: Gurgaon  
Date: 20 May 2019







**ZUARI INFRAWORLD INDIA  
LIMITED**

**CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE YEAR ENDED  
31 MARCH 2019**

## INDEPENDENT AUDITOR'S REPORT

To the Members of,  
Zuari Infracore India Limited,  
Bangalore

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Zuari Infracore India Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associates, which comprise the consolidated Balance Sheet as at March 31, 2019, the consolidated Profit and Loss statement, 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 March 31, 2019, 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.

#### 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.

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 skepticism 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.

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.

### Emphasis of Matter

We draw attention to Note 7.7 of the consolidated financial statements regarding the advances paid to a sub-contractor aggregating to Rs. 2,246.49 lakhs and interest accrued on the same 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.

Our Opinion is not modified in the respect of this matter.





### Other Matters

We did not audit the consolidated financial statements of one subsidiary, which consists of itself, its 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.27,056.04 lakhs as at 31st March, 2019, total revenues of Rs.0.07 lakhs and net cash out flows amounting to Rs.0.12 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs.20.26 lakhs for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of three associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries 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, jointly controlled entities 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 and the financial statements / financial information certified by the Management.

### 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 Statement of Profit and Loss, (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.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 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, 2019 from being appointed as a director in terms of Section 164(2) of the Act.



**Chartered Accountants**

- (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 provisions of section 197 of the Act is not applicable to the Group.

- (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 29 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

Place: Gurgaon  
Date : 20<sup>th</sup> May 2019





**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 Infracore India Limited for the year ended 31st March, 2019.

**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, 2019, We have audited the internal financial controls over financial reporting of Zuari Infracore 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.

### 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, 2019, 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”

### 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

*Srinivas K.P.*

**K P SRINIVAS**

Partner

M. No. 208520

Page 7 of 7

Place: Gurgaon  
Date : 20<sup>th</sup> May 2019





**ZUARI INFRAWORLD INDIA LIMITED**  
**CONSOLIDATED BALANCE SHEET**

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

	Note No.	As at March 31, 2019	As at March 31, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a.) Property, plant and equipment	3.1	234.42	275.09
(b.) Other intangible assets	3.2	1.36	1.80
(c.) Goodwill on consolidation		58.75	58.75
(d.) Financial assets:			
(i.) Investments	4.1	11,810.79	12,738.38
(ii.) Other financial assets	6.1	59.91	56.72
(e.) Income tax assets (net)		51.38	115.59
(f.) Other non current assets	7.1	5,031.21	4,610.57
		<b>17,247.82</b>	<b>17,856.89</b>
<b>Current assets</b>			
(a.) Inventories	8	48,477.42	29,203.17
(b.) Financial assets			
(i.) Trade receivables	9	523.21	1,868.36
(ii.) Cash & Cash equivalents	10	206.40	474.69
(iii.) Other bank balances	10.1	500.00	-
(iv.) Loans	5.1	55.49	50.02
(v.) Other financial assets	6.2	396.10	457.94
(c.) Other current assets	7.2	3,604.57	3,063.88
		<b>53,763.19</b>	<b>35,118.06</b>
		<b>71,011.01</b>	<b>52,974.95</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a.) Equity share capital	11	4,655.00	4,655.00
(b.) Other equity	12	8,922.35	10,048.62
		<b>13,577.35</b>	<b>14,703.62</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a.) Financial liabilities			
(i.) Borrowings	13.1	39,682.13	17,152.74
(ii.) Trade payables	14.1		
- dues to micro and small enterprises		-	-
- dues to other creditors		39.01	199.57
(iii.) Other financial liabilities	15.1	253.68	623.90
(b.) Provisions	16.1	53.72	39.49
(c.) Deferred tax liability (net)	17	219.83	212.80
		<b>40,248.38</b>	<b>18,228.50</b>
<b>Current liabilities</b>			
(a.) Financial liabilities			
(i.) Borrowings	13.2	3,909.90	13,518.80
(ii.) Trade payables	14.2		
- dues to micro and small enterprises		4.56	-
- dues to other creditors		1,129.97	1,197.46
(iii.) Other financial liabilities	15.2	3,548.95	3,231.66
(b.) Other current liabilities	18	8,546.64	2,067.73
(c.) Provisions	16.2	45.26	27.17
		<b>17,185.28</b>	<b>20,042.83</b>
		<b>71,011.01</b>	<b>52,974.95</b>

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

*This is the consolidated balance sheet referred to in our report of even date attached.*

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

For VARMA & VARMA,  
 Chartered Accountants  
 FRN 004532S

*Suresh Krishnan*  
 N SURESH KRISHNAN  
 Director  
 DIN: 00021965

*Sunil Sathy*  
 SUNIL SETHY  
 Director  
 DIN: 00244104

*Alok Banerjee*  
 ALOK BANERJEE  
 Chief Executive Officer

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

*Anshul A. Bansal*  
 ANSHUL A. BANSAL  
 Chief Financial Officer

*C. G. Ramegowda*  
 C. G. RAMEGOWDA  
 Company Secretary

Place: Gurgaon  
 Date: 20 May 2019

Place: Gurgaon  
 Date: 20 May 2019



ZUARI INFRAWORLD INDIA LIMITED  
**CONSOLIDATED PROFIT AND LOSS STATEMENT**  
 (All Amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>REVENUE:</b>			
Revenue from operations	19	1,785.30	663.28
Other income	20	906.56	517.19
<b>Total Income</b>		<b>2,691.86</b>	<b>1,180.47</b>
<b>EXPENSES:</b>			
Purchase of materials, sub contract charges and other project costs	21	12,619.20	7,821.31
Changes in Construction Work-in-progress	22	(11,326.68)	(7,368.43)
Employee benefit expenses	23	130.84	254.84
Other expenses	24	688.85	469.52
<b>Total expenses</b>		<b>2,112.21</b>	<b>1,177.24</b>
<b>Profit Before Interest, Tax and Depreciation &amp; Amortisation</b>		<b>579.65</b>	<b>3.23</b>
Finance costs	25	1,065.28	150.98
Depreciation and amortization expense	26	42.39	43.15
<b>Profit before tax expenses</b>		<b>(528.01)</b>	<b>(190.90)</b>
Profit/(Loss) before share in net profit/(loss) of associates		(20.26)	(4.39)
<b>Profit before tax expenses</b>		<b>(548.27)</b>	<b>(195.29)</b>
<b>Tax expenses:</b>			
Current tax expense	27	4.00	6.00
Tax Expense of earlier years		2.60	4.74
Deferred tax charge/(credit)		139.41	102.65
<b>Tax Expenses for the year (net)</b>		<b>146.00</b>	<b>113.39</b>
<b>Profit/(Loss) for the year before other comprehensive income</b>		<b>(694.28)</b>	<b>(308.68)</b>
<b>Other comprehensive income / (Loss)</b>			
<i>Items that will be reclassified subsequently to profit or loss</i>			
Exchange differences arising on translation of foreign operations		(55.23)	(3.76)
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of defined benefit plans ( Gratuity)		5.40	6.65
Deferred tax on above defined benefit plans		(1.40)	(1.73)
<b>Total Other Comprehensive Income/(Loss)</b>		<b>(51.24)</b>	<b>1.16</b>
<b>Total Comprehensive Income/(Loss)</b>		<b>(745.51)</b>	<b>(307.52)</b>
<b>Earning/(Loss) per share (in Rs.)</b>			
Basic & Diluted	30	(1.49)	(0.66)
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

*This is the consolidated profit & loss statement referred to in our report of even date attached.*

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

*Suresh Krishnan*  
**N SURESH KRISHNAN**  
 Director  
 DIN: 00021965

*Sunil Sathy*  
**SUNIL SETHY**  
 Director  
 DIN: 00244104

*Alok Banerjee*  
**ALOK BANERJEE**  
 Chief Executive Officer

*Anshul A. Bansal*  
**ANSHUL A. BANSAL**  
 Chief Financial Officer

*C G Ramegowda*  
**C G RAMEGOWDA**  
 Company Secretary

For VARMA & VARMA  
Chartered Accountants  
FRN 004532S

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

Place: Gurgaon  
Date: 20 May 2019

Place: Gurgaon  
Date: 20 May 2019





ZUARI INFRAWORLD INDIA LIMITED  
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

As at  
March 31, 2019      As at  
March 31, 2018

A. Equity share capital      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, 2017	7,650.00	424.95	(370.44)	5.62	7,710.13
Profit for the year	-	-	(308.68)	-	(308.68)
Income tax effect on the interest on preference shares	-	(146.15)	-	-	(146.15)
Remeasurement of defined benefit obligations	-	-	4.92	-	4.92
Adjustments for the year	-	-	-	(3.76)	(3.76)
Security premium on the issue of preference shares	2,655.00	-	-	-	2,655.00
Equity component of preference shares issued	-	137.15	-	-	137.15
<b>Balance as at 31 March, 2018</b>	<b>10,305.00</b>	<b>415.96</b>	<b>(674.19)</b>	<b>1.86</b>	<b>10,048.62</b>
Adjustment pursuant to adoption of Ind AS 115	-	-	(514.53)	-	(514.53)
Income tax effect on above adjustment	-	-	133.78	-	133.78
<b>Balance as at 1 April, 2018 after adjustment</b>	<b>10,305.00</b>	<b>415.96</b>	<b>(1,054.95)</b>	<b>1.86</b>	<b>9,667.87</b>
Profit for the year	-	-	(694.28)	-	(694.28)
Remeasurement of defined benefit obligations	-	-	4.00	-	4.00
Adjustments for the year	-	-	-	(55.23)	(55.23)
<b>Balance as at 31 March, 2019</b>	<b>10,305.00</b>	<b>415.96</b>	<b>(1,745.23)</b>	<b>(53.38)</b>	<b>8,922.35</b>

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

*This is the consolidated statement of changes in equity referred to in our report of even date.*

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

*N Suresh Krishnan*  
**N SURESH KRISHNAN**  
Director  
DIN: 00021965

*Sunil Sathy*  
**SUNIL SETHY**  
Director  
DIN: 00244104

*Alok Banerjee*  
**ALOK BANERJEE**  
Chief Executive Officer

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

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

*Anshul A. Bansal*  
**ANSHUL A. BANSAL**  
Chief Financial Officer

*C G Ramegowda*  
**C G RAMEGOWDA**  
Company Secretary

Place: Gurgaon  
Date: 20 May 2019

Place: Gurgaon  
Date: 20 May 2019



**ZUARI INFRAWORLD INDIA LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT**

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

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before taxation	(548.27)	(195.29)
Adjustments for :		
Depreciation & Amortisation	51.88	53.23
Foreign currency translation reserve	(55.23)	(4.37)
Loss on sale of tangible assets (net)	-	2.56
Interest Income	(24.48)	7.02
Balances written-off	11.55	1.11
Short Term Capital Gain - Mutual Fund	(181.44)	(4.45)
Dividend from Mutual funds	-	(4.64)
Gain on fair value adjustments to financial assets through profit or loss	(596.56)	(485.63)
Interest expense	7,936.64	2,635.26
Fair value adjustment to security deposits, net.	(1.23)	(0.94)
Provision towards service refund receivable	-	10.35
Adjustment on amortisation of financial assets, net	-	0.01
Re-measurement gains on defined benefit plans through OCI	5.40	6.65
Fair value adjustment to preference shares issued	113.75	95.37
Exchange difference on cash and cash equivalent	(1.20)	-
Adjustments for share of (profits)/loss in subsidiary	(20.26)	4.39
<b>Operating Profit/(Loss) before working Capital Changes</b>	<b>6,690.55</b>	<b>2,120.63</b>
Adjustment for changes in :		
Decrease/(Increase) in trade receivables	1,582.94	(1,465.46)
(Increase) / Decrease in financial and Other assets	7,047.30	285.24
(Increase) / Decrease in Inventories	(19,274.25)	(7,368.43)
(Decrease)/Increase in Trade Payables	(235.04)	(801.30)
(Decrease)/Increase in Provisions	32.33	19.15
(Decrease)/Increase in Financial and other liabilities	(2,599.58)	259.29
<b>Net cash generated from operations</b>	<b>(6,755.75)</b>	<b>(6,950.86)</b>
Direct Taxes Paid ( net of refund incl. Interest on refund)	76.38	22.60
<b>Net cash generated from operating activities</b>	<b>(6,679.38)</b>	<b>(6,928.27)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Additions to tangible/intangible assets	(10.78)	(45.32)
Proceeds from sale of tangible/intangible assets	-	1.57
Investments in Mutual Funds	(5,526.25)	(7,295.96)
Proceeds from sale of Investments in Mutual Funds	7,250.51	2,350.41
Fixed deposits with bank	(500.00)	(49.08)
Interest received	0.64	(1.29)
<b>Net cash from Investing activities</b>	<b>1,214.12</b>	<b>(5,039.67)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from Issue of Preference shares (at a premium)	-	2,950.00
Proceeds from Short term Borrowings (net)	(9,854.78)	6,398.73
Proceeds from Long term Borrowings (net)	21,684.30	5,482.68
Interest Paid	(9,373.32)	(2,635.26)
<b>Net cash used in financing activities</b>	<b>2,456.20</b>	<b>12,196.15</b>
<b>Net Changes in Cash and Cash equivalents during the year</b>	<b>(3,009.05)</b>	<b>228.21</b>
Exchange difference on cash and cash equivalent	1.20	-
Cash and Cash equivalents at the beginning of the year	474.69	246.48
<b>Cash and Cash equivalents at the end of the year (Refer Note 10)</b>	<b>(2,533.16)</b>	<b>474.69</b>

