



**V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS**

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ZUARI INFRAWORLD INDIA LIMITED

1. We have audited the accompanying standalone financial statements of **ZUARI INFRAWORLD INDIA LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit & Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 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 financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of the accounting principles used and the reasonableness of the accounting estimates made by the company's Directors, as well as evaluating the overall presentation of the 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 financial statements.



4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015, and its profit and its cash flows for the year ended on that date.

5. Report on other legal and regulatory requirements

5.1 As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash flow statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act.

5.2 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 knowledge and information and according to the explanations given to us:

- a) The Company does not have any pending litigations, which would impact its financial position.
- b) In respect of long term contracts, the Company does not require to make provision as required under any law or accounting standards for material foreseeable losses, if any. The Company has not entered into any derivative contracts during the year.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection fund by the company.

5.3 As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (18 of 2013), we enclose in the annexure, a statement on the matters specified in paragraphs 3 and 4 of the said Order to the extent applicable, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us.

Place : Gurgaon

Dated: 8-05-2015

For V. Sankar Aiyar & Co.
Chartered Accountants
(Firm Regn. No. 109208W)

(V. Rethinam)

Partner

Membership No. 010412



ANNEXURE REFERRED TO IN OF OUR REPORT OF EVEN DATE TO THE SHAREHOLDERS OF ZUARI INFRAWORLD INDIA LIMITED FOR THE YEAR ENDED 31st MARCH, 2015

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) We are informed that the management have physically verified the assets at the year end. Having regard to the size of the Company and nature of its assets, in our opinion this is considered reasonable. No material discrepancies have been noticed on the basis of such verification as compared to the book records.
2. The Company does not carry inventories of the nature covered by Accounting Standard - 2.
3. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register required to be maintained under Section 189 of the Act. Therefore, the provisions of clause 3 (iii)(a) & (b) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and the sale of goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control system of the company.
5. The Company has not accepted any deposits from the public in terms of sections 73 to 76 or any other relevant provisions of the Act and the rules made there under.
6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section(1) of section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
7. According to the information and explanations given to us in respect of statutory and other dues:
 - a) According to the records of the Company, Company has generally been regular during the year in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, VAT and service tax and other material statutory dues as applicable with the appropriate authorities. We are informed that there is no liability towards sales-tax, wealth-tax, customs duty, excise duty, and cess .According to the information and explanations obtained, there are no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
 - b) There are no dues in respect of income tax, service tax, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute.
 - c) There are no amounts which is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Act and rules made thereunder
8. The Company has accumulated losses at the end of the financial year. It has not incurred cash losses in the current year and in the immediately preceding financial year.
9. On the basis of the verification of records and information and explanations given to us, the Company has not defaulted in repayment of dues to banks. There are no dues to financial institutions or debentures outstanding in the books of accounts at any time during the year.
10. According to the information and explanations given to us, the Company has given fund based guarantee during the year for loans taken by a wholly owned overseas subsidiary from banks or financial institutions. The terms and conditions are not prima facie prejudicial to the interests of the Company.



11. According to the records of the Company, term loans taken during the year have been applied for the purpose for which they were obtained

12. Based on the audit procedure performed and the representation obtained from the management, we report that no case of material fraud on or by the Company has been noticed or reported during the year under audit

For V. Sankar Aiyar & Co.
Chartered Accountants
(Firm Regn. No.: 109208W)


(V. Rethinam)

Partner

Membership No. 010412

Place: Gurgaon

Dated:

8-05-2015



Zuari Infracore India Ltd
Standalone Balance Sheet as at March, 2015

(Amount in Rupees)

