

ZUARI INFRAWORLD S J M PROPERTIES L.L.C
(formerly known as SJM ELYSIUM PROPERTIES L.L.C)

Financial Statements

31 March 2018

ZUARI INFRAWORLD S J M PROPERTIES L.L.C
(formerly known as SJM ELYSIUM PROPERTIES L.L.C)

Financial Statements
31 March 2018

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ZUARI INFRAWORLD S J M PROPERTIES L.L.C
(formerly known as SJM ELYSIUM PROPERTIES L.L.C)

Managing Director's Report

The Managing Director submits his report and accounts for the year ended 31 March 2018.

Results and appropriations

The results of the company and the appropriations made for the year ended 31 March 2018 are set out on pages 6 and 7 of the financial statements.

In my opinion, the financial statements set out on pages 5 to 17 are drawn up so as to give a true and fair view of the financial position of the company as at 31 March 2018 and the financial performance, changes in equity and cash flows of the company for the year then ended in accordance with the provisions of the U.A.E Federal Law No.2 of 2015 and International Financial Reporting Standards.

At the date of the statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

Review of the business

As described in note 1, the company is engaged in real estate development of residential project in Burj District, Emirate of Dubai, U.A.E. The project which is in its initial stage, has experienced significant delay due to determination of master developer of the district increase in allowable area (FSI) and related required changes in the project under development.

Events since the end of the year

There were no important events which have occurred since the year-end that materially affect the company.


Partners and their interests

The partners at 31 March 2018 and their interests as at that date in the share capital of the company were as under:

	<i>No. of shares</i>	<i>AED</i>
Dubai Holdings LLC	153	153,000
Zuari Infra Middle East Limited	<u>147</u>	<u>147,000</u>
	<u>300</u>	<u>300,000</u>

Auditors

A resolution to re-appoint the auditors and fix their remuneration will be put to the board at the annual general meeting.



Vinay Varma
MANAGING DIRECTOR

**INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF
ZUARI INFRAWORLD S J M PROPERTIES L.L.C**
(formerly known as SJM ELYSIUM PROPERTIES L.L.C)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **ZUARI INFRAWORLD S J M PROPERTIES L.L.C** (formerly known as SJM ELYSIUM PROPERTIES L.L.C), which comprise the statement of financial position as at 31 March 2018, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **ZUARI INFRAWORLD S J M PROPERTIES L.L.C** (formerly known as SJM ELYSIUM PROPERTIES L.L.C) as at 31 March 2018, its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in United Arab Emirates, 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 audit opinion.

Responsibilities of Management and Those Charged With Governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the U.A.E Federal Law No. 2 of 2015, and for such internal control as management determines is necessary to enable the preparation of financial statements that 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 charged with governance are responsible for overseeing the company's financial reporting process.

Auditors' 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 auditors' 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 ISAs 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.

**INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF
ZUARI INFRAWORLD S J M PROPERTIES L.L.C**
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Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

Further, as required by the U.A.E Federal Law No. 2 of 2015, we report that:

- 1) We have obtained all the information we considered necessary for the purpose of our audit;
- 2) The financial statements have been prepared and comply, in all material respects, with applicable provisions of the U.A.E Federal Law No. 2 of 2015;
- 3) The company has maintained proper books of accounts;
- 4) The financial information included in the Managing Director's report is consistent with the books of accounts of the company;
- 5) The company has not purchased or invested in any shares during the financial year ended 31 March 2018.

**INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF
ZUARI INFRAWORLD S J M PROPERTIES L.L.C**
(formerly known as SJM ELYSIUM PROPERTIES L.L.C)

Report on Other Legal and Regulatory Requirements (cont'd)

- 6) Note 18 to the financial statements discloses material related party transactions and the terms under which they were conducted; and
- 7) Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the company has contravened during the year ended 31 March 2018 any of the applicable provisions of the U.A.E Federal Law No. 2 of 2015, or in respect of the company, its Articles of Association which would materially affect its activities or its financial position as at 31 March 2018.



