

INDEPENDENT AUDITORS' REPORT

To,
The Members,
Zuari Infracore India Limited, Bangalore

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of M/s Zuari Infracore India Limited ("the Company") which comprise the Balance Sheet as at 31st March 2017, the Profit and Loss Statement (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

Management's Responsibility for the standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the state of affairs (financial position), financial performance including other comprehensive income, cash flows and the changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act and the Guidance Note on Accounting for Real Estate Transactions issued by the Institute of Chartered Accountants of India.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the state of affairs of the Company as at 31st March, 2017, its profits, its cash flows and the changes in equity for the year ended on that date.

Other Matter

The transition date opening balance sheet as at 1st April 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2015 dated 08th May, 2015 expressed an unmodified opinion on that standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, we give in the 'Annexure-A' a statement on the matters specified in Paragraphs 3 and 4 of the said Order.
- (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 appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
 - (c) the balance Sheet, the profit and loss statement, the cash flow statement and the statement of changes in equity dealt with by this report are in agreement with the books of account and with returns received from the branches not visited by us;



Chartered Accountants

- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act and the Guidance Note on Real Estate Transactions issued by the Institute of Chartered Accountants of India;
- (e) On the basis of written representations received from the directors as on 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, 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**'; and
- (g) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- (i) There were no pending litigations that would significantly impact the standalone Ind AS financial position of the company.
- (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. The company did not have any derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv) The disclosure requirement as envisaged in notification G.S.R 308 (E) vide dated 30th March 2017 is furnished in Note 39 to the standalone Ind AS financial statements.

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



Place: Gurgaon
Date : 15th May, 2017

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

ANNEXURE - A TO THE AUDITORS' REPORT

Annexure referred to in Independent Auditors' Report to the members of Zuari Infracore India Limited on the standalone Ind AS financial statements for the year ended 31 March 2017,

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) We have been informed that the fixed assets of the company have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of such physical verification is reasonable having regard to the size of the Company, its nature of business and the nature of its assets.
- (c) The title deeds of immovable property of the company which is part of the inventory is held in its own name. As stated in the Note 7 of standalone Ind AS financial statements the immovable property has been mortgaged with the bank to secure the term loans taken from the bank.
- (ii) The Company does not carry inventories of the nature covered by Ind-AS 2. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Thus, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Companies Act, 2013 in respect of guarantees given to its wholly owned subsidiary.
- (v) According to the information and explanations given to us, the company has not accepted deposits in accordance with directives issued by the Reserve Bank of India and hence 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. Thus, paragraph 3(v) of the Order is 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 as the turnover of the company is below specified limits. Thus, paragraph (vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and as per our verification of the records of the company, the Company has been fairly regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities during the year to the extent applicable. There are no arrears of undisputed statutory dues of a material nature outstanding as at the last day of the financial year for a period of more than six months from the due date, *except for Cess of Rs. 14,00,000/- payable under Building and Other Construction Workers Act, 1956 for the FY Rs. 2015-16 which has been subsequently paid.*
- (b) According to the information and explanations given to us, there are no unpaid disputed income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess as on 31st March 2017.



- (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 the financial institutions and banks.
- (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. According to the information and explanations provided to us, the term loan raised during the year is applied for the purpose for which it was raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations provided to us, the provisions of section 197 read with Schedule V to the Companies Act 2013 is not applicable to the company for the year.
- (xii) The company is not a Nidhi company and hence paragraph (xii) of the "order" is not applicable to it.
- (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 (Accounting Standard 18 – Related Parties) have been disclosed in the standalone Ind AS financial statements.
- (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. Thus, paragraph (xiv) of the "order" is not applicable to it.
- (xv) According to the information and explanations given to us and as per our verification, the company has not entered into any non-cash transactions as contemplated in Section 192 of the Companies Act, 2013 with directors or persons connected with directors. Thus, paragraph (xv) of the "order" is not applicable to it.
- (xvi) As per the information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Thus, paragraph (xvi) of the "order" is not applicable to it.

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



Place: Gurgaon
Date : 15th May, 2017

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

ANNEXURE - B TO THE AUDITORS' REPORT

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 March 2017 in conjunction with our audit of the standalone Ind AS 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, 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 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 standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company including basis of allocating expenses to various projects considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place: Gurgaon
Date : 15th May, 2017



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

ZUARI INFRAWORLD INDIA LIMITED
BALANCE SHEET

(Amount in Rupees, except otherwise stated)

Particulars	Notes Reference	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
I. ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	3	1,44,16,593	1,68,83,880	1,57,09,390
(b) Capital Work in progress	3.1	13,17,539	-	-
(c) Other Intangible Assets	4	5,76,113	13,77,790	10,21,582
(d) Financial Assets				
(i) Investments	5 (a)	68,86,52,842	64,14,29,602	23,96,16,400
(ii) Loans	5 (b)	3,74,154	55,16,648	55,14,537
(iii) Others financial assets	5 (c)	27,17,235	54,00,620	51,85,272
(e) Deferred tax assets (net)	19	36,95,882	69,21,178	63,93,941
(f) Other non-current assets	6	9,47,86,304	10,09,06,501	6,47,33,948
(g) Advance tax (net of tax provision)		1,54,67,050	1,53,36,831	1,14,76,387
Current assets				
(a) Inventories	7	1,53,02,49,177	1,28,18,43,521	95,80,58,494
(b) Financial Assets				
(i) Investments	5 (a)	-	-	24,46,31,105
(ii) Trade receivables	8	19,54,01,900	12,75,34,400	5,03,54,000
(iii) Cash and cash equivalents	9	1,60,38,881	1,06,93,631	5,04,31,416
(iv) Bank balances other than (iii) above	10	-	19,34,78,562	44,10,13,619
(v) Loans	5 (b)	1,42,715	11,41,880	20,84,816
(vi) Others financial assets	5 (c)	29,68,68,278	30,51,79,213	28,14,25,965
(c) Other current assets	6	29,82,20,958	30,00,98,055	27,18,98,606
Non-current assets classified as held for sale.	18	-	-	34,46,930
TOTAL		3,15,89,25,621	3,01,37,42,312	2,65,29,96,408
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	11	46,55,00,000	46,55,00,000	46,55,00,000
(b) Other Equity	12	79,53,40,464	77,66,86,461	61,28,39,675
LIABILITIES				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	1,16,10,17,533	1,00,23,34,369	76,39,54,166
(ii) Trade payables	14	3,97,13,676	3,69,10,185	3,09,35,105
(b) Provisions	17	42,92,214	40,74,176	35,97,332
Current liabilities				
(a) Financial Liabilities				
(i) Trade payables	14	15,25,55,429	14,31,00,562	9,00,11,828
(ii) Other financial liabilities	15	31,22,28,293	42,80,50,238	47,28,86,082
(b) Other current liabilities	16	22,78,19,099	15,66,81,288	21,29,05,556
(c) Provisions	17	4,58,913	4,05,033	3,66,664
TOTAL		3,15,89,25,621	3,01,37,42,312	2,65,29,96,408

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

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


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

For VARMA & VARMA
Chartered Accountants
FRN 004532S


N SURESH KRISHNAN
Director


V K SINHA
Director


C G RAMESH GOWDA
Company Secretary


K P SRINIVAS
Partner
M. No. 208520


ANSHUL A. BANSAL
Chief Financial Officer

Place: Gurgaon
Date: 15th May, 2017

Place: Gurgaon
Date: 15th May, 2017



ZUARI INFRAWORLD INDIA LIMITED
PROFIT AND LOSS STATEMENT

(Amount in Rupees, except otherwise stated)

Particulars	Notes Reference	For the year ended 31 March 2017	For the year ended 31 March 2016
REVENUE			
Revenue From Operations	20	18,76,54,786	32,71,86,044
Other Income	21	5,31,26,637	7,14,50,795
Total Revenue (I)		24,07,81,423	39,86,36,839
EXPENSES			
Project construction and development expenses	22	36,13,63,187	59,88,18,019
Changes in inventories of finished goods, stock-in-trade and work in progress	23	(24,84,05,656)	(32,40,76,611)
Employee benefits expense	24	1,78,84,839	2,64,16,904
Finance costs	25	4,40,92,523	1,97,58,637
Depreciation and amortization expense	26	33,02,264	27,97,641
Other Expenses	27	3,85,06,663	5,27,98,771
Total Expenses (II)		21,67,43,820	37,65,13,361
Profit before and tax (I-II)		2,40,37,603	2,21,23,478
Tax expense:	19		
(i) Current Tax		28,87,707	22,89,953
(ii) Deferred Tax		29,84,134	(7,42,624)
Tax expenses for the year		58,71,840	15,47,329
Profit for the year after tax expenses		1,81,65,763	2,05,76,149
Other Comprehensive Income		4,88,240	4,36,054
<i>Items that will not be reclassified to profit and loss statement</i>			
Re-measurement gains (losses) on defined benefit plans		7,29,403	6,51,440
Adjustment for Income tax effect on above		(2,41,163)	(2,15,386)
Total Comprehensive Income for the year		1,86,54,003	2,10,12,203
Earnings per equity share ('EPS'): Basic & Diluted	30	0.39	0.44
Weighted average number of shares used in computing EPS		4,65,50,000	4,65,50,000

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


This is the profit and loss statement referred to in 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


V K SINHA
Director


K P SRINIVAS
Partner
M. No 208520


ANSHUL A. BANSAL
Chief Financial Officer


C G RAMEGOWDA
Company Secretary

Place: Gurgaon
Date: 15th May, 2017

Place: Gurgaon
Date: 15th May, 2017



ZUARI INFRAWORLD INDIA LIMITED
STATEMENT OF CHANGES IN EQUITY

(Amount in Rupees, unless otherwise stated)

(a) Equity Share Capital

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

	Note	Number	Amount
At 1 April 2015		4,65,50,000	46,55,00,000
At 31 March 2016		4,65,50,000	46,55,00,000
At 31 March 2017	11	4,65,50,000	46,55,00,000

(b) Other equity

	Note	Equity Component of convertible preference shares	Reserves and surplus Security premium	Retained Earnings	Total
As at 1 April 2015		3,46,60,745	63,00,00,000	(5,18,21,070)	61,28,39,675
Equity component of preference shares	12 (a)	78,34,583	-	-	78,34,583
Security premium on the issue of preference shares	12 (b)	-	13,50,00,000	-	13,50,00,000
Profit for the year ended 31 March 2016	12 (c)	-	-	2,05,76,149	2,05,76,149
Other comprehensive income (net of tax expense) for year ended 31 March 2016	12 (d)	-	-	4,36,054	4,36,054
Total comprehensive income		-	-	2,10,12,203	2,10,12,203
Transfer from Surplus		-	-	-	-
At 31 March 2016		4,24,95,328	76,50,00,000	(3,08,08,867)	77,66,86,461
At 31 March 2016		4,24,95,328	76,50,00,000	(3,08,08,867)	77,66,86,461
Profit for the year ended 31 March 2017	12 (c)	-	-	1,81,65,763	1,81,65,763
Other comprehensive income (net of tax expense) for year ended 31 March 2017	12 (d)	-	-	4,88,240	4,88,240
Total comprehensive income		-	-	1,86,54,003	1,86,54,003
Transfer from Surplus		-	-	-	-
At 31 March 2017		4,24,95,328	76,50,00,000	(1,21,54,864)	79,53,40,464

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 the even date attached

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

For VARMA & VARMA
Chartered Accountants
FRN 004532S


N SURESH KRISHNAN
Director


V K SINHA
Director


K P SRINIVAS
Partner
M. No. 208520


ANSHUL A. BANSAL
Chief Financial Officer


C G RAMEGOWDA
Company Secretary

Place: Gurgaon
Date: 15th May, 2017

Place: Gurgaon
Date: 15th May, 2017



ZUARI INFRAWORLD INDIA LIMITED
CASH FLOW STATEMENT


Particulars	<i>(Amount in Rupees, except otherwise stated)</i>	
	For the year ended 31 March 2017	For the year ended 31 March 2016
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before taxation	2,40,37,603	2,21,23,478
<i>Adjustment for :</i>		
Depreciation & Amortisation	41,11,458	36,94,222
Interest Income	(31,76,083)	
Short Term Capital Gain - Mutual Fund	(11,25,067)	
Profit on sale of Asset held for sale	-	(53,069)
Loss on Sale of Tangible Assets (Net)	10,850	49,501
<i>Adjustments pursuant to adoption of Ind-AS:</i>		
Re-measurement gains on defined benefit plans	7,29,403	6,51,440
Gain on fair value adjustments to financial assets through P&L	(4,72,23,241)	(1,68,13,202)
Adjustment on amortisation to financial assets	14,920	27,735
Fair value adjustment to Investments in Preference Shares	68,79,601	57,29,098
Operating Profit/(Loss) before working Capital Changes	(1,57,40,556)	1,54,09,204
<i>Adjustment for changes in :</i>		
Decrease/(Increase) in Trade Receivables	(6,78,67,500)	(7,71,80,400)
(Increase) / Decrease in Financial and Other assets	2,51,18,353	(8,74,27,508)
(Increase) / Decrease in Inventories	(24,84,05,656)	(32,37,85,027)
(Decrease)/Increase in Trade Payables	94,54,867	5,30,88,734
(Decrease)/Increase in Provisions	2,71,918	5,15,213
(Decrease)/Increase in Financial and other liabilities	(4,87,60,244)	(10,79,79,547)
Net cash generated from operations	(34,59,28,818)	(52,73,59,332)
Direct Taxes Paid (net of refund)	(30,17,923)	(61,50,400)
Net cash generated from operating activities	(34,89,46,741)	(53,35,09,732)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Additions to tangible/intangible	(21,90,484)	(52,86,857)
Proceeds from sale of	19,600	35,12,438
Sale/(Purchase) of Non-current investments in Mutual Funds	-	(14,03,68,895)
Changes in Other Bank Balances	19,34,78,562	24,75,35,057
Short Term Capital Gain - Mutual Fund	11,25,067	-
Interest (Income)	31,76,083	-
Net cash from Investing activities	19,56,08,827	10,53,91,743
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Issue of Preference shares	-	15,00,00,000
Proceeds from Long term Borrowings (net)	15,86,83,164	23,83,80,203
Net cash used in financing activities	15,86,83,164	38,83,80,204
Net Changes in Cash and Cash equivalents during the year	53,45,250	(3,97,37,785)
Cash and Cash equivalents at the beginning of the year	1,06,93,631	5,04,31,416
Cash and Cash equivalents at the end of the year	1,60,38,881	1,06,93,631

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


This is the Cash Flow statement referred to in our report of the even date attached

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

For VARMA & VARMA
Chartered Accountants
FRN 004532S


N SURESH KRISHNAN
Director


V K SINHA
Director


K P SRINIVAS
Partner
M. No. 208520


ANSHUL A. BANSAL
Chief Financial Officer


C G RAMEGOWDA
Company Secretary

Place: Gurgaon
Date: 15th May, 2017

Place: Gurgaon
Date: 15th May, 2017



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

1. Corporate information:

The standalone Ind AS financial statements of "Zuari Infracore India Limited" ("the Company" or "ZUIL") are for the year ended 31 March 2017. The company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is pre-dominantly into the business of developing residential cum commercial property intended for sale.

The standalone financial statements were approved for issue in accordance with a resolution of the Board of directors on 15 May 2017.

2. Significant accounting policies:

(a.) Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 for the first time and the Guidance Note on Real Estate Transactions (For entities to whom Ind AS is applicable) issued by The Institute of Chartered Accountants of India (ICAI). Refer to note 35 for information on first time adoption of Ind AS.

For all the financial years upto and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The standalone financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at deemed cost or fair values, as explained in the accounting policies.

The standalone financial statements are presented in Indian Rupees, except when otherwise indicated.

(b.) Property, plant and equipment and Depreciation

The Property, plant and equipment of the Company are stated at historical cost less accumulated depreciation. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts or rebates are deducted in arriving at the purchase cost.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

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

Depreciation is provided on straight-line method, based on useful life stated under Schedule II of Companies Act 2013.

Details about useful life of each category of assets are as follows

<i>Name of Assets</i>	<i>Useful Lives</i>
Office Equipment	5 years
Plant & Machinery	8 years
Furniture & Fixtures	10 years
Computer and servers	3 and 6 years
Leasehold Improvements	Over the primary lease period
Temporary structure	1 years

Depreciation is provided after retaining estimated residual value not exceeding 5% of the cost. Depreciation on assets used for the project has been considered 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 first-time 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.



(c.) Intangible Assets and amortisation

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortization 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.

Upon first-time adoption of Ind AS, the Company has 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.

(d.) Leases (other than land leases)

Operating Leases as a lessee:

Lease rentals are recognized as expense or income 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 lease; or
- (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

(e.) Impairment of assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(f.) 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.



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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

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

(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).

(h.) Inventories

The cost of inventories shall comprise all costs of purchase including cost of land, costs of conversion and other 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.

(i.) Provisions, Contingent Liabilities and Capital Commitments

Contingent Liabilities

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

Provisions

A provision is recognized 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 statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(j.) Revenue Recognition

(i.) Revenue is recognized in relation to the residential / Commercial units sold, to the extent it is probable that the economic benefits will flow to the Company demonstrated either by way of an Agreement for Sale (AFS) and when the buyer's investment is adequate enough to demonstrate a commitment to pay. In accordance with the Guidance Note on Accounting for Real Estate Transactions (for entities to whom IND AS is applicable) (Revised 2016) issued by the Institute of Chartered Accountants of India (the "ICAI") the Revenue from sale of residential properties is recognised on the "percentage of completion method". Percentage of completion is determined on the basis of entire project costs incurred including the land costs, borrowing costs and construction and development costs to total estimated project cost, where the actual construction and development cost is 25 percent or more of the total estimated construction and development cost and 10% of the contract consideration as per the agreements are realised as at the reporting date. Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for.

(ii.) Income in respect of service contracts which are in the nature of fees for specified periods are recognized proportionately over the specified period.



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(iii) Income in respect of service contracts which are based on the corresponding project costs/profits are recognized when actual construction work commences and there are no significant uncertainties as to the underlying projects and the corresponding costs are incurred or profits are earned by the customers.

(iv) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(v) Dividend is recognised as and when the right to receive payment is established by the reporting date.

(k.) Taxes on income

(i.) Current income tax

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

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly 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 liability method 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).

(l.) 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.) Leave encashment (Compensated Absences)

Short term compensated absences are provided for based on estimates. 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.



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NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

(m.) 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 - Noncurrent classification of assets and liabilities.

(n.) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(A.) Financial assets

Initial recognition

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- (1.) Debt instruments at amortised cost
- (2.) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(1.) Debt instruments at amortised cost

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

(2.) Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a.) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b.) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(3.) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss statement.



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(2.) Equity investments

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Companies makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. Investments in equity share of subsidiary and associates are measured at cost of acquisition pursuant to Ind AS 109.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss statement.

(ii) Derecognition

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

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

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

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

(B.) Impairment of financial assets

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

- (a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balances in current account.
- (b) Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As registration of property and subsequent revenue recognition is done only when company receives the full amount from the customer, The company has not provided for credit loss on trade receivable, which is considered appropriate by the Management.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.



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Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

(C.) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a.) Financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

(b.) Loans and borrowings

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

(c.) Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.



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(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit or loss statement.

(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 Policies

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Chief operating decision makers review the performance of the Group according to the nature of business of the which predominantly 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 Company as a whole.

(q.) Recent Accounting pronouncements

(i) Standards issued but not yet effective

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the Company from April 01, 2017.

(ii) Amendment to Ind AS 7

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements will be given in due course.

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3. Property, plant and equipment

PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	As at 1 April 2016	Additions during the year	Disposals/ Deductions 31 March 2017	As at 31 March 2017	Depreciation during the year	Disposals/ Deductions	Depreciation upto 31 March 2017	As at 31 March 2017
Leasehold Improvements	93,34,932	-	-	93,34,932	9,32,889	-	18,68,335	74,66,597
Temporary Structures	85,259	-	-	85,259	-	-	33	85,226
Furniture and fixtures	47,69,592	-	-	47,69,592	6,29,965	-	12,55,362	35,14,230
Office Equipments	39,40,099	1,87,353	42,002	40,85,450	8,47,455	20,574	18,67,686	22,17,764
Plant & Machinery	6,77,244	-	-	6,77,244	1,20,162	-	2,37,590	4,39,654
Computer and Data processing units	12,77,084	3,51,731	3,47,601	12,81,214	4,45,450	3,38,579	5,88,092	6,93,122
Total	2,00,84,210	5,39,084	3,89,603	2,02,33,691	29,75,921	3,59,153	58,17,098	1,44,16,593

PARTICULARS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	As at 1 April 2015 *	Additions during the year	Disposals/ Deductions 31 March 2016	As at 31 March 2016	Depreciation during the year	Disposals/ Deductions	Depreciation upto 31 March 2016	As at 31 March 2016
Leasehold Improvements	88,41,655	4,93,277	-	93,34,932	9,35,446	-	9,35,446	83,99,486
Temporary Structures	85,259	-	-	85,259	33	-	33	85,226
Furniture and fixtures	31,46,725	16,22,867	-	47,69,592	6,25,397	-	6,25,397	41,44,195
Office Equipments	19,49,004	20,49,596	58,501	39,40,099	10,40,805	-	10,40,805	28,99,294
Plant & Machinery	6,41,771	35,473	-	6,77,244	1,17,429	-	1,17,429	5,59,815
Computer and Data processing units	10,44,976	2,35,546	3,438	12,77,084	4,81,221	-	4,81,221	7,95,863
Total	1,57,09,390	44,36,759	61,939	2,00,84,210	32,00,330	-	32,00,330	1,68,83,880

* carried at the deemed cost.