**Disclosure pursuant to Ind-AS 7 as amended:**

Particulars	As at 01 April 2018	Cash Flow	Trf. to Securities Premium	Non-Cash Adj. (Fair Value Adjustments)	As at 31 March 2019
Redeemable Preference Shares (Debt portion)	814.76	-	-	113.75	928.51

*This is the consolidated cash flow statement referred to in our report of even date attached*

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

  
**N SURESH KRISHNAN**  
 Director  
 DIN: 00021965

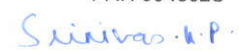
   
**SUNIL SETHY** **ALOK BANERJEE**  
 Director **Chief Executive Officer**  
 DIN: 00244104

  
**ANSHUL A. BANSAL**  
 Chief Financial Officer

  
**C G RAMEGOWDA**  
 Company Secretary

Place: Gurgaon  
Date: 20 May 2019

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

  
**K P SRIVIVAS**  
 Partner  
 M. No. 208520

Place: Gurgaon  
Date: 20 May 2019





**1. Corporate information:**

The Consolidated Ind AS financial statements of Zuari Infracore India Limited ("the Company") and its Subsidiary ("hereinafter collectively referred as 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 a residential cum commercial property intended for sale.

The financial statements were approved for issue in accordance with the resolution of the Board of directors at the meeting held on 20th May, 2019.

**2. Significant accounting policies:****(a.) i. 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 group's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. As the group 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 group has ascertained its operating cycle as one year 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 in lakhs, except when otherwise indicated.

**ii. Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Parent Company, subsidiaries, and its associates as at 31 March 2019. 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.

**iii. 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.

(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 March 31, 2019.

**List of Subsidiaries and Associates considered for consolidation:**

**(A) Following Subsidiary has been consolidated on line by line basis:**

Name of the Group	Country of Incorporation	Share of Ownership Interest as at March 31, 2019	Share of Ownership Interest as at March 31, 2018
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 March 31, 2019	Share of Ownership Interest as at March 31, 2018
Zuari Infracore SJM Properties LLC (Formerly known as SJM Elysium Properties LLC) (Refer Note 1 below)	UAE	100.00%	100.00%

**Note 1:** Shareholding includes 51% held by a nominee shareholder as per the Shareholders Agreement dated 18.08.2014. As per this agreement Zuari Infra Middle East Limited has complete control over the management. Hence, this Company has been considered as a subsidiary with 100% interest and accordingly consolidated. The paid up share capital corresponding to the 51% interest has been included under other current liabilities.

**(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 March 31, 2019	Share of Ownership Interest as at March 31, 2018
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 2019, Brajbhumi Nirmaan Private Limited holds 50% each in Pranati Niketan Private Limited and Darshan Nirmaan Private Limited respectively.

**The information relating to the subsidiaries of Brajbhumi Nirman Private Limited are given below:**

Name of the Group	Country of Incorporation	Share of Ownership Interest as at March 31, 2019	Share of Ownership Interest as at March 31, 2018
Rosewood Agencies Private Limited	India	100.00%	100.00%
Neobeam Agents Private Limited	India	100.00%	100.00%
Mayapur Commercial Private Limited	India	100.00%	100.00%
Nexus Vintrade Private Limited	India	100.00%	100.00%
Bahubali Tradecomm Private Limited	India	100.00%	100.00%
Hopeful Sales Private Limited	India	100.00%	100.00%
Divine Realdev Private Limited	India	100.00%	100.00%
Kushal Infracore Private Limited	India	100.00%	100.00%
Beatle Agencies Private Limited	India	100.00%	100.00%
Suhana Properties Private Limited	India	100.00%	100.00%
Saket Mansions Private Limited	India	100.00%	100.00%





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

Preparation of these financial statements in conformity with Ind AS which 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 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. These estimates are most relevant to the goodwill and other intangibles with indefinite useful lives recognised in the financial statements.

**(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.

**(v.) Construction work-in-progress**

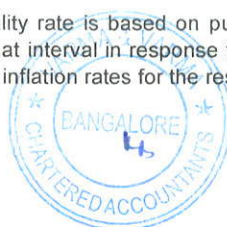
The Company holds inventories stated at the lower of cost and net realisable value. Such inventories include land, work in progress and completed units. Considering the nature of the activity and, in particular the scale of its developments and the length of the development cycle, the Company has to 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.









**(ii) Amortisation**

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized under the Straight Line Method 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 statement of profit and loss 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 using the straight line method over a period of 5 years.

Upon first-time adoption of Ind AS, the group 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., 1st April, 2015.

**(e.) Leases (other than land leases)****Operating Leases as a lessee:**

Operating Lease payments are recognised as an expense in the Profit and Loss Statement on a straight line basis with reference to lease terms and other considerations except where:-

- (i) Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on
- (ii) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

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

The group 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 group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account 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 statement of profit and loss.

**(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 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 group does not normally suspend capitalising borrowing costs during a period when it carries out substantial technical and administrative work. The group 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.

**(h.) Foreign Currency Translation**

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

**(i.) Initial Recognition:**

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



**(ii.) 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.

**(iii.) Exchange Differences:**

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

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

**(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.

**(j.) Provisions, Contingent Liabilities and Capital Commitments**

**(i.) 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 group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The group does not recognise a contingent liability but discloses its existence in the financial statements.

**(ii.) Provisions**

A provision is recognised when the group 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 group 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.

**(k.) Revenue Recognition**

The group has applied Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under erstwhile Ind AS 18 "Revenue" read with Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable) issued by the Institute of Chartered Accountants of India (the "ICAI").

The details of accounting policies under Ind AS 18 are disclosed separately if they are different from those under erstwhile revenue standards and the impact of changes is disclosed separately in the financial statements.

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

To determine whether to recognize revenue, the group follows a five step model as envisaged in Ind AS 115 given below:

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





#### **Identify the Contract with Customer**

The group evaluates whether a valid contract is satisfying all the following conditions:

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

#### **Identifying the performance obligations**

The group 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 group does not provide a significant service integrating, modifying or customizing it)

#### **Determining the transaction price**

The group 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 group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the performance completed to date, the group recognizes revenue in the amount to which it has a right to invoice.

#### **Allocating the transaction price to the performance obligations**

The transaction price is allocated to the separately identifiable performance obligations on the basis of their standalone selling price. For services that are not provided separately, the standalone selling price is estimated using adjusted market assessment approach.

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

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured, regardless of when the payment is being made.

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

The main revenue streams for Zuari Infraworld India Limited relate are as under:

- Residential cum commercial properties (constructed properties)
- Development Management Services.
- Sales Commission.

#### **(i) Revenue from sale of residential cum commercial properties (constructed properties)**

The group 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 group due to contractual restrictions. However, an enforceable right to payment does not arise until legal title has passed to the customer. Therefore, revenue is recognised at a point in time when the legal title has been passed to the customer. Each units of the flats or properties are classified as a separate performance obligation and revenue is recognised upon legal transfer of asset to

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 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.

#### **(ii) 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.



**(iii) Sales Commission from sale of plots/ residential units**

Commission from sale of plots/ residential flats upon sale of the plots/ flats and after receipt of specified sum of consideration as per the terms of contracts.

**(iv) 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.

**(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 tax laws prevalent in the respective country.

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.

**(iv) 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 group 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 (i.e SPPI Test) 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 group 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 group after deducting all of its liabilities. Equity instruments recognised by the group are recognised at the proceeds received net off direct issue cost.

**(vi) Financial guarantee contracts**

Financial guarantee contracts issued by the group 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

**(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

**(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 group according to the nature of business which primarily comprises of development of real estate projects , both residential and commercial. The group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the group as a whole.

**(q.)**

**(i) 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.



**(ii) 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.

**(r.) Investments**

Investments in subsidiary, Joint Ventures and Associates are accounted at their deemed cost in 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****(i.) New Accounting Standards not yet adopted:**

On 30 March, 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018 notified a new standard, amendments to existing standards and interpretations which are effective for financial year beginning after April 1, 2019, and have not been applied in preparing these financial statements. New standards, amendments to standards and interpretations that could have a potential impact on the financial statements of the Company are:

**(a) Ind AS 116 - Leases**

Ind AS 116, Leases supersedes the existing standard on leases, Ind AS 17 Lease, and the related interpretations. The new standard introduces a single lessee accounting model for lessee and eliminates the accounting difference between an operating lease and finance lease. Lessee's with operating leases will have a significant impact in accounting under the new standard. The accounting and classification in the books of lessor shall be based on existing operating/finance lease model.

Ind AS 116, Leases sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

The new standard allows for two methods of transition: the full retrospective approach, under which the effect of adoption of this standard is presented retrospectively to each prior reporting period in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors or the modified retrospective approach, where the cumulative effect of applying the standard retrospectively is recognized at the date of initial application. The standard is effective for financial year beginning on or after April 1, 2019. The Management is currently assessing the impact of adopting this standard on the group's financial statements.

(b.) Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The group is currently evaluating the effect of this amendment on the financial statements.

(c.) Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity: • to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and • to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The group does not have any impact on account of this amendment.

**(ii.) New standards adopted by the group**

The group has adopted Ind AS 115 - Revenue from Contracts with Customers with effect from April 01, 2018. The new revenue recognition standard replaces the existing standards Ind AS 11, Ind AS 18 and all the revenue related interpretations.

The new standard envisages single model revenue recognition which requires to recognize revenue when customer has transferred control of goods or service rather than transfer of risks and rewards. The group has accordingly changed its accounting policies and made adjustments in opening retained earnings. Refer note 37 for further details.





ZUARI INFRAWORLD INDIA LIMITED  
 NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019  
 (All Amounts in Indian Rupees in lakhs, unless otherwise stated)

3.1 Property, plant and equipment ( Tangible Assets )

	Plant and Equipment	Office Equipment	Leasehold Improvements	Computers	Furniture and Fixtures	Temporary Structures	Vehicles	Total
<b>Deemed Cost</b>								
As at April 1, 2017	6.77	43.11	93.35	16.51	47.70	0.85	131.18	339.47
Additions	-	14.99	35.86	3.16	3.84	-	0.65	58.50
Disposal	-	(1.40)	-	(3.70)	(6.32)	-	-	(11.42)
Foreign currency transition differences	-	0.51	-	-	-	-	0.40	0.90
<b>As at March 31, 2018/ April 01, 2018</b>	<b>6.77</b>	<b>56.70</b>	<b>129.21</b>	<b>15.98</b>	<b>45.22</b>	<b>0.85</b>	<b>131.83</b>	<b>387.45</b>
Additions	-	5.83	3.65	-	1.29	-	-	10.78
Disposal	-	-	-	-	-	-	-	-
Foreign currency transition differences	-	-	-	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>6.77</b>	<b>62.53</b>	<b>132.86</b>	<b>15.98</b>	<b>46.51</b>	<b>0.85</b>	<b>131.83</b>	<b>398.23</b>
<b>Accumulated depreciation</b>								
As at April 1, 2017	2.38	18.91	18.68	9.41	12.55	0.00	8.32	70.25
Charge for the year	1.20	9.42	13.05	3.25	6.02	-	16.32	49.27
Disposals/adjustments	-	(0.89)	-	(3.53)	(2.88)	-	-	(7.29)
Foreign currency transition differences	-	0.20	-	-	-	-	(0.06)	0.14
<b>As at March 31, 2018/ April 01, 2018</b>	<b>3.58</b>	<b>27.44</b>	<b>31.73</b>	<b>9.13</b>	<b>15.70</b>	<b>0.00</b>	<b>24.64</b>	<b>112.36</b>
Charge for the year	1.02	11.85	13.97	2.33	5.34	-	16.94	51.45
Disposals/adjustments	-	-	-	-	-	-	-	-
Foreign currency transition differences	-	-	-	-	-	-	-	-
<b>As at March 31, 2019</b>	<b>4.59</b>	<b>39.29</b>	<b>45.70</b>	<b>11.46</b>	<b>21.04</b>	<b>0.00</b>	<b>41.59</b>	<b>163.81</b>
<b>Carrying amount (net)</b>								
As at March 31, 2018/ April 01, 2018	3.19	29.26	97.47	6.85	29.52	0.85	107.18	275.09
As at March 31, 2019	2.18	23.24	87.16	4.52	25.47	0.85	90.24	234.42