Signed by:

C. D. Shah

Partner

Registration No. 677

Shah & Alshamali Associates Chartered Accountants

15 May 2018

Dubai




ZUARI INFRAWORLD S J M PROPERTIES L.L.C
(formerly known as SJM ELYSIUM PROPERTIES L.L.C)

Statement of Financial Position
31 March 2018

	<i>Notes</i>	<i>2018</i> <i>AED</i>	<i>2017</i> <i>AED</i>
ASSETS			
Cash and cash equivalents	5	100,226	285,712
Other receivables	6	737,472	475,480
Prepayments		200,243	-
Property, plant and equipment	7	676,645	707,364
Advance for investment	8	21,000,000	10,500,000
Development property	9	<u>72,745,370</u>	<u>41,447,985</u>
		<u>95,459,956</u>	<u>53,416,541</u>
Total assets		<u>95,459,956</u>	<u>53,416,541</u>
LIABILITIES AND EQUITY			
Liabilities			
Accounts payable-CAPEX		3,369,364	1,386,141
Accruals		2,561,473	24,958
Unsecured loans	10	8,373,259	-
Secured loan	11	6,000,000	-
Advance from parent company	12	76,922,437	52,464,156
Staff end of service benefits		<u>113,595</u>	<u>-</u>
Total liabilities		<u>97,340,128</u>	<u>53,875,255</u>
Equity			
Partners' funds			
Capital and reserves			
Share capital	13	300,000	300,000
Accumulated losses		<u>(2,180,172)</u>	<u>(758,714)</u>
Equity Deficit		<u>(1,880,172)</u>	<u>(458,714)</u>
Total liabilities and equity		<u>95,459,956</u>	<u>53,416,541</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

For and on behalf of the board of directors:



Vinay Varma
MANAGING DIRECTOR

ZUARI INFRAWORLD S J M PROPERTIES L.L.C
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Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 March 2018

	<i>Notes</i>	<i>2018 AED</i>	<i>2017 AED</i>
Revenue		<u>-</u>	<u>-</u>
Expenditure			
Staff salaries and benefits	14	(306,937)	-
Rent	15	-	(88,023)
Other administrative expenses		(965,439)	(269,078)
Depreciation		(106,946)	(46,461)
Finance cost	16	<u>(42,136)</u>	<u>(7,341)</u>
Total expenditure		<u>(1,421,458)</u>	<u>(410,903)</u>
Loss for the year		(1,421,458)	(410,903)
Other comprehensive income / (loss)		<u>-</u>	<u>-</u>
Total comprehensive loss for the year		<u>(1,421,458)</u>	<u>(410,903)</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

ZUARI INFRAWORLD S J M PROPERTIES L.L.C
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Statement of Changes in Equity
for the year ended 31 March 2018

	<i>Share capital AED</i>	<i>Accumulated losses AED</i>	<i>Total AED</i>
As at 31 March 2016	300,000	(347,811)	(47,811)
Loss for the year	-	<u>(410,903)</u>	<u>(410,903)</u>
As at 31 March 2017	300,000	(758,714)	(458,714)
Loss for the year	-	<u>(1,421,458)</u>	<u>(1,421,458)</u>
As at 31 March 2018	<u>300,000</u>	<u>(2,180,172)</u>	<u>(1,880,172)</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

ZUARI INFRAWORLD S J M PROPERTIES L.L.C
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Statement of Cash Flows
for the year ended 31 March 2018

	<i>Note</i>	<i>2018</i> <i>AED</i>	<i>2017</i> <i>AED</i>
<u>Cash flows from operating activities</u>			
Loss for the year		(1,421,458)	(410,903)
Adjustment for:			
Provision for staff end gratuity		106,946	-
Depreciation		109,512	46,461
Finance charges		42,136	-
Operating loss before working capital changes		(1,162,864)	(364,442)
(Increase)/ decrease in development property		(31,297,385)	(15,394,728)
(Increase)/ decrease in other receivables and prepayment		(462,232)	(463,975)
Increase/ (decrease) in Accounts payable and accruals		4,519,738	1,411,099
Net cash from / (used in) operating activities		<u>(28,402,743)</u>	<u>(14,812,046)</u>
<u>Cash flows from investing activities</u>			
Payment for advance for investment		(10,500,000)	-
Payment for purchase of property, plant and equipment		(76,228)	(753,825)
Net cash from / (used in) investing activities		<u>(10,576,228)</u>	<u>(753,825)</u>
<u>Cash flows from financing activities</u>			
Funds received from parent company		24,458,281	15,672,745
Secured loan received		6,000,000	-
Unsecured loans received		8,373,259	-
Finance costs paid (net)		(38,055)	-
Net cash from / (used in) financing activities		<u>38,793,485</u>	<u>15,672,745</u>
Net increase/ (decrease) in cash and cash equivalents		(185,486)	106,874
Cash and cash equivalents at the beginning of the year		<u>285,712</u>	<u>178,838</u>
Cash and cash equivalents at the end of the year	5	<u>100,226</u>	<u>285,712</u>

The notes on pages 9 to 17 form an integral part of these financial statements.