3.1 Capital Work-In-Progress

Expenditure incurred on Leasehold Improvements which is pending completion

13,17,539

3.2 Depreciation/ Amortisation for the year is allocated under:

Debited to "Project Cost" (ZGC)
Debited to Profit & Loss Statement

	2016-17	2015-16	2014-15
	8,09,194	8,96,581	11,31,167
	33,02,264	27,97,641	44,84,859
	41,11,458	36,94,222	56,16,026



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4. Intangible Assets

(Amount in Rupees, except otherwise stated)

PARTICULARS	GROSS BLOCK (AT COST)			AMORTISATION			NET BLOCK As at 31 March 2017
	As at 1 April 2016	Additions during the year	Disposals/ Deductions 31 March 2017	As at 1 April 2016	Amortisation during the year	Disposals/ Deductions	
Computer Software	18,71,681	3,33,861	-	4,93,891	11,35,537	-	16,29,428
Total	18,71,681	3,33,861	-	4,93,891	11,35,537	-	16,29,428

PARTICULARS	GROSS BLOCK			AMORTISATION			NET BLOCK As at 31 March 2016
	As at 1 April 2015*	Additions during the year	Disposals/ Deductions 31 March 2016	As at 1 April 2015*	Amortisation during the year	Disposals/ Deductions	
Computer Software	10,21,582	8,50,098	-	-	4,93,891	-	4,93,891
Total	10,21,582	8,50,098	-	-	4,93,891	-	4,93,891

* carried at the deemed cost.



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5. Financial assets

Non-Current	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
(a) Investments			
<u>(i) Investments in equity shares (Unquoted)</u>			
<i>Investments carried at Cost (fully paid):</i>			
In Subsidiary Companies			
Zuari Infra Middle East Limited - wholly owned subsidiary (10,000 (31 March 2016: 10,000, 1 April 2015: 10,000) Equity Shares of AED 1 each)	1,66,400	1,66,400	1,66,400
In Associates (Unquoted)			
Brajbhumi Nirmaan Private Limited 10,00,000 (31 March 2016: 10,00,000, 1 April 2015: 10,00,000) Equity shares of Rs. 10/- each fully paid, issued at a premium of Rs 179.40/- each)	18,94,00,000	18,94,00,000	18,94,00,000
Darshan Nirman Private Limited 2500 (31 March 2016: 2500, 1 April 2015: 2500) Equity shares of Rs. 10/- each fully paid	25,000	25,000	25,000
Pranati Niketan Private Limited 2500 (31 March 2016: 2500, 1 April 2015: 2500) Equity shares of Rs. 10/- each fully paid	25,000	25,000	25,000
Sub-total	18,96,16,400	18,96,16,400	18,96,16,400
<u>(ii) Investments in preference shares (Unquoted)</u>			
<i>Investments carried at fair value through Profit or Loss:</i>			
Brajbhumi Nirmaan Private Limited *			
Non-Cumulative optionally convertible preference shares (5,00,000 (2015-16: 5,00,000, 1 April 2015: 5,00,000) shares of Rs 100 each, fully paid) (Date of Maturity 30 November, 2023)	6,54,14,692	5,49,32,702	5,00,00,000
Sub-total	6,54,14,692	5,49,32,702	5,00,00,000
* 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. Accordingly, Rs.3,94,61,625/- (2016: Rs 3,94,61,625/-, 2015: Rs.3,94,61,625/-) was reported as equity component and the balance as Liability.			
<u>(iii) Investments in mutual funds (Unquoted)</u>			
<i>Investments at fair value through Profit or Loss:</i>			
ICICI Prudential Fixed Maturity plan Series (77-1473 Days Plan C) 5,00,000 units (31 March 2016: 50,00,000, 1 April 2015: NIL) at Rs 10 per unit.	5,94,33,000	5,41,70,000	-
ICICI Prudential Fixed Maturity plan Series (78-1130 Days Plan T) 10,00,000 units 1,00,00,000 (31 March 2016: 1,00,00,000, 1 April 2015: NIL) at Rs 10 per unit	10,96,28,000	10,02,61,000	-
ICICI Prudential Fixed Maturity plan Series (78-1156 Days Plan T) 5,00,000 units (31 March 2016: 50,00,000, 1 April 2015: NIL) at Rs 10 per unit.	5,45,13,000	5,00,62,500	-
SBI Debt Fund Series B-17(1100 Days) 10,00,000 units 1,00,00,000 (31 March 2016: 1,00,00,000, 1 April 2015: NIL) at Rs 10 per unit.	11,71,47,000	10,73,87,000	-
SBI Debt Fund Series B-36 (1131 Days) 8,50,00,000 units (31 March 2016: 85,00,000, 1 April 2015: NIL) at Rs 10 per unit.	9,29,00,750	8,50,00,000	-
Sub-total	43,36,21,750	39,68,80,500	-
* All the above investments in mutual funds are held under lien with bank for stand by letter of credit (SBLC) facility from SBI in favour of Zuari Infraworld Middle East Limited, Dubai (WOS). [2015-16: Lien Marked Investments Rs 16,15,57,000]			
TOTAL	68,86,52,842	64,14,29,602	23,96,16,400



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

5. Financial assets

(Amount in Rupees, except otherwise stated)

(b) Loans (at cost)

Unsecured, Considered Good

Loan to Zuari Infraworld Middle East Limited, Dubai (WOS) (Loan for working capital purposes at interest rate of 14% p.a with maturity period of 18 months)	-	51,09,158	50,73,711
Loan to employees	3,74,154	4,07,490	4,40,826
TOTAL	3,74,154	55,16,648	55,14,537

(c) Other Financial assets (at amortised cost)

Unsecured, Considered Good

Security Deposits	27,17,235	54,00,620	51,85,272
TOTAL	27,17,235	54,00,620	51,85,272

Current	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
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(a) Investments

Investments in mutual funds (Unquoted)

Investments at fair value through Profit or Loss

-Kotak Mutual Fund NIL (31 March 2016: NIL, 1 April 2015: 1,42,53,222.092 units) of face value of Rs. 10/- each in Kotak Mutual Fund-Daily Dividend Option	-	-	14,46,31,105
-IDFC Mutual Fund NIL (31 March 2016: NIL, 1 April 2015: 45,50,294.404 units) of face value of Rs. 10/- each in IDFC-Money Manager Fund -Treasury Plan- Daily Dividend Option	-	-	10,00,00,000
TOTAL	-	-	24,46,31,105

(b) Loans (at cost)

Unsecured, Considered Good

Loan to Zuari Infraworld Middle East Limited, Dubai (WOS) (Loan for working capital purposes at interest rate of 14% p.a with maturity period of 18 months)	-	10,18,691	10,54,137
Advances to Employees	1,42,715	1,23,189	10,30,679
TOTAL	1,42,715	11,41,880	20,84,816

(c) Other Financial assets

Security Deposits	12,32,971	10,93,929	35,95,249
Interest accrued on deposits with bank	-	60,78,559	54,53,187
Interest accrued and due - Others	18,87,939	15,68,125	-
Expenses Recoverable	4,81,47,786	4,06,84,593	2,18,52,282
Unbilled Revenue	24,55,99,582	25,57,54,007	25,05,25,247
TOTAL	29,68,68,278	30,51,79,213	28,14,25,965

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

6. Other assets

(Amount in Rupees, except otherwise stated)

Non-Current	As at	As at	As at
	31 March 2017	31 March 2016	1 April 2015
Advance recoverable in cash or kind (refer note below)	9,17,74,007	10,03,26,193	6,39,60,556
VAT Refund receivable	26,25,072	-	-
Prepaid lease	3,87,225	5,80,308	7,73,392
	9,47,86,304	10,09,06,501	6,47,33,948

Note 6.1

(i) Includes recoverable Advances to a Sub-contractor aggregating to Rs 2,78,13,451/- (2015-16: Rs 3,63,65,637/-, 2014-15 Nil) in respect of which the sub-contractor vendor has furnished bank guarantee to the extent of Rs 2,37,12,884/-and the Guarantee is valid upto 28 May, 2017.

(ii) Under the Development Management Agreement, the Agency is entitled to a percentage of income calculated in the manner specified under the agreement. The Company has made advance payments aggregating to Rs. 6,39,60,556 till 31.03.2017 (2015-16: Rs. 6,39,60,556/-, 2014-15 Rs. 6,39,60,556/-). The amount will be adjusted in the year when the agency becomes entitled to share of income or will be recovered as per the agreement.

Current	As at	As at	As at
	31 March 2017	31 March 2016	1 April 2015
Advances recoverable in cash or kind			
- Input VAT Credit	1,01,86,753	84,69,017	1,14,78,519
- CENVAT Credit	3,34,21,148	3,06,99,747	1,90,02,757
- Advance to vendors (Refer Note (i) below)	24,39,39,624	24,81,71,119	22,14,63,866
Prepaid expenses (Refer Note (ii) below)	1,04,80,350	1,25,65,088	1,97,60,380
Prepaid lease	1,93,083	1,93,083	1,93,083
	29,82,20,958	30,00,98,055	27,18,98,606

Note :

(i) Includes recoverable advances paid to a sub-contractor aggregating in amount to Rs 22,46,47,417/- (2016: Rs 22,37,85,843/-, 2015: Rs 19,27,07,710/-). The Management is in negotiation with party for its recovery and is confident that this advance will be recovered at its full value, hence no provision is considered necessary.

(ii) Includes Rs 94,56,354/- (2016: Rs 1,18,43,237/- . 2015: Rs 1,95,94,323/-) 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.

7. Inventories

(valued at cost or net realisable value)

	As at	As at	As at
	31 March 2017	31 March 2016	1 April 2015
Work-In-Progress (Refer Note)	1,53,02,49,177	1,28,18,43,521	95,80,58,494
<i>(includes cost of Land , Borrowing Cost and Project Construction and Development Cost)</i>			
	1,53,02,49,177	1,28,18,43,521	95,80,58,494

Note 7.1

Includes Rs 21,56,74,893/- (2016 :17,70,66,242/-, 2015: 8,17,10,414/-) being cost incurred towards project in Goa developed by Zuari Global Limited which is in its initial stages.



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

8. Trade receivables

Current	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Trade receivables - Subsidiary	15,50,00,000	9,50,00,000	3,50,00,000
Trade receivables - Associate	4,04,01,900	3,25,34,400	1,53,54,000
Total Trade Receivables	19,54,01,900	12,75,34,400	5,03,54,000
Break-up:			
Secured – considered good	-	-	-
Unsecured – considered good	19,54,01,900	12,75,34,400	5,03,54,000
Less: Impairment Allowance (for bad and doubtful debts)			
Unsecured, considered good	-	-	-
Doubtful	-	-	-
Total trade receivables	19,54,01,900	12,75,34,400	5,03,54,000

Note 8.1: Other Notes

- (i) Receivables have been ascertained after appropriating realisations on First-In-First-Out (FIFO) basis.
(ii) Trade receivables are non-interest bearing and are generally on terms of due within 0-10 days of the date of Invoice.
(iii) Since all receivables are due from the related parties, the Management is of the opinion no that allowance towards impairment of such receivables is necessary.
(iv.) 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, except those reported, if any.

9. Cash and Cash Equivalent

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Bank Balances:			
Current Account	1,60,38,881	78,43,694	4,08,31,416
Fixed Deposit Account - maturing within 3 months period	-	28,49,937	96,00,000
	1,60,38,881	1,06,93,631	5,04,31,416

For disclosure pursuant to the MCA notification G.S.R. 308(E) dated March 30, 2017 on the details of Specified Bank Notes refer Note 39.

10. Other bank balances

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Bank Balances :			
In fixed deposits with maturity of 12 months or less (refer note below)	-	19,34,78,562	44,10,13,619
	-	19,34,78,562	44,10,13,619

Note 10.1

Includes Rs Nil (2015-16 Rs Nil , 2014-15 Rs 41,35,36,938/-) under lien with bank for loan facility extended to Zuari Infracore Middle East Limited, a Wholly owned subsidiary.



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

11. Share Capital

	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Authorized:			
5,00,00,000 (2016 : 500,00,000, 2015: 500,00,000) Equity Shares of Rs. 10 each	50,00,00,000	50,00,00,000	50,00,00,000
1,50,00,000 (2016 : 1,50,00,000, 2015: 1,50,00,000) Non Convertible Preference Shares of Rs.10 each	15,00,00,000	15,00,00,000	15,00,00,000
	65,00,00,000	65,00,00,000	65,00,00,000
Issued Subscribed and Paid Up:			
4,65,50,000 (2016: 4,65,50,000, 2015: 4,65,50,000) Equity Shares of Rs 10 each	46,55,00,000	46,55,00,000	46,55,00,000
Total issued and paid up capital	46,55,00,000	46,55,00,000	46,55,00,000

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

Equity Shares	(In Numbers)		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
At the beginning of the year (of Rs. 10 each)	4,65,50,000	4,65,50,000	4,65,50,000
Issued during the year (of Rs 10 each)	-	-	-
Outstanding at the end of the year (of Rs.10 each)	4,65,50,000	4,65,50,000	4,65,50,000

(b.) Terms/Rights attached to equity shares

- (i) The 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.
- (ii) The company has not issued any securities convertible into equity / preference shares
- (iii) During the previous five year ended 31.03 2017, there were
 - 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.
- (iv) In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c.) Details of Shareholders holding more than 5% of equity shares in the Company

Name of the Shareholder	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
	Zuari Global Limited, Holding Company		
No. of Shares held	4,65,50,000	4,65,50,000	4,65,50,000
% of Share holding	100%	100%	100%

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

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

12. Other Equity

	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
(a.) Equity Component of convertible preference shares:			
Deemed equity portion of non convertible preference shares on fair-value adjustments	4,24,95,328	4,24,95,328	3,46,60,745
	<u>4,24,95,328</u>	<u>4,24,95,328</u>	<u>3,46,60,745</u>
(b.) Security Premium:			
<i>(On issuance of preference shares)</i>			
As at the beginning of the year	76,50,00,000	63,00,00,000	-
Add: Received on non-convertible preference shares issued during the year	-	13,50,00,000	63,00,00,000
As at the end of the year	<u>76,50,00,000</u>	<u>76,50,00,000</u>	<u>63,00,00,000</u>
(c.) Balance in profit & Loss Statement:			
As at the beginning of the year	(3,12,44,921)	(5,18,21,070)	-
Add: Profit / (Loss) for the Year	1,81,65,763	2,05,76,149	(5,18,21,070)
Net deficit in the profit and loss statement	<u>(1,30,79,159)</u>	<u>(3,12,44,921)</u>	<u>(5,18,21,070)</u>
(d.) FVTOCI			
As at the beginning of the year.	4,36,054	-	-
Remeasurement gain/(loss) on defined benefit plans	7,29,403	6,51,440	-
Income tax effect on above	(2,41,163)	(2,15,386)	-
Balance carried forward to next year	<u>9,24,294</u>	<u>4,36,054</u>	<u>-</u>
	<u>79,53,40,464</u>	<u>77,66,86,461</u>	<u>61,28,39,675</u>

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

13. Borrowings (at amortised cost)

Non-Current	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
(a) Secured Loans			
Term Loans from banks:			
ICICI Bank Ltd (Refer Note (i) below)	-	70,47,59,732	61,50,74,044.01
Federal Bank Ltd (Refer Note (ii) below)	1,06,48,63,295	-	-
	<u>1,06,48,63,295</u>	<u>70,47,59,732</u>	<u>61,50,74,044</u>
(b) Unsecured Loans			
Inter-Corporate Deposits			
Inter Corporate deposit from Zuari Global Ltd (Refer Note (iii) below)	4,00,00,000	4,83,00,000	11,25,00,000
Inter Corporate deposit from Adventz Finance Private Limited (Refer Note (iii) below)	-	20,00,00,000	-
(c) Liability component of Non-Convertible Redeemable Preference Shares			
Non-Convertible Redeemable Preference Shares (Refer Note (vi) below)	5,61,54,238	4,92,74,637	3,63,80,122
	<u>9,61,54,238</u>	<u>29,75,74,637</u>	<u>14,88,80,122</u>
	<u>1,16,10,17,533</u>	<u>1,00,23,34,369</u>	<u>76,39,54,166</u>
Current maturities of Long-Term Borrowings*			
From Banks	-	29,25,00,000	15,50,00,000
From Others - Inter-Corporate Deposits	28,48,00,000	11,25,00,000	29,83,00,000
	<u>28,48,00,000</u>	<u>40,50,00,000</u>	<u>45,33,00,000</u>

* Current maturities are carried to Note - 15: Other financial liabilities (Current)

Note 13.1:

(i) ICICI Bank (Term Loan I & II)

(a) Secured by equitable mortgage on the piece & parcel of land measuring 2,83.890 sq.m at Hulikere Village and building constructed there at, hypothecation of receivables, pertaining to the extant project, both present and future.

(b) Term loans are taken towards developing the housing projects of Kabini, Kapila, Kaveri, Phase III Villas as well as development at Zuari Garden city.

(c) Term Loan-I carries interest rate of 12.6% and Interest at 12.15% per annum for Term Loan-II.

(d) During the year company has pre-closed this loan and loan outstanding as at year-end is Rs Nil (2016 : Rs 99,72,59,732/-, 2014-15 Rs. 77,00,74,044/-)

(ii) Federal Bank (Term Loan)

(a) Term loan facility of Rs. 150 Crores 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.

(b) It is covered by first charge on the Escrow account into which all project receipt will be deposited, DSRA equivalent to 3 months interest during the moratorium and further by Corporate Guarantee to be issued by "Zuari Global Limited".

(c) Interest Rate: MCLR for 12 months tenor at 8.95% plus 3.05% spread (i.e., effective rate of 12% p.a.) subject to yearly MCLR review with monthly compounding.

(d) Terms of Repayment: Repayable in 36 monthly instalment of Rs. 4.16 crores each, commencing from 31.03.2019 with a initial moratorium period of 24 months.

(e) Amount of loan outstanding as at 31 March, 2017 is Rs 1,06,48,63,295/- (2015-16: Nil, 2014-15 Nil).

(iii) Inter-Corporate Deposits

(a) Terms: Zuari Global Ltd

Unsecured Loans of Rs. 12,48,00,000/- at a interest rate of 8% p.a. due for maturity between June 2017 to September 2018 (2015-16 Rs 16,08,00,000/- at a interest rate of 8% p.a. due for Maturity between May, 2016 to October, 2017)

(b) Terms: Adventz Finance India Limited

Unsecured Loan of Rs 20,00,00,000/- at a interest rate of 14% p.a. due for maturity on June 2017 (P.Y Rs. 20,00,00,000/- at interest rate of 14% p.a. due for Maturity between June, 2017 to July, 2017)



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

13. Borrowings (at amortised cost)

(Amount in Rupees, except otherwise stated)

(vi) Preference Shares held by Mr. Saroj Kumar Poddar (Also, Refer Note 35)

Preference Shares	(In Numbers)		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
At the beginning of the year of Rs 10 each, issued at premium Rs 90 per share)	85,00,000	70,00,000	70,00,000
Issued during the year (of Rs 10 each, issued at premium Rs 90 per share)	-	15,00,000	-
Outstanding at the end of the year (of Rs 10 each, at premium Rs 90 per share)	85,00,000	85,00,000	70,00,000

(b) Terms / Rights attached to 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. Each holder of preference shares is entitled to one vote per share on resolutions placed before the company, which directly affect the rights attached to the preference share. These shares are redeemable at a price band of Rs 125 - Rs 150 per preference share.

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

14. Trade payables

Non-current	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Retention money	3,97,13,676	3,69,10,185	3,09,35,105
	3,97,13,676	3,69,10,185	3,09,35,105
Current	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Dues to Related Parties	2,82,61,042	51,78,346	58,08,017
Dues to others	11,42,90,483	13,22,10,319	7,66,77,759
Retention money	1,00,03,904	57,11,897	75,26,052
	15,25,55,429	14,31,00,562	9,00,11,828

Note 14.1: Other Notes

- (i) Trade payables are non-interest bearing and are normally settled on its due date as per the payment terms.
(ii) For terms and conditions with related parties, refer to Note 36
(iii) For details on the Company's credit risk management processes, refer to Note 31
(iv) There are no vendors who are micro or small enterprises, as defined under the Micro, Small or Medium Enterprises Development act, 2006 who have notified the company. Thus no disclosures are made in this regard.