ZUARI INFRAWORLD INDIA LIMITED  
 NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019  
 (All Amounts in Indian Rupees in lakhs, unless otherwise stated)

3.2 : Other Intangible Assets

Computer Software	Amount
<b>Deemed Cost</b>	
As at April 1, 2017	22.06
Additions	-
Disposal	-
As at March 31, 2018/ April 01, 2018	22.06
Additions	-
Disposal	-
As at March 31, 2019	22.06
<b>Accumulated depreciation</b>	
As at April 1, 2017	16.29
Charge for the year	3.96
Disposals/adjustments	-
As at March 31, 2018/ April 01, 2018	20.26
Charge for the year	0.43
Disposals/adjustments	-
As at March 31, 2019	20.69
<b>Carrying amount (net)</b>	
As at March 31, 2018/ April 01, 2018	1.80
As at March 31, 2019	1.36





**ZUARI INFRAWORLD INDIA LIMITED**

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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

4. Investments	As at March 31, 2019	As at March 31, 2018
<b>4.1. Non-current</b>		
<b>(i) Investments in equity instruments carried at cost</b>		
<b>Investment in Associates</b>		
<b>Brajbhumi Nirmaan Private Limited</b>		
[10,00,000 (2018:10,00,000) Equity Shares of Rs 10 each, issued at a premium of Rs 179.40/-]		
As at the beginning of the year	717.75	721.98
Adjustment for share of profit/(loss) in Associates	(20.26)	(4.23)
	<u>697.49</u>	<u>717.75</u>
Adjustment for Goodwill on Consolidation	1,590.01	1,590.01
	<u>2,287.49</u>	<u>2,307.76</u>
<b>Darshan Nirman Private Limited</b>		
[2,500 (2018:2,500) Equity Shares of Rs 10 each]		
As at the beginning of the year	(0.40)	(0.29)
Adjustment for share of profit/(loss) in Associates	-	(0.11)
	<u>(0.40)</u>	<u>(0.40)</u>
Adjustment for Goodwill on Consolidation	0.36	0.36
	<u>(0.04)</u>	<u>(0.04)</u>
<b>Pranati Niketan Private Limited</b>		
[2,500 (2018:2,500) Equity Shares of Rs 10 each]		
As at the beginning of the year	(0.34)	(0.30)
Adjustment for share of profit/(loss) in Associates	-	(0.04)
	<u>(0.34)</u>	<u>(0.34)</u>
Adjustment for Goodwill on Consolidation	0.36	0.36
	<u>0.02</u>	<u>0.02</u>
	<u>2,287.48</u>	<u>2,307.74</u>
<b>(ii) Investments in redeemable non-cumulative optionally convertible preference shares</b>		
<b>Unquoted Investments in preference shares in associate carried at fair value through Profit or Loss: (fully paid)</b>		
Brajbhumi Nirmaan Private Limited (Refer Note 4.4. below)	696.25	654.15
[5,00,000 (2018:5,00,000) 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)		
	<u>696.25</u>	<u>654.15</u>
* As per the audited consolidated financial statement of the associate entity the investment in optionally convertible preference shares are been considered as compound financial instrument.		
<b>(iii) Investments in mutual funds (Quoted)</b>		
<b>Investments at fair value through Profit or Loss:</b>		
(a.) ICICI Prudential Fixed Maturity plan Series (77-1473 Days Plan C) [5,000,000 units at Rs 10 per unit, Date of Maturity 25 May, 2019]	686.65	637.93
(b.) ICICI Prudential Fixed Maturity plan Series (78-1130 Days Plan T) [10,000,000 units at Rs 10 per unit, Date of Maturity 25 April, 2019]	1,264.47	1,175.45
(c.) ICICI Prudential Fixed Maturity plan Series (78-1156 Days Plan T) [5,000,000 units at Rs 10 per unit, Date of Maturity 29 May, 2019]	628.33	584.06
(d.) SBI Debt Fund Series B-36 (1131 Days) [8,500,000 units at Rs 10 per unit, Date of Maturity 06 May, 2019]	1,067.19	993.24
(e.) SBI Debt Fund Series C-1 (1100 Days) [15,000,000 units at Rs 10 per unit, Date of Maturity 26 June, 2020]	1,685.04	1,572.50
(f.) SBI Debt Fund Series B-17(1100 Days) [10,000,000 units at Rs 10 per unit, Date of Maturity 22 May, 2018]	-	1,254.93
(g.) SBI LD546G SDFC C-23 (1100 Days) Direct Growth [2,00,00,000 units at Rs 10 per unit, Date of Maturity 03 September, 2021]	2,123.28	-
(h.) SBI Liquid Mutual Fund-Magnum [6.06 units at Rs.3,845/- per unit ]	0.25	-
(i.) SBI Debt Fund C-16 Series 1100 Days [12,670,900 units at Rs.10 per unit, Date of Maturity 01 June, 2021]	1,371.85	-
(j.) SBI Short Term Debt Fund [1,73,57,242.175 units at Rs.10 per unit]	-	3,558.39
	<u>8,827.06</u>	<u>9,776.49</u>
	<u>11,810.79</u>	<u>12,738.38</u>



**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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

**4.2 Summary of Investment and their valuation (Also, refer note 33) :**

Investment Class	Method of Valuation	As at March 31, 2019	As at March 31, 2018
Unquoted equity Instruments	Carried at cost (deemed cost)	2,287.48	2,307.74
Unquoted preference Instruments	Discounted cash flows method* (fair value)	696.25	654.15
Mutual funds	Market observable inputs (fair value)	8,827.06	9,776.49
		<b>11,810.79</b>	<b>12,738.38</b>

\* Based on the valuation reports issued by the independent valuer.

**4.3. Investments in mutual funds**

Investments in mutual funds are pledged in favour of YES bank Limited (GIFT City) for providing banking 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 29)

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

Descriptions	For the year ended March 31, 2019			For the year ended March 31, 2018		
	Carrying value	Sale Proceeds	Gain/Income	Carrying value	Sale Proceeds	Gain/Income
LGD Yes Liquid Fund Direct Growth	1,000.00	1,006.72	6.72	-	-	-
SBI Debt Fund Series B-17 (1100 days) Direct Growth	1,254.93	1,267.09	12.16	-	-	-
ICICI Liquid - P8101 Money Market Fund - Direct Growth	206.00	206.15	0.15	-	-	-
SBI Magnum Ultra SDF Direct Growth	1,049.75	1,099.09	49.33	-	-	-
SBI Short Term Fund - Direct Plan - Growth	3,558.39	3,671.45	113.06	-	-	-
ICICI Prudential (Liq.) Mutual Fund	-	-	-	395.00	396.37	1.37
IDFC-Money Mgr. Fd. - Treasury Plan	-	-	-	50.00	50.18	0.18
L&T Liquid Fund	-	-	-	25.00	25.23	0.23
L&T Ultra Short Term Fund	-	-	-	571.32	573.99	2.67
SBI Mg. Insta Cash Fund (Daily Div.)	-	-	-	1,300.00	1,304.64	4.64
	<b>7,069.07</b>	<b>7,250.51</b>	<b>181.44</b>	<b>2,341.32</b>	<b>2,350.41</b>	<b>9.09</b>

**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 as Fair value through profit and loss (FVTPL). The fair valuation was carried by an Independent valuer.

**4.5. Investment by Zuari Infracore 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.

The share capital amount is not yet contributed by the subsidiary company.

The Joint Venture is engaged to carry out any activities which is not prohibited by the Companies Law (2011 revision).

The Joint Venture Company holds 1 share in Burj District One Limited which owns a plot of land on which the project "St Regis Residences" 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.





**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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

5. Loans	As at March 31, 2019	As at March 31, 2018
<b>Unsecured, Considered Good</b>		
<b>5.1. Current</b>		
Advance to Employees	55.49	50.02
	<b>55.49</b>	<b>50.02</b>
<b>5.2. Includes expenses recoverable from related parties;</b>		
Ms. Puja Poddar , Key Managerial Personnel of Subsidiary Company and relative of a director of the Holding Company	36.01	33.94
<b>6. Other financial assets</b>		
	As at March 31, 2019	As at March 31, 2018
<b>Unsecured, Considered Good</b>		
<b>6.1. Non-current</b>		
Security deposits (carried at amortised cost)	28.76	26.69
Security deposits (carried at cost)*	31.15	30.03
	<b>59.91</b>	<b>56.72</b>
<b>6.2. Current</b>		
Security deposits - Current (Carried at cost)*	26.04	24.71
Other Bank deposits (DSRA)	-	49.08
Interest accrued and due - Others (refer note 7.6. below)*	33.72	33.72
Interest Accrued but not due	5.09	-
Expenses Recoverable (refer note 6.4. below)	157.33	168.36
Unbilled Revenue on service contracts (Refer Note 6.5 below)	173.93	1.35
Unbilled Revenue on project contracts	-	180.72
	<b>396.10</b>	<b>457.94</b>
<i>* Balances are subject to confirmation.</i>		
<b>6.4 Includes expenses recoverable from related parties;</b>		
Brajbhumi Nirmaan Private Limited, India	157.33	157.33
	<b>157.33</b>	<b>157.33</b>
<b>6.5 Includes service income accrued and not billed to related parties;</b>		
Zuari Global Limited, India - Sales and Development Management Commission	57.05	1.35
	<b>57.05</b>	<b>1.35</b>
<b>7. Other Assets</b>		
	As at March 31, 2019	As at March 31, 2018
<b>Unsecured, Considered Good</b>		
<b>7.1. Non-Current</b>		
Advances recoverable in cash or kind (refer note 7.3 & 7.4 below)	846.63	850.17
Capital Advance (refer note 7.10. below)	3,964.38	-
Goods and Service Tax Refund (refer note 7.6. below)	188.19	-
Karnataka VAT - refund receivable	32.01	32.01
Advance for Investment (refer note 7.10. below)	-	3,726.45
Service tax - refund receivable	10.35	10.35
Less: Provision towards service tax refund	(10.35)	(10.35)
Prepaid lease (Security deposit paid)	-	1.94
	<b>5,031.21</b>	<b>4,610.57</b>
<b>7.2. Current</b>		
Goods and Service Tax Input Credit (Refer Note 7.6. below)	463.27	447.95
Advance to vendors (refer note 7.7. below)	2,576.84	2,418.55
Credit of Input VAT	79.28	5.76
Prepaid expenses (refer note 7.8. below)	327.90	119.81
Other receivable (Refer Note 7.9. below)	155.34	69.87
Prepaid lease-current (security deposit paid)	1.94	1.93
	<b>3,604.57</b>	<b>3,063.88</b>

7.3. Includes mobilisation advances to a sub-contractor aggregating to Rs 207.02 lakhs (2018: Rs 210.56 lakhs) in respect of which the sub-contractor vendor has furnished bank guarantee to the extent of Rs 210.56 lakhs (2018: Rs 237.13 lakhs) which is valid upto 30 June, 2019. These advances shall be adjusted against the subsequent running bills from the subcontractor and these balances are subjected to confirmation from that party.



7.4. Under the Development Management Agreement with the Agency, the Agency is entitled to certain percentage of income calculated in the manner specified therein. The Company has made advance payments aggregating to Rs. 639.61 lakhs as at 31 March, 2019 (2018: Rs. 639.61 lakhs). The amount will be adjusted in the year when the agency becomes entitled to share of income as per the agreement. The Management expects to adjust/recover the same in full and hence is of the view that no adjustment is necessary at this stage and these balances are subject to confirmation from that party.

7.5. 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.

7.6. Goods and Service Tax Input credits carried in the books includes input tax credits aggregating to Rs. 36.83 lakhs (2018: Nil) pertaining 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.

7.7. Includes recoverable advances paid to a sub-contractor amounting to Rs 2,246.49 lakhs (as at 31 March 2018: Rs 2,246.47 lakhs). The Management is in negotiation with party for its recovery including interest accrued Rs 33.72 lakhs as disclosed in Note 6.2 and is confident that this advance will be ultimately fully recovered. Hence in the view of the Management no provision is considered necessary at this stage.