	Note No.	March 31, 2015	March 31, 2014
I. EQUITY AND LIABILITIES			
(1) Share holder's fund			
(a) Share capital	3	535,500,000	465,500,000
(b) Reserves and surplus	4	578,126,103	(79,869,859)
		<u>1,113,626,103</u>	<u>385,630,141</u>
(2) Non-current Liabilities			
(a) Long term borrowings	5	735,567,150	295,320,934
(b) Other long term liabilities	6	30,935,105	19,610,509
(c) Long term provisions	7	3,597,332	1,772,438
		<u>770,099,587</u>	<u>316,703,881</u>
(3) Current Liabilities			
(a) Trade payables	8	89,245,602	33,287,879
(b) Other current liabilities	9	678,564,758	612,101,867
(c) Short-term provisions	10	366,664	168,839
(d) Short-term borrowings	11	-	10,003,658
		<u>768,177,024</u>	<u>655,562,243</u>
TOTAL		<u>2,651,902,714</u>	<u>1,357,896,265</u>
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed assets			
(i) Tangible assets (Net)	12 (a)	15,709,388	15,638,916
(ii) Intangible assets	12 (b)	1,021,582	1,319,258
		<u>16,730,970</u>	<u>16,958,174</u>
(b) Non Current investments	13	239,616,400	-
(c) Long term loans and advances	14	87,103,227	148,787,969
(d) Deferred Tax Asset	15	3,496,677	722,460
		<u>346,947,274</u>	<u>166,468,603</u>
(2) Current Assets			
(a) Current investments	16	243,669,628	-
(b) Inventories	17	958,058,494	815,224,698
(c) Trade receivables	18	72,206,282	3,766,501
(d) Cash and cash equivalents	19	491,445,035	92,309,151
(e) Short term loans and advances	20	277,385,587	198,047,068
(f) Other current assets	21	262,190,414	82,080,244
		<u>2,304,955,440</u>	<u>1,191,427,662</u>
TOTAL		<u>2,651,902,714</u>	<u>1,357,896,265</u>
Significant Accounting Policies	1		
Other Notes forming part of Financial Statements	2		

In terms of our report of even date attached

For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No: 109208W

For and on behalf of the Board of Directors



(V. Rethinam)
Partner
Membership No. 10412




Director
DIN . No. 00021965



Director
DIN . No. 02702645


G U V S Nagaraju
Chief Financial Officer


Pritam Das Mohapatra
Company Secretary

Place: Gurgaon
Date: 08.05.2015

Place: Gurgaon
Date: 08.05.2015



Zuari Infracore India Ltd
Statement of Profit and Loss for the year ended March 31, 2015

(Amount in Rupees)

	Note No.	March 31, 2015	March 31, 2014
Income			
I. Revenue from Operations (Refer Note 1.12 (i))	22	561,598,624	777,640,223
II. Other Income	23	23,564,747	12,468,556
TOTAL REVENUE (I+II)		585,163,371	790,108,779
III. Expenses			
Project Construction and Development	24	612,339,620	593,351,903
(Increase)/Decrease in inventory	25	(143,404,214)	86,189,889
Employee benefits expense	26	18,945,970	7,370,773
Depreciation and amortisation expense	12 (a) & 12 (b)	4,484,859	4,893,033
Other expenses	27	56,854,226	85,897,150
Finance Cost	28	10,721,165	4,782,191
TOTAL EXPENSES		559,941,626	782,484,939
Profit / (loss) before exceptional and extraordinary items and tax (III-IV)		25,221,745	7,623,840
Exceptional items		-	-
Profit / (loss) before extraordinary items and tax (V - VI)		25,221,745	7,623,840
Extraordinary items		-	-
IV. Profit / (loss) before tax		25,221,745	7,623,840
V. Provision for taxation:			
(a) Current Tax (MAT)		(2,765,050)	(946,330)
(b) Deferred tax (Liability) / Asset		2,774,217	722,460
(c) MAT Credit Entitlement		2,765,050	946,330
VI. Profit / (loss) after taxation for the year carried to Balance Sheet		27,995,962	8,346,300

Significant Accounting Policies 1
Other Notes forming part of Financial Statements 2

Earnings per share of the face value of Rs 10/ each
Basic and Diluted 0.60 0.20
Weighted average number of equity shares in calculating basic and diluted EPS 46,550,000 41,011,644

In terms of our report of even date attached

For V.Sankar Aiyar & Co

Chartered Accountants
Firm Regn No: 109208W

(V.Rethinam)
Partner
Membership No. 10412

For and on behalf of the Board of Directors

Suresh Krishna
Director
DIN . No. 00021965

A. Sankar
Director
DIN . No. 02702645

G. V. S. Nagaraju
G U V S Nagaraju
Chief Financial Officer

Pritam Das Mohapatra
Pritam Das Mohapatra
Company Secretary

Place: Gurgaon
Date: 08.05.2015

Place: Gurgaon
Date: 08.05.2015



Zuari Infracore India Ltd

Cash Flow Statement for the year ended March 31, 2015

(Amount in Rs.)