15. Other Financial Liabilities

Current	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Other financial liabilities (at cost)			
Current maturity of long term loans (refer note 13)	28,48,00,000	40,50,00,000	45,33,00,000
Interest Accrued but not Due on Term Loan	-	58,71,965	48,33,150
Interest accrued and due on borrowings*	2,06,33,901	86,88,992	79,93,106
Due to employees	58,34,832	84,76,335	67,48,672
Due to related parties	9,59,560	12,946	11,154
	31,22,28,293	42,80,50,238	47,28,86,082

* The Management is of the view that the settlement / service of interest debited by the bank on the day subsequent to such a debit is not a default.

16. Other Liabilities

Current	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Statutory Liabilities	73,86,370	48,85,317	53,27,117
Advances from Customers	22,04,32,729	15,17,95,971	20,75,78,439
	22,78,19,099	15,66,81,288	21,29,05,556

17. Provisions

Non-Current	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Provision for employee benefits			
- Gratuity	28,19,725	26,02,024	21,33,036
- Compensated Absences	14,72,489	14,72,152	14,64,296
	42,92,214	40,74,176	35,97,332
Current	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Provision for employee benefits			
- Gratuity	1,82,650	1,41,134	51,614
- Compensated Absences	2,76,263	2,63,899	3,15,050
	4,58,913	4,05,033	3,66,664



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

18. Non current assets held for sale

	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Capital assets held for sale (net of provision Nil (2015-16: Nil, 2014-15 Rs. 5,00,000/-))	-	-	34,46,930
	-	-	34,46,930

19: Income Taxes

	<i>(Amount in Rupees, except otherwise stated)</i>	
	As at 31 March 2017	As at 31 March 2016
(a.) Income Tax Expense comprises of:		
Current Tax Expenses	28,87,707	22,89,953
Deferred Tax Expenses	29,84,134	(7,42,624)
	58,71,840	15,47,329

(i) Reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate and disclosure relating to, disclosing also the basis on which the applicable tax rate is computed is given below:

	As at 31 March 2017	As at 31 March 2016
Profit for the year before taxes	2,40,37,603	2,21,23,478
Tax at the applicable tax rate of 30.90% (31.3.2016: 30.90%)	74,27,619	68,36,155
<i>Tax effect of income that are not taxable in determining taxable profit</i>		
Gain on fair value adjustments to preference shares	(32,38,935)	(15,24,206)
Dividend Income	-	(2,27,020)
Expenditure towards CSR Activities	-	4,33,659
Other adjustments	3,37,563	15,05,774
<i>Tax effect due to Change in differed tax rate</i>		
Gain on fair value adjustments to Mutual funds taxable at differential rate	(32,54,540)	(9,67,207)
Interest portion fair value adjustment to preference shares issued	(1,48,806)	(1,23,920)
Other adjustments	(18,652)	45,227
Tax effect on losses brought forward for tax purpose	-	(44,31,181)
Tax effect on losses carried forward for tax purpose	47,67,590	-
Tax Expense for the year	58,71,840	15,47,279
Deferred tax liability:		
Fair valuation of investment in mutual funds	1,07,17,205	26,18,699
Fair valuation of investment in Preference shares	-	-
Total deferred tax liability (A)	1,07,17,205	26,18,699
Deferred tax assets:		
Fixed assets Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	22,90,965	22,37,350
Unwinding of security deposit paid	14,103	9,170
Finance cost preference shares	45,12,956	22,38,354
MAT Entitlement	75,95,063	50,55,003
Total deferred tax assets (B)	1,44,13,088	66,05,869
Deferred Tax Asset (Net) (B - A)	36,95,882	63,93,941
Deferred Tax Expenses/ (credit) - P&L	29,84,134	(7,42,624)
Deferred Tax Expenses/ (credit) - OCI	(2,41,163)	(2,15,386)

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.



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

20. Revenue From Operations

	<i>(Amount in Rupees, except otherwise stated)</i>	
	As at	As at
	31 March 2017	31 March 2016
Income from property development	11,78,34,366	24,48,40,658
Development Management Fees	6,98,20,420	8,23,45,386
	18,76,54,786	32,71,86,044

21. Other income

	<i>(Amount in Rupees, except otherwise stated)</i>	
	As at	As at
	31 March 2017	31 March 2016
Other income		
<u>Interest on:</u>		
Bank deposits	2,27,854	4,28,36,602
Others, net	29,48,229	50,48,358
Dividend from Mutual funds	-	7,34,693
Gains from redemption of Mutual Fund	11,25,067	31,68,919
Gain on fair value adjustments relating to financial assets through Profit & Loss	4,72,23,241	1,68,13,202
Adjustment on amortisation of financial assets	1,78,163	1,65,348
Miscellaneous income	14,24,083	26,83,673
	5,31,26,637	7,14,50,795
21.1 : Earnings in Foreign Currency		
Development Management Fees	6,00,00,000	6,00,00,000
Interest Income	5,46,814	8,52,936
Guarantee Commission	6,09,098	20,71,158
	6,11,55,912	6,29,24,094

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

22. Project construction and development expenses

	<i>(Amount in Rupees, except otherwise stated)</i>	
	As at	As at
	31 March 2017	31 March 2016
Architect Fees	-	2,16,00,454
Consultancy Fee	9,63,639	2,34,89,408
Depreciation on assets - Projects	8,09,194	8,96,581
Project Approval cost	-	64,33,533
Land Development	6,70,105	97,80,422
Civil Work	11,44,29,053	24,30,72,120
Landscape Expenses	44,14,999	26,22,080
Site Office Expenses	38,27,795	15,27,116
Site Security Expenses	60,94,007	26,26,123
Project Staff Costs	4,65,62,772	4,87,31,244
Contribution to Provident & Other funds	19,36,287	17,26,677
Property Tax	14,88,908	36,04,352
Infrastructure Expenses	2,94,38,101	5,90,10,833
Miscellaneous project Expenses	9,85,714	55,50,411
Sub Total	21,16,20,573	43,06,71,354
Add: Borrowing cost incurred during the year	14,97,42,614	16,81,46,666
	36,13,63,187	59,88,18,019

23. Changes in inventories of construction work-in-progress

	<i>(Amount in Rupees, except otherwise stated)</i>	
(Increase)/Decrease in Inventory	As at	As at
	31 March 2017	31 March 2016
Construction Work-in- progress		
Inventory at the beginning of the year	1,28,18,43,520	95,80,58,493
Less:- Transferred to other current assets	-	(2,91,584)
Add : Cost incurred during the year	36,13,63,187	59,88,18,019
Less: Cost relatable to revenue recognised during the year	(11,29,57,531)	(27,47,41,408)
Inventory at the end of the year	1,53,02,49,176	1,28,18,43,520
Total (Increase) / Decrease	(24,84,05,656)	(32,40,76,611)

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

24. Employee Benefits Expense

	<i>(Amount in Rupees, except otherwise stated)</i>	
	As at 31 March 2017	As at 31 March 2016
Salaries and wages	1,60,63,485	2,36,89,759
Contribution to provident and other funds	5,83,717	10,97,121
Gratuity	9,25,826	12,09,949
Staff welfare expenses	3,11,812	4,20,075
	1,78,84,839	2,64,16,904

25. Finance Costs

	<i>(Amount in Rupees, except otherwise stated)</i>	
	As at 31 March 2017	As at 31 March 2016
<u>Interest expense:</u>		
Interest on borrowings	16,89,28,884	17,12,24,485
Other borrowing costs	1,80,26,652	1,09,51,720
Fair value adjustment to Preference Shares issued	68,79,601	57,29,098
	19,38,35,137	18,79,05,303
Less: Transfer to Project Construction and Development expenses	14,97,42,614	16,81,46,666
	4,40,92,523	1,97,58,637

26. Depreciation and amortization expense

	<i>(Amount in Rupees, except otherwise stated)</i>	
	As at 31 March 2017	As at 31 March 2016
Depreciation of property, plant and equipment	21,90,909	23,47,124
Amortisation of intangible assets	11,11,355	4,50,517
	33,02,264	27,97,641

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

27. Other expenses

	<i>(Amount in Rupees, except otherwise stated)</i>	
	As at 31 March 2017	As at 31 March 2016
Rent	65,51,794	65,03,330
Travel and conveyance	21,00,198	35,50,243
Legal and professional fees	53,06,767	1,04,80,381
Communication and internet charges	9,07,634	9,36,357
Office Expenses	31,75,010	30,02,040
Repairs and maintenance	16,97,614	17,06,451
Auditors remuneration	6,47,580	5,97,009
Recruitment expenses	6,97,141	20,76,693
Advertising and publicity expense	48,56,327	1,15,05,510
Rates and taxes	21,75,878	37,089
Commission & Brokerage	63,32,661	87,12,448
Security Expenses	28,58,496	8,58,988
Miscellaneous expenses	11,88,714	27,82,731
Loss on disposal of Asset	10,850	49,501
	3,85,06,663	5,27,98,771
Note 27.1: Payment to auditors (net of service tax)		
Statutory Audit Fees	5,00,000	5,00,000
Tax Audit Fees	75,000	40,512
Certification fees	50,000	22,900
Other- out of pocket expenses	22,580	33,597
	6,47,580	5,97,009
Note 27.2: Expenditure in foreign Currency on accrual basis		
Architect Fees	-	2,03,49,998
Sponsorship & promotions	-	13,86,694
Foreign Travel	25,17,153	34,65,423
	25,17,153	2,52,02,115

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

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

(a.) 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 2017	As at 31 March 2016	As at 1 April 2015	
(i) Zuari Infra Middle East Ltd	UAE	100%	100%	100%	Line by line consolidation

(b.) 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 2017	As at 31 March 2016	As at 1 April 2015	
(i) Brajbhumi Nirmaan Private Limited	India	25%	25%	25%	Equity Accounting
(ii) Darshan Nirman Private Limited	India	25%	25%	25%	Equity Accounting
(iii) Pranati Niketan Private Limited	India	25%	25%	25%	Equity Accounting

29. Commitments and Contingencies

(a.) Leases

Operating lease - as lessee

The Company has taken office premises on an 11 Year operating lease. The lease rentals recognized in the Income & Expenditure account for the year are Rs. 57,72,792/- (2015-16 Rs 59,16,452/-, 2014-15 Rs. 56,53,655/-). The future lease payments of operating lease are as follows :

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

	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Lease rentals recognized during the period	57,72,792	59,16,452	56,53,655
Lease Obligations			
- Within one year	1,16,41,104	49,66,308	49,66,308
- After one year but not more than five years	5,27,76,580	5,06,38,584	5,16,64,428
- More than five years	4,70,28,388	6,13,83,375	5,69,27,232

(b.) Contingent Liabilities

(i) During the year service tax audit was completed for the period from 10/2014 to 03/2016 and an Audit note dated 21.12.2016 was issued by the service tax department. Tax impact of the audit note is estimated to be Rs 34,08,398/- The management is confident that the issues raised in the audit note are not sustainable and hence no provision is considered necessary at this stage

(ii) Dividend on cumulative preference shares - Rs 1,52,54,704 (2015-16: Rs 67,58,197, 2014-15 :Rs 1,271,507)

(c.) Capital and Other Commitments

(i) Estimated amount of contracts remaining to be executed on Project construction and development aggregates to Rs.52,55,83,187 (2015-16: Rs 50,39,66,647) (2014-15 Rs 1,244,857,078).

(ii) The Company has furnished Stand-by Letter of Credit (SBLC) of obtained from State bank of India issued in favour of Zuari Infraworld Middle East Limited, UAE (a Wholly owned subsidiary) in respect of borrowings obtained from National Bank of Fajairah by Zuari Infraworld Middle East Limited, UAE. Outstanding as at the reporting date is AED 4,19,00,000 (2015-16: AED 41,900,000, 2014-15: AED 21,000,000)

30. Earnings Per Share ("EPS")

Basic and Diluted 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.

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

Particulars	31 March 2017	31 March 2016
Profit attributable to equity holders of the parent company	1,81,65,763	2,05,76,149
Weighted Average number of equity shares used for computing "EPS" (Basic & Diluted)	4,65,50,000	4,65,50,000
Earning Per Share (Basic and Diluted) (Rs.)	0.39	0.44
Face value per share (Rs.)	10.00	10.00



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees, except otherwise stated)

31. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by the finance team that advises on financial risks and the appropriate financial risk governance framework for the Company. Further the company is predominantly into the real estate sector which will be subject to The Real Estate (Regulation and Development) Act, 2016 (RERA) which may have significant impact on its operation

(a.) 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 FVTOCI investments

(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 Federal Bank is subject to floating rate of interest while the borrowings from the related entities carry interest at a fixed rates.

Interest sensitivity analysis	Outstanding Loan facility subject to floating rates	Increase/ decrease in basis points	Effect on profit before tax*
For the year ended 31 March 2017			
Increase in base points	1,06,48,63,295	+50	53,24,316
Decrease in base points	1,06,48,63,295	-50	(53,24,316)
For the year ended 31 March 2016			
Increase in base points	99,72,59,732	+50	49,86,299
Decrease in base points	99,72,59,732	-50	(49,86,299)

(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 listed and 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.

(b.) 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.



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees, except otherwise stated)

(i.) Trade receivables

Sale of Flats & Villas:

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. The customers demands due are reported as 'Unbilled Revenue' pursuant to revenue recognition norms as stipulated in Guidance note on Real Estate Transactions (for the entities to whom Ind AS is applicable) issued by The Institute of Chartered Accountants of India

Development Management Fees:

Apart from real estate activities, the Company also provides Project Development services to 2 customers (both related parties). The entire Trade Receivables comprised of dues from these 2 entities which is aggregate to Rs 19,54,01,900 (2015-16: 12,75,34,400, 2014-15: 5,03,54,000)

An impairment analysis is performed at each reporting date on an individual basis for these entities. Although Company does not hold collateral 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.

(c.) Liquidity risk

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

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, Debt Preference Shares and finance leases. The Company is in the process of assessing the concentration of risk with respect to refinancing its debt preference shares and it is of the opinion that had the same been assessed it would be low.

(d.) 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 Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March, 2017:

	On demand	less than 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings	-	-	28,48,00,000	1,16,10,17,533	-	1,44,58,17,533
Trade payables	-	2,75,23,106	12,50,32,323	3,97,13,676	-	19,22,69,105
Other financial liabilities	-	1,22,79,930	21,55,39,169	-	-	22,78,19,099
	-	3,98,03,036	62,53,71,492	1,20,07,31,209	-	1,86,59,05,737

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March, 2016:

	On demand	less than 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings	-	-	40,50,00,000	1,00,23,34,369	-	1,40,73,34,369
Trade payables	-	2,06,90,000	12,24,10,562	3,69,10,185	-	18,00,10,747
Other financial liabilities	-	1,45,60,957	84,89,281	-	-	2,30,50,238
	-	3,52,50,957	53,58,99,843	1,03,92,44,554	-	1,61,03,95,354

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March, 2015:

	On demand	less than 3 month	Less than 1 years	1 to 3 years	> 3 years	Total
Borrowings	-	-	45,33,00,000	76,39,54,166	-	1,21,72,54,166
Trade payables	-	2,35,00,000	6,65,11,828	3,09,35,105	-	12,09,46,933
Other financial liabilities	-	1,36,86,912	58,99,170	-	-	1,95,86,082
	-	3,71,86,912	52,57,10,998	79,48,89,271	-	1,35,77,87,181



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

32: Fair values

(Amount in Rupees, except otherwise stated)

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value			Fair value		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
(a.) Financial assets						
(i) FVPL financial instruments:						
Un-Quoted mutual funds	43,36,21,750	39,68,80,500	-	43,36,21,750	39,68,80,500	-
Preference Shares held in Associate Company	6,54,14,692	5,49,32,702	5,00,00,000	6,54,14,692	5,49,32,702	5,00,00,000
(ii) Amortised Cost:						
Security deposits	27,17,235	54,00,620	51,85,272	27,17,235	54,00,620	51,85,272
Loans to employees	3,74,154	55,16,648	55,14,537	3,74,154	55,16,648	55,14,537
Total	50,21,27,831	46,27,30,470	6,06,99,808	50,21,27,831	46,27,30,470	6,06,99,808
(b.) Financial liabilities						
Borrowings (at amortised costs):						
ICICI Bank Ltd - Term Loan	-	70,47,59,732	61,50,74,044	-	70,47,59,732	61,50,74,044
Federal Bank Ltd-Term Loan	1,06,48,63,295	-	-	1,06,48,63,295	-	-
Preference shares	5,61,54,238	4,92,74,637	3,63,80,122	5,61,54,238	4,92,74,637	3,63,80,122
	1,12,10,17,533	75,40,34,369	65,14,54,166	5,61,54,238	75,40,34,369	65,14,54,166

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) Long-term fixed-rate and variable-rate Borrowings are evaluated by the Company based on parameters such as interest Rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables, if any.

(b) 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 equity investments.

(c) The fair values of the remaining FVTOCI financial assets are derived from quoted market prices in active markets or other significant observables.

(d) The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at reporting was assessed to be insignificant.

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

33. Fair Hierarchy

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

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2017:

Assets measured at fair value:	Date of valuation	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:					
Mutual funds	31 March, 2017	43,36,21,750	43,36,21,750	-	-
Preference shares held in Associate	31 March, 2017	6,54,14,692	-	-	6,54,14,692
(ii.) Amortised Cost:					
Security deposits	31 March, 2017	27,17,235	-	27,17,235	-
Loans to employees	31 March, 2017	3,74,154	-	3,74,154	-

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

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March 2017:

Liabilities measured at fair value:	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Borrowings:					
Amortised Cost:					
Federal Bank Ltd - Term Loan	31 March, 2017	1,06,48,63,295	-	1,06,48,63,295	-
Preference shares	31 March, 2017	5,61,54,238	-	5,61,54,238	-

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.

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

34. Gratuity and other post-employment benefit plans

(Amount in Rupees, except otherwise stated)

	As at	As at	As at
	31 March 2017	31 March 2016	1 April 2015
Value of Plan - Gratuity (Un-Funded)	30,02,375	27,43,159	21,84,650
	30,02,375	27,43,159	21,84,650

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	As at
	31 March 2017	31 March 2016
Current Service Cost	11,72,356	10,35,177
Net Interest Cost	1,90,674	1,74,772

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

Particulars	As at	As at
	31 March 2017	31 March 2016
Actuarial (gain)/ loss on obligations	(7,29,409)	(6,51,440)

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

Particulars	As at	As at
	31 March 2017	31 March 2016
Opening defined obligation	27,43,159	21,84,650
Current service cost	11,72,356	10,35,177
Interest cost	1,90,674	1,74,772
Contribution paid	(3,74,405)	-
Actuarial (gain)/ loss on obligations	(7,29,409)	(6,51,440)
Defined benefit obligation	30,02,375	27,43,159

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

	As at	As at	As at
	31 March 2017	31 March 2016	1 April 2015
Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.	IALM (2006-08) Ult.
Interest / Discount Rate	6.69%	7.46%	8%
Rate of increase in compensation	9%	9%	9%
Expected average remaining service	9.02	8.7	14.35
Employee Attrition Rate [Past Service ("PS")]	PS: 0 to 40 years : 8%	PS: 0 to 40 Years: 8%	PS: 0 to 42 Years : 3%



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

34. Gratuity and other post-employment benefit plans

(Amount in Rupees, except otherwise stated)

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

Gratuity Plan

Assumptions Sensitivity Level	31 March 2017		31 March 2016	
	Discount rate		Future salary increases	
	+1% increase	-1% decrease	+1% increase	-1% decrease
	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Impact on defined benefit obligation	27,89,367	32,47,185	32,19,083	27,99,040

Assumptions Sensitivity Level	31 March 2016		31 March 2016	
	Discount rate		Future salary increases	
	+1% increase	-1% decrease	+1% increase	-1% decrease
	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Impact on defined benefit obligation	25,33,286	29,83,284	29,67,730	25,41,300

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:

	As at	As at
	31 March 2017	31 March 2016
	Amount in Rs	Amount in Rs
Within the next 12 months (next annual reporting period)	1,82,650	1,50,293
Between 2 and 5 years	15,69,335	24,15,010
Between 5 and 10 years	32,54,386	40,01,031
Total expected payments	50,06,371	65,66,334

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

35: First Time Adoption of Ind AS

(Amount in Rupees, except otherwise stated)

These financial statements, for the year ended 31 March 2017, have been prepared in accordance with Ind-AS. For periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance with reporting requirement in India immediately before adopting Ind AS ('previous GAAP'). For the purposes of transition to Ind-AS, the Company has followed the guidance prescribed in Ind-AS 101-First Time adoption of Indian Accounting Standard, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

Accordingly, the company has prepared financial statements which comply with Ind-AS applicable for periods ending on or after 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the company's opening balance sheet was prepared as at 1 April 2015, the company's date of transition to Ind-AS. This note explains the principal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

Exemptions applied on first time adoption of Ind-AS 101

(a.) Investment in subsidiaries, Joint ventures and associates:

The Company has elected this exemption and opted to continue with the carrying value of investment in subsidiaries and Associates, as recognised in its Indian GAAP financials, as deemed cost at the date of transition.