7.8. Includes Rs.283.22 lakhs (2018: Rs.94.56 lakhs ) on account of brokerage & sales commission paid to an agency for services, on gross sale consideration receivable from customers. As per the agreement, in the event of non-completion of sale transaction, such commission is refundable by the agency. The commission paid is charged to the Profit & Loss Statement as and when revenue is recognized. For, adjustment to prepaid expenses account pursuant to adoption of Ind AS 115 refer note no. 37.

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.

7.10. Includes advance amount paid to a related party (party to Joint venture) towards purchase of land on which the project is being developed by the company. The balance amount of Rs22,404.73 lakhs (AED 119 million considered at rate of Rs.18.8275 / AED as at the reporting date) will be paid on completion of the project. The total value of the land is taken at Rs.26,358.50 lakhs (AED 140 million considered at rate of Rs.18.8275 / 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 in Quarter 1 of 2019-20. During the previous year this amount was disclosed as advance for investment.

8. Inventories (valued at lower of cost or net realizable value)	As at March 31, 2019	As at March 31, 2018
Completed units ( Refer Note 8.1. below)	4,392.84	-
Construction Work-In-Progress (includes cost of Land , Borrowing Cost and Project Constructor and Development Cost) (Refer Note 8.2. below)	44,084.57	29,203.17
	<b>48,477.42</b>	<b>29,203.17</b>

Also refer note 37 for further disclosure on project and adjustment pursuant to adoption of Ind AS 115

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. 18. Pending receipt of balance consideration and execution of absolute sale deed effecting the transfer of legal title, the same is reported as Inventory.

8.2. Includes Rs. 2,630.63 lakhs (2018: Rs. 2,396.32 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 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.

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





**ZUARI INFRAWORLD INDIA LIMITED**

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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

9. Trade receivables	As at March 31, 2019	As at March 31, 2018
<b>Unsecured, Considered Good</b>		
<b>Current</b>		
Trade receivables - Related Parties (refer note 9.1. below)	499.04	469.51
Trade receivables - from sale of completed units (refer note 9.5. below)	-	1,390.03
Trade receivables - others	24.17	8.82
<b>Total Trade Receivables</b>	<b>523.21</b>	<b>1,868.36</b>
<b>9.1. Receivables from the related parties;</b>		
Zuari Global Limited	95.02	65.49
Brajbhumi Nirmaan Private Limited	404.02	404.02
	<b>499.04</b>	<b>469.51</b>

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

9.3. 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.

9.4. During the previous financial year receivables in respect of the completed projects against which demand notes were raised and pending execution of sale deed were reported as trade receivables. During the current financial year this was reversed pursuant to adoption of Ind AS-115.(Also refer note 37 for further details)

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

10. Cash and cash equivalents	As at March 31, 2019	As at March 31, 2018
Cash on hand	0.51	0.45
Balances held in banks in current account*	205.89	474.24
	<b>206.40</b>	<b>474.69</b>

\* As per the statement of account obtained from bank and includes 2 accounts with balances aggregating to Rs. 6.94 lakhs held pursuant to requirement of Real Estate Regulatory Authority (RERA) Act, 2016.

10.1 Other bank balances	As at March 31, 2019	As at March 31, 2018
Deposits held with banks with more than 3 months but less than 12 months maturity period	500.00	-
	<b>500.00</b>	<b>-</b>

*This space has been intentionally left blank*



**ZUARI INFRAWORLD INDIA LIMITED**

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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

11. Share capital	As at March 31, 2019	As at March 31, 2018
-------------------	-------------------------	-------------------------

**11.1 (a.) Authorised**

50,000,000 (2018 : 50,000,000) Equity Shares of Rs. 10 each	5,000.00	5,000.00
15,000,000 (2018 : 15,000,000) Preference Shares of Rs. 10 each	1,500.00	1,500.00
	<b>6,500.00</b>	<b>6,500.00</b>

**(b.) Issued, subscribed & paid up**

4,65,50,000 (2018: 4,65,50,000) Equity Shares of Rs 10 each	4,655.00	4,655.00
1,14,50,000 (2018 : 85,00,000) Non-Convertible Cumulative Redeemable Preference Shares of Rs 10 each issued at premium of Rs. 90 each. (Also, refer note 13.10. below )	1,145.00	1,145.00
	<b>5,800.00</b>	<b>5,800.00</b>

**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 March 31, 2019		As at March 31, 2018	
	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	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>4,65,50,000</b>	<b>4,655.00</b>	<b>4,65,50,000</b>	<b>4,655.00</b>

**11.3 Details of shareholders holding more than 5% shares in the Company as at March 31, 2019**

Name of the Shareholder	As at March 31, 2019		As at March 31, 2018	
	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%

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 13.10. below for details of Cumulative Compulsarily redeemable preference shares issued by the Company.

12. Other equity	As at March 31, 2019	As at March 31, 2018
------------------	-------------------------	-------------------------

**12.1 Deemed equity on fair-value adjustment to Non-convertible cumulative redeemable preference Shares:**

At the beginning of the year	415.96	424.95
Equity component of redeemable Preference Shares issued during the year	-	137.15
Income tax effect on the interest portion on Preference shares	-	(146.15)
	<b>415.96</b>	<b>415.96</b>

Also refer note 13.10. below for detailed disclosure on preference shares.

**12.2 Security Premium Account:**

As at the beginning of the year	10,305.00	7,650.00
Add: Security premium received during the year	-	2,655.00
<b>As at the end of the year</b>	<b>10,305.00</b>	<b>10,305.00</b>

Premium on issue of cumulative compulsarily redeemable preference shares.





**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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

<b>12.3 Balance in profit &amp; Loss Statement</b>		
As at the beginning of the year.	(674.19)	(370.44)
Adjustment pursuant to adoption of Ind AS 115	(514.53)	-
Income tax effect on above	133.78	-
Add: Profit for the year	(694.28)	(308.68)
Add: Re-measurement gains/(loss) on defined benefit plans, not reclassified to profit or loss	4.00	4.92
<b>Net deficits in the profit and loss statement</b>	<b>(1,745.23)</b>	<b>(674.19)</b>
<b>12.4 Foreign currency translation reserve</b>		
As at the beginning of the year.	1.86	5.62
Exchange differences on translating the financial statements of foreign subsidiary	(55.23)	(3.76)
	<b>(53.38)</b>	<b>1.86</b>
	<b>8,922.35</b>	<b>10,048.62</b>
<b>* The Remeasurements gains in respect of employee benefits included above are as under;</b>		
As at the beginning of the year.	14.16	9.24
Remeasurements gain/(loss) on defined benefit plans	5.40	6.65
Income tax effect on above	(1.40)	(1.73)
<b>Balance carried forward to next year</b>	<b>18.16</b>	<b>14.16</b>
<b>13. Borrowings</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>13.1 Long-term borrowings:</b>		
<b>(a.) Secured Loans</b>		
<b>Term Loans from banks:</b>		
Federal Bank Limited (refer note 13.3. below)	-	12,488.63
Less: Current maturities of long term borrowings (refer note 15.2. below)	-	(833.33)
State Bank of India, Dubai (refer note 13.13)	-	4,682.68
	-	<b>16,337.98</b>
Yes Bank Ltd (refer 13.4. below)	1,010.19	-
Yes Bank Ltd, IFSC Banking Unit (refer 13.4. below)	20,744.89	-
	<b>21,755.08</b>	-
<b>Term Loans from others:</b>		
LIC Housing Finance Limited (refer 13.5. below)*	15,425.84	-
	<b>37,180.93</b>	<b>16,337.98</b>
<b>(b.) Unsecured Loans</b>		
<b>Inter-Corporate Deposits from related parties (refer note 13.6. below)</b>		
Zuari Global Limited (carried at Amortised cost)	2,309.99	2,208.00
Adventz Finance Private Limited (carried at Amortised cost)	1,572.69	-
Less: Current maturities of long term borrowings (refer note 15.2. below)	(2,309.99)	(2,208.00)
	<b>1,572.69</b>	-
<b>Liability component of compound financial instrument</b>		
Non-Convertible Cumulative Redeemable Preference Shares (Also, refer note 13.10. below)	928.51	814.76
	<b>39,682.13</b>	<b>17,152.74</b>
<b>13.2 Short-term borrowings:</b>		
<b>(a.) Secured Loans</b>		
<b>Term Loans from banks:</b>		
ICICI Bank Limited (refer 13.7. below)	-	1,500.00
Real Estate loan from National bank of Fujairah (refer note 13.11. below)	-	7,048.31
Short-term loan from National bank of Fujairah (refer note 13.12. below)	-	266.18
Vehicle Loan	117.22	153.77
	<b>117.22</b>	<b>8,968.26</b>
<b>(b.) Unsecured loans</b>		
<b>Inter-Corporate Deposits from (refer note 13.9. below)</b>		
Adventz Finance Private Limited (carried at Amortised cost)	-	2,000.00
Anchor Investment Private Limited (carried at Amortised cost) *	309.65	-
Meenakshi Tea Co Limited (carried at Amortised cost) *	206.44	-
Texmaco Infrastructure & Holdings Limited (carried at Amortised cost) *	542.02	-
Other unsecured loans (refer note 13.14 below)	2,734.58	2,550.53
	<b>3,792.69</b>	<b>4,550.53</b>
	<b>3,909.90</b>	<b>13,518.80</b>

\* Balances are subject to confirmation.



**13.3 Federal Bank Limited**

Term loan facility of Rs. 15,000 lakhs including overdraft facility of Rs. 500 lakhs as a sub-limit of the overall sanctioned limits, is secured by equitable mortgage on the Land and Building to be constructed under project name "Zuari Garden City " in area admeasuring to 50 Acres and 35 Guntas, Project receivables including all insurance and it is further secured by Corporate Guarantee of Rs. 15,000 lakhs 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. This loan was pre-closed during the year and Rs.64.95 lakhs was paid as pre-closure charges. There is no outstanding dues of Principal or Interest as at 31 March 2019 (As at 31 March 2018: 12,489 lakhs).

**13.4 (a.) 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. The said term loan facility was secured by charge on Development fee receivables and Corporate guarantee from Zuari Global Limited, the holding company executed in favour of the bank.

**(b.) Yes Bank Ltd, IFSC Banking Unit**

Finance facility availed by Zuari SJM Properties LLC, Dubai step down subsidiary comprising of term loan facility with the total sanctioned limit of Rs.41,420.50 lakhs [AED 220 million at rate at the reporting date of Rs.18.8275 per AED (USD 60 million)] and Treasury (swaps) upto Rs.207.10 lakhs [AED 11 million at rate at the reporting date of Rs.18.8275 per AED (USD 3 million)] by 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 Infracore S J M Properties L.L.C.
- Charge on share of project cash flow including reimbursement and surplus.
- Mortgage of land in Goa owned by Zuari Global Ltd ("Ultimate parent company") amounting to USD 62,000,000 /-
- Pledge of liquid debt mutual funds unit owned by group companies amounting to USD 13,200,000 /-
- Pledge of listed India shares held by New Eros TradeCom Limited amounting to USD 7,300,000 /-
- Corporate guarantee provide by group Indian holding companies amounting to USD 40,000,000/-

In addition, there are various conditions and financial covenants attached to the bank facilities, which are in the normal course of business.

**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 admeasuring 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 2019 is Rs.15,426 lakhs (As at 31 March 2018 : Nil). There are no continuing default in repayment of Principal or Interest as at the year end.

**13.6 Unsecured Inter-Corporate Deposits from related parties****(a.) 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 upto 30 June 2019, without any changes to the existing terms and condition detailed as under.

Terms of Repayment:

Particulars	Outstanding 01 April, 2018	Loans during the Year	Repaid	Outstanding 31 March, 2019	Due Date
Loan 1-4 at 8% p.a.*	733.00	-	-	733.00	30 June, 2019
Loan- 5 at 8% p.a.*	400.00	-	60.01	339.99	30 June, 2019
Loan 6-8 & 11-18 at 12% p.a.	1,075.00	-	1,075.00	-	30 June, 2018
Loan 19-21 at 12% p.a.	-	50.00	50.00	-	30 June, 2019
Loan 22 at 12% p.a.	-	500.00	-	500.00	30 June, 2019
Loan 23-29 at 12% p.a.	-	1,883.00	1,883.00	-	30 June, 2019
Loan-30 at 12% p.a.	-	1,600.00	1,188.00	412.00	30 June, 2019
Loan 31-32 at 12% p.a.	-	325.00	-	325.00	30 June, 2019
	<b>2,208.00</b>	<b>4,358.00</b>	<b>4,256.01</b>	<b>2,309.99</b>	

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

**(b.) 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 unpaid loan which was rolled over during the preceding financial year and was due for repayment during the current financial year was extended for a further period upto 30 June 2020 and accordingly was reclassified as non-current during the year. The loan outstanding including interest accruals as at 31 March 2019 is Rs.1,573 lakhs.