ZUARI INFRAWORLD S J M PROPERTIES L.L.C
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Notes to the Financial Statements
for the year ended 31 March 2018

1. Legal status and activity

ZUARI INFRAWORLD S J M PROPERTIES L.L.C (the “company”) is a limited liability company incorporated in the Emirate of Dubai in accordance with the provisions of Article 218 of the U.A.E. Federal Commercial Companies Law No. 8 of 1984, as amended. The Federal Law No. 2 of 2015, concerning Commercial Companies has come into effect from 1 July 2015, replacing the existing Federal Law No. 8 of 1984. The registered address of the company is P O Box 117809, Dubai, U.A.E. The place of business address of the company is BB-13 Bay Square, Business Bay, P O Box 27508, Dubai, U.A.E

The company is engaged in real estate development of residential project, “Adventz Tower” in Burj District, emirate of Dubai, U.A.E. in a joint venture. The company proposes to develop a 71-storey building housing luxury residential apartments and retail establishments which is expected to be completed by the year 2022. The company is in the initial stage of operations and is yet to appoint the main contractor for the project.

2. Basis of preparation

As at 31 March 2018, although accumulated losses amounted to more than 50% of the company’s paid up share capital, the accompanying financial statements have been prepared on the basis that the company will continue as a going concern. The continuation of the company as a going concern is dependent upon the parent company continuing to provide the necessary financial support. Further, the parent companies have resolved not to dissolve the company as required by U.A.E Federal Law No. 2 of 2015. In the opinion of the management, the going concern assertion remains appropriate for the following reasons:

- The parent companies have full confidence in the successful completion/launch of the project.
- Timely funds are raised by Zuari Infra Middle East Limited and provided to the company to meet with its funding requirements.
- Future forecast reflects positive operating and financial performance.
- Key executive management is in place with the company and parent only.
- There are no changes in government legislation that may adversely affect the company.

Statement of compliance

The financial statements have been prepared under accrual basis of accounting in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and the applicable requirements of U.A.E. laws.

Basis of measurement

The financial statements are prepared under the historical cost basis.

Functional and presentation currency

The financial statements have been presented in U.A.E Dirhams (AED), being the functional and presentation currency of the company

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Notes to the Financial Statements
for the year ended 31 March 2018

Basis of preparation (cont'd)

Use of estimates and judgments

The preparation of the financial statements requires management to make estimates and assumptions that may affect the reported amount of financial assets and liabilities, revenue, expenses, disclosure of contingent liabilities and the resultant provisions and fair values. Such estimates are necessarily based on assumptions about the several factors and actual results may differ from reported amounts.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in note 4.

Application of new and revised International Financial Reporting Standards (IFRS)

The company has applied all applicable accounting standards and amendments which are effective for annual periods beginning on or after 1 April 2017. Company has not early adopted any other standard, interpretation or amendment that has been issued but are not yet effective.

3. Summary of significant accounting policies

The accounting policies, which are consistent with those used in the previous year, in dealing with items that are considered material in relation to the financial statements are as follows:

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual value using straight-line method over their estimated useful lives of 3 to 10 years. The carrying amounts are reviewed at each statement of financial position date to assess whether they are recorded in excess of recoverable amount. Where carrying amount exceeds the recoverable amount, property, plant and equipment are written down to their recoverable amount.

Development property

Properties in the course of construction for sale in the ordinary course of business are classified as development properties and are stated at lower of cost or net realizable value. Cost includes planning and design costs, cost of site preparation, borrowing costs, professional fees for legal services, staff costs and other related costs. Net realizable value is estimated by the management, taking into account the expected price which can be ultimately achieved, based on prevailing market conditions.

Financial instruments

Financial assets and financial liabilities are recognized when, and only when, the company becomes a party to the contractual provisions of the instrument. Financial assets are de-recognized when, and only when, the contractual rights to receive cash flows expire or when substantially all the risks and rewards of ownership have been transferred. Financial liabilities are de-recognized when, and only when, they are extinguished, cancelled or expired.

Financial assets

The financial assets comprise Advance for investment, other receivables and cash and bank balance.