(b.) Deemed Cost

Pursuant to IND-AS 101, the Company has opted to report item of property, plant and equipment at the date of transition to Ind ASs at its carrying value and use that value as its deemed cost at that date.

(c.) Non-current assets held for sale and discontinued operations

Ind AS 105 requires non-current assets that meet the criteria to be classified as held for sale, noncurrent assets that are held for distribution to owners and operations that meet the criteria to be classified as discontinued and carried at lower of its carrying amount and fair value less cost to sell on the initial date of such identification. Ind AS 105 also requires that a non-current asset classified as held for sale or forming part of disposal group should not be depreciated or amortized, if the asset's measurement is covered within the scope of Ind AS 105. Ind AS 101 contains a voluntary exemption whereby a first time adopter can:

- ▶ Measure such assets or operations at the lower of carrying value and fair value less cost to sell at the date of transition to Ind ASs in accordance with Ind AS 105, and
- ▶ Recognise directly in retained earnings any difference between that amount and the carrying amount of those assets at the date of transition to Ind ASs determined under the entity's previous GAAP.

(d.) Cumulative translation differences

A first-time adopter need not comply with the requirements in Ind AS 21 to recognise cumulative translation differences on foreign operations (i.e., cumulative translation differences that existed at the date of transition to Ind AS). Accordingly,

- a) The cumulative translation differences for all foreign operations are deemed to be zero at the date of transition to Ind AS
- b) The gain or loss on a subsequent disposal of any foreign operation must exclude translation differences that arose before the date of transition to Ind AS and shall include later translation differences.

The exemption applies to all cumulative translation differences arising from the translation of foreign operations, including related gains or losses on related hedges.

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

35: First Time Adoption of Ind AS

(Amount in Rupees, except otherwise stated)

35.1 : Reconciliation of Equity

Particulars	Notes	As at 31 March 2016	As at 1 April 2015
Equity as reported under previous GAAP		1,27,50,46,802	1,11,36,26,104
Adjustments pursuant to Ind-AS			
Opening adjustment to retained earnings		(3,52,86,431)	-
Fair valuation of investment in mutual funds	1(a.)	1,09,19,023	9,61,477
Interest expense recognised on liability component of Preference Shares	2	(57,29,099)	(10,40,866)
Fair valuation of investment in Preference shares	1(c.)	49,32,705	-
Unwinding of security deposits paid	1(b.)	1,65,348	-
Amortisation of prepaid rent in relation to discounting of security deposits paid	1(b.)	(1,93,083)	-
Re-measurement gains (losses) on defined benefit plans - Adjustment to P&L	3	(6,51,440)	-
Re-measurement gains (losses) on defined benefit plans - through OCI		6,51,440	-
Incremental deferred tax impact recognised in P & L Statement	4	(5,03,388)	1,32,213
Compulsorily convertible preference shares reclassified as Debt	2	(1,50,00,000)	(7,00,00,000)
Deemed Equity Share Capital	2	78,34,583	3,46,60,745
Equity as reported under Ind-AS		1,24,21,86,460	1,07,83,39,673

35.2: Reconciliation of Profit

Particulars	Notes	As at 31 March 2016
Profit as reported under previous GAAP		1,14,20,699
Ind-AS: Adjustments increase (decrease):		
Fair valuation of investment in mutual funds	1(a.)	1,09,19,023
Interest expense recognised on liability component of compound financial instrument	2	(57,29,099)
Fair valuation of investment in Preference shares	1(c.)	49,32,705
Unwinding of security deposits paid	1(b.)	1,65,348
Amortisation of prepaid rent in relation to discounting of security deposits paid	1(b.)	(1,93,083)
Re-measurement gains (losses) on defined benefit plans - through P&L		(6,51,440)
Incremental deferred tax impact recognised - P & L	4	(2,88,003)
Total adjustment to profit or loss		91,55,451
Profit or loss under Ind-AS		2,05,76,150
Other comprehensive income	3	4,36,054
Total comprehensive income under Ind-AS		2,10,12,204

35.3 : Footnotes to the reconciliation of equity as at 1 April 2015 and 31 March 2016 and profit or loss for the year ended 31 March 2016

(1) Financial assets

(a.) Investments in Mutual funds:

The 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)

(b.) Security Deposits:

Financial assets such as interest free security deposits were being carried over at cost under IGAAP. On application of Ind AS 109, all such financial assets are now being measured at amortised cost using effective rate of interest. At the date of transition to Ind AS, there has been no impact since the company has availed Ind AS 101 exemption with respect to measurement of financial instruments. During the year ended 31 March 2016, the Company's profit has decreased owing to net effect of unwinding of finance expenses in relation to these financial assets and amortisation of deferred expenses recognised.

(c.) Investments in Preference shares - Financial Assets

Company has made investment in 1% Redeemable optionally convertible Non-cumulative Preference Shares of Brajbhumi Nirmaan Private Limited. 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). For this purpose fair valuation was carried by an independent valuers and the same has been relied upon by the auditors.



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

35: First Time Adoption of Ind AS

(Amount in Rupees, except otherwise stated)

(2) Preference shares - Financial Liabilities

Company has issued non-convertible redeemable preference shares of Rs 10/- each, carrying coupon rate of 8.5% per annum which are cumulative in nature, at a premium of Rs 90/- share. These shares are redeemable on 31st March 2020 at a price band of Rs 125 to Rs 150 per share. The premium received on these shares at Rs 90/- per share has been credited to 'Securities Premium Account' as required under Companies Act, 2013.

Pursuant to Schedule III 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. 5,61,54,238/- (2016: Rs.4,92,74,637/-; 2015: Rs 3,63,80,122/-) has been classified under 'Long-term Borrowings' and the portion computed as the deemed equity amounting to Rs. 4,24,95,328 (2016: Rs. 4,24,95,328/- ; 2015: Rs. 3,46,60,745/-) 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 Companies Act, 2013 since such classification of the 'securities premium account' into 'borrowings' or 'other equity' will be inconsistent with the provisions of section 52 of the Companies Act, 2013 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 Companies Act, 2013

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 contained in section 52 and 55 of the Companies Act, 2013. Accordingly No adjustments are made as required under Ind-AS 32 and Ind-AS 109 read with Schedule III of the Companies Act, 2013.

(3) Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, 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 in OCI. Due to this, for the year ended 31 March 2016, the employee benefit cost is reduced and Remeasurements gains on defined benefit plans has been recognized in the OCI.

(4) Deferred taxes

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

In addition, the various transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in relation to the underlying transaction either in retained earnings or a separate component of equity. On the date of transition, the Company has recognised incremental deferred with a corresponding credit to retained earnings, further during the year ending 31 March 2016, there has been a decrease in net profit owing to increase in deferred tax expense.

35.4: Cash Flow Statement

There were no significant reconciliation items between cash flow statements prepared under Indian GAAP and those prepared under Ind AS. Hence no separate reconciliation is considered necessary.

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

36. Related Party Disclosures

(Amount in Rupees, except otherwise stated)

(a.) List or related party identified by the management

Holding Company	Zuari Global Limited
Subsidiary	Zuari Infra Middle East Limited
Fellow Subsidiaries	Zuari Management Services Limited Simon India Limited Zuari Investment Limited Zuari Agro Chemicals Limited
Associate	Brajbhumi Nirmaan Private Limited Darshan Nirmaan Private Limited Pranati Niketan Private Limited
Key Management Personnel	Mr. Alok Banerjee, Chief Executive Officer Mr. Anshul Amit Bansal, Chief Financial officer (w e f. 19.10.2016) Mr. Krishan Kumar Gupta, Non Executive Director Mr. Vishwajit Kumar Sinha, Non Executive Director Mr. Sunil Sethy, Independent Director Mr. Narayanan Suresh Krishnan, Independent Director Mr. G.U.V.S Nagaraju (Upto 21.05.2016) Mr. Pritam Das Mohapatra (Upto 17.06.2016) Mr. C G Ramegowda, Company secretary (w e f. 05.01.2017)
Director of holding company	Mr. Saroj Kumar Poddar

(b.) Transactions carried out with related parties in the ordinary course of business:

Sl. no.	Transaction details	For the year ended	
		31 March 2017	31 March 2016
1	Payment made on their behalf: Zuari Infra Middle East Limited Brajbhumi Nirmaan Private Limited Zuari Agro Chemicals Limited	2,24,57,391 - 14,58,652	1,49,83,096 - -
2	Payment made on our behalf: Zuari Agro Chemicals Limited Zuari Investments Limited Zuari Management Services Limited Zuari Global Limited	55,675 - - -	1,58,977 7,325 - 1,000
3	Service Charges / Management Fees Paid Zuari Management Services Limited Zuari Investments Limited	- 31,500	- 41,88,299
4	Service Charges / Management Fees Received/ receivable Brajbhumi Nirmaan Private Limited Zuari Infra Middle East Limited- Management Fees Zuari Infra Middle East Limited- Bank Guarantee charges	75,00,000 6,00,00,000 6,09,097	1,80,00,000 6,00,00,000 20,71,158
5	Inter-Corporate Deposits Given- Asset Zuari Infra Middle East Limited - Given - Recovered Inter-Corporate Deposits Taken - Liability Zuari Global Limited - Accepted - Repayment	61,27,848 4,00,00,000 7,60,00,000	- - 5,00,00,000
6	Interest paid/payable on ICD received Zuari Global Limited	97,43,781	2,26,63,153
7	Interest received/receivable on ICD given Zuari Infra Middle East Limited Brajbhumi Nirmaan Private Limited	5,46,814 -	8,52,936 -
8	Reimbursement of Employee Compensation received/receivable Brajbhumi Nirmaan Private Limited	26,66,159	63,81,596
9	Preference Share capital issued (Rs 10 per share at a premium of Rs 90) Mr. Saroj Kumar Poddar	-	15,00,00,000



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

36. Related Party Disclosures

(Amount in Rupees, except otherwise stated)

Sl. no.	Transaction details	For the year ended	
		31 March 2017	31 March 2016
10	Managerial Remuneration paid		
	Short-term employee benefits	1,15,24,896	84,51,878
	Post employment benefits	6,73,805	4,94,347
11	Commission and other benefits to non-executive/independent directors		
	Sitting Fees	5,72,500	3,40,000

(c.) Year-end Balances:

Sl. no.	Year-end balances	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
1	Unsecured Loan (Including Interest accruals)			
	- ICD from Holding Company (ZGL)	12,63,37,998	16,08,00,000	21,08,00,000
	- ICD to Subsidiary Company (ZIMEL)	-	61,27,848	61,27,848
2	Year-end Payables			
	- Zuari Global Limited	1,11,13,022	1,002	-
	- Simon India Limited	36,92,844	36,92,844	36,92,844
	- Zuari Investments Limited	14,84,500	14,84,500	18,42,480
	- Zuari Management Services Limited	-	-	72,693
	- Zuari Agro Chemicals Limited	25,45,547	4,67,390	4,68,879
3	Trade Receivables			
	- Zuari Infra Middle East Limited	15,50,00,000	9,50,00,000	3,50,00,000
	- Brajbhumi Nirmaan Private Limited	4,04,01,900	3,25,34,400	1,53,54,000
4	Other Payables			
	- Mr. Alok Banerjee	7,37,601	10,810	3,200
	- Mr. Anshul Amit Bansal	1,29,037	6,966	-
	- Mr. C G Ramcgowda	92,922	-	-
	- Mr G U V S Nagaraju	-	1,460	11,154
	- Mr Pritam Das Mohappatra	-	676	-
5	Other Recoverables			
	- Brajbhumi Nirmaan Private Limited	43,37,491	40,49,492	43,35,117
	- Zuari Infra Middle East Limited	3,84,10,977	3,54,24,355	1,75,17,165

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

37. Segment Information

(Amount in Rupees, except otherwise stated)

Information regarding Operating Segment Reporting as per Ind AS-108

The Company operates in only one segment (i.e., Real Estate Sector) which consists of development of properties and rendering development management services and thus entire business has been considered as a single operating component by the management.

Geographical information	Revenue from external customers		Non-current assets	
	Year Ended	Year Ended	As at	As at
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
India	12,76,54,786	26,71,86,044	12,65,63,599	13,45,05,002
Outside India	6,00,00,000	6,00,00,000	-	-
	18,76,54,786	32,71,86,044	12,65,63,599	13,45,05,002

(i) Segment Assets includes Rs 13,17,539/- being capital work-in-progress

(ii) Non-current assets excluding financial instruments, deferred tax assets, post-employment benefit assets, and assets arising from insurance contracts. In other words, it represents Property, Plant and Equipment and intangibles.

38. Disclosures relating to Projects

(Amount in Rupees, except otherwise stated)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Project revenue recognized as revenue in the reporting period	11,78,34,366	24,48,40,658
Aggregate amount of costs incurred and profits recognised (less recognised losses) upto the reporting date.	11,29,57,531	27,47,41,408
Amount of advance received on project under progress and outstanding at the reporting date.	22,04,32,729	15,17,95,971
Amount of work in progress and the value of inventories	1,53,02,49,177	1,28,18,43,521
Excess of revenue recognised over actual bills raised (unbilled revenue)	24,55,99,582	25,57,54,007
Method used to determine project revenue recognised during the year	Refer Note 2 (i)	Refer Note 2 (i)
Method used to determine the stage of completion of projects in progress	Refer Note 2 (i)	Refer Note 2 (i)

39 : Disclosure On Specified Bank Notes (SBN's)

The disclosure requirements as required under the MCA notification G.S.R. 308(E) dated March 30, 2017 from November 8, 2016 to December, 30 2016 is as given below:

Particulars	SBN's	Other Notes	Total
Balance as at 08 November 2016	-	13,503	13,503
(+) Permitted Receipts	-	3,87,670	3,87,670
(-) Permitted Payments	-	(2,36,101)	(2,36,101)
(-) Deposited into banks	-	-	-
Balance as at 30 December 2016	-	1,65,072	1,65,072


* As certified by the Management.

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

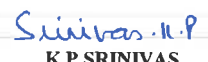
As per our report of the even date attached

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

For VARMA & VARMA
 Chartered Accountants
 FRN 004532S


N SURESH KRISHNAN
 Director


V K SINHA
 Director


K P SRINIVAS
 Partner
 M. No 208520


ANSHUL A. BANSAL
 Chief Financial Officer


G RAMEGOWDA
 Company Secretary

Place: Gurgaon
 Date: 15th May, 2017

Place: Gurgaon
 Date: 15th May, 2017



INDEPENDENT AUDITORS' REPORT

To,
The Members,
Zuari Infraworld India Limited, Bangalore

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of M/s Zuari Infraworld India Limited ("the Holding Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2017, the Consolidated Profit and Loss Statement (including other comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS financial statements in terms of the requirements Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated state of affairs (financial position), consolidated financial performance including other comprehensive income, consolidated cash flows and the consolidated changes in equity of the Group including its associates, in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act and the Guidance Note on Accounting for Real Estate Transactions issued by the Institute of Chartered Accountants of India.

The respective Board of Directors of the companies included in the Group 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; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group, as at 31 March 2017 and its consolidated financial performance including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year then ended.

Other Matter

We did not audit the financial statements of one subsidiary whose consolidated financial statements reflect total assets of Rs. 92,70,67,687 /- as at 31st March, 2017, total revenues of Rs.12,43,006/- and net cash outflows amounting to Rs.19,28,03,405/- for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 9,89,463/- for the year ended 31st March, 2017, as considered in the consolidated Ind AS 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 Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

The subsidiary reported above is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in that country and which have been audited by other auditors under generally accepted auditing standards applicable in that country. The Management is of the opinion that the financial statements of such subsidiary which is prepared in the accounting principles generally accepted in that country is in consonance with accounting principles generally accepted in India. Our opinion in so far as it relates to the balances and affairs of such subsidiaries is based on the report of other auditors.



Report on Other Legal and Regulatory Requirements

- (1) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on consolidated financial statements of a subsidiary and associates, as noted in the 'Other Matter' paragraph, 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 Ind AS financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books;
 - (c) The consolidated balance sheet, the consolidated statement of profit and loss, the consolidated statement of cash flows and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated Ind AS financial statements;
 - (d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act and the Guidance Note on Real Estate Transactions issued by the Institute of Chartered Accountants of India;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 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 incorporated in India is disqualified as on 31 March 2017 from being appointed as a Director of that company 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 Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure-A'; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) There were no pending litigations that would significantly impact the standalone Ind AS financial position of the group.
 - (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. The Group did not have any derivative contracts for which there were any material foreseeable losses.



Varma & Varma

Chartered Accountants

- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associate companies incorporated in India.
- (iv) The disclosure requirement as envisaged in notification G.S.R 308 (E) vide dated 30th March 2017 is furnished in Note 39 to the Consolidated Ind AS financial statements.

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

Place: Gurgaon
Date: 15th May, 2017



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

ANNEXURE - B TO THE AUDITORS' REPORT

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 March 2017 in conjunction with our audit of the Consolidated Ind AS financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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") issued by 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 judgment, including the assessment of the risks of material misstatement of the Ind AS 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 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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, 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 report 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 the three associate companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Place: Gurgaon
Date: 15th May, 2017



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

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

ZUARI INFRAWORLD INDIA LIMITED
CONSOLIDATED BALANCE SHEET

(Amount in Rupees, except otherwise stated)

Particulars	Notes Reference	As at		
		31 March 2017	31 March 2016	31 March 2015
I. ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	3	2,69,22,406	1,69,12,071	1,57,09,390
(b) Capital Work in progress	3.1	13,17,539	-	-
(c) Other Intangible Assets	4	5,90,625	14,01,509	10,21,582
(d) Goodwill		58,74,579	58,74,579	-
(e) Financial Assets				
(i) Investments	5 (a)	73,02,49,853	68,29,37,502	28,34,11,637
(ii) Loans	5 (b)	3,74,154	4,07,490	4,40,826
(iii) Others financial assets	5 (c)	27,17,235	54,00,620	51,85,272
(f) Deferred tax assets (net)	18	37,72,360	69,97,656	64,70,418
(g) Other non-current assets	6	11,02,53,354	11,62,43,332	7,62,10,335
Current assets				
(a) Inventories	7	2,18,34,73,943	1,72,24,99,023	95,80,58,494
(b) Financial Assets				
(i) Investments	5 (a)	-	-	24,46,31,105
(ii) Trade receivables	8	4,04,01,900	3,25,34,400	5,39,93,486
(iii) Cash and cash equivalents	9	2,46,48,218	21,64,70,025	7,07,85,374
(iv) Bank balances other than (iii) above	10	-	19,34,78,562	44,10,13,619
(v) Loans	5 (b)	61,06,362	1,23,189	10,30,679
(vi) Others financial assets	5 (c)	26,08,88,254	26,97,54,858	26,39,08,800
(c) Other current assets	6	48,35,98,458	48,73,54,452	63,31,19,134
Non-current assets classified as held for sale	18	-	-	34,46,930
TOTAL		3,88,11,89,239	3,75,83,89,268	3,05,84,37,080
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	11	46,55,00,000	46,55,00,000	46,55,00,000
(b) Other Equity	12	77,10,13,379	80,28,60,597	65,72,99,668
LIABILITIES				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	1,16,10,17,533	1,00,23,34,369	76,39,54,166
(ii) Trade payables	14	3,97,13,676	3,69,10,185	3,09,35,105
(b) Provisions	17	42,92,214	40,74,176	35,97,332
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	71,20,07,083	71,64,49,500	35,74,57,800
(ii) Trade payables	14	18,15,38,495	14,23,64,145	9,26,74,051
(iii) Other financial liabilities	15	31,22,28,293	42,80,50,238	47,37,46,738
(b) Other current liabilities	16	23,34,19,653	15,94,41,025	21,29,05,556
(c) Provisions	17	4,58,913	4,05,032	3,66,664
TOTAL		3,88,11,89,239	3,75,83,89,268	3,05,84,37,080

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

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


N SURESH KRISHNAN
Director


ANSHUL A. BANSAL
Chief Financial Officer


Place: Gurgaon
Date: 15th May, 2017


V K SINHA
Director


R G RAMGOWDA
Company Secretary

This is the consolidated balance sheet referred to in our report of the even date attached
for VARMA & VARMA

Chartered Accountants
FRN 004532S


K P SRINIVAS
Partner
M. No. 208520

Place: Gurgaon
Date: 15th May, 2017



ZUARI INFRAWORLD INDIA LIMITED
CONSOLIDATED PROFIT AND LOSS STATEMENT

(Amount in Rupees, except otherwise stated)