	31-Mar-15	31-Mar-14
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) before taxation	25,221,745	7,623,840
<u>Adjustment for :</u>		
Depreciation & Amortisation	5,616,026	5,667,263
Interest (Income)	(16,391,580)	(7,466,957)
Dividend (Income)	(3,018,832)	-
Accumulated Depreciation on the Assets moved out to Inventory	-	(1,582,787)
Loss on Sale of Tangible Assets (Net)	1,881,869	-
Operating Profit/(Loss) before working Capital Changes	13,309,228	4,241,359
<u>Adjustment for changes in :</u>		
(Decrease)/Increase in trade payables	55,957,723	2,362,611
Decrease/(Increase) in trade receivables	(68,439,781)	(3,766,501)
(Increase) / Decrease in Other Current Assets	(173,889,024)	(81,337,921)
(Decrease)/Increase in provisions	13,347,315	17,918,795
(Decrease)/Increase in other current liabilities	54,824,886	50,023,348
(Increase) / Decrease in inventories	(142,833,797)	86,189,889
(Increase) / Decrease in loans and advances	(11,273,064)	(138,839,807)
Net cash generated from operations before extraordinary items	(258,996,513)	(63,208,227)
Extraordinary items	-	-
Net cash generated from operations after extraordinary items	(258,996,513)	(63,208,227)
Direct Taxes Paid (net of refund)	7,520,582	5,926,750
Net cash generated from operating activities	(266,517,095)	(69,134,977)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Additions to tangible/intangible assets	(10,960,745)	5,883,271
Proceeds from sale of tangible/intangible assets	243,125	-
Purchase of non current investments in Subsidiary & JV's	(239,616,400)	-
Investment in Mutual Funds	(243,669,628)	-
Interest (Income)	16,391,580	7,466,957
Dividend (Income)	3,018,832	-
Net cash from Investing activities	(474,593,236)	13,350,228
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Issuance of Share capital	700,000,000	65,000,000
Repayment/Conversion of ICD	-	(189,500,000)
Proceeds from Borrowings	440,246,216	195,320,934
Net cash used in financing activities	1,140,246,216	70,820,934
Net Changes in Cash and Cash equivalents during the year	399,135,885	15,036,185
Cash and Cash equivalents at the beginning of the year	92,309,151	77,272,966
Cash and Cash equivalents at the end of the year	491,445,036	92,309,151
Net Increase/(Decrease)	399,135,885	15,036,185

In terms of our report of even date attached

For V.Sankar Aiyar & Co

For and on behalf of the Board of Directors

Chartered Accountants
Firm Regn No: 109208W

(V.Rethinam)
Partner

Membership No. 10412

Sunil Krishna

Director

DIN . No. 00021965

R. V. S. Nagaraju
GUVS Nagaraju

Chief Financial Officer

Pratik Das Mohapatra

Director

DIN . No. 02702645

Pratik Das Mohapatra
Pratik Das Mohapatra

Company Secretary

Place: Gurgaon

Date: 08.05.2015



Place: Gurgaon

Date: 08.05.2015



Zuari Infraworld India Ltd

3 SHARE CAPITAL

(Amount in Rupees)

	March 31, 2015	March 31, 2014
Authorized capital		
50,000,000 (2014 : 50,000,000) Equity Shares of Rs. 10 each	500,000,000	500,000,000
15,000,000 (2014 : Nil) Preference Shares of Rs. 10 each	150,000,000	-
	<u>650,000,000</u>	<u>500,000,000</u>
Issued, subscribed and paid up capital		
46,550,000 (2014 : 46,550,000) Equity Shares of Rs. 10 each, fully paid up	465,500,000	465,500,000
7,000,000 8.5 % Non Convertible Cumulative Redeemable Preference Share of Rs. 10 each, fully paid up	70,000,000	-
Total	<u>535,500,000</u>	<u>465,500,000</u>

3.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period:

	March 31, 2015		31st March , 2014	
	(in nos.)	(Rupees)	(in nos.)	(Rupees)
a) Equity Shares:				
At the beginning of the period	46,550,000	465,500,000	40,050,000	400,500,000
Add: Issued during the year	-	-	6,500,000	65,000,000
At the close of the financial year	46,550,000	465,500,000	46,550,000	465,500,000
b) Preference Shares:				
At the beginning of the period	-	-	-	-
Add: Issued during the year	7,000,000	70,000,000	-	-
At the close of the financial year	7,000,000	70,000,000	-	-

3.2 Terms/Rights attached to Equity Shares

The Company has only one class of equity share, having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