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Notes to the Financial Statements
for the year ended 31 March 2018

Summary of significant accounting policies (cont'd)

Financial assets (cont'd)

Other current financial assets

Other current financial assets represent refundable deposits, VAT receivable, advances to suppliers and staff advances.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank balance in current accounts that is readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

Financial liabilities

The financial liabilities include advance from parent company, unsecured loan, secured loans, capital creditors' and accruals.

Other payables

Liabilities are recognized for amounts to be paid in the future for services received, whether invoiced or not.

Staff end of service gratuity

The company provides end of service gratuity to its employees. The entitlement to this benefit is based upon the employees' basic salary and length of service. The expected costs of this benefit are accrued over the period of employment.

Provisions

Provisions are recognized when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated. Provisions are reviewed at each statement of financial position date and adjusted to reflect the current best estimate. If it is no longer probable than an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of quality assets, which are assets that are necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale

All other borrowing costs are recognised in the income statement in the year in which they are incurred



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Notes to the Financial Statements
for the year ended 31 March 2018

Summary of significant accounting policies (cont'd)

Foreign currency transactions

Transactions in foreign currencies are converted into U.A.E Dirhams at the rate of exchange ruling as on date of transaction. Assets and liabilities expressed in foreign currencies are translated into U.A.E Dirhams at the rate of exchange ruling at the date of statement of financial position. Resulting gain or loss is taken to the statement of profit or loss and other comprehensive income.

4. Significant judgment employed in applying accounting policies and key sources of estimation uncertainty

4.1 Significant judgment employed

The significant judgment made in applying accounting policies that has the most significant effect on the amounts recognized in the financial statements pertains to impairment. At each reporting date, management conducts an assessment of property, plant and equipment, development property and all financial assets to determine whether there are any indications that they may be impaired. In the absence of such indications, no further action is taken. If such indications do exist, an analysis of each asset is undertaken to determine its net recoverable amount and, if this is below its carrying amount, a provision is made.

In the case of loans and receivables, if an amount is deemed irrecoverable, it is written off to profit or loss and other comprehensive income or, if previously a provision was made, it is written off against the provision. Reversals of provisions against loans and receivables are made to the extent of the related amounts being recovered.

4.2 Key sources of estimation uncertainty

Key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are as follows:

Property, plant and equipment

The management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Impairment

Assessment of net recoverable amount of property, plant and equipment, development property and all financial assets per above, are based on assumptions regarding future cash flows expected to be received from related assets.

Development property

Development property is stated at lower of cost or net realizable value. Management of the company has assessed the net realizable value of its development property for impairment. The project is in initial stage and external valuation is not carried out.

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Notes to the Financial Statements
for the year ended 31 March 2018

Key sources of estimation uncertainty (cont'd)

Staff end of service gratuity

The company computes provision for the liability to staff end of service gratuity assuming that all employees were to leave as of the reporting date. The management is of the opinion that no significant difference would have arisen had the liability been calculated on an actuarial basis as salary inflation and discount rates are likely to have approximately equal and opposite effects.

	<i>2018</i>	<i>2017</i>	
	<i>AED</i>	<i>AED</i>	
5. Cash and cash equivalents			
Cash on hand	2,551	158,376	
Bank balance in:			
Current account	<u>97,675</u>	<u>127,336</u>	
	<u>100,226</u>	<u>285,712</u>	
6. Other receivables			
Refundable deposits	432,255	137,692	
Staff advances	271,311	337,788	
VAT receivable	32,477	-	
Advance to a supplier	<u>1,429</u>	<u>-</u>	
	<u>737,472</u>	<u>475,480</u>	
7. Property, plant and equipment			
	<i>Furniture, fixtures and office equipment</i>	<i>Vehicles #</i>	<i>Total</i>
	<i>AED</i>	<i>AED</i>	<i>AED</i>
Cost			
As at 01.04.2017	12,326	741,499	753,825
Additions during the year	<u>76,228</u>	<u>-</u>	<u>76,228</u>
As at 31.03.2018	<u>88,554</u>	<u>741,499</u>	<u>830,053</u>
Depreciation			
As at 01.04.2017	856	45,605	46,461
Charge for the year	<u>14,529</u>	<u>92,688</u>	<u>106,947</u>
As at 31.03.2018	<u>15,115</u>	<u>138,293</u>	<u>153,408</u>
Net book value			
As at 31.03.2018	<u>73,439</u>	<u>603,206</u>	<u>676,645</u>
As at 31.03.2017	<u>11,470</u>	<u>695,894</u>	<u>707,364</u>

Purchased under instalment plan by parent shareholder company.