Particulars	Notes Reference	For the year ended 31 March 2017	For the year ended 31 March 2016
REVENUE			
Revenue From Operations	20	12,57,79,786	26,26,86,044
Other Income	21	5,32,13,732	6,86,45,771
Total Revenue		17,89,93,518	33,13,31,816
EXPENSES			
Project construction and development expenses	22	57,39,32,451	1,03,94,73,521
Changes in inventories of finished goods, stock-in-trade and work in progress	23	(46,09,74,920)	(76,47,32,114)
Employee Benefits Expense	24	44,71,211	1,03,33,484
Finance Costs	25	4,42,67,580	2,01,09,844
Depreciation and amortization expense	26	16,92,950	7,21,769
Other Expenses	27	3,45,58,172	2,99,47,584
Total expenses		19,79,47,444	33,58,54,090
Profit before share in net profit / (loss) of Associates		(1,89,53,926)	(45,22,274)
Share of profit / (loss) of joint ventures		9,89,463	(7,00,874)
Profit after share in net profit / (loss) of Associates		(1,79,64,463)	(52,23,148)
Tax expense:	19		
(i) Current Tax		28,87,707	22,89,953
(ii) Deferred Tax		29,84,134	(7,42,623)
		58,71,840	15,47,330
Profit (Loss) for the year before OCI adjustments		(2,38,36,303)	(67,70,478)
Other Comprehensive Income		(80,10,916)	94,96,823
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Foreign currency translation reserve		(84,99,156)	90,60,769
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement gains (losses) on defined benefit plans		7,29,403	6,51,440
Income tax effect		(2,41,163)	(2,15,386)
Total Comprehensive Income for the period		(3,18,47,218)	27,26,346
Earnings per equity share: Basic & Diluted	30	(0.51)	(0.15)
Weighted average shares used in computing earnings per share		4,65,50,000	4,65,50,000


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

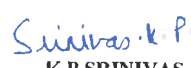
This is the consolidated profit and loss statement referred to in our report of the even date attached for VARMA & VARMA

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

Chartered Accountants
FRN 004532S


N SURESH KRISHNAN
Director


V K SINHA
Director


K P SRINIVAS
Partner
M. No. 208520


ANSHUL A. BANSAL
Chief Financial Officer


C G RAMEGOWDA
Company Secretary



Place: Gurgaon
Date: 15th May, 2017

Place: Gurgaon
Date: 15th May, 2017

ZUARI INFRAWORLD INDIA LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Amount in Rupees, unless otherwise stated)

(a) Equity Share Capital

Equity shares of Rs 10 each issued, subscribed and fully paid	Note	Number	Amount
At 1 April, 2015		4,65,50,000	46,55,00,000
At 31 March, 2016	11	4,65,50,000	46,55,00,000
At 31 March, 2017		4,65,50,000	46,55,00,000

(b) Other equity

	Note	Equity Component of convertible preference shares	Reserves and surplus		OCI Items	Total
			Security premium	Retained Earnings	Foreign Currency Translation Reserve	
As at 1 April 2015		3,46,60,745	63,00,00,000	(73,61,076)	-	65,72,99,668
Equity component of preference shares	11	78,34,583	-	-	-	78,34,583
Security premium on the issue of preference shares	12(a)	-	13,50,00,000	-	-	13,50,00,000
Profit / (loss) for the year ended 31 March, 2016	12(b)	-	-	(67,70,478)	-	(67,70,478)
Foreign Currency Translation Reserve on consolidation	12(c)	-	-	-	90,60,769	90,60,769
Other comprehensive income (net of tax expense) for year ended 31 March, 2017	12(d)	-	-	4,36,054	-	4,36,054
Total comprehensive income		-	-	(63,34,423)	90,60,769	27,26,345
At 31 March 2016		4,24,95,328	76,50,00,000	(1,36,95,500)	90,60,769	80,28,60,597

For the year ended 31 March 2017	Equity portion of convertible preference shares	Reserves and surplus		OCI Items	Total
		Security premium	Retained Earnings	Foreign Currency Translation	
As at 1 April 2016	4,24,95,328	76,50,00,000	(1,36,95,500)	90,60,769	80,28,60,597
Profit / (loss) for the year ended 31 March, 2017	12(b)	-	(2,38,36,303)	-	(2,38,36,303)
Foreign Currency Translation Reserve on consolidation	12(c)	-	-	(84,99,156)	(84,99,156)
Other comprehensive income (net of tax expense) for year ended 31 March, 2017	12(d)	-	4,88,240	-	4,88,240
Total comprehensive income	-	-	(2,33,48,062)	(84,99,156)	(3,18,47,218)
At 31 March 2017	4,24,95,328	76,50,00,000	(3,70,43,562)	5,61,613	77,10,13,379

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

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

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

for VARMA & VARMA
Chartered Accountants
FRN 004532S

N SURESH KRISHNAN
Director

V K SINHA
Director

K P SRINIVAS
Partner
M. No. 208520

ANSHUL A. BANSAL
Chief Financial Officer

C G RAMEGOWDA
Company Secretary

Place: Gurgaon
Date: 15th May, 2017

Place: Gurgaon
Date: 15th May, 2017



ZUARI INFRAWORLD INDIA LIMITED
CONSOLIDATED CASH FLOW STATEMENT

(Amount in Rupees, except otherwise stated)

Particulars	For the year ended 31 March 2017	For the year ended 31 March 2016
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit after taxation	(1,79,64,463)	(52,23,148)
<i>Adjustment for :</i>		
Foreign currency translation reserve	(85,26,177)	90,60,769
Interest Income	(26,29,269)	-
Depreciation & Amortisation	49,78,842	37,00,440
Short Term Capital Gain - Mutual Fund	(11,25,067)	-
Loss on disposal of Asset	10,850	49,501
Profit on sale of asset held for sale	-	(53,069)
<i>Adjustments pursuant to adoption of Ind-AS:</i>		
Re-measurement gains on defined benefit plans	7,29,403	6,51,440
Gain on fair value adjustments to financial assets through P&L	-	(1,68,13,202)
Adjustment on amortisation to financial assets	-	(1,65,348)
Fair value adjustment relating to investments in preference shares	-	57,29,098
Operating Profit/(Loss) before working Capital Changes	(2,45,25,881)	(30,63,518)
<i>Adjustment for changes in :</i>		
Decrease/(Increase) in Trade Receivables	(78,67,500)	2,14,59,086
(Increase) / Decrease in Financial and Other assets	1,54,76,344	12,14,50,098
(Increase) / Decrease in Inventories	(46,09,74,920)	(76,44,40,529)
(Decrease)/Increase in Trade Payables	3,91,74,350	4,96,90,095
(Decrease)/Increase in Provisions	2,71,919	5,15,212
(Decrease)/Increase in Financial and other liabilities	(3,90,39,826)	(10,60,80,466)
Net cash generated from operations	(47,74,85,514)	(68,04,70,023)
Direct Taxes Paid (net of refund)	(30,17,927)	(61,50,335)
Net cash generated from operating activities	(48,05,03,441)	(68,66,20,358)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Additions to tangible/intangible assets (incl. capital work-in-progress)	(1,54,99,264)	(53,45,046)
Proceeds from sale of tangible/ intangible assets	19,605	35,12,435
Sale/(Purchase) of Non-current investments in Mutual Funds	(4,73,12,351)	(15,48,94,760)
Sale/(Purchase) of current investments in Mutual Funds	-	(58,74,579)
Changes in Other bank balances	19,34,78,562	24,75,35,057
Short Term Capital Gain - Mutual Fund	11,25,067	-
Interest (Income)	26,29,269	-
Net cash from Investing activities	13,44,40,887	8,49,33,106
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Issue of Preference shares	-	15,00,00,000
Proceeds from Long term Borrowings (net)	15,42,40,747	59,73,71,903
Net cash used in financing activities	15,42,40,747	74,73,71,903
Net Changes in Cash and Cash equivalents during the year	(19,18,21,808)	14,56,84,651
Cash and cash equivalents at the beginning of the year	21,64,70,025	7,07,85,374
Cash and Cash equivalents at the end of the year	2,46,48,218	21,64,70,025

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


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

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

for VARMA & VARMA
Chartered Accountants
FRN 004532S


N SURESH KRISHNAN
Director


V K SINHA
Director


K P SRINIVAS
Partner
M. No. 208520


ANSHUL A. BANSAL
Chief Financial Officer


C G RAMEGOWDA
Company Secretary

Place: Gurgaon
Date: 15th May, 2017

Place: Gurgaon
Date: 15th May, 2017



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information:

The Consolidated Ind AS financial statements of "Zuari Infraworld India Limited" ("the Group" or "ZIIL"), its Subsidiary and Associates ("herein after collectively referred as the "Group") are for the year ended 31 March 2017. The Group is a public Group 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 Consolidated financial statements of the Group were approved for issue in accordance with a resolution of the Board of Directors at their meeting held on 15 May, 2017.

2. Significant accounting policies:

(a.) (i) Basis of preparation

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 for the first time and the Guidance Note on Real Estate Transactions (For entities to whom Ind AS is applicable) issued by The Institute of Chartered Accountants of India (ICAI). Refer to note 35 for information on first time adoption of Ind AS.

For all the financial years up to and including the year ended 31 March 2016, the Group has prepared its Consolidated Ind AS financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The Consolidated Ind AS financial statements have been prepared on a historical cost basis, except for the financial assets and liabilities pursuant to Indian Accounting Standards which have been measured at deemed cost or fair value.

The consolidated financial statements are presented in Indian Rupees, except when otherwise indicated.

(ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries, associates and joint ventures as at 31 March 2017. 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.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., year ended on 31 March. For detailed consolidation procedure followed and list of subsidiaries / Associates considered for consolidation refer note 2 (u) below.

(b.) Property, plant and equipment

The Property, plant and equipment of the Group are stated at historical cost less accumulated depreciation. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts or rebates are deducted in arriving at the purchase cost.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if

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

On First time adoption of Ind AS i.e. April 01, 2015, the Group has elected to continue with the carrying value of all of its property, plant and equipment ("PPE") recognised as at April 01, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(c.) Depreciation on Property, plant and equipment

Depreciation is provided using the Straight Line Method as per the useful lives of the property, plant & equipment (other than specific assets referred under are as estimated by the management, which are equal to the rates prescribed under Schedule II of the Companies Act, 2013. Useful lives estimated by the management (years).

Details about useful life of each category of assets are as follows

<i>Name of Assets</i>	<i>Estimated useful lives</i>
Office Equipment	5 years
Plant & Machinery	8 years
Furniture & Fixtures	10 years
Computer and servers	3 and 6 years
Leasehold Improvements	Over the primary lease period i.e. 31.03.25
Temporary structure	1 year

Depreciation is provided after retaining estimated residual value up to 5% of the cost. Depreciation on assets used for the project has been considered 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.

(d.) Intangible Assets and amortisation

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortization 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.

On First time adoption of Ind AS i.e. April 01, 2015, the Group has elected to continue with the carrying value of all of its property, plant and equipment ("PPE") recognised as at April 01, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.

(e.) Leases (other than land leases)

Operating Leases as a lessee:

Lease rentals are recognized as expense or income 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 lease ; or
- (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 of assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(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.

(h.) Foreign currency and derivative transactions

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

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

(ii.) Current assets/liabilities if any are restated at rates prevailing at the year end and resultant exchange differences are recognised in the Statement of Profit and Loss. In case of forward exchange contracts, the premium or discount arising at the inception of such contracts if any is amortised over the life of the contract as well as the exchange difference on such contracts i.e., differences between the exchange rates at the reporting/settlement date and the exchange rate on the date of inception/last reporting date, if any is recognised in the Profit & Loss Statement.

(iii.) 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.

(iv.) Translation Foreign Operation: The gain or loss arising on translation of non-monetary items measured at fair value if any 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 recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(v.) The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Parent Company itself.

In translating the financial statements of a non-integral foreign operation for incorporation in financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate; income and expense items of the non-integral foreign operation are translated at exchange rates at the dates of the transactions and all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.

(i.) Inventories

The cost of inventories shall comprise all costs of purchase including cost of land, costs of conversion and other 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.



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(j.) Provisions, Contingent Liabilities and Capital Commitments

Contingent Liabilities

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

Provisions

A provision is recognized 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 statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k.) Revenue Recognition

(i.) Revenue is recognized in relation to the residential units sold, to the extent it is probable that the economic benefits will flow to the Group demonstrated either by way of an Agreement for Sale (AFS) and when the buyer's investment is adequate enough to demonstrate a commitment to pay. In accordance with the Guidance Note on Accounting for Real Estate Transactions (for entities to whom IND AS is applicable) (Revised 2016) issued by the Institute of Chartered Accountants of India (the "ICAI") the Revenue from sale of residential properties is recognised on the "percentage of completion method". Percentage of completion is determined on the basis of entire project costs incurred including the land costs, borrowing costs and construction and development costs to total estimated project cost, where the actual construction and development cost is 25 percent or more of the total estimated construction and development cost and 10% of the contract consideration as per the agreements are realised as at the reporting date. Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for.

(ii.) Income in respect of service contracts which are in the nature of fees for specified periods are recognized proportionately over the specified period.

(iii.) Income in respect of service contracts which are based on the corresponding project costs/profits are recognized when actual construction work commences and there are no significant uncertainties as to the underlying projects and the corresponding costs are incurred or profits are earned by the customers.

(iv.) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(v.) Dividend is recognised as and when the right to receive payment is established by the reporting date.

(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 prevalent tax laws.

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). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



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(ii.) Deferred tax

Deferred tax is provided using the liability method 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.) Leave encashment (Compensated Absences)

Short term compensated absences are provided for based on estimates. 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.) 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 - Noncurrent classification of assets and liabilities.

(o.) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(A.) Financial assets

Initial recognition

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- (1.) Debt instruments at amortised cost
- (2.) Debt instruments at fair value through other comprehensive income (FVTOCI)
- (3.) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- (4.) Equity instruments measured at fair value through other comprehensive income (FVTOCI)



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(1.) Debt instruments at amortised cost

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

(2.) Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a.) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b.) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

(3.) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss statement.

(4.) Equity investments

Equity investments

Investments in equity share of subsidiary and associates are measured at cost of acquisition as per Ind AS 109.

(ii) Derecognition

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

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

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

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



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(B.) Impairment of financial assets

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

- (a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance in current account.
- (b) Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

(C.) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.



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(b) Loans and borrowings

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

(c) 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 amortisation.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit or loss statement.

(p) 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.

(q.) Dividend to equity holders of the Parent Company

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

(r.) Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprises cash at bank and in hand and short term investments with an original maturity periods of three months or less.

For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(s.) Business Combination and Goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment. The same first time adoption exemption is also used for associates and joint ventures.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:



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Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(t.) Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.



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The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(u.) Consolidation procedure :

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

(i.) Subsidiary Group 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.

(ii.) Interests in the assets, liabilities, income and expenses of the Associates have been consolidated using Equity consolidation method. Under the equity method, 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.

(iii.) The difference of the cost to the Group of its investment in Subsidiaries 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.

(vi) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

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.

(v.) 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, 2017.



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List of Subsidiaries and Associates considered for consolidation:

(1.) Following Subsidiaries have been consolidated on line by line basis:

Name of the Group	Country of Incorporation	Share of Ownership Interest as at March 31, 2017	Share of Ownership Interest as at March 31, 2016
Zuari Infra Middle East Limited [based on consolidated financial statements including its subsidiaries as given in point (3) below]	UAE	100.00%	100.00%

(2.) Following Investments in Associates have been consolidated on using Equity Method :

Name of the Group	Country of Incorporation	Share of Ownership Interest as at March 31, 2017	Share of Ownership Interest as at March 31, 2016
Brajbhumi Nirmaan Private Limited [based on consolidated financial statements including its subsidiaries as given in point (4) below]	India	25%	25%
Pranati Niketan Private Limited	India	25%	25%
Darshan Nirmaan Private Limited	India	25%	25%

(3.) The information relating to the subsidiary of Zuari Infra Middle East Limited is given below

Name of the Group	Country of Incorporation	Share of proportionate Ownership Interest as at March 31, 2017	Share of Ownership Interest as at March 31, 2016
SJM Elysium Properties LLC	UAE	100.00%	100.00%

Note: Shareholding includes 51% held by a nominee shareholder as per the Shareholders Agreement dated 18.08.2014. As per this agreement the group has complete management. Hence, this Group 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.

(4.) 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, 2017	Share of Ownership Interest as at March 31, 2016
Rosewood Agencies Private Limited	India	100.00%	100.00%
Neobeam Agents Private Limited	India	100.00%	100.00%
Mayapur Commercial Private Limited	India	100.00%	100.00%
Nexus Vintrade Private Limited	India	100.00%	100.00%
Bahubali Tradecomm Private Limited	India	100.00%	100.00%
Hopeful Sales Private Limited	India	100.00%	100.00%
Divine Realdev Private Limited	India	100.00%	100.00%
Kushal Infraproperty Private Limited	India	100.00%	100.00%
Beatle Agencies Private Limited	India	100.00%	100.00%
Suhana Properties Private Limited	India	100.00%	100.00%
Saket Mansions Private Limited	India	100.00%	100.00%

(v.) Segment Reporting Policies

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Chief operating decision makers review the performance of the Company according to the nature of business of the which predominantly 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.



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(w.) Recent Accounting pronouncements

(i.) Standards issued but not yet effective:

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows'. The amendments are applicable to the Group from April 01, 2017.

(ii.) Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Group is evaluating the requirements of the amendment and the effect on the financial statements will be given in due course.

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3. Property, plant and equipment

(Amount in Rupees, except otherwise stated)

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 1 April 2016	Additions during the year	Disposals/ Adjustments	As at 31 March 2017	As at 1 April 2016	Depreciation during the year	Disposals/ Adjustments	As at 31 March 2017
Leasehold Improvements	93,34,931	-	-	93,34,931	9,35,446	9,32,889	-	74,66,596
Temporary Structures	85,258	-	-	85,258	33	-	-	85,225
Furniture and fixtures	47,69,592	-	-	47,69,592	6,25,397	6,29,965	-	35,14,230
Office Equipments	39,40,100	4,04,969	34,255	43,10,814	10,40,805	8,63,074	13,337	24,20,272
Plant & Machinery	6,77,246	-	-	6,77,246	1,17,429	1,20,162	-	4,39,656
Computer and Data processing units	13,08,582	3,51,731	9,280	16,51,033	4,84,527	4,56,088	-	7,10,418
Vehicles	-	1,30,91,165	(26,976)	1,31,18,141	-	8,32,132	-	1,22,86,009
Total	2,01,15,708	1,38,47,864	16,559	3,39,47,014	32,03,636	38,34,309	13,337	2,69,22,406

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 1 April 2015 *	Additions during the year	Disposals/ Adjustments	As at 31 March 2016	As at 1 April 2015 *	Depreciation during the year	Disposals/ Adjustments	As at 31 March 2016
Leasehold Improvements	88,41,654	4,93,277	-	93,34,931	-	9,35,446	-	83,99,485
Temporary Structures	85,258	-	-	85,258	-	33	-	85,225
Furniture and fixtures	31,46,725	16,22,867	-	47,69,592	-	6,25,397	-	41,44,194
Office Equipments	19,49,005	20,49,596	58,501	39,40,100	-	10,40,805	-	28,99,295
Plant & Machinery	6,41,773	35,473	-	6,77,246	-	1,17,429	-	5,59,817
Computer and Data processing units	10,44,975	2,67,076	3,469	13,08,582	-	4,84,527	-	8,24,055
Total	1,57,09,390	44,68,289	61,970	2,01,15,708	-	32,03,636	-	1,69,12,071

* Carried at deemed cost.

3.1 Capital Work-In-Progress

Represents expenditure incurred on Lease Improvements which is pending completion.

13,17,539

3.2 Depreciation and amortisation for the year is allocated under:

Debited to Project (ZOC)	31 March, 2017	31 March, 2016	1 April, 2015
Adjustment on elimination of unrealised profits	8,09,194	8,96,581	11,31,167
Debited to Profit & Loss A/c	24,76,698	20,82,091	-
	16,92,950	7,21,769	44,84,859
	49,78,842	37,00,440	56,16,026



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

4. Intangible Assets

(Amount in Rupees, except otherwise stated)

PARTICULARS	GROSS BLOCK			AMORTISATION			NET BLOCK		
	As at 1 April 2016	Additions during the year	Disposals/ Adjustments	As at 31 March 2017	As at 1 April 2016	Amortisation during the year	Disposals/ Adjustments	Amortisation upto 31 March 2017	As at 31 March 2017
Computer Software	18,98,313	3,33,861	212	22,31,962	4,96,804	11,44,533	-	16,41,337	5,90,625
Total	18,98,313	3,33,861	212	22,31,962	4,96,804	11,44,533	-	16,41,337	5,90,625

PARTICULARS	GROSS BLOCK			AMORTISATION			NET BLOCK		
	As at 1 April 2015 *	Additions during the year	Disposals/ Adjustments	As at 31 March 2016	As at 1 April 2015 *	Amortisation during the year	Disposals/ Adjustments	Amortisation upto 31 March 2016	As at 31 March 2016
Computer Software	10,21,582	8,76,758	27	18,98,313	-	4,96,804	-	4,96,804	14,01,509
Total	10,21,582	8,76,758	27	18,98,313	-	4,96,804	-	4,96,804	14,01,509

* Carried at deemed cost.