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. Date of redemption 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

3.3 Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	March 31, 2015		31st March , 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares - Zuari Global Ltd	46,550,000	100.0%	46,550,000	100.00%
Preference Shares - Mr. Saroj Kumar Poddar	7,000,000	100.0%		

3.4 The entire paid up equity share capital is held by Zuari Global Limited, the Holding Company.



Zuari Infracore India Ltd

(Amount in Rupees)

4 RESERVES AND SURPLUS

	March 31, 2015	March 31, 2014
(i) Securities Premium		
On issue of preference share capital	630,000,000	-
(ii) Profit and Loss		
Opening balance	(79,869,859)	(88,216,159)
Profit/(Loss) for the current year	27,995,962	8,346,300
Closing Balance	<u>(51,873,897)</u>	<u>(79,869,859)</u>
	<u>578,126,103</u>	<u>(79,869,859)</u>

5 LONG TERM BORROWINGS

(i) Secured Loans:

Axis Bank Ltd (Term Loan 1)	-	222,316,951
Axis Bank Ltd (Term Loan 2)	-	160,903,983
ICICI Bank Ltd - Term Loan	778,067,150	-
Less: Current maturities shown under Current Liabilities (Note 9)	<u>155,000,000</u>	<u>87,900,000</u>
	<u>623,067,150</u>	<u>295,320,934</u>

Notes:

- Terms loans taken towards developing the housing projects of Kabini, Kapila & Kaveri
- Secured by equitable mortgage of the piece & parcel of land measuring 2,83,890 sq m at Hulikere Village and building constructed, hypothecation of receivables, pertaining to the extant project, both present and future
- Interest @ 13.25% per annum
- Terms of Repayment:
Payable in monthly instalment, commencing from October 2014. and ending September 2018.
- Axis Bank Ltd Term Loan, which was secured by equitable mortgage of land and unsold stock of Phase-I, Tower - E of Kaveri Project, and further secured against receivables of Phase-I, Tower - E of Kaveri was foreclosed during the year and outstanding balance was takeover by ICICI Bank Limited

(ii) Unsecured Loans:

Inter Corporate deposit from Zuari Global Ltd [(Holding Company- a related party)	210,800,000	320,800,000
Inter Corporate deposit from Adventz Finance Private Limited	200,000,000	-
Less: Current maturities shown under other current liabilities (Note 9)	<u>298,300,000</u>	<u>320,800,000</u>
	<u>112,500,000</u>	<u>-</u>
Total	<u>735,567,150</u>	<u>295,320,934</u>

Terms: Zuari Global Ltd
Interest @ 13.75% p.a.
Maturity: 18 months

Terms: Adventz Finance India Limited
Interest @ 14.00% p.a.
Maturity: 18 months

6 OTHER LONG TERM LIABILITIES

Retention Money	30,935,105	19,610,509
Total	<u>30,935,105</u>	<u>19,610,509</u>

7 LONG TERM PROVISIONS

Gratuity	2,133,036	1,038,719
Leave Encashment	1,464,296	733,719
Total	<u>3,597,332</u>	<u>1,772,438</u>

8 TRADE PAYABLES

Due to Micro & Small Enterprises***	-	-
Dues to others	83,437,585	29,595,035
Due to related parties	5,808,017	3,692,844
Total	<u>89,245,602</u>	<u>33,287,879</u>

Note: *** The Company sought information from



Zuari Infraworld India Ltd

(Amount in Rupees)

	March 31, 2015	March 31, 2014
9 OTHER CURRENT LIABILITIES		
(a) Current maturities of long term borrowings	453,300,000	408,700,000
(b) Statutory Dues	5,327,117	3,692,770
(c) Retention Money	7,526,052	5,223,843
(d) Advances from customers	207,578,439	194,485,254
(e) Interest accrued but not due on borrowings	4,833,150	-
Total	678,564,758	612,101,867
10 SHORT TERM PROVISIONS		
For Employee Benefits		
Gratuity	51,614	19,035
Leave Encashment	315,050	149,804
Total	366,664	168,839
11 SHORT TERM BORROWINGS		
Axis Bank Limited - Overdraft Account	-	10,003,658
Total	-	10,003,658



Zuari Infraworld India Ltd
12. FIXED ASSETS (Refer Note 1.3, 1.4 & 1.5)