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8. Advance for investment

This represents advance amount paid to a party in joint venture for a 50% shareholding in a company in terms of an agreement owning a plot of land valued at AED 140 million on which the project is under development. This amount will be adjusted against future distributable profit on the completion of the project.

9. Development property

This comprises expenditure incurred/payments made to consultants, architects, infrastructure fees, borrowing costs, management fees and other related expenses for development of residential project. Movement during the year is as follows:

	<i>2018</i> <i>AED</i>	<i>2017</i> <i>AED</i>
Balance at the beginning of the year	41,447,985	26,053,257
Additions	<u>31,297,385</u>	<u>15,394,728</u>
Balance at the end of the year	<u>72,745,370</u>	<u>41,447,985</u>

Impairment of development property

The project being in its initial stage, the management has not considered appropriate to carry out the valuation of development property as of 31 March 2018 by an external professional valuer.

10. Unsecured loans

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

11. Secured loan

This represent secured and 12% per annum interest bearing loan availed from the unrelated party which is repayable within period of 2 year. This loan is secured against development properties

12. Advance from parent company

This represents 0 to 15% per annum interest bearing funds advanced from parent company to meet with its project development expenditure without any fixed repayment schedule. It includes vehicle loans liability AED 472,817 (*previous year AED 608,920*) for the purchase of vehicles by the company which are repayable before 9 March 2021.

	<i>2018</i> <i>AED</i>	<i>2017</i> <i>AED</i>
Project funding	76,449,620	51,855,236
Vehicle loans	<u>472,817</u>	<u>608,920</u>
	<u>76,922,437</u>	<u>52,464,156</u>

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Notes to the Financial Statements
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	<i>2018</i>	<i>2017</i>
	<i>AED</i>	<i>AED</i>
13. Share capital		
Authorized, issued and paid up		
300 shares of AED 1,000 each	<u>300,000</u>	<u>300,000</u>
14. Staff salaries and benefits		
These are stated net of amount charged to development property.		
15. Rent		
Lease rent is charged to development property.		
16. Finance cost		
There is stated net of costs allocated to development property.		
17. Capital risk management		
The company manages its capital to ensure that the company will be able to continue as a going concern while maximizing the return to the parent companies through optimization of the debt and equity balance. The capital structure of the company comprises net debt (comprising total amounts owing to third parties less cash and cash equivalents) and equity (comprising share capital and accumulated losses).		
18. Related party transactions and balances		
The company enters into transactions with parties that fall within the definition of a related party as contained in International Accounting Standard-24: Related Party Disclosures.		
Related parties are the entities which possess the ability (directly or indirectly) to conduct or exercise significant influence over the operating and financial decision of the group or vice versa and it is subject to common control or common significant influence. Related parties comprise of ultimate parent company, senior and company officials, parent company as under:		
Zuari Infraworld India Limited, India – <i>Ultimate parent company</i>		
Zuari Infra Middle East Limited, U.A.E. – <i>Parent company</i>		
Green Tree Property Management Co. LLC – <i>Party to a joint venture/Jointly controlled entity</i>		
At the date of statement of financial position, balances with related parties were as follows:		
	<i>2018</i>	<i>2017</i>
	<i>AED</i>	<i>AED</i>
	<i>Dr./ (Cr.)</i>	<i>Dr./ (Cr.)</i>
Advance from parent company	76,922,437	52,464,156
Advance for investment	21,000,000	10,500,000

ZUARI INFRAWORLD S J M PROPERTIES L.L.C
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Notes to the Financial Statements
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Significant transactions with related parties during the year were as under:

	2018	2017
	AED	AED
	Dr./.(Cr.)	Dr./.(Cr.)
Management fees	*-	(3,740,000)
Advance for investment	10,500,000	10,500,000
Director remuneration and expenses	773,452	120,000
Vehicle loan	-	608,920

**Waived during the year.*

The company receives fund with or without interest from/to related parties as and when required to meet with its project funding requirements.

19. Financial instruments: Credit, liquidity and market risk exposures

Credit risk

Financial assets, which potentially expose the company to concentrations of credit risk comprise principally of other receivables and bank balance in current account. The company's bank balance in a current account is placed with a high credit quality financial institution. There are no significant concentrations of credit risk from receivables outside the industry in which the company operates.