(d) 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.8,14,75,750/- (2017:Rs. 5,61,54,238/-) has been classified under 'Long-term Borrowings' and the portion computed as the deemed equity amounting to Rs.5,62,10,576/- (2017: Rs. 4,24,95,328) 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

#### 13.11 Real estate loan

This represents real estate loan taken from National Bank of Fujairah of AED 39,720,000/-. The loan is fully repaid during the year.

#### 13.12 Short-term loan

This represents short term recurring loan taken from National Bank of Fujairah of AED 1,500,000/. The loan is fully repaid during the

#### 13.13 Long term loan

This represents long term loan taken for State Bank of India of AED 165 million. The loan is fully repaid during the year.

#### 13.14 Unsecured loans

This represents unsecured and 12% (0 to 12%) per annum interest bearing loans availed from unrelated parties which are repayable within a period of 2 years.

#### 14. Trade payables

		As at March 31, 2019	As at March 31, 2018
<b>14.1 Non-Current</b>			
Retention Money - non current (carried at cost) *		39.01	174.09
Due to others - non current (carried at cost)*	refer note 14.4. below	-	25.48
		<b>39.01</b>	<b>199.57</b>
<b>14.2 Current</b>			
Retention Money - current (carried at cost)*	refer note 14.4. below	234.59	145.98
Dues to related parties (carried at cost)	refer note 14.3. below	39.42	36.93
Dues to others (carried at cost)*	refer note 14.4. below	855.96	1,014.55
Dues to micro & small enterprises(carried at cost)*	refer note 14.5. below	4.56	-
		<b>1,134.53</b>	<b>1,197.46</b>
<b>14.3 Due to Related Parties comprises of due to;</b>			
Simon India Limited		36.93	36.93
Forte Furniture Products India Private Limited		1.52	-
Zuari Finserv Private Limited		0.97	-
		<b>39.42</b>	<b>36.93</b>
<b>14.4</b>	Includes retention money Rs.131.23 lakhs (as at 31 March 2018 : Rs.142.78 lakhs) and other payables Rs.25.48 lakhs (as at 31 March 2018: 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.		
<b>14.5</b>	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:		
	i Principal amount due to suppliers under MSMED Act	4.28	-
	ii Interest accrued and due to suppliers on above amount	0.10	-
	iii Payment made to suppliers beyond appointed day during the year	4.31	-
	iv Interest paid to suppliers during the year	-	-
	v Interest due and payable to suppliers towards payment already made during the year	0.18	-

\* Balances are subject to confirmation





**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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

15. Other Financial Liabilities	As at March 31, 2019	As at March 31, 2018
<b>15.1 Non-Current</b>		
<b>Other financial liabilities (carried at amortised cost)</b>		
Rent Deposit	12.93	12.77
Deferred Rental on security deposits (fair value adjustment) - Non-current	11.99	13.24
Payables for capital purchases	228.76	597.89
	<b>254</b>	<b>624</b>
<b>15.2 Current</b>		
<b>Other financial liabilities (carried at cost)</b>		
Current maturity of long term loans (refer note 13)	2,309.99	3,041.33
Other Deposits	14.96	-
Due to employees	97.14	68.42
Due to related parties (refer note 15.3 below)	66.57	47.77
Interest accruals on loans (refer note 15.4. below)	1,056.99	70.91
Due to others	0.91	0.85
Others:		
Deferred Rental on security deposits (fair value adjustment)-Current	2.37	2.37
	<b>3,548.95</b>	<b>3,231.66</b>
<b>15.3 Due to related parties comprises of dues to;</b>		
Zuari Global Limited	39.83	16.34
Mr. Alok Banerjee	8.57	12.40
Mr. Anshul Amit Bansal	2.42	4.01
Mr. C G Ramegowda	0.68	0.83
Mr. Vinay Varma, Key Managerial Personnel of Subsidiary	15.06	14.20
	<b>66.57</b>	<b>47.77</b>
<b>15.4 Includes interest payable to related parties of subsidiary company;</b>		
Akshay Poddar, Key Managerial Personnel and relative of a Director of Holding Company	25.42	-
Adventz properties Limited, UAE	3.77	-
Globalware Trading & Holdings Limited, UAE	48.34	7.79
	<b>77.52</b>	<b>7.79</b>
<b>16. Provisions</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>16.1 Non-Current</b>		
Provision for gratuity obligation	38.59	33.32
Provision for compensated absences	15.14	6.17
	<b>53.72</b>	<b>39.49</b>
<b>16.2 Current</b>		
Provision for gratuity obligation	2.91	3.29
Provision for compensated absences	2.53	3.73
Staff end of service benefits	39.82	20.16
	<b>45.26</b>	<b>27.17</b>
Also, refer note 35 for detailed disclosures on employee benefit plans.		
<b>17. Deferred tax (Asset)/liability (net)</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2019</b>	<b>March 31, 2018</b>
<b>17.1 Tax effect of items constituting deferred tax liabilities</b>		
Fair valuation of investment in mutual funds	314.58	202.14
Interest on preference shares	56.29	85.86
Investment in preference shares	51.03	-
Unwinding of security deposit received	0.53	0.25
Timing differences on benefit obligations through OCI	1.40	1.73
	<b>423.83</b>	<b>289.98</b>
<b>17.2 Tax effect of items constituting deferred tax assets</b>		
Unwinding of security deposit paid	0.08	0.11
Difference between accounting base and tax base of tangible & Intangible assets	18.23	17.99
Timing differences on benefit obligations	15.38	13.82
Tax effect on adjustment pursuant to adoption of IND AS 115, Net	116.68	-
Unrealised Profit on DMC fees	0.76	0.76
Others	2.69	2.69
MAT Entitlement	50.17	41.81
	<b>203.99</b>	<b>77.18</b>
Unused Tax Losses	449.00	309.54
Less: Not considered for deferred tax purposes	(449.00)	(309.54)
	<b>-</b>	<b>-</b>
	<b>219.83</b>	<b>212.80</b>
Also, refer note 27 for other tax related disclosures.		



**ZUARI INFRAWORLD INDIA LIMITED**

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

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

17.3. 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.

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

**18. Other current liabilities**

	As at March 31, 2019	As at March 31, 2018
Statutory dues	89.71	73.67
Advances from Customers	7,835.10	1,966.91
Others advances (refer note 18.1 below)	593.02	-
Others	28.81	27.15
	<b>8,546.64</b>	<b>2,067.73</b>

18.1. Includes refundable advances of Rs.279.52 lakhs (2018:Rs. 5 lakhs) in respect of cancelled residential units and Rs.313.5 lakhs collected from the buyers towards club membership charges fees which will be transferred to the residential units owners society/organisation on its formation.

*This space has been intentionally left blank*





**ZUARI INFRAWORLD INDIA LIMITED**

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in Rupees, except otherwise stated)

<b>19. Revenue from operations</b>	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of residential units	1,346.57	362.27
Development management fees	232.51	301.01
Sales Commission on sale of plots/residential units	177.37	-
Other Operating revenue	28.85	-
	<b>1,785.30</b>	<b>663.28</b>
<b>20. Other income</b>	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest Income on ;		
Deposits with Bank	5.72	0.82
Income tax refund	18.76	5.74
Others	-	0.47
Rent from sub-lease *	2.97	3.63
Dividend from Mutual funds	-	4.64
Gains from redemption of Mutual Fund	181.44	4.45
Gain on fair value adjustments to financial assets through Profit and loss		
- Preference Shares	42.10	-
- Mutual Funds	596.56	485.63
Adjustment on amortisation of security deposit	2.07	1.92
Unwinding of financial liability, security deposit from sub lease	1.25	2.37
Finance Guarantee Commission	-	-
Exchange Gain	55.17	-
Balances no longer required	0.45	-
Miscellaneous income	0.07	7.53
	<b>906.56</b>	<b>517.19</b>

\* Rent from sub-lease reported above are net of expenses Rs. 36.07 lakhs (2018:Rs. 34.80 lakhs)

<b>21. Project construction and development expenses</b>	For the year ended March 31, 2019	For the year ended March 31, 2018
Architect Fees	385.72	13.13
Consultancy Fee	-	1,195.08
Depreciation on assets - Projects	4.82	6.36
Project Approval cost	-	3.03
Land Development	-	-
Civil Work	433.28	283.39
Rent project office	151.46	-
Managerial remuneration and expenses	120.08	-
Landscape Expenses	-	39.65
Site Office Expenses	0.02	-
Site Security Expenses	-	-
Project Staff Costs	0.91	607.89
Contribution to Provident & Other funds	-	-
Marketing Expenses	73.84	-
Property Tax	7.56	29.47
Infrastructure Expenses	2,199.44	2,406.98
Miscellaneous project Expenses	130.19	43.56
Foreign exchange translations differences to inventories	1,080.49	90.13
<b>Sub Total</b>	<b>4,587.81</b>	<b>4,718.68</b>
Add: Borrowing cost incurred during the year	6,985.56	2,797.45
Add: Employee benefit expenses transferred to construction work in progress	822.20	412.59
Add: Other expenses transferred to construction work in progress	223.63	113.59
Less: Balance no longer required written back	-	(221.00)
	<b>12,619.20</b>	<b>7,821.31</b>



**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in Rupees, except otherwise stated)

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>22. Changes in inventories</b>		
<b>(a.) Completed units of stock</b>		
Completed units at the beginning of the year pursuant to Ind AS 115	5,639.61	-
Completed units at the end of the year	4,392.84	-
<b>Changes in completed units during the year</b>	<b>1,246.77</b>	<b>-</b>
<b>(b.) Construction Work-in- progress</b>		
Construction work-in-progress at the beginning of the year	29,203.17	21,834.74
Add: adjustment pursuant to adoption of Ind AS 115	2,307.95	-
<b>Adjusted Inventory at the beginning of the year</b>	<b>31,511.12</b>	<b>21,834.74</b>
Add: Construction cost incurred during the year	12,619.20	7,821.31
Less: Charged to profit and loss during the year	(45.75)	(452.88)
<b>Construction work-in-progress at the end of the year</b>	<b>44,084.57</b>	<b>29,203.17</b>
<b>Changes in construction work in progress</b>	<b>(12,573.45)</b>	<b>(7,368.43)</b>
<b>Total (Increase) / Decrease (a+b)</b>	<b>(11,326.68)</b>	<b>(7,368.43)</b>
<b>23. Employee benefit expenses</b>		
Salaries and wages	903.03	555.99
Contribution to provident and other funds	23.80	26.68
Gratuity	13.91	14.34
Compensated absences	8.58	8.18
Staff welfare expenses	3.72	62.24
	<b>953.04</b>	<b>667.43</b>
Less: Employee benefit expenses transferred to construction work in progress	(822.20)	(412.59)
	<b>130.84</b>	<b>254.84</b>
<b>24. Other expenses</b>		
Rent	100.12	95.14
Travel and conveyance	70.10	52.75
Legal and professional fees	78.18	43.81
Communication and internet charges	26.44	26.43
Office Expenses	105.34	64.90
Repairs and maintenance	10.84	36.51
Auditors remuneration	10.80	10.80
Recruitment expenses	5.37	5.61
Advertising and publicity expense	89.97	43.23
Rates and taxes	12.34	33.09
Commission & Brokerage	214.49	37.24
Maintenance and Security Expenses	97.32	50.00
Exchange Loss	-	16.64
Miscellaneous expenses	79.63	52.96
Provision for service tax refund receivable	-	10.35
Balances written-off	11.55	1.11
Loss on disposal of Asset	-	2.56
	<b>912.48</b>	<b>583.12</b>
Less: Other expenses transferred to construction work in progress	(223.63)	(113.59)
	<b>688.85</b>	<b>469.52</b>
<b>24.1 Remuneration to Auditors' reported above includes</b>		
Statutory Audit Fees	5.00	5.00
Tax Audit Fees	0.75	0.75
Certification fees	0.50	0.50
Out of pocket expenses	-	0.25
	<b>6.25</b>	<b>6.50</b>





**ZUARI INFRAWORLD INDIA LIMITED****NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in Rupees, except otherwise stated)

<b>25. Finance costs</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
<b>Interest expense:</b>		
Interest on borrowings	7,936.64	2,635.26
Other borrowing cost		214.89
Interest on delayed payment of Income tax	-	1.43
Interest on delayed payment of tax deducted at source	-	0.05
Interest on MSME	0.28	-
<b>Fair value adjustment pursuant to Ind AS:</b>		
Fair value adjustment on initial recognition of borrowings	-	-
Interest on security deposits	0.16	1.43
Interest on non-convertible cumulative redeemable preference shares	113.75	95.37
	<u>8,050.83</u>	<u>2,948.42</u>
Less: Borrowing cost transferred to construction work in progress	(6,985.56)	(2,797.45)
	<b><u>1,065.28</u></b>	<b><u>150.98</u></b>

**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 industry and the economic conditions prevailing across the industry. Accordingly, capitalisation (transfer to inventory) of interest cost is not suspended during the year.