Particulars	Gross Block				Accumulated Depreciation			Net block		
	As at April 01, 2014	Additions	Deductions	Balance as at March 31, 2015	Up to March 31, 2014	For the year	Written back	Up to March 31, 2015	As at March 31, 2015	As at March 31, 2014
12 (a) TANGIBLE ASSETS										
Leasehold Improvements	9,122,075	8,877,951	9,122,075	8,877,951	4,946,181	1,809,371	6,719,255	36,297	8,841,654	4,175,894
Temporary Structures	1,704,550	-	-	1,704,550	681,820	937,472	-	1,619,290	85,260	1,022,730
Furniture and Fixtures	5,549,749	342,590	1,346,447	4,545,892	1,406,489	552,061	559,383	1,399,167	3,146,725	4,143,260
Office Equipments	4,358,632	993,311	1,207,043	4,144,900	591,889	1,412,232	449,997	1,554,126	2,590,774	3,766,743
Computer and Computer Equipments	2,921,738	731,386	-	3,653,124	2,044,652	563,497	-	2,608,149	1,044,975	877,086
Vehicles	2,431,239	-	2,431,239	-	778,036	28,210	806,245	-	-	1,653,203
Total	26,087,983	10,945,238	14,106,804	22,926,417	10,449,067	5,302,843	8,534,880	7,217,029	15,709,388	15,638,916
Previous year	32,895,399	1,070,125	7,913,938	26,087,983	7,418,501	4,613,353	1,582,787	10,449,067	15,638,916	25,876,898
12 (b) INTANGIBLE ASSETS										
Computer Software	3,688,355	15,507	-	3,703,862	2,369,097	313,183	-	2,682,280	1,021,582	1,319,258
Total	3,688,355.00	15,507	-	3,703,862	2,369,097	313,183	-	2,682,280	1,021,582	1,319,258
Previous year	2,764,210	924,145	-	3,688,355	1,315,187	1,053,910	-	2,369,097	1,319,258	1,449,023

Depreciation for the year is allocated as under	March-2015	March-2014
Debited to Project (ZGC)	1,131,167	774,230
Debited to Profit & Loss A/c	4,481,859	4,893,033
Total	5,616,026	5,667,263



	March 31, 2015	March 31, 2014
13 NON CURRENT INVESTMENTS		
Unquoted - Trade - At Cost		
(i) Equity Shares		
Brajbhumi Nirmaan Pvt Ltd - Joint Venture 10,00,000 Shares of Rs 10 each, at premium of Rs 179.40, fully paid	189,400,000	-
Darshan Nirman Pvt Ltd - Joint Venture 2,500 Shares of Rs 10 each, fully paid	25,000	-
Pranati Niketan Pvt Ltd - Joint Venture 2,500 Shares of Rs 10 each, fully paid	25,000	-
Zuari Infra Middle East Ltd - wholly owned subsidiary 10,000 Shares of AED 1 (AED 10000)	166,400	-
(ii) Preference Shares		
Brajbhumi Nirmaan Pvt Ltd - Joint Venture 5,00,000 Shares of Rs 100 each, fully paid	50,000,000	-
1% Redeemable Non-Cumulative optionally convertible. Date of Maturity - 30.11.2023		
Total	239,616,400	-
Note: Particulars as required u/s 186(4) of the Companies Act, 2013 - as above		
14 LONG TERM LOANS AND ADVANCES		
(Unsecured - considered good)		
(a) Security deposits	6,151,747	9,844,465
(b) Other loans and advances		
(i) Advance to Vendors	63,960,556	63,960,556
(ii) Loan to employees (Housing Loan)	440,826	457,460
(iii) Share Application Money - BNPL	-	69,429,813
(iv) Income tax paid [net of provisions]	11,476,387	5,095,675
(v) Loan to Zuari Infra Middle East Ltd (a wholly owned subsidiary) (Rate of Interest @ 14% p.a. Maturity at the end of 18 months (See note below)	5,073,711	-
Total	87,103,227	148,787,969
Note: Particulars as required u/s 186(4) of the Companies Act, 2013		
15 DEFERRED TAX ASSET		
Deferred Tax Asset (On account of depreciation)	3,496,677	722,460
Total	3,496,677	722,460
16 CURRENT INVESTMENTS		
(At cost or fair value whichever is less)		
In Units of Mutual Fund - Liquid		
-Kotak Mutual Fund - 1,42,53,222.092 nos	143,669,628	-
-IDFC Mutual Fund - 45,50,294.404 nos (Net asset value Rs.244,631,105)	100,000,000	-
Total	243,669,628	-
Note: Particulars as required u/s 186(4) of the Companies Act, 2013 - as above		
17 INVENTORY		
Work-in-Progress (Valued at lower of cost or net realisable value) (includes cost of land and project construction and development expenses)	958,058,494	815,224,698
Total	958,058,494	815,224,698
18 TRADE RECEIVABLES		
(Unsecured, considered good)		
Outstanding for a period exceeding six months from the due date	-	-
Other Debts - Related Parties	72,206,282	37,665,501
Total	72,206,282	37,665,501
19 CASH AND CASH EQUIVALENTS		
Balances with banks		
- In current accounts	40,831,416	21,852,371
- In fixed deposits with maturity less than 3 months	9,600,000	70,456,780
- In fixed deposits with maturity of 12 months or less **	441,013,619	-
Total	491,445,035	92,309,151
** Lien on Fixed Deposit with Bank of Bahrain & Kuwait B.S.C. for sanction of term loan to Zuari Infra Middle East Limited (100% Wholly Own Subsidiary)		