Liquidity risk

Liquidity risk is the risk that the establishment will not be able to meet financial obligations as they fall due. The liquidity requirements are monitored on a regular basis by the management and parent companies who ensures that sufficient funds are made available to the establishment to meet the commitments as they fall due. Although, short term payables are perceived as a liquidity risk, adequate steps are taken by the management and the parent company to timely meet with the funding requirements.

The following are the contractual maturities of the company's financial liabilities as of 31 March 2018

	Carrying	Payable	Payable
	amounts	within next	after 2 to 5
	AED	12 months	years
	AED	AED	AED
Accounts payable-CAPEX	3,369,364	3,369,364	-
Accruals	2,561,473	2,561,473	-
Unsecured loans	8,373,259	-	8,373,259
Secured loan	6,000,000	-	6,000,000
Advance from a parent company	76,922,437	29,979,511	46,942,926
Staff end of service benefits	113,595	-	113,595
	<u>97,340,128</u>	<u>35,910,348</u>	<u>61,429,780</u>

Market risk

Market risk is a risk that changes in market prices, such as interest rate risk and currency risk, will affect the company's income or the value of its holdings of financial instruments.

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Notes to the Financial Statements
for the year ended 31 March 2018

Financial instruments: Credit, liquidity and market risk exposures (cont'd)

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Loan from a parent company and unrelated parties are at fixed rate of interest.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. There is no significant currency risk as substantially all financial assets and financial liabilities are denominated in U.A.E Dirhams or US Dollars to which the U.A.E Dirham rate is fixed.

20. Financial instruments: Fair values

The fair values of the company's financial assets, comprising other receivables, cash and bank balance, advance for investment and financial liabilities, comprising accounts payable-CAPEX, advance from parent company, loan from unrelated parties and accruals, are approximate to their carrying values.

21. Contingent liabilities

There were no contingent liabilities outstanding at the date of statement of financial position.

22. Capital commitments

Commitments for the acquisition of services for the development and construction of assets classified under development property:

	<i>2018</i>	<i>2017</i>
	<i>AED</i>	<i>AED</i>
Contracted but not provided for in the accounts	<u>8,654,401</u>	<u>30,935,751</u>

23. Comparative figures

Previous year's figures have been regrouped / reclassified wherever necessary to conform to the presentation adopted in the current year.

24. Approval of the financial statements

The financial statements were approved by the board of directors and authorised Mr. Vinay Varma to sign on behalf of the board on 15 May 2018.



رخصة تجارية
Commercial License

تفاصيل الرخصة / License Details

License No.	690820	رقم الرخصة
Company Name	ZUARI INFRAWORLD S J M PROPERTIES L.L.C	اسم الشركة
Trade Name	ZUARI INFRAWORLD S J M PROPERTIES L.L.C	الإسم التجاري
Legal Type	Limited Liability Company(LLC)	الشكل القانوني
Expiry Date	19/06/2018	تاريخ الإتهاء
D&B D-U-N-S * No.		الرقم العالمي
Register No.	1117584	رقم السجل التجاري
Issue Date	20/06/2013	تاريخ الإصدار
Main License No.	690820	رقم الرخصة الأم
DCCI No.	220084	عضوية الغرفة

اطراف الرخصة / License Members

Share / الحصص	Role / الصفة	Nationality / الجنسية	رقم الشخص / No.	Name / الإسم
	Manager / مدير	India / الهند	596349	VINAY VARMA MOHAN LAL VARMA / فيناى فارما
				موهان لال فارما

نشاط الرخصة التجارية / License Activities

Real Estate Development

التطوير العقاري

العنوان / Address

Telephone	971-4-2778004	تليفون	P.O. Box	27508	صندوق البريد
Fax	971-04-2778063	فاكس	Parcel ID	346-6801	رقم القطعة
Mobile No	971-55-7509000	الهاتف المتحرك			مكتب 705-706-707 - ملك مونييش كومار لكهاني - برج خليفة

الملاحظات / Remarks

تم انسحاب الشركاء ودخول الشرك وتغيير المدير بتاريخ 2015/01/19
تم نقل الموقع في 2015/7/12
تم تغيير الاسم التجاري بتاريخ 2016/12/13
تم نقل الموقع بتاريخ 2017/06/14

Print Date 21/06/2017 10:13 تاريخ الطباعة

Receipt No. 12635883 رقم الإيصال

Activity
Owners

حجت شي لم صلاحية
بتعة الرخصة

يمكن أن تجدد رخصت تجرية من خلال ارسائس النصبة القصيرة، أرسل رقم الرخصة إلى 6969 (دو/اتصالات) للحصول على اذن الدفع.