<b>26. Depreciation and amortization expenses</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Depreciation of tangible assets	51.45	42.92
Amortisation of intangible assets	0.43	3.95
Less: Depreciation on leasehold improvements attributable to sub-lease income adjusted against sublease income.	(4.68)	(3.72)
Less: Depreciation & amortisation transferred to construction work in progress	(4.82)	
	<u>42.39</u>	<u>43.15</u>



**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in Rupees, except otherwise stated)

<b>27. Income Tax</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Income tax expense	4.00	6.00
Income tax of earlier year	2.60	4.74
Deferred tax charge/(credit)	139.41	102.65
<b>Total</b>	<b>146.00</b>	<b>113.39</b>

<b>27.1 Income tax expense for the year reconciled to the accounting profit</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Profit before tax	(528.01)	(190.90)
Income tax expense calculated at 26% (2018 : 26%)	(137.28)	(49.63)
<i>Adjustments for:</i>		
Gain on fair value adjustments to preference shares	40.08	-
Expenses not considered for tax purposes.	-	1.15
Gain on fair value adjustments to Mutual funds taxable at differential rate	50.47	(31.29)
Interest portion fair value adjustment to preference shares issued	-	9.64
Other adjustments	7.11	(11.35)
Tax effect on unused tax losses not recognised	187.40	149.99
Tax expenses of earlier year debited to profit and loss	2.60	4.74
Minimum Alternate Tax (MAT) of earlier year debited to profit and loss	(4.37)	40.15
	<b>146.00</b>	<b>113.39</b>

<b>27.2 The tax effects of timing differences that resulted in changes in deferred tax are as follows:</b>	<b>For the year ended March 31, 2019</b>	<b>For the year ended March 31, 2018</b>
Fair valuation of investment in mutual funds	112.44	94.97
Unwinding of security deposit paid	0.04	0.03
Interest accrued on preference shares issued (Adjustment pursuant to Ind-AS)	(29.58)	(15.15)
Difference between accounting base and tax base of tangible & Intangible assets	(0.24)	4.92
Unwinding of security deposit received	0.28	0.25
Temporary differences on benefit obligations	(3.29)	(13.82)
Fair valuation of investment in Preference shares	51.03	-
Gain on sale of flats recognised as per IND AS 115	17.10	-
Others temporary differences	-	(2.69)
MAT Credit of the current year	(4.00)	40.15
MAT Credit of the earlier year	(4.37)	(6.00)
	<b>139.41</b>	<b>102.65</b>

**27.3.** 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.

This space has been intentionally left blank





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

## 28.1. 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 2019	As at 31 March 2018	
(i) Zuari Infra Middle East Ltd	UAE	100%	100%	Line by line consolidation

## 28.2. 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 2019	As at 31 March 2018	
(i) Brajbhumi Nirmaan Private Limited	India	25%	25%	Equity Accounting
(ii) Darshan Nirman Private Limited	India	25%	25%	Equity Accounting
(iii) Pranati Niketan Private Limited	India	25%	25%	Equity Accounting

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

## (b.) Information regarding Associates:

i. Carrying amount of investment in Associates	As at	As at
	31 March 2019	31 March 2018
Darshan Nirmaan Private Limited	(0.04)	(0.04)
Pranati Nirmaan Private Limited	0.02	0.02
Brajbhumi Nirmaan Private Limited	2,287.49	2,307.76

ii. Share of Profit/(loss) of Associates	As at	As at
	31 March 2019	31 March 2018
Darshan Nirmaan Private Limited	-	(0.11)
Pranati Nirmaan Private Limited	-	(0.04)
Brajbhumi Nirmaan Private Limited	(20.26)	(4.23)

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	As at
	31 March 2019	31 March 2018
Current assets, including cash and cash equivalents	277.42	276.53
Non-current financial liabilities	(279.53)	(278.14)
<b>Equity</b>	<b>(2.11)</b>	<b>(1.60)</b>
Proportion of the Group's ownership	25%	25%
Group's Share in Net Assets	(0.53)	(0.40)
Value of Goodwill on consolidation	0.36	0.36
<b>Carrying amount of the investment</b>	<b>(0.17)</b>	<b>(0.04)</b>

ii. Summarised Profit and Loss Statement	For the year ended	For the year ended
	March 31, 2019	March 31, 2018
Other Expenses	(0.51)	(0.45)
<b>Profit/(loss) before tax</b>	<b>(0.51)</b>	<b>(0.45)</b>
Income tax (expense)/credit	-	-
<b>Profit/(loss) for the year</b>	<b>(0.51)</b>	<b>(0.45)</b>
Other Comprehensive Income	-	-
<b>Total comprehensive income</b>	<b>(0.51)</b>	<b>(0.45)</b>
Proportion of the Group's share	25%	25%
<b>Group's share of profit/(loss) for the year</b>	<b>(0.13)</b>	<b>(0.11)</b>

## (b) PRANATI NIRMAAN PRIVATE LIMITED

i. Summarised Balance Sheet	As at	As at
	31 March 2019	31 March 2018
Current assets, including cash and cash equivalents	217.95	216.94
Non-current financial liabilities	(219.48)	(218.30)
<b>Equity</b>	<b>(1.53)</b>	<b>(1.36)</b>
Proportion of the Group's ownership	25%	25%
Group's Share in Net Assets	(0.38)	(0.34)
Value of Goodwill on consolidation	0.36	0.36
<b>Carrying amount of the investment</b>	<b>(0.02)</b>	<b>0.02</b>



ZUARI INFRAWORLD INDIA LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in Rupees, except otherwise stated)

ii. Summarised Profit and Loss Statement	For the year ended March 31, 2019	For the year ended March 31, 2018
Other Expenses	0.17	(0.18)
<b>Profit/(loss) before tax</b>	<b>0.17</b>	<b>(0.18)</b>
Income tax (expense)/credit	-	-
<b>Profit/(loss) for the year</b>	<b>0.17</b>	<b>(0.18)</b>
Other Comprehensive Income	-	-
<b>Total comprehensive income</b>	<b>0.17</b>	<b>(0.18)</b>
Proportion of the Group's share	25%	25%
<b>Group's share of profit/(loss) for the year</b>	<b>0.04</b>	<b>(0.04)</b>

(c) BRAJBHUMI NIRMAAN PRIVATE LIMITED

i. Summarised Balance Sheet	As at March 31, 2019	As at March 31, 2018
Current assets, including cash and cash equivalents Rs. 34,75,504/-	16,814.74	15,736.82
Non-current assets	47.58	51.13
Current liabilities including financial liabilities	(11,050.28)	(10,172.67)
Non current financial liabilities	(2,529.91)	(2,250.28)
Less: Deemed Equity	(421.54)	(421.54)
<b>Equity</b>	<b>2,860.60</b>	<b>2,943.46</b>
Proportion of the Group's ownership	25%	25%
Group's Share in Net Assets	715.15	735.87
Value of Goodwill on consolidation	1,599.01	1,599.01
Adjustments for unrealised profits	(27.12)	(27.12)
Carrying amount of the investment	<b>2,287.04</b>	<b>2,307.76</b>

Summarised Profit and Loss Statement	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue	115.98	65.84
Other Income	0.21	1.59
	<b>116.19</b>	<b>67.43</b>
Purchase of Stock in trade	(1,675.10)	(1,411.19)
Change in inventories of finished goods, work in progress and stock in trade)	1,512.46	1,346.54
Employee Benefits Expense	(0.45)	(0.80)
Finance Cost	(20.47)	(3.51)
Depreciation and amortization expense	(2.14)	(2.22)
Other Expenses	(11.14)	(12.30)
	<b>(196.84)</b>	<b>(83.48)</b>
<b>Profit/(loss) before tax</b>	<b>(80.65)</b>	<b>(16.05)</b>
Income tax (expense)/credit	(0.52)	(0.89)
<b>Profit for the year</b>	<b>(81.17)</b>	<b>(16.94)</b>
Other Comprehensive Income	-	-
<b>Total comprehensive income</b>	<b>(81.17)</b>	<b>(16.94)</b>
Proportion of the Group's share	25%	25%
<b>Group's share of profit/(loss) for the year</b>	<b>(20.29)</b>	<b>(4.23)</b>





**29. Commitments and Contingencies****29.1. Leases****Operating lease - as lessee**

The Parent company has taken office premises on an eleven year operating lease. The lease rentals recognized in the Profit and Loss account for the year are Rs.122.75 lakhs (2018: Rs.116.41 lakhs). The future lease payments of operating lease are as given below. Lease Rentals charged to the profit and loss statement and obligations on long term non-cancellable operating leases payable as per the rentals stated in the respective lease agreements:

Particulars	As at 31 March 2019	As at 31 March 2018
Lease rentals recognized during the year	122.75	116.41
Lease Obligations due		
- Within one year	127.63	122.75
- After one year but not more than five years	583.45	553.34
- More than five years	164.22	321.97

**29.2. Contingent Liabilities (not provided for)**

(i) Dividend on Non Convertible redeemable cumulative preference shares not yet declared	411.94	294.61
(ii) TDS demand under the Income Tax Act, 1961 as per TRACES, not acknowledged as del	6.13	8.22
(iii) Customer claims not acknowledged by the Parent Company	32.68	-
(iv) 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.25,00,000/-	427.66	427.66
b. Value added Tax demands for period 2015-16 and 2014-15 pending before Additional Commissioner, Mathura	9.24	-

(v.) As per the audited Standalone Financial statements of Darshan Nirmaan Private Limited an associate entity 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 Landholdership.

**29.3. Capital Commitments**

Estimated amount of contracts remaining to be executed on Project construction and development, net of advances aggregates to		
Zuari Infraworld India Limited	3,489.92	2,587.27
Zuari Infra Middle East Limited	23,795.51	1,535.72
	<b>27,285.43</b>	<b>4,122.99</b>

**30. 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 :

Particulars	31 March 2019	31 March 2018
Profit before OCI attributable to equity holders of the parent company	(694.28)	(308.68)
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.)	(1.49)	(0.66)
Face value per share (Rs.)	10.00	10.00



**31. Financial risk management objectives and policies**

The Group'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 Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group'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 predominantly into the real estate sector which is subject to The Real Estate (Regulation and Development) Act, 2016 (RERA).

**31.1. 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
<b>For the year ended 31 March 2019</b>			
Increase in base points	16,436.03	+50	82.18
Decrease in base points	16,436.03	-50	(82.18)
<b>For the year ended 31 March 2018</b>			
Increase in base points	13,988.63	+50	69.94
Decrease in base points	13,988.63	-50	(69.94)

**(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.

There is no significant currency risk as substantially all financial assets and financial liabilities are denominated in Indian Rupees, except for investment in wholly owned subsidiary which is denominated in foreign currency.

**(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.

**31.2. 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****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.





**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. 499.04 lakhs (2018: Rs 469.51 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.

**31.3. Liquidity risk**

The Group monitors its risk of a shortage of funds regularly and is directly monitored by CFO of the company .

The Group '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 Group 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 of the parent company has obtained consent for the redemption of preference shares which are due for redemption on 31 March 2020.