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

5. Financial assets

Non-Current	(Amount in Rupees, except otherwise stated)		
	As at	As at	As at
	31 March 2017	31 March 2016	31 March 2015
(a) Investments			
(i) Investments in equity shares (Unquoted) - Also refer note 28			
<i>Investments carried at Cost (fully paid):</i>			
In Associates (Unquoted)			
Brajbhumi Nirmaan Private Limited 10,00,000 (31 March 2016: 10,00,000, 1 April 2015: 10,00,000) Equity shares of Rs 10/- each fully paid up.			
As at the beginning of the year	7,20,99,823	7,43,70,691	7,43,49,134
Adjustment for unrealised Profits	(9,00,352)	(15,86,463)	(2,25,000)
Adjustment for share of profit/(loss) in Associates *	9,98,713	(6,84,405)	(6,53,443)
Adjustment for Goodwill on Consolidation	15,90,00,867	15,90,00,867	15,99,00,867
	23,11,99,051	23,11,00,690	23,33,71,558
Darshan Nirman Private Limited 2500 (31 March 2016: 2500, 1 April 2015: 2500) Equity shares of Rs 10/- each fully paid			
As at the beginning of the year	(24,201)	(16,154)	25,000
Adjustment for share of profit/(loss) in Associates	(4,500)	(8,048)	(41,154)
Adjustment for Goodwill on Consolidation	36,108	36,108	36,108
	7,407	11,907	19,955
Pranati Niketan Private Limited 2500 (31 March 2016: 2500, 1 April 2015: 2500) Equity shares of Rs 10/- each fully paid up			
As at the beginning of the year	(24,774)	(16,353)	25,000
Adjustment for share of profit/(loss) in Associates	(4,750)	(8,421)	(41,353)
Adjustment for Goodwill on Consolidation	36,477	36,477	36,477
	6,954	11,704	20,125
Sub-total	23,12,13,411	23,11,24,300	23,34,11,637
* Net of Rs.26,44,000/- (Groups Share) Income disclosed under IDS adjusted to Reserves under Other Equity.			
(ii) Investments in preference shares (Unquoted)			
<i>Investments carried at fair value through Profit or Loss:</i>			
Brajbhumi Nirmaan Private Limited 1% Redeemable Non-Cumulative optionally convertible preference shares (5,00,000 (2016: 5,00,000, 2015: 5,00,000) shares of Rs 100 each, fully paid) (Date of Maturity 30 November, 2023)			
	6,54,14,692	5,49,32,702	5,00,00,000
	6,54,14,692	5,49,32,702	5,00,00,000
* As per the audited consolidated financial statement of the associate entity the investment in optionally convertible preference shares are considered as compound financial instrument. Accordingly, Rs 3,94,61,625/- (2016: Rs 3,94,61,625/-, 2015: Rs 3,94,61,625/-) was reported as equity component and the balance as Liability.			
(iii) Investments in mutual funds (Unquoted)			
<i>Investments carried at fair value through Profit or Loss:</i>			
ICICI Prudential Fixed Maturity plan Series (77-1473 Days Plan C) (5,000,000 units at Rs 10 per unit).	5,94,33,000	5,41,70,000	-
ICICI Prudential Fixed Maturity plan Series (78-1130 Days Plan T) (10,000,000 units at Rs 10 per unit)	10,96,28,000	10,02,61,000	-
ICICI Prudential Fixed Maturity plan Series (78-1156 Days Plan T) (5,000,000 units at Rs 10 per unit)	5,45,13,000	5,00,62,500	-
SBI Debt Fund Series B-17(1100 Days) (10,000,000 units at Rs 10 per unit)	11,71,47,000	10,73,87,000	-
SBI Debt Fund Series B-36 (1131 Days) (8,500,000 units at Rs 10 per unit)	9,29,00,750	8,50,00,000	-
Sub-total	43,36,21,750	39,68,80,500	-
* All the above investments in mutual funds are held under lien with bank for stand by letter of credit (SBL) facility from SBI in favour of Zuari Infracore Middle East Limited, Dubai (WOS). 2015-16: Lien Marked Investments Rs 16,15,57,000			
TOTAL	73,02,49,853	68,29,37,502	28,34,11,637



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

5. Financial assets

(Amount in Rupees, except otherwise stated)

(b) Loans (at cost)

Unsecured, Considered Good

Loan to employees	3,74,154	4,07,490	4,40,826
TOTAL	3,74,154	4,07,490	4,40,826

(c) Other Financial assets (at amortised cost)

Unsecured, Considered Good

Security Deposits	27,17,235	54,00,620	51,85,272
TOTAL	27,17,235	54,00,620	51,85,272

Current

As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
------------------------	------------------------	------------------------

(a) Investments

Investments in mutual funds (Unquoted)

Investments at fair value through Profit or Loss

-Kotak Mutual Fund NIL (2015-16: NIL, 2014-15: 1,42,53,222 092 units) of face value of Rs. 10/- each in Kotak Mutual Fund-Daily Dividend Option	-	-	14,46,31,105
-IDFC Mutual Fund NIL (2015-16: NIL, 2014-15: 45,50,294 404 units) of face value of Rs. 10/- each in IDFC-Money Manager Fund -Treasury Plan- Daily Dividend Option	-	-	10,00,00,000
TOTAL	-	-	24,46,31,105

(b) Loans (at cost)

Unsecured, Considered Good

Advances to Employees	61,06,362	1,23,189	10,30,679
TOTAL	61,06,362	1,23,189	10,30,679

(c) Other Financial assets (at cost)

Security Deposits	36,63,923	10,93,929	35,95,249
Interest accrued on deposits with bank	-	60,78,559	54,53,187
Interest accrued and due - Others	18,87,939	15,68,125	-
Expenses Recoverable	97,36,809	52,60,238	43,35,117
Unbilled Revenue	24,55,99,582	25,57,54,007	25,05,25,247
TOTAL	26,08,88,254	26,97,54,858	26,39,08,800

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

6. Other assets

Non-Current	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Advance recoverable in cash or kind (refer note below)	9,17,74,007	10,03,26,193	6,39,60,556
VAT Refund receivable	26,25,072	-	-
Prepaid lease	3,87,225	5,80,308	7,73,392
Advance tax (net of provision)	1,54,67,050	1,53,36,831	1,14,76,387
	11,02,53,354	11,62,43,332	7,62,10,335

Note 6.1

(i) Includes recoverable Advances to a Sub-contractor aggregating to Rs 2,78,13,451/- (2015-16: Rs 3,63,65,637/-, 2014-15 Nil) in respect of which the sub-contractor vendor has furnished bank guarantee to the extent of Rs 2,37,12,884/-and the Guarantee is valid upto 28 May, 2017.

(ii) Under the Development Management Agreement, the Agency is entitled to a percentage of income calculated in the manner specified under the agreement. The Company has made advance payments aggregating to Rs. 6,39,60,556 till 31.03.2017 (2015-16: Rs. 6,39,60,556/-, 2014-15: Rs. 6,39,60,556/-). The amount will be adjusted in the year when the agency becomes entitled to share of income or will be recovered as per the agreement.

Current	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Advances recoverable in cash or kind			
- Input VAT Credit	1,01,86,753	84,69,017	1,14,78,519
- CENVAT Credit	3,34,21,148	3,06,99,747	1,90,02,757
- Advance to vendors (Refer Note (i) below)	42,93,17,124	43,54,27,515	58,26,84,394
Prepaid expenses (Refer Note (ii) below)	1,04,80,350	1,25,65,088	1,97,60,380
Prepaid lease	1,93,083	1,93,083	1,93,083
	48,35,98,458	48,73,54,452	63,31,19,134

Note :

(i) Includes recoverable advances paid to a sub-contractor aggregating in amount to Rs 22,46,47,417/- (2016: Rs 22,37,85,843/-, 2015: Rs 19,27,07,710/-). The Management is in negotiation with party for its recovery and is confident that this advance will be recovered at its full value, hence no provision is considered necessary.

(ii) Includes Rs.94,56,354/- (2016: Rs 1,18,43,237/- , 2015: Rs 1,95,94,323/-) 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.

7. Inventories

(valued at cost or net realisable value)

	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Work-In-Progress (Refer Note) <i>(includes cost of Land , Borrowing Cost and Project Construction and Development Cost)</i>	2,18,34,73,943	1,72,24,99,023	95,80,58,494
	2,18,34,73,943	1,72,24,99,023	95,80,58,494

Note 7.1

Includes Rs 21,56,74,893/- (2016: 17,70,66,242/- , 2015- 8,17,10,414/-) being cost incurred towards project in Goa developed by Zuari Global Limited which is in its initial stages.



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

8. Trade receivables

Current	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Trade receivables - Associate	4,04,01,900	3,25,34,400	1,53,54,000
Trade receivables - others	-	-	3,86,39,486
Total Trade Receivables	4,04,01,900	3,25,34,400	5,39,93,486
Break-up:			
Secured – considered good	-	-	-
Unsecured – considered good	4,04,01,900	3,25,34,400	5,39,93,486
Less: Impairment Allowance (for bad and doubtful debts)			
Unsecured, considered good	-	-	-
Doubtful	-	-	-
Total trade receivables	4,04,01,900	3,25,34,400	5,39,93,486

Note 8.1: Other Notes

- (i) Realisations against the above receivables are appropriated on First-In-First-Out (FIFO) basis.
(ii) Trade receivables are non-interest bearing and are generally on terms of due within 0-10 days of the date of Invoice.
(iii) Since all receivables are due from the related parties, the Management is of the opinion that no allowance towards impairment of such receivables is necessary.
(iv.) 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, except those reported, if any.

9. Cash and Cash Equivalent

	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Bank Balances:			
Current Account	2,46,48,218	21,36,20,088	6,11,85,374
Fixed Deposit Account - Maturing within 3 months	-	28,49,937	96,00,000
	2,46,48,218	21,64,70,025	7,07,85,374

For disclosure pursuant to the MCA notification G.S.R. 308 (E) dated March 30, 2017 on the details of Specified Bank Notes refer Note 39.

10. Other bank balances

	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Bank Balances :			
In fixed deposits with maturity of 12 months or less (refer note below)	-	19,34,78,562	44,10,13,619
	-	19,34,78,562	44,10,13,619

Note 10.1

Includes Rs Nil (2015-16 Rs Nil , 2014-15 Rs 41,35,36,938/-) under lien with bank for loan facility extended to Zuari Infracore Middle East Limited, a Wholly owned subsidiary.



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

11. Share Capital

	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Authorized:			
5,00,00,000 (2016 : 500,00,000, 2015: 500,00,000) Equity Shares of Rs. 10 each	50,00,00,000	50,00,00,000	50,00,00,000
1,50,00,000 (2016 : 1,50,00,000, 2015: 1,50,00,000) Non Convertible Preference Shares of Rs.10 each	15,00,00,000	15,00,00,000	15,00,00,000
	65,00,00,000	65,00,00,000	65,00,00,000
Issued Subscribed and Paid Up:			
4,65,50,000 (2016 : 4,65,50,000, 2015: 4,65,50,000) Equity Shares of Rs 10 each	46,55,00,000	46,55,00,000	46,55,00,000
Total issued and paid up capital	46,55,00,000	46,55,00,000	46,55,00,000

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

Equity Shares	(In Numbers)		
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
At the beginning of the year (of Rs 10 each)	4,65,50,000	4,65,50,000	4,65,50,000
Issued during the year (of Rs 10 each)	-	-	-
Outstanding at the end of the year (of Rs 10 each)	4,65,50,000	4,65,50,000	4,65,50,000

(b.) Terms/Rights attached to equity shares

(i) The Parent 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. The parent company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors, is subject to the approval of shares holders in the ensuing the Annual General Meeting.

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

(ii) The Parent company has not issued any securities convertible into equity / preference shares.

(iii) During the previous five year ended 31.03.2017, there were

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.

(c.) Details of Shareholders holding more than 5% of equity shares in the Parent Company

Name of the Shareholder	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
	Zuari Global Limited, Holding Company		
No. of Shares held	4,65,50,000	4,65,50,000	4,65,50,000
% Holding	100%	100%	100%

* As per the records of the parent company including registers of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above holding represents both legal and beneficial ownership of shares.

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

12. Other Equity

	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
(a.) Equity Component of convertible preference shares:			
Deemed equity portion of non convertible preference shares on fair-value adjustments	4,24,95,328	4,24,95,328	3,46,60,745
	4,24,95,328	4,24,95,328	3,46,60,745
(b.) Security Premium:			
<i>(On issuance of preference shares)</i>			
As at the beginning of the year	76,50,00,000	63,00,00,000	-
Add: Security premium for the year	-	13,50,00,000	63,00,00,000
As at the end of the year	76,50,00,000	76,50,00,000	63,00,00,000
(c.) Balance in profit & Loss Statement			
As at the beginning of the year	(1,36,95,500)	(73,61,076)	-
Add: Profit/ (loss) for the Year	(2,38,36,303)	(67,70,478)	(73,61,076)
Add: Re-measurement gains (losses) on defined benefit plans that will not be reclassified to profit or loss	4,88,240	4,36,054	
Net deficit in the profit and loss statement	(3,70,43,562)	(1,36,95,500)	(73,61,076)
(d.) Foreign currency translation reserve			
As at the beginning of the year	90,60,769	-	-
Add: Exchange differences on translating the financial statements of foreign operation	(84,99,156)	90,60,769	
As at the end of the year	5,61,613	90,60,769	-
	77,10,13,379	80,28,60,597	65,72,99,668

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

13. Borrowings (at amortised cost)

(Amount in Rupees, except otherwise stated)

Non-Current	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
(a) Secured Loans			
Term Loans from banks:			
ICICI Bank Ltd (Refer Note (i) below)	-	70,47,59,732	61,50,74,044.01
Federal Bank Ltd (Refer Note (ii) below)	1,06,48,63,295	-	-
	<u>1,06,48,63,295</u>	<u>70,47,59,732</u>	<u>61,50,74,044</u>
(b) Unsecured Loans			
Inter-Corporate Deposits			
Inter Corporate deposit from Zuari Global Ltd (Refer Note (iii) below)	4,00,00,000	4,83,00,000	11,25,00,000
Inter Corporate deposit from Adventz Finance Private Limited (Refer Note (iii) below)	-	20,00,00,000	-
(c) Liability component of Non-Convertible Redeemable Preference Shares			
Non-Convertible Redeemable Preference Shares (Refer Note (vi) below)	5,61,54,238	4,92,74,637	3,63,80,122
	<u>9,61,54,238</u>	<u>29,75,74,637</u>	<u>14,88,80,122</u>
	<u>1,16,10,17,533</u>	<u>1,00,23,34,369</u>	<u>76,39,54,166</u>
Current maturities of Long-Term Borrowings*			
From Banks	-	29,25,00,000	15,50,00,000
From Others - Inter-Corporate Deposits	28,48,00,000	11,25,00,000	29,83,00,000
	<u>28,48,00,000</u>	<u>40,50,00,000</u>	<u>45,33,00,000</u>

* Current maturities are carried to Note 15: Other financial liabilities (Current)

Current	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
(a) Secured Loans			
Real Estate Loan (Refer Note (v) below)	70,12,56,600	71,64,49,500	35,74,57,800
Vehicle Loan	1,07,50,483	-	-
	<u>71,20,07,083</u>	<u>71,64,49,500</u>	<u>35,74,57,800</u>

Note 13.1: Notes on Borrowings:

(i) ICICI Bank (Term Loan I & II)

- Secured by equitable mortgage on the piece & parcel of land measuring 2,83,890 sq m at Hulikere Village and building constructed there at, hypothecation of receivables, pertaining to the extant project, both present and future
- Terms loans are taken towards developing the housing projects of Kabini, Kapila, Kaveri, Phase III Villas as well as development at Zuari Garden city.
- Term Loan-I carries interest rate of 12.6% and Interest at 12.15% per annum for Term Loan-II
- During the year company has pre-closed this loan and loan outstanding as at year-end is Rs Nil (2016 : Rs.1,00,59,48,724/-)

(ii) Federal Bank (Term Loan)

- Term loan facility of Rs. 150 Crores 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.
- It is covered by first charge on the Escrow account into which all project receipt will be deposited, DSRA equivalent to 3 months interest during the moratorium and Further by Corporate Guarantee to be issued by " Zuari global Limited".
- Interest Rate: MCLR for 12 months tenor at 8.95% plus 3.05% spread (i.e., effective rate of 12% p.a.) subject to yearly MCLR review with monthly compounding.
- Terms of Repayment: Repayable in 36 monthly instalment of Rs. 4.16 crores each, commencing from 31.03.2019 with a moratorium period of 24 months.
- Amount of loan outstanding as at 31.03.2017 is Rs 1,06,48,63,295/- (2016: Nil).



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

13. Borrowings (at amortised cost)

(Amount in Rupees, except otherwise stated)

(iii) Inter-Corporate Deposits

(a) Terms: Zuari Global Ltd

Unsecured Loans of Rs. 12,48,00,000 /- at a interest rate of 8 % p.a due for maturity between June 2017 to September 2018 (2015-16 Rs 16,08,00,000 /- at a interest rate of 8% p.a due for Maturity between May 2016 to October 2017)

(b) Terms: Adventz Finance India Limited

Unsecured Loan of Rs 20,00,00,000 /- at a interest rate of 14% p.a due for maturity on June 2017 (P.Y Rs. 20,00,00,000 /- at interest rate of 14% p.a. due for Maturity between June 2017 to July 2017)

(vi) Preference Shares held by Mr. Saroj Kumar Poddar

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

(In Numbers)

Preference Shares	As at	As at	As at
	31 March 2017	31 March 2016	31 March 2015
At the beginning of the year (of Rs 10 each, issued at a premium Rs 90 per share)	85,00,000	70,00,000	70,00,000
Issued during the year (of Rs 10 each, issued at a premium Rs 90 per share)	-	15,00,000	-
Outstanding at the end of the year (of Rs 10 each, at a premium Rs 90 per share)	85,00,000	85,00,000	70,00,000

(b) Terms / Rights attached to 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. Each holder of preference shares is entitled to one vote per share on resolutions placed before the company, which directly affect the rights attached to the preference share.

- (v) Real Estate Loan:** This represents term loan taken from National Bank of Fujairah for residential real estate development project being undertaken by the subsidiary company. The loan amount is availed for one year and rolled over annually for maximum tenure of four year. The Term loan is secured against irrevocable and unconditional standby letters of credit of AED 110,250,000 issued by the State Bank of India in favour of National Bank of Fujairah. In addition, there are various conditions and financial covenants attached to the bank facility, which are in the normal course of business.

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

14. Trade payables

(Amount in Rupees, except otherwise stated)

Non-Current	As at	As at	As at
	31 March 2017	31 March 2016	31 March 2015
Retention money	3,97,13,676	3,69,10,185	3,09,35,105
	3,97,13,676	3,69,10,185	3,09,35,105
Current	As at	As at	As at
	31 March 2017	31 March 2016	31 March 2015
Dues to Related Parties	2,82,61,042	51,78,346	58,08,017
Dues to others	14,32,73,549	13,14,73,902	7,93,39,982
Retention money	1,00,03,904	57,11,897	75,26,052
	18,15,38,495	14,23,64,145	9,26,74,051

Note 14.1: Other Notes

- (i) Trade payables are non-interest bearing and are normally settled on its due date as per the payment terms.
(ii) For terms and conditions with related parties, refer to Note 36
(iii) For details on the Company's credit risk management processes, refer to Note 31
(iv) There are no vendors who are micro or small enterprises, as defined under the Micro, Small or Medium Enterprises Development act, 2006 who have notified the company. Thus no disclosures are made in this regard.

15. Other Financial Liabilities

(Amount in Rupees, except otherwise stated)

Current	As at	As at	As at
	31 March 2017	31 March 2016	31 March 2015
Other financial liabilities (at cost)			
Current maturity of long term loans (refer note 13)	28,48,00,000	40,50,00,000	45,33,00,000
Interest Accrued but not Due on Term Loan	-	58,71,965	56,93,806
Interest accrued and due on borrowings*	2,06,33,901	86,88,992	79,93,106
Due to employees	58,34,832	84,76,335	67,48,672
Due to related parties	9,59,560	12,946	11,154
	31,22,28,293	42,80,50,238	47,37,46,738

* The Management is of the view that the settlement / service of interest debited by the bank on the day subsequent to such a debit is not a default.