**31.4. Capital Management**

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

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the 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, 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
<b>Total</b>	<b>527.57</b>	<b>3,839.29</b>	<b>2,385.13</b>	<b>6,269.02</b>	<b>10,683.00</b>	<b>23,704.02</b>

**The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March, 2018:**

Particulars	On demand	< 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings (Incl. Debt portion of Preference Shares)	-	2,733.00	5,292.98	18,638.57	-	26,664.55
Trade payables	-	527.19	1,050.52	143.78	10.00	1,731.49
Other financial liabilities	-	88.51	85.18	598.77	27.58	800.04
<b>Total</b>	<b>-</b>	<b>3,348.69</b>	<b>6,428.69</b>	<b>19,381.12</b>	<b>37.58</b>	<b>29,196.08</b>



32. Related Party Disclosures

32.1. List of Related Parties and nature of relationship where control exists:

Holding Company	Zuari Global Limited
Subsidiary	Zuari Infra Middle East Limited
Step down Subsidiary	Zuari Infraworld SJM Properties LLC (formerly SJM Elysium Properties LLC)
Entities having common management control with subsidiary	Adventz Properties Ltd, U.A.E Globalware Trading & Holdings Ltd, U.A.E
Joint Venture of Step down subsidiary	Burj District Development Limited, Cayman Islands
Party to Joint Venture of Step down subsidiary	Green Tree Property Management Co. LLC. U.A.E.
Subsidiary of the Joint Venture of Step down subsidiary	Burj District One Limited, U.A.E.
Fellow Subsidiaries	Zuari Management Services Limited Simon India Limited Forte Furniture Products India Private Limited Zuari Finserv Pvt. Ltd. (erst. Zuari Investment Ltd. demerged w.e.f. 19.11.2017)
Associates	Brajbhumi Nirmaan Private Limited Darshan Nirmaan Private Limited Pranati Niketan Private Limited
Key Management Personnel	Mr. Narayanan Suresh Krishnan, Director Mr. Sunil Sethy, Independent Director Mr. Krishan Kumar Gupta, Independent Director Mr. Vishwajit Kumar Sinha, Non-Executive Director (Resigned w.e.f. 24.03.2018) Mr. Alok Banerjee, Chief Executive Officer Mr. Anshul Amit Bansal, Chief Financial officer Mr. C G Ramegowda, Company secretary
Key Management Personnel of subsidiary	Mr. Vinay Varma
Person having significant influence	Mr. Saroj Kumar Poddar Mr. Akshay Poddar Ms. Puja Poddar

32.2. Transactions with related parties:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
ii Payment made on our behalf by the Company: Zuari Global Limited	5.77	2.86
ii Service Charges / Management Fees Paid Zuari Finserv Pvt. Ltd. (erstwhile Zuari Investment Ltd. demerged w.e.f. 19.11.2017)	0.90	0.05
iii Purchase of furnitures (PPE) Forte Furniture Products India Private Limited	1.29	
iv Service Charges / Management Fees Income Zuari Global Limited - Development Management Commission Zuari Global Limited - Sales Commission	93.52 45.99	219.01 -
v Inter-Corporate Deposits Taken - Liability Zuari Global Limited - Accepted - Repayment	4,358.00 4,256.01	1,108.00 148.00
vi Interest on ICD (Expenses) Zuari Global Limited	201.65	120.82
vii Interest on loans taken from entities having common management control Adventz properties Limited Globalware Trading & Holdings Ltd	3.64 46.71	- 7,79,006
viii Reimbursement of Expenses received/receivable Brajbhumi Nirmaan Private Limited	-	100.37
ix Guarantee Commission Zuari Global Limited	42.86	31.05
x Interest on loan taken from person having significant influence Akshay Poddar	24.56	-
xi Remuneration and other allowances paid Puja Poddar	117.71	135.83





ZUARI INFRAWORLD INDIA LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Amount in Rupees, unless otherwise stated)

32.3. Key management personnel compensation:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
<b>i. Short-term employee benefits</b>		
Mr. Alok Banerjee, Chief Executive Officer	97.37	99.78
Mr. Anshul Amit Bansal, Chief Financial officer	23.92	22.40
Mr. C G Ramegowda, Company secretary	13.23	12.63
Mr. Vinay Varma	32.74	31.61
<b>ii. Retirement benefits (Provident fund and Gratuity)</b>		
Mr. Alok Banerjee, Chief Executive Officer	4.51	5.85
Mr. Anshul Amit Bansal, Chief Financial officer	1.02	1.32
Mr. C G Ramegowda, Company secretary	0.57	0.74
<b>ii. Sitting fees</b>		
Directors sitting fees to Non-executive Directors	5.35	5.35
<b>Total compensation</b>	<b>178.72</b>	<b>179.68</b>

32.4. Year-end balances

<b>i. Trade payable</b>	<b>Year ended March 31, 2019</b>	<b>Year ended March 31, 2018</b>
Simon India Limited	36.93	36.93
Forte Furniture Products India Private Limited	1.52	
Zuari Finserv Private Limited	0.97	-
Zuari Global Limited	39.83	13.49
<b>ii. Other payable</b>	<b>Year ended March 31, 2019</b>	<b>Year ended March 31, 2018</b>
Mr. Alok Banerjee	8.57	12.40
Mr. Anshul Amit Bansal	2.42	4.01
Mr. C G Ramegowda	0.68	0.83
Zuari Global Limited	-	2.86
<b>iii. Trade receivable</b>	<b>Year ended March 31, 2019</b>	<b>Year ended March 31, 2018</b>
Brajbhumi Nirmaan Private Limited	404.02	404.02
Zuari Global Limited	95.02	65.49
<b>iv. Expenses Recoverable</b>	<b>Year ended March 31, 2019</b>	<b>Year ended March 31, 2018</b>
Brajbhumi Nirmaan Private Limited	157.33	157.33
<b>v. Loans from related parties:</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Zuari Global Limited	2,309.99	2,208.00
Adventz Properties Ltd	188.28	-
Globalware Trading & Holdings Ltd	376.55	324.59
Akshay poddar	761.40	451.45
<b>v. Interest payable on Loans from related parties:</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Adventz Properties Ltd	3.64	-
Globalware Trading & Holdings Ltd	46.71	7.79
Akshay Poddar	25.42	-
<b>vi. Advance for Land</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Party to Joint Venture of Step down subsidiary Green Tree Property Management Co. LLC. U.A.E.	3,964.38	-
<b>viii. Remuneration payable</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Mr. Vinay Varma	15.06	14.20



ZUARI INFRAWORLD INDIA LIMITED  
 NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019  
 (Amount in Rupees, unless otherwise stated)

viii. Other year-end balances	As at March 31, 2019	As at March 31, 2018
<b>(a) Included in Project Work-in-Progress</b>		
Zuari Global Limited.	2,630.63	2,396.32
<b>(b) Service Income accrued and not billed</b>		
Zuari Global Limited.	57.05	1.35
<b>(c) Others</b>		
Puja Poddar	36.01	33.94

**32.5. 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.

This space has been intentionally left blank





33: Fair values

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

Particulars	Carrying value		Fair value	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
<b>(a.) Financial assets</b>				
<b><u>(i.) FVPL financial instruments:</u></b>				
Quoted mutual funds	8,827.06	9,776.49	8,827.06	9,776.49
Preference Shares held in Associate Compan	696.25	654.15	696.25	654.15
<b><u>(ii.) Amortised Cost:</u></b>				
Interest accrued and due	33.72	33.72	33.72	33.72
Interest accrued and not due	5.09	-	5.09	-
Expenses Recoverable				
- Related parties	157.33	157.33	157.33	157.33
- Others	-	11.03	-	11.03
Accrued Service Income				
- Related parties	57.05	1.35	57.05	1.35
- Others	116.88	-	116.88	-
Unbilled Revenue	-	180.72	-	180.72
Security deposits	28.76	26.69	28.76	26.69
Trade Receivables	523.21	1,868.36	523.21	1,868.36
Cash and cash equivalents	206.40	474.69	206.40	474.69
Other bank balances	500.00	-	500.00	-
Advance to employee	55.49	50.02	55.49	50.02
<b><u>(iii.) Investments carried at cost</u></b>				
Investment in Associate	2,287.48	2,307.74	2,287.48	2,307.74
Security deposit	57.19	54.74	57.19	54.74
Other Bank deposits (DSRA)	-	49.08	-	49.08
<b>Total</b>	<b>13,551.90</b>	<b>15,646.11</b>	<b>13,551.90</b>	<b>15,646.11</b>
<b>(b.) Financial liabilities</b>				
<b><u>(i.) Amortised Cost:</u></b>				
LIC Housing Finance Limited	15,425.84	-	15,425.84	-
State Bank of India, Dubai	-	4,682.68	-	4,682.68
YES Bank Limited	1,010.19	-	1,010.19	-
Federal Bank Ltd-Term Loan	-	12,488.63	-	12,488.63
ICICI Bank Ltd - Term Loan	-	1,500.00	-	1,500.00
Yes Bank Ltd, IFSC Banking Unit	20,744.89	-	20,744.89	-
Vehicle Loan	117.22	153.77	117.22	153.77
Real Estate loan	-	7,048.31	-	7,048.31
Short-term loan	-	266.18	-	266.18
Preference shares (debt portion)	928.51	814.76	928.51	814.76
Security deposit towards sub lease	12.93	12.77	12.93	12.77
Inter corporate deposits	5,365.38	4,550.53	5,365.38	4,550.53
Deferred Rental on security deposits	14.36	15.61	14.36	15.61
Current maturity of long term loans	2,309.99	2,208.00	2,309.99	2,208.00
Other payable to related parties	66.57	47.77	66.57	47.77
Other deposits	14.96	-	14.96	-
Dues to employees	97.14	68.42	97.14	68.42
Payables for capital purchases	228.76	597.89	228.76	597.89
Interest accruals on loans	1,056.99	70.91	1,056.99	70.91
Trade payables	1,174.46	1,397.87	1,174.46	1,397.87
<b>Total</b>	<b>48,568.20</b>	<b>35,924.13</b>	<b>48,568.20</b>	<b>35,924.13</b>

**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.

(c.) The Company has not valued the Financial guarantee that it has extended to its wholly owned subsidiary to its fair value. It is the opinion of the Management that, had the same been valued it would not have any significant impact on these financial statements.

#### 34. Fair value Hierarchy

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

Quantitative disclosures fair value measurement hierarchy for assets:

Assets:	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(i.) FVPL financial instruments:				
Investments in Mutual funds	8,827.06 (9,776.49)	8,827.06 (9,776.49)	-	-
Preference shares held in Associate	696.25 (654.15)	-	-	696.25 (654.15)

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

(ii.) There have been no transfers between Level 1 and Level 2 during the year.

*This space has been left blank intentionally*





**35. Gratuity (Employment benefit plan)**

Particulars	As at 31 March 2019		As at 31 March 2018	
	Current	Non-current	Current	Non-current
Value of Plan - Gratuity (Un-Funded)	2.91	38.59	3.29	33.32
	<b>2.91</b>	<b>38.59</b>	<b>3.29</b>	<b>33.32</b>

**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 2019	As at 31 March 2018
Current Service Cost	11.31	10.53
Past Service cost-(non vested benefits)	-	0.02
Past Service cost-(vested benefits)	-	1.81
Net Interest Cost	2.60	1.97

**(ii.) Amount recognised in Other Comprehensive Income for the year ended:**

Particulars	As at 31 March 2019	As at 31 March 2018
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	(0.05)	(2.27)
Experience (gains) / losses	(5.36)	(4.39)

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

Particulars	As at 31 March 2019	As at 31 March 2018
Opening defined obligation	36.61	30.02
Current service cost	11.31	10.53
Past Service cost-(non vested benefits)	-	0.02
Past Service cost-(vested benefits)	-	1.81
Interest cost	2.60	1.97
Contribution paid	(3.63)	(1.10)
Actuarial (gain)/ loss on obligations	(5.41)	(6.65)
Defined benefit obligation	<b>41.49</b>	<b>36.61</b>

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

Particulars	As at 31 March 2019	As at 31 March 2018
Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.
Interest / Discount Rate	7.50%	7.48%
Rate of increase in compensation	9%	9%
Expected average remaining service	8.7	9.16
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 40 years: 8%	PS: 0 to 40 years: 8%



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

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

Gratuity Plan Assumptions	As at 31 March 2018		As at 31 March 2018	
	Discount rate		Future salary increases	
	+1% increase	-1% decrease	+1% increase	-1% decrease
Impact on defined benefit obligation	34.07	39.52	39.34	34.17

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.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	As at	As at
	31 March 2019	31 March 2018
Within the next 12 months	2.91	3.29
Between 2 and 5 years	28.91	15.20
Between 5 and 10 years	9.19	24.65
<b>Total expected payments</b>	<b>41.01</b>	<b>43.14</b>

Note: The above disclosures are based on the valuation report by the independent actuary.

This space has been left blank intentionally





ZUARI INFRAWORLD INDIA LIMITED  
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019  
(Amount in Rupees, unless otherwise stated)

36. Additional information pursuant to part-III of the Schedule III to the Companies Act, 2013.

Name of the Entity in the	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	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
<b>i. Parent</b>								
Zuari Infracore India Limited								
Amount	14,893.35	15,240.59	(29.52)	(18.74)	4.00	4.92	(25.52)	(13.81)
As % of Consolidated	109.69%	103.65%	4.25%	6.07%	-7.80%	423.11%	3.42%	4.49%
<b>ii. Foreign subsidiaries</b>								
<b>a. Zuari Infra Middle East Limited</b>								
Amount	384.26	503.24	(144.65)	298.50	-	-	(144.65)	298.50
As % of Consolidated	2.83%	3.42%	20.83%	-96.70%	-	-	19.40%	-97.07%
<b>b. Zuari Infracore SJM Elysium Properties LLC (formerly known as SJM Elysium Properties LLC)</b>								
Amount	(607.44)	(333.64)	(244.93)	(249.63)	-	-	(244.93)	(249.63)
As % of Consolidated	-4.47%	-2.27%	35.28%	80.87%	-	-	32.85%	81.18%
<b>iii. Associates (share of profit/loss)</b>								
<b>a. Brajbhumi Nirmaan Private Limited</b>								
Amount	-	-	(20.26)	(4.23)	-	-	(20.26)	(4.23)
As % of Consolidated	-	-	2.92%	1.37%	-	-	2.72%	1.38%
<b>b. Pranati Niketan Private Limited</b>								
Amount	-	-	-	(0.01)	-	-	-	(0.01)
As % of Consolidated	-	-	0.00%	0.00%	-	-	0.00%	0.00%
<b>c. Darshan Nirmaan Private Limited</b>								
Amount	-	-	-	(0.00)	-	-	-	(0.00)
As % of Consolidated	-	-	0.00%	0.00%	-	-	0.00%	0.00%
<b>iv. Eliminations &amp; adjustments on consolidation</b>								
Amount	(1,092.81)	(706.57)	(254.92)	(334.56)	(55.23)	(3.76)	(310.16)	(338.32)
As % of Consolidated	-8.05%	-4.81%	36.72%	108.39%	107.80%	-323.11%	41.60%	110.02%
<b>Zuari Infracore India Limited (Consolidated)</b>								
In Amount	13,577.35	14,703.62	(694.28)	(308.68)	(51.24)	1.16	(745.51)	(307.52)
In Percentage (%)	100%	100%	100%	100%	100%	100%	100%	100%



**37. 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, includes 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.

**37.1. 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 2019	As at 31 March 2018	for the year ended 31 March 2019	for the year ended 31 March 2018
India	53,731.28	34,581.67	1,385.30	663.28
Outside India (Dubai)	31.91	536.39	400.00	-
	<b>53,763.19</b>	<b>35,118.06</b>	<b>1,785.30</b>	<b>663.28</b>

Note:

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

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

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Customer A	139.51	219.01
Customer B	270.38	82.00
Customer C	400.00	-
<b>Total</b>	<b>809.89</b>	<b>301.01</b>

**38. Disclosure pursuant to adoption of Ind AS 115 - Revenue from contracts with customers:**

The company has applied the modified retrospective approach as per para C3(b) to Appendix C of Ind AS 115 to the customer contracts that were not completed as on April 1, 2018 and the cumulative catchup effect of initially applying this standard recognised at the date of initial application i.e., April 1, 2018 in accordance with Ind AS 115 as an adjustment to the opening balance of the retained earnings. The transition effect/adjustment of Rs 380.76 lakhs (net of income tax effect for Rs. 133.77 lakhs) has been adjusted against the opening retained earnings. The above information for the year ended March 31, 2018 have not been restated, hence these are not comparable to that extent.

The following disclosures summarise the impact of adopting Ind AS 115 on companies financial results for the year ended 31 March, 2019 and it's financial position as on that date.

Financial Results	For the year ended March 31, 2019	Impact of adoption of Ind AS 115	Amount without Ind AS 115 impact	For the year ended March 31, 2018
<b>REVENUE:</b>				
Revenue from operations	1,785.30	1,346.57	438.74	663.28
Other income	906.56	-	906.56	517.19
<b>Total Income</b>	<b>2,691.86</b>	<b>1,346.57</b>	<b>1,345.29</b>	<b>1,180.47</b>
<b>EXPENSES:</b>				
Purchase of materials, sub contract charges and other project costs	12,619.20	-	12,619.20	7,821.31
Changes in Construction Work-in-progress	(11,326.68)	1,246.77	(12,573.45)	(7,368.43)
Employee benefit expenses	130.84	-	130.84	254.84
Other expenses	688.85	34.02	654.83	469.52
<b>Total expenses</b>	<b>2,112.21</b>	<b>1,280.79</b>	<b>831.41</b>	<b>1,177.24</b>
<b>Profit Before Interest, Tax and Depreciation &amp; Amortisation</b>	<b>579.65</b>	<b>65.78</b>	<b>513.88</b>	<b>3.23</b>
Finance costs	1,065.28	-	1,065.28	150.98
Depreciation and amortization expense	42.39	-	42.39	43.15
<b>Profit before tax expenses</b>	<b>(528.01)</b>	<b>65.78</b>	<b>(593.79)</b>	<b>(190.90)</b>
Profit/(Loss) before share in net profit/(loss) of associates	(20.26)	-	(20.26)	(4.39)
<b>Profit before tax expenses</b>	<b>(548.27)</b>	<b>65.78</b>	<b>(614.05)</b>	<b>(195.29)</b>





**ZUARI INFRAWORLD INDIA LIMITED**
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

(Amount in Rupees, except otherwise stated)

**Note 38 Contd...**
**Tax expenses:**

Current tax expense	4.00	-	4.00	6.00
Tax Expense of earlier years	2.60	-	2.60	4.74
Deferred tax charge/(credit)	139.41	17.10	122.30	102.65
<b>Tax Expenses for the year (net)</b>	<b>146.00</b>	<b>17.10</b>	<b>128.90</b>	<b>113.39</b>
<b>Profit/(Loss) for the year before OCI</b>	<b>(694.28)</b>	<b>48.68</b>	<b>(742.95)</b>	<b>(308.68)</b>

**Other comprehensive income / (Loss)**
*Items that will be reclassified subsequently to profit or loss*

Exchange differences arising on translation of foreign operations	(55.23)	-	(55.23)	(3.76)
---	---------	---	---------	--------

*Items that will not be reclassified to profit or loss*

Remeasurement of defined benefit plans ( Gratuity)	5.40	-	5.40	6.65
Deferred tax on above defined benefit plans	(1.40)	-	(1.40)	(1.73)
<b>Total Other Comprehensive Income/(Loss)</b>	<b>(51.24)</b>	<b>-</b>	<b>(51.24)</b>	<b>1.16</b>

<b>Total Comprehensive Income/(Loss)</b>	<b>(745.51)</b>	<b>48.68</b>	<b>(794.19)</b>	<b>(307.52)</b>
--	-----------------	--------------	-----------------	-----------------

**Earning/(Loss) per share (in Rs.)**

Basic & Diluted	(1.49)	0.10	(1.60)	(0.66)
Weighted average number of shares used in	4,65,50,000	4,65,50,000	4,65,50,000	4,65,50,000

Financial Position	For the year ended March 31, 2019	Impact of adoption of Ind AS 115	Amount without Ind AS 115 impact	For the year ended March 31, 2018
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a.) Property, plant and equipment	234.42	-	234.42	275.09
(b.) Other intangible assets	1.36	-	1.36	1.80
(c.) Goodwill on consolidation	58.75	-	58.75	58.75
(c.) Financial assets:				
(i.) Investments	11,810.79	-	11,810.79	12,738.38
(ii.) Loans	-	-	-	-
(ii.) Other financial assets	59.91	-	59.91	56.72
(d.) Income tax assets (net)	51.38	-	51.38	115.59
(e.) Other non current assets	5,031.21	-	5,031.21	4,610.57
	<b>17,247.82</b>	<b>-</b>	<b>17,247.82</b>	<b>17,856.89</b>
<b>Current assets</b>				
(a.) Inventories	48,477.42	(6,700.79)	41,776.62	29,203.17
(b.) Financial assets				
(i.) Trade receivables	523.21	1,390.03	1,913.25	1,868.36
(ii.) Cash & Cash equivalents	206.40	-	206.40	474.69
(iii.) Other bank balances	500.00	-	500.00	-
(iv.) Loans	55.49	-	55.49	50.02
(v.) Other financial assets	396.10	180.72	576.82	457.94
(c.) Other current assets	3,604.57	(303.07)	3,301.50	3,063.88
	<b>53,763.19</b>	<b>(5,433.11)</b>	<b>48,330.08</b>	<b>35,118.06</b>
	<b>71,011.01</b>	<b>(5,433.11)</b>	<b>65,577.90</b>	<b>52,974.95</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a.) Equity share capital	4,655.00	-	4,655.00	4,655.00
(b.) Other equity	8,922.35	332.08	9,254.43	10,048.62
	<b>13,577.35</b>	<b>332.08</b>	<b>13,909.43</b>	<b>14,703.62</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a.) Financial liabilities				
(i.) Borrowings	39,682.13	-	39,682.13	17,152.74
(ii.) Trade payables				
- dues to micro and small enterprises	-	-	-	-
- dues to other creditors	39.01	-	39.01	199.57
(iii.) Other financial liabilities	253.68	-	253.68	623.90
(b.) Provisions	53.72	-	53.72	39.49
(c.) Deferred tax liability (net)	219.83	116.68	336.51	212.80
	<b>40,248.38</b>	<b>116.68</b>	<b>40,365.05</b>	<b>18,228.50</b>



## Note 38 Contd...

## Current liabilities

## (a.) Financial liabilities

(i.) Borrowings	3,909.90	-	3,909.90	13,518.80
(ii.) Trade payables				
- dues to micro and small enterprises	4.56	-	4.56	-
- dues to other creditors	1,129.97	-	1,129.97	1,197.46
(iii.) Other financial liabilities	3,548.95	-	3,548.95	3,231.66
(b.) Other current liabilities	8,546.64	(5,881.87)	2,664.77	2,067.73
(c.) Provisions	45.26	-	45.26	27.17
	<b>17,185.28</b>	<b>(5,881.87)</b>	<b>11,303.41</b>	<b>20,042.83</b>
	<b>71,011.01</b>	<b>(5,433.11)</b>	<b>65,577.90</b>	<b>52,974.95</b>

## 38.2. Transition effect on adoption of Ind AS 115 is detailed as under:

Description	Balance as on 31 March 2018	Adjustment as per Ind AS 115	Balance as on 1 April 2018
<b>Equity</b>			
Retained earning	(674.19)	(380.76)	(1,054.95)
<b>Assets</b>			
Accounts receivable	1,390.03	(1,390.03)	-
Inventory	29,203.17	7,947.56	37,150.73
Deferred tax assets	-	-	-
Unbilled revenue	180.72	(180.72)	-
Prepaid expense (pertaining to commission)	111.98	237.79	349.78
<b>Liabilities</b>			
Advance from customers	(1,966.91)	(7,129.14)	(9,096.05)
Deferred revenue	-	-	-
Deferred tax liabilities	(212.80)	133.78	(79.02)
Club membership deposit	(304.50)	-	(304.50)
Maintenance deposit	(75.28)	-	(75.28)

## 38.3. Other disclosure relating to contracts with customers

Significant changes in contract assets and liabilities

Advance from customers	Amount
Balance as at 01 April 2018	9,096.05
Less: Amount of revenue recognised against opening contract liabilities	(1,346.57)
Add: Addition in balance of contract liabilities for current year	678.64
Balance as at 31 March 2019	8,428.12

Contract assets - Prepaid expenses	Amount
Opening balance of Contract assets - Prepaid expenses	349.78
Less: Amount of prepaid expense recorded as expense in statement of profit & loss in current year	(34.02)
Add: Addition in balance of Prepaid expenses in current year	-
Closing balance of Contract assets - Prepaid expenses	315.75

## 38.4. Disaggregation of revenue

Particulars	For the year ended 31 March 2019		For the year ended 31 March 2018	
	India	Outside India	India	Outside India
Sale of residential units	1,346.57	-	362.27	-
Development management fees	232.51	400.00	301.01	-
Sales Commission on sale of plots/residential units	177.37	-	-	-
Other Operating revenue	28.85	-	-	-
<b>Total</b>	<b>1,785.30</b>	<b>400.00</b>	<b>663.28</b>	<b>-</b>






39. In the opinion of the Management none of the assets, other than fixed assets, have a value lower on realisation in the ordinary course of business than the amount at which they are stated in these financial statements. Accounts of most of the Trade Payables, Trade Receivables, loans & advances and Customer Advances are subject to confirmations.


---

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

  
**N SURESH KRISHNAN**  
Director  
DIN: 00021965

  
**SUNIL SETHY**  
Director  
DIN: 00244104


  
**C G RAMEGOWDA**  
Company Secretary

  
**ANSHUL A. BANSAL**  
Chief Financial Officer  
Place: Gurgaon  
Date: 20 May 2019

  
**ALOK BANERJEE**  
Chief Executive Officer

As per our report of the even date attached

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

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

Place: Gurgaon  
Date: 20 May 2019