16. Other Liabilities

(Amount in Rupees, except otherwise stated)

Current	As at	As at	As at
	31 March 2017	31 March 2016	31 March 2015
Statutory Liabilities	73,86,370	48,85,317	53,27,117
Advances from Customers	22,04,32,729	15,17,95,971	20,75,78,439
Other current liabilities	56,00,554	27,59,738	-
	23,34,19,653	15,94,41,025	21,29,05,556



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

17. Provisions

(Amount in Rupees, except otherwise stated)

Non-Current	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Provision for employee benefits			
- Gratuity	28,19,725	26,02,024	21,33,036
- Compensated Absences	14,72,489	14,72,152	14,64,296
	42,92,214	40,74,176	35,97,332
Current	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Provision for employee benefits			
- Gratuity	1,82,650	1,41,134	51,614
- Compensated Absences	2,76,263	2,63,898	3,15,050
	4,58,913	4,05,032	3,66,664

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

18. Non current assets held for sale

	<i>(Amount in Rupees, except otherwise stated)</i>		
	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Capital assets held for sale (net of provision Nil (2016: Nil, 2015 Rs. 5,00,000/-))	-	-	34,46,930
	-	-	34,46,930

19: Income Taxes

	<i>(Amount in Rupees, except otherwise stated)</i>	
	As at 31 March 2017	As at 31 March 2016
(a.) Income Tax Expense comprises of:		
Current Tax Expenses	28,87,707	22,89,953
Deferred Tax Expenses	29,84,134	(7,42,623)
	58,71,840	15,47,330

(i) Reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate and disclosure relating to, disclosing also the basis on which the applicable tax rate is computed is given below:

	As at 31 March 2017	As at 31 March 2016
Profit for the year before taxes	(1,79,64,463)	(52,23,148)
Effective Tax rates prevalent in India for Companies	30.90%	30.90%
Expected Tax expense for the year	(55,51,019)	(16,13,953)
<i>Adjustments for:</i>		
Tax effect due to Consolidation adjustment		
Share of profit/loss of associates	(3,05,744)	2,16,570
Share of profit/loss of wholly owned subsidiary	37,46,326	3,03,549
Elimination adjustments on consolidation	95,38,056	79,29,988
Tax effect due to (income)/expenses not taxable for tax purpose		
Gain on fair value adjustments to preference shares	(32,38,935)	(15,24,206)
Dividend income		(2,27,020)
Expenditure towards CSR Activities		4,33,659
Other adjustments	3,37,563	15,05,825
Tax effect due to Change in deferred tax rate		
Gain on fair value adjustments to Mutual funds taxable at differential rate	(32,54,540)	(9,67,207)
Interest portion fair value adjustment to preference shares issued	(1,48,805)	(1,23,920)
Other adjustments	(18,652)	45,227
Tax effect on losses brought forward for tax purpose		(44,31,181)
Tax effect on losses carried forward for tax purpose	47,67,590	-
Tax Expense for the year	58,71,840	15,47,330

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19: Income Taxes

(Amount in Rupees, except otherwise stated)

	As at 31 March 2017	As at 31 March 2016	
Note 19 Contd...			
(b.) Deferred tax:			
Deferred tax liability:			
Fair valuation of investment in mutual funds	1,07,17,205	26,18,699	2,11,928
Fair valuation of investment in Preference shares	-	-	-
Total deferred tax liability (A)	1,07,17,205	26,18,699	2,11,928
Deferred tax assets:			
Fixed assets Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	22,90,965	22,37,350	34,96,677
Unwinding of security deposit paid	14,103	9,170	-
Unrealised Profit on DMC fees	76,478	76,478	76,478
Interest accrued on preference shares	45,12,956	22,38,354	3,44,142
MAT Entitlement	75,95,063	50,55,003	27,65,050
Total deferred tax assets (B)	1,44,89,565	96,16,355	66,82,346
Deferred Tax Asset (Net) (B - A)	37,72,360	69,97,656	64,70,418
Deferred Tax Expenses/ (credit) - P&L	29,84,134	(7,42,623)	-
Deferred Tax Expenses/ (credit) - OCI	(2,41,163)	(2,15,386)	-

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.

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ZUARI INFRAWORLD INDIA LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

20. Revenue From Operations

	<i>(Amount in Rupees, except otherwise stated)</i>	
	As at	As at
	31 March 2017	31 March 2016
Income from property development	11,78,34,366	18,03,40,658
Development Management Fees	79,45,420	8,23,45,386
	12,57,79,786	26,26,86,044

21. Other income

	As at	As at
	31 March 2017	31 March 2016
Other income		
<i>Interest on:</i>		
Bank deposits	2,27,854	4,28,36,602
Others, net	24,01,415	41,95,422
Dividend from Mutual funds	-	7,34,693
Gains from redemption of Mutual Fund	11,25,067	31,68,919
Gain on fair value adjustments relating to financial assets through Profit & Loss	4,72,23,241	1,68,13,202
Adjustment on amortisation to financial assets	1,78,163	1,65,348
Miscellaneous income	20,57,992	7,31,585
	5,32,13,732	6,86,45,771
21.1 : Earnings in Foreign Currency		
Interest Income	5,46,814	8,52,936
Guarantee Commission	6,09,098	20,71,158
	11,55,912	29,24,094

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

22. Project construction and development expenses

	<i>(Amount in Rupees, except otherwise stated)</i>	
	As at 31 March 2017	As at 31 March 2016
Architect Fees	5,56,13,250	2,99,51,822
Consultancy Fee	5,55,22,119	17,68,08,158
Depreciation on assets - Projects	8,09,194	8,96,581
Project Approval cost	-	64,33,533
Land Development	6,70,105	22,15,01,209
Civil Work	11,44,29,053	24,30,72,120
Landscape Expenses	44,14,999	26,22,080
Site Office Expenses	38,27,795	15,27,116
Site Security Expenses	60,94,007	26,26,123
Project Staff Costs	7,99,13,791	4,87,31,244
Contribution to Provident & Other funds	19,36,287	17,26,677
Property Tax	14,88,908	36,04,352
Infrastructure Expenses	2,94,38,101	5,90,10,833
Foreign exchange adjustment relating to carrying value of inventories of foreign subsidiaries	(98,36,946)	-
Miscellaneous project Expenses	2,95,49,561	55,50,411
Sub Total	37,38,70,223	80,40,62,259
Add: Borrowing cost incurred during the year	20,00,62,228	23,54,11,263
	57,39,32,451	1,03,94,73,521

23. Changes in inventories of construction work-in-progress

(Increase)/Decrease in Inventory	As at 31 March 2017	As at 31 March 2016
Construction Work-in- progress		
Inventory at the beginning of the year	1,72,24,99,023	95,80,58,493
Less: Transferred to other current assets	-	(2,91,584)
Add: Construction Cost incurred during the year	57,39,32,451	1,03,94,73,521
Less: Charged to profit and loss during the year	(11,29,57,531)	(27,47,41,408)
Inventory at the end of the year	2,18,34,73,943	1,72,24,99,023
Total (Increase) / Decrease	(46,09,74,920)	(76,47,32,114)

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

24. Employee Benefits Expense

	<i>(Amount in Rupees, except otherwise stated)</i>	
	As at 31 March 2017	As at 31 March 2016
Salaries and wages	26,49,856	76,06,339
Contribution to provident and other funds	5,83,717	10,97,121
Gratuity	9,25,826	12,09,949
Staff welfare expenses	3,11,812	4,20,075
	44,71,210	1,03,33,484

25. Finance Costs

	<i>(Amount in Rupees, except otherwise stated)</i>	
	As at 31 March 2017	As at 31 March 2016
<u>Interest expense:</u>		
Interest on borrowings	21,94,23,555	23,88,40,289
Other borrowing costs	1,80,26,652	1,09,51,720
Fair value adjustments to preference shares issued	68,79,601	57,29,098
	24,43,29,808	25,55,21,107
Less: Transfer to Project Construction and Development expenses	20,00,62,228	23,54,11,263
	4,42,67,580	2,01,09,844

26. Depreciation and amortization expense

	<i>(Amount in Rupees, except otherwise stated)</i>	
	As at 31 March 2017	As at 31 March 2016
Depreciation of property, plant and equipment	14,06,115	6,03,628
Amortisation of intangible assets	2,86,835	1,18,141
	16,92,950	7,21,769

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

27. Other expenses

(Amount in Rupees, except otherwise stated)

	As at 31 March 2017	As at 31 March 2016
Rent	32,44,060	18,07,050
Travel and conveyance	57,36,012	15,82,275
Legal and professional fees	29,53,416	24,49,723
Communication and internet charges	6,89,055	3,68,551
Office Expenses	21,56,930	7,67,829
Repairs and maintenance	4,24,404	4,36,457
Auditors remuneration	9,66,894	7,31,068
Recruitment expenses	1,74,285	5,31,154
Advertising and publicity expense	48,56,327	1,15,05,510
Rates and taxes	33,37,870	37,089
Commission & Brokerage	63,32,661	87,12,448
Security Expenses	28,58,496	8,58,988
Miscellaneous expenses	8,16,912	1,09,939
Loss on disposal of Asset	10,850	49,501
	3,45,58,172	2,99,47,584

Note 27.1: Payment to auditors (net of service tax) *

Statutory Audit Fees	8,19,314	6,34,059
Tax Audit Fees	75,000	40,512
Certification fees	50,000	22,900
Out of pocket expenses	22,580	33,597
	9,66,894	7,31,068

* Including fees paid to auditors of the subsidiaries.

Note 27.2: Expenditure in foreign Currency on accrual basis

Architect Fees	-	2,03,49,998
Sponsorship & promotions	-	13,86,694
Foreign Travel	25,17,153	34,65,423
	25,17,153	2,52,02,115

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

28. Disclosure of Interest in subsidiaries, joint arrangements and associates: (Also, refer note 5)

(a.) Disclosure of Interest in the following subsidiaries:

	Name	Country of Incorporation	Ownership Interest of ZIIL (%)			Method used to account for investments
			As on 31 March 2017	As on 31 March 2016	As on 31 March 2015	
(i)	Zuari Infra Middle East Ltd (Also, refer Note 2(u))	UAE	100%	100%	100%	Line by line consolidation

(b.) Disclosure of Interest in the following associates:

The company's interest in associates is accounted for using the equity method in the consolidated financial statements. Financial information of associates is provided below:

	Name	Country of Incorporation	Ownership Interest of ZIIL (%)			Method used to account for investments
			As on 31 March 2017	As on 31 March 2016	As on 31 March 2015	
(i)	Brajbhumi Nirmaan Private Limited	India	25%	25%	25%	Equity Accounting
(ii)	Darshan Nirmaan Private Limited	India	25%	25%	25%	Equity Accounting
(iii)	Pranati Niketan Private Limited	India	25%	25%	25%	Equity Accounting

(b.) Information regarding Associates:

Name	As on	As on	As on
	31 March 2017	31 March 2016	31 March 2015
Carrying amount of investment in Associates			
Darshan Nirmaan Private Limited	7,407	11,907	19,955
Pranati Nirmaan Private Limited	6,954	11,704	20,125
Brajbhumi Nirmaan Private Limited*	23,11,99,051	23,11,00,690	23,33,71,558
Name	For the year ended	For the year ended	
	31 March 2017	31 March 2016	
Share of Profit/(loss) of Associates			
Darshan Nirmaan Private Limited		(4,500)	(8,048)
Pranati Nirmaan Private Limited		(4,750)	(8,421)
Brajbhumi Nirmaan Private Limited		(16,45,287)	(6,84,405)

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

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 01, 2015
Current assets, including cash and cash equivalents	2,76,60,546	2,76,28,486	2,76,35,869
Non-current financial liabilities	(2,77,75,350)	(2,77,25,290)	(2,77,00,483)
Equity	(1,14,804)	(96,804)	(64,614)
Proportion of the Group's ownership	25%	25%	25%
Group's Share in Net Assets	(28,701)	(24,201)	(16,154)
Value of Goodwill on consolidation	36,108	36,108	36,108
Carrying amount of the investment	7,407	11,907	19,955

Particulars	For the year ended	For the year ended
	March 31, 2017	March 31, 2016
Other Expenses	(18,000)	(32,190)
Profit/(loss) before tax	(18,000)	(32,190)
Income tax (expense)/credit	-	-
Profit/(loss) for the year	(18,000)	(32,190)
Other Comprehensive Income	-	-
Total comprehensive income	(18,000)	(32,190)
Proportion of the Group's share	25%	25%
Group's share of profit/(loss) for the year	(4,500)	(8,048)



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(b) PRANATI NIRMAAN PRIVATE LIMITED

Summarised balance sheet			
Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 01, 2015
Current assets, including cash and cash equivalents	2,16,96,756	2,16,75,696	2,16,80,573
Non-current financial liabilities	(2,18,14,850)	(2,17,74,790)	(2,17,45,983)
Equity	(1,18,094)	(99,094)	(65,410)
Proportion of the Group's ownership	25%	25%	25%
Group's Share in Net Assets	(29,524)	(24,774)	(16,353)
Value of Goodwill on consolidation	36,477	36,477	36,477
Carrying amount of the investment	6,954	11,704	20,125
Summarised profit and loss statement			
Particulars	For the year ended		For the year ended
	March 31, 2017		March 31, 2016
Other Expenses			(19,000)
Profit/(loss) before tax			(33,684)
Income tax (expense)/credit			(19,000)
Profit/(loss) for the year			-
Other Comprehensive Income			(19,000)
Total comprehensive income			(33,684)
Proportion of the Group's share			25%
Group's share of profit/(loss) for the year			(4,750)

(c) BRAJBHUMI NIRMAAN PRIVATE LIMITED

Summarised balance sheet			
Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 01, 2015
Current assets, including cash and cash equivalents Rs.	1,43,28,56,028	1,29,24,38,971	1,02,39,98,719
Non-current assets	57,72,159	53,88,018	61,42,630
Current liabilities including financial liabilities	(83,95,92,095)	(40,88,35,726)	(53,44,37,007)
Non current financial liabilities	(26,08,42,599)	(55,47,92,621)	(15,87,68,079)
Less: Deemed Equity	(4,21,53,500)	(4,21,53,500)	(4,21,53,500)
Equity	29,60,39,993	29,20,45,142	29,47,82,763
Proportion of the Group's ownership	25%	25%	25%
Group's Share in Net Assets	7,40,09,998	7,30,11,286	7,36,95,691
Value of Goodwill on consolidation	15,99,00,867	15,99,00,867	15,99,00,867
Adjustments for unrealised profits	(27,11,815)	(18,11,463)	(2,25,000)
Carrying amount of the investment	23,11,99,051	23,11,00,690	23,33,71,558
Summarised profit and loss statement			
Particulars	For the year ended		For the year ended
	March 31, 2017		March 31, 2016
Revenue			2,32,49,500
Other Income (including interest income Rs. 109.84 lakhs (31st March			1,70,102
			2,34,19,602
Purchase of Stock in trade			(17,07,28,820)
Change in inventories of finished goods, work in progress and stock in trade)			14,72,85,354
Employee Benefits Expense			(28,299)
Depreciation and amortization expense			(2,08,124)
Other Expenses			(15,22,280)
			(2,52,02,169)
Profit/(loss) before tax			(17,82,567)
Income tax (expense)/credit			(47,98,581)
Profit for the year			(65,81,148)
Other Comprehensive Income			-
Total comprehensive income			(65,81,148)
Proportion of the Group's share			25%
Group's share of profit/(loss) for the year			(16,45,287)



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

29. Commitments and Contingencies

(a.) Leases

Operating lease - as lessee

The Company has taken office premises on an 11 Year operating lease. The lease rentals recognized in the Income & Expenditure account for the year are Rs. 57,72,792. The future lease payments of operating lease are as follows :

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

	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Lease rentals recognized during the year	57,72,792	59,16,452	56,53,655
Lease Obligations			
- Within one year	1,16,41,104	49,66,308	49,66,308
- After one year but not more than five years	5,27,76,580	5,06,38,584	5,16,64,428
- More than five years	4,70,28,388	6,13,83,375	5,69,27,232

(b.) Contingent Liabilities

(i) During the year service tax audit was completed for the period from 10/2014 to 03/2016 and an Audit note dated 21.12.2016 was issued by the service tax department. Tax impact of the audit note is estimated to be Rs 34,08,398/-. The management is confident that the issues raised in the audit note are not sustainable and hence no provision is considered necessary at this stage.

(ii) Dividend on cumulative preference shares - Rs 1,52,54,704 (31 March 2016: Rs 67,58,197) (1 April, 2015 :Rs 1,271,507)

(c.) Capital and Other Commitments

(i) Estimated amount of contracts remaining to be executed on Project construction and development aggregates to Rs 52,55,83,187 (2016: Rs 50,39,66,647) (2015 Rs 1,24,48,57,078). The Capital commitment of Subsidiary company is AED 3,09,35,751/- (2016: AED 2,09,58,955)

(ii) The Company has furnished Stand-by-Letter Credit (SBLC) of AED 4,19,00,000 (2016: AED 4,19,00,000, 2015: AED 2,10,00,000) obtained from State Bank of India issued in favour of Zuari Infracore Middle East Limited, UAE (a Wholly owned subsidiary) in respect of borrowings obtained from National Bank of Fajairah by Zuari Infracore Middle East Limited, UAE. The outstanding borrowing as at the year-end was AED 4,19,00,000.

30. Earnings Per Share ("EPS")

Basic and Diluted 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.

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

Particulars	31 March 2017	31 March 2016
Profit attributable to equity holders of the parent company	(2,38,36,303)	(67,70,478)
Weighted Average number of equity shares used for computing "EPS" (Basic & Diluted)	4,65,50,000	4,65,50,000
Earning Per Share (Basic and Diluted) (Rs.)	(0.51)	(0.15)
Face value per share (Rs.)	10.00	10.00

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees, except otherwise stated)

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 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 predominantly into the real estate sector which will be subject to The Real Estate (Regulation and Development) Act, 2016 (RERA) which may have significant impact on its operation.

(a.) 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 FVTOCI investments.

(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 Federal Bank is subject to floating rate of interest 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 ^a
For the year ended 31 March 2017			
Increase in base points	1,06,48,63,295	+50	53,24,316
Decrease in base points	1,06,48,63,295	-50	(53,24,316)
For the year ended 31 March 2016			
Increase in base points	99,72,59,732	+50	49,86,299
Decrease in base points	99,72,59,732	-50	(49,86,299)

(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 listed and 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.

(b.) 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.



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

(Amount in Rupees, except otherwise stated)

(i.) Trade receivables

Sale of Flats & Villas:

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. The customers demands due are reported as 'Unbilled Revenue' pursuant revenue recognition norms as stipulated in Guidance note on Real Estate Transactions (for the entities to whom Ind AS is applicable). These amounts represents portion of the under construction building which is yet to be transferred to the respective customers.

Development Management Fees:

Apart from real estate activities, the Company also provides Project Development services to 2 customers (both related parties). The entire Trade Receivables comprised of dues from these 2 entities which is aggregate to Rs 19,54,01,900 (2016: 12,75,34,400) (2015: 5,03,54,000)

An impairment analysis is performed at each reporting date on an individual basis for these entities. Although Company does not hold collateral 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.

(c.) Liquidity risk

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

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, Debt, Preference Shares and finance leases. The Company is in the process of assessing the concentration of risk with respect to refinancing its debt preference shares and it is of the opinion that had the same been assessed it would be low.

(d.) 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 Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net of debt divided by total capital plus net debt.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments as at 31 March, 2017:

	On demand	less than 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings	-	-	99,68,07,083	1,16,10,17,533	-	2,15,78,24,616
Trade payables	-	2,75,23,106	15,40,15,389	3,97,13,676	-	22,12,52,171
Other financial liabilities	-	1,22,79,930	1,51,48,363	-	-	2,74,28,293
	-	3,98,03,036	1,16,59,70,835	1,20,07,31,209	-	2,40,65,05,080

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments as at 31 March, 2016:

	On demand	less than 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings	-	-	1,12,14,49,500	1,00,23,34,369	-	2,12,37,83,869
Trade payables	-	2,06,90,000	8,47,63,960	3,69,10,185	-	14,23,64,145
Other financial liabilities	-	1,45,60,957	84,89,281	-	-	2,30,50,238
	-	3,52,50,957	1,21,47,02,742	1,03,92,44,554	-	2,28,91,98,253

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments as at 31 March, 2015:

	On demand	less than 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings	-	-	81,07,57,800	76,39,54,166	-	1,57,47,11,966
Trade payables	-	3,10,26,052	6,16,47,999	3,09,35,105	-	12,36,09,156
Other financial liabilities	-	1,36,86,912	67,59,826	-	-	2,04,46,738
	-	4,47,12,964	87,91,65,625	79,48,89,271	-	1,71,87,67,859



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

32: Fair values

(Amount in Rupees, except otherwise stated)

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value			Fair value		
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
(a.) Financial assets						
(i.) FVPL financial instruments:						
Un-Quoted mutual funds	43,36,21,750	39,68,80,500	-	43,36,21,750	39,68,80,500	-
Preference Shares held in Associate	6,54,14,692	5,49,32,702	5,00,00,000	6,54,14,692	5,49,32,702	5,00,00,000
(ii.) Amortised Cost:						
Security deposits	27,17,235	54,00,620	51,85,272	27,17,235	54,00,620	51,85,272
Loans to employees	3,74,154	55,16,648	55,14,537	3,74,154	55,16,648	55,14,537
Total	50,21,27,831	46,27,30,470	6,06,99,808	50,21,27,831	46,27,30,470	6,06,99,808
(b.) Financial liabilities						
Borrowings (at amortised costs):						
ICICI Bank Ltd - Term Loan	-	70,47,59,732	61,50,74,044	-	70,47,59,732	61,50,74,044
Federal Bank Ltd-Term Loan	1,06,48,63,295	-	-	-	-	-
Preference shares	5,61,54,238	4,92,74,637	3,63,80,122	5,61,54,238	4,92,74,637	3,63,80,122
	1,12,10,17,533	75,40,34,369	65,14,54,166	5,61,54,238	75,40,34,369	65,14,54,166

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.) Long-term fixed-rate and variable-rate Borrowings are evaluated by the Group based on parameters such as interest Rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables, if any.

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

(c.) The fair values of the remaining FVTOCI financial assets are derived from quoted market prices in active markets.

(d.) The fair values of the Group's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at reporting was assessed to be insignificant.

33. Fair Value Hierarchy

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

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2017:

Assets measured at fair value:	Date of valuation	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:					
Un-Quoted mutual funds	31 March 2017	43,36,21,750	43,36,21,750	-	-
Preference Shares held in Associate	31 March 2017	6,54,14,692	-	-	6,54,14,692
(ii.) Amortised Cost:					
Security deposits	31 March 2017	27,17,235	-	27,17,235	-
Loans to employees	31 March 2017	3,74,154	-	3,74,154	-

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



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March 2017:

Liabilities measured at fair value:	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Borrowings:					
(i.) Amortised Cost:					
Federal Bank Ltd - Term Loan	31-Mar-17	1,06,48,63,295	-	1,06,48,63,295	-
Preference shares	31-Mar-17	5,61,54,238	-	5,61,54,238	-

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

34. Gratuity and other post-employment benefit plans

(Amount in Rupees, except otherwise stated)

	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Value of Plan - Gratuity (Un-Funded)	30,02,375	27,43,159	21,84,650
	30,02,375	27,43,159	21,84,650

Gratuity:

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

The 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 2017	As at 31 March 2016
Current Service Cost	11,72,356	10,35,177
Net Interest Cost	1,90,674	1,74,772

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

Particulars	As at 31 March 2017	As at 31 March 2016
Actuarial (gain)/ loss on obligations	(7,29,409)	(6,51,440)

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

Particulars	As at 31 March 2017	As at 31 March 2016
Opening defined obligation	27,43,159	21,84,650
Current service cost	11,72,356	10,35,177
Interest cost	1,90,674	1,74,772
Contribution paid	(3,74,405)	-
Actuarial (gain)/ loss on obligations	(7,29,409)	(6,51,440)
Defined benefit obligation	30,02,375	27,43,159

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

	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Mortality	IALM (2006-08) Ult	IALM (2006-08) Ult.	IALM (2006-08) Ult
Interest / Discount Rate	6.69%	7.46%	8%
Rate of increase in compensation	9%	9%	9%
Expected average remaining service	9.02	8.7	14.35
Employee Attrition Rate [Past Service ("PS")]	PS: 0 to 40 years : 8% PS: 0 to 40 Years: 8% PS: 0 to 42 Years : 3%		

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

34. Gratuity and other post-employment benefit plans

(Amount in Rupees, except otherwise stated)

(v.) A quantitative sensitivity analysis for significant assumption as at 31 March, 2017 is as shown below:

Gratuity Plan

Assumptions Sensitivity Level	31 March 2017		31 March 2017	
	Discount rate		Future salary increases	
	+1% increase	-1% decrease	+1% increase	-1% decrease
	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Impact on defined benefit obligation	27,89,367	32,47,185	32,19,083	27,99,040

Assumptions Sensitivity Level	31 March 2016		31 March 2016	
	Discount rate		Future salary increases	
	+1% increase	-1% decrease	+1% increase	-1% decrease
	INR Lacs	INR Lacs	INR Lacs	INR Lacs
Impact on defined benefit obligation	25,33,286	29,83,284	29,67,730	25,41,300

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:

	As at	As at
	31 March 2017	31 March 2016
	Amount in Rs	Amount in Rs
Within the next 12 months (next annual reporting period)	1,82,650	1,50,293
Between 2 and 5 years	15,69,335	24,15,010
Between 5 and 10 years	32,54,386	40,01,031
Total expected payments	50,06,371	65,66,334

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

35: First Time Adoption of Ind AS

(Amount in Rupees, except otherwise stated)

These financial statements, for the year ended 31 March 2017, have been prepared in accordance with Ind-AS. For periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance with reporting requirement in India immediately before adopting Ind AS ('previous GAAP'). For the purposes of transition to Ind-AS, the Company has followed the guidance prescribed in Ind-AS 101-First Time adoption of Indian Accounting Standard, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

Accordingly, the company has prepared financial statements which comply with Ind-AS applicable for periods ending on or after 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the company's opening balance sheet was prepared as at 1 April 2015, the company's date of transition to Ind-AS. This note explains the principal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.

Exemptions applied on first time adoption of Ind-AS 101

(a.) Investment in subsidiaries, Joint ventures and associates:

The Company has elected this exemption and opted to continue with the carrying value of investment in subsidiaries and Associates, as recognised in its Indian GAAP financials, as deemed cost at the date of transition.

(b.) Deemed Cost

Pursuant to IND-AS 101, the Company has opted to report item of property, plant and equipment at the date of transition to Ind ASs at its carrying value and use that value as its deemed cost at that date.

(c.) Non-current assets held for sale and discontinued operations

Ind AS 105 requires non-current assets that meet the criteria to be classified as held for sale, noncurrent assets that are held for distribution to owners and operations that meet the criteria to be classified as discontinued and carried at lower of its carrying amount and fair value less cost to sell on the initial date of such identification. Ind AS 105 also requires that a non-current asset classified as held for sale or forming part of disposal group should not be depreciated or amortized, if the asset's measurement is covered within the scope of Ind AS 105. Ind AS 101 contains a voluntary exemption whereby a first time adopter can:

- ▶ Measure such assets or operations at the lower of carrying value and fair value less cost to sell at the date of transition to Ind ASs in accordance with Ind AS 105, and
- ▶ Recognise directly in retained earnings any difference between that amount and the carrying amount of those assets at the date of transition to Ind ASs determined under the entity's previous GAAP.

(d.) Cumulative translation differences

A first-time adopter need not comply with the requirements in Ind AS 21 to recognise cumulative translation differences on foreign operations (i.e., cumulative translation differences that existed at the date of transition to Ind AS). Accordingly,

- a) The cumulative translation differences for all foreign operations are deemed to be zero at the date of transition to Ind AS
- b) The gain or loss on a subsequent disposal of any foreign operation must exclude translation differences that arose before the date of transition to Ind AS and shall include later translation differences.

The exemption applies to all cumulative translation differences arising from the translation of foreign operations, gains or losses on related hedges, if any.

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ZU'ARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

35: First Time Adoption of Ind AS

(Amount in Rupees, except otherwise stated)

35.1 : Reconciliation of Equity

Particulars	Notes	As at 31 March 2016	As at 31 March 2015
Equity as reported under previous GAAP		1,30,07,78,861	1,15,80,09,620
<u>Adjustments pursuant to IND-AS</u>			
Opening adjustment to retained earnings		(3,48,44,358)	-
Fair valuation of investment in mutual funds	1(a.)	1,09,19,023	9,61,477
Interest expense recognised on liability component of Preference Shares	2	(57,29,099)	(10,40,866)
Fair valuation of investment in Preference shares	1(c.)	49,32,712	-
Unwinding of security deposits paid	1(b.)	1,65,348	-
Amortisation of prepaid rent in relation to discounting of security deposits paid	1(b.)	(1,93,083)	-
Re-measurement gains (losses) on defined benefit plans - Adjustment to P&L	3	(6,51,440)	-
Re-measurement gains (losses) on defined benefit plans - through OCI		6,51,440	-
Incremental deferred tax impact recognised in P & L Statement	4	(5,03,390)	2,08,692
Compulsorily convertible preference shares reclassified as Debt	2	(1,50,00,000)	(7,00,00,000)
Deemed Equity Share Capital	2	78,34,583	3,46,60,745
Equity as reported under IND-AS		1,26,83,60,597	1,12,27,99,668

35.2: Reconciliation of Profit

Particulars	Notes	As at 31 March 2016
Profit as reported under previous GAAP		(1,59,25,931)
<u>Ind AS: Adjustments increase (decrease):</u>		
Fair valuation of Financial Assets	1(a.)	1,09,19,023
Interest expense recognised on liability component of compound financial instrument	2	(57,29,099)
Fair valuation of investment in Preference shares	1(c.)	49,32,712
Unwinding of security deposits paid	1(b.)	1,65,348
Amortisation of prepaid rent in relation to discounting of security deposits paid	1(b.)	(1,93,083)
Re-measurement gains (losses) on defined benefit plans - through P&L		(6,51,440)
Incremental deferred tax impact recognised - P & L	4	(2,88,007)
Total adjustment to profit or loss		91,55,454
Profit or loss under Ind-AS		(67,70,477)
Other comprehensive income (net of tax expense)	3	94,96,823
Total comprehensive income under Ind-AS		27,26,346

Note 35.3: Footnotes to the reconciliation of equity as at 1 April 2015 and 31 March 2016 and profit or loss for the year ended 31 March 2016

(1) Financial assets

(a.) Investments in Mutual funds:

The 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)

(b.) Security Deposits:

Financial assets such as interest free security deposits were being carried over at cost under IGAAP. On application of Ind AS 109, all such financial assets are now being measured at amortised cost using effective rate of interest. At the date of transition to Ind AS, there has been no impact since the company has availed Ind AS 101 exemption with respect to measurement of financial instruments. During the year ended 31 March 2016, the Company's profit has decreased owing to net effect of unwinding of finance expenses in relation to these financial assets and amortisation of deferred expenses recognised.



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

35: First Time Adoption of Ind AS

(Amount in Rupees, except otherwise stated)

Foot Note 1(b) Contd...

(c) Investments in Preference shares - Financial Assets:

Company has made investment in 1% Redeemable optionally convertible Non-cumulative Preference Shares of Brajbhumi Nirmaan Private Limited. 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). for this purpose fair valuation was carried by an independent valuers and the same has been relied upon by the auditors.

(2) Preference shares - Financial Liabilities

Company has issued non-convertible redeemable preference shares of Rs 10/- each, carrying coupon rate of 8.5% per annum which are cumulative in nature, at a premium of Rs 90/- share. These shares are redeemable on 31st March 2020 at a price band of Rs 125 to Rs 150 per share. The premium received on these shares at Rs 90/- per share has been credited to 'Securities Premium Account' as required under Companies Act, 2013.

Pursuant to Schedule III 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. 5,61,54,238/- (2016: Rs 4,92,74,637/-; 2015: Rs.3,63,80,122/-) has been classified under 'Long-term Borrowings' and the portion computed as the deemed equity amounting to Rs. 4,24,95,328 (2016: Rs. 4,24,95,328/- ; 2015: Rs. 3,46,60,745/-) 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 Companies Act, 2013 since such classification of the 'securities premium account' into 'borrowings' or 'other equity' will be inconsistent with the provisions of section 52 of the Companies Act, 2013 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 adequate accumulated profits since recognition of such a liability will not be in accordance with section 55 of the Companies Act, 2013

(3) Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, 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 in OCI. Due to this, for the year ended 31 March 2016, the employee benefit cost is reduced and Remeasurements gains on defined benefit plans has been recognized in the OCI.

(4) Deferred taxes

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

The various transitional adjustments resulted in temporary differences and the resulting deferred tax relating to these adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity. On the date of transition, the Company has recognised incremental deferred tax with a corresponding credit to retained earnings.

35.4: Cash Flow Statement

There were no significant reconciliation items between cash flow statements prepared under Indian GAAP and those prepared under Ind AS. Hence no separate reconciliation is considered necessary.



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

36. Related Party Disclosures

(Amount in Rupees, except otherwise stated)

(a.) List of related party identified by the management

Holding Company	Zuari Global Limited
Subsidiary	Zuari Infra Middle East Limited
Fellow Subsidiaries	Zuari Management Services Limited
	Simon India Limited
	Zuari Investment Limited
	Zuari Agro Chemicals Limited
Associate	Brajbhumi Nirmaan Private Limited
	Darshan Nirmaan Private Limited
	Pranati Niketan Private Limited
Key Management Personnel	Mr. Alok Banerjee, Chief Executive Officer
	Mr. Anshul Amit Bansal, Chief Financial officer (w.e.f. 19.10.2016)
	Mr. Krishan Kumar Gupta, Non Executive Director
	Mr. Vishwajit Kumar Sinha, Non Executive Director
	Mr. Sunil Sethy, Independent Director
	Mr. G U V S Nagaraju (Upto 21.05.2016)
	Mr. Pritam Das Mohapatra (Upto 17.06.2016)
	Mr. Narayanan Suresh Krishnan, Independent Director
Mr. C G Ramegowda, Company secretary (w.e.f. 05.01.2017)	
Director of holding company	Mr. Saroj Kumar Poddar

(b.) Transactions carried out with related parties in the ordinary course of business:

Sl. no.	Transaction details	For the year ended	
		31 March 2017	31 March 2016
1	Payment made on their behalf: Zuari Agro Chemicals Limited	14,58,652	-
2	Payment made on our behalf: Zuari Agro Chemicals Limited Zuari Investments Limited Zuari Global Limited	55,675 - -	1,58,977 7,325 1,000
3	Service Charges / Management Fees Paid Zuari Investments Limited	31,500	41,88,299
4	Service Charges / Management Fees Received/ receivable Brajbhumi Nirmaan Private Limited	56,25,000	1,35,00,000
5	Inter-Corporate Deposits Taken - Liability Zuari Global Limited - Accepted - Repayment	4,00,00,000 7,60,00,000	- 5,00,00,000
6	Interest paid/payable on ICD received Zuari Global Limited	97,43,781	2,26,63,153
7	Reimbursement of Employee Compensation received/receivable Brajbhumi Nirmaan Private Limited	19,99,619	47,86,197
8	Preference Share capital issued (Rs 10 per share at a premium of Rs 90) Mr. Saroj Kumar Poddar	-	15,00,00,000
9	Managerial Remuneration paid Short-term employee benefits Post employment benefits	1,15,24,896 6,73,805	84,51,878 4,94,347
10	Commission and other benefits to non-executive/independent directors Sitting Fees	5,72,500	3,40,000
11	Guarantee Commission Paid by Subsidiary Zuari Global Limited	31,93,138	3,93,059



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

(c.) Year-end Balances:

Sl. no.	Year-end balances	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
1	Unsecured Loan - ICD from Holding Company (ZGL)	12,63,37,998	16,08,00,000	21,08,00,000
2	Year end Payables - Zuari Global Limited - Simon India Limited - Zuari Investments Limited - Zuari Management Services Limited - Zuari Agro Chemicals Limited	1,46,88,795 36,92,844 14,84,500 - 25,45,547	3,97,735 36,92,844 14,84,500 - 4,67,390	2,00,000 36,92,844 18,42,480 72,693 -
3	Trade Receivables - Brajbhumi Nirnaan Private Limited	4,04,01,900	3,25,34,400	1,53,54,000
4	Other Payables - Mr. Alok Banerjee - Mr. Anshul Amit Bansal - Mr. Cholaghatta Gopalappa Ramegowda - Mr.G.U.V.S Nagaraju - Mr.Pritam Das Mohapatra	7,37,601 1,29,037 92,922 - -	10,810 - - 1,460 676	- - - 11,154 -
5	Other Recoverables - Brajbhumi Nirnaan Private Limited	43,37,491	40,49,492	43,35,117

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

37. Segment Information

(Amount in Rupees, except otherwise stated)

Information regarding Primary Segment Reporting as per Ind AS-108

The Group and its Associates operates in only one primary segment (i.e., Real Estate Sector) which consists of development of properties and rendering development management services and thus entire business has been considered as a single segment by the management.

Geographical information	Revenue from external customers	Revenue from external customers	Non-current Segment assets*	Non-current Segment assets*
	Year Ended	Year Ended	As at	As at
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
India	12,57,79,786	26,26,86,044	14,21,55,224	14,98,93,743
Outside India	-	-	1,82,70,330	58,74,579
	12,57,79,786	26,26,86,044	16,04,25,554	15,57,68,322

(i) It includes Rs 13,17,539/- being capital work-in-progress.

(ii) Non-current assets excluding financial instruments, deferred tax assets, post-employment benefit assets, and assets arising from insurance contracts. In other words, it represents PPE, intangibles.

38. Disclosures relating to Projects

(Amount in Rupees, except otherwise stated)

Particulars	For the year ended	For the year ended
	31st March, 2017	31st March, 2016
Project revenue recognized as revenue in the reporting period	11,78,34,366	18,03,40,658
Aggregate amount of costs incurred and profits recognised (less recognised losses) upto the reporting date	11,29,57,531	27,47,41,408
Amount of advance received on project under progress and outstanding at the reporting date.	22,04,32,729	15,17,95,971
Amount of work in progress and the value of inventories	2,18,34,73,943	1,72,24,99,023
Excess of revenue recognised over actual bills raised (unbilled revenue)	24,55,99,582	25,57,54,007
Method used to determine project revenue recognised during the year	Refer Note 2 (i)	Refer Note 2 (i)
Method used to determine the stage of completion of projects in progress	Refer Note 2 (i)	Refer Note 2 (i)

39. Additional information pursuant to part-III of the Schedule III- Preparation of financial statements of a Company required to comply with Ind AS

Name of the Entity in the	Net Assets i.e., Total Assets minus total liabilities as at		Share in total comprehensive income for the year ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Zuari Infraworld India Limited (Consolidated)				
In Amount	1,23,65,13,379	1,26,83,60,597	(3,18,47,218)	27,26,346
In Percentage (%)	100%	100%	100%	100%
Parent				
Zuari Infraworld India Limited	1,24,94,47,379	1,28,04,84,630	(1,22,13,493)	(46,51,191)
Amount	101.05%	100.96%	38.35%	-170.60%
As % of Consolidated				
Subsidiaries (Foreign)				
Zuari Infra Middle East Limited *				
Amount	(1,29,34,000)	(1,21,24,033)	(2,06,23,189)	80,78,411
As % of Consolidated	-1.05%	-0.96%	64.76%	296.31%

* Based on the audited consolidated financial statements of the subsidiary and the share of total comprehensive income reported is net of exchange translation reserve that will not be reclassified subsequently to profit or loss

Associates (Indian Entities) (Investment as per the equity method)	Share of profit & loss	
	March 31, 2017	March 31, 2016
Brajbhumi Nirmaan Private Limited		
Amount (net of income disclosed under IIS)	9,98,713	(6,84,405)
Consolidated	-3.14%	-25.10%
Pranati Niketan Private Limited		
Amount	(4,750)	(8,421)
Consolidated	0.01%	-0.31%
Darshan Nirmaan Private Limited		
Amount	(4,500)	(8,048)
Consolidated	0.01%	-0.30%



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

40. Goodwill

Goodwill appearing in the Consolidated Financial Statements represents the goodwill on consolidation reported in the audited consolidated Financial Statements of the subsidiary company.

41. Foreign Currency Exposure:

(i) The Company has not entered into any forward contracts to hedge the Foreign currency risk

(ii) Un-hedged Foreign currency exposures as the reporting date is given below:

Nature of Exposure	Currency	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Balance with bank in the current accounts	AED	-	-	11,95,758
	INR	-	-	2,03,53,958
Claims Receivable	AED	-	-	10,32,571
	INR	-	-	1,75,17,165
Trade Payable	AED	1,11,57,562	75,08,017	20,63,118
	INR	19,69,86,757	12,83,53,197	3,50,00,000
Inter-Corporate Deposits	AED	-	-	3,60,000
	INR	-	60,92,402	61,27,848

42. Disclosure On Specified Bank Notes (SBN's) relating to the parent company as required under the MCA notification G.S.R. 308(E) dated March 30, 2017 for the period from November 8, 2016 to December, 30 2016 is as given below:

Particulars	SBN's	Other Notes	Total
Balance as at 08 November 2016	-	13,503	13,503
(+) Permitted Receipts	-	3,87,670	3,87,670
(-) Permitted Payments	-	(2,36,101)	(2,36,101)
(-) Deposited into banks	-	-	-
Balance as at 30 December 2016	-	1,65,072	1,65,072

* As certified by the Management and details relating to Associates are not considered for above disclosure

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

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


N SURESH KRISHNAN
 Director


ANSHUL A. BANSAL
 Chief Financial Officer

Place: Gurgaon
 Date: 15th May, 2017


V K SINHA
 Director


G RAMEGOWDA
 Company Secretary

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: 15th May, 2017