Zuari Infraworld India Ltd

(Amount in Rupees)

	March 31, 2015	March 31, 2014
20 SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Loan to Zuari Infra Middle East Ltd (a wholly owned subsidiary) *	1,054,137	-
Inter Corporate Loan to Brijabhumi Nirmaan Private Limited	-	30,000,000
Advances recoverable in cash or kind (Refer Note 2.10)	271,990,486	167,013,113
Others		
-Deposits	3,595,249	312,656
-Prepaid Expenses	166,057	450,622
-Advance to Employees	579,658	270,677
Total	277,385,587	198,047,068
* For working capital purpose, interest bearing loan @ 14 % p.a.		
21 OTHER CURRENT ASSETS		
Interest receivable	5,453,187	89
Unbilled revenue	250,525,247	81,133,825
MAT Entitlement 2013-14	2,765,050	946,330
Capital Assets held for sale (Net of provision Rs 5,00,000 against book value)	3,446,930	-
Total	262,190,414	82,080,244



Zuari Infracore India Ltd

	(Amount in Rupees)	
	March 31, 2015	March 31, 2014
22 REVENUE FROM OPERATIONS		
Sales	507,760,202	770,593,900
Development Management Fees	53,007,422	6,861,323
Other Operating Income		
Transfer Fees	831,000	185,000
Total	<u><u>561,598,624</u></u>	<u><u>777,640,223</u></u>
23 OTHER INCOME		
Interest Income	16,391,580	7,466,957
Dividend from Units of Mutual Fund	3,018,832	-
Foreign Exchange Fluctuation	35,446	-
Miscellaneous Income	4,118,889	5,001,599
Total	<u><u>23,564,747</u></u>	<u><u>12,468,556</u></u>
24 PROJECT CONSTRUCTION AND DEVELOPMENT EXPENSES		
Architect Fees	33,194,962	15,846,059
Consultancy Fee	17,597,492	7,465,046
Depreciation on assets - Projects	1,131,167	774,230
Project Approval cost	1,870,920	1,341,614
Land Development	62,700,619	60,161,745
Civil Work	295,803,428	380,791,130
Landscape Expenses	3,950,004	454,994
Site Office	2,813,574	7,039,950
Site Security	2,155,021	1,374,403
Project Staff	37,273,233	29,291,524
Contribution to Provident & Other funds	5,007,759	1,978,276
Gratuity	447,910	-
Property Tax	237,823	206,803
Misc Expenses project	13,065,793	2,378,234
Legal charges for Rectification Deed	3,629,361	-
Sub Total	<u>480,879,066</u>	<u>509,104,008</u>
Add: Borrowing cost incurred during the year	131,460,554	84,247,895
Total	<u><u>612,339,620</u></u>	<u><u>593,351,903</u></u>
25 (INCREASE)/DECREASE IN INVENTORIES		
Construction Work-in- progress		
Inventory at the beginning of the year	815,224,697	901,414,587
Lees : Transfer on account of recovery	570,417	-
Inventory at the end of the year	958,058,494	815,224,698
Total (Increase)/Decrease	<u><u>(143,404,214)</u></u>	<u><u>86,189,889</u></u>
26 EMPLOYEE BENEFITS EXPENSE		
Salary and allowances	17,547,957	6,682,225
Contribution to Provident Fund	247,878	267,708
Gratuity	71,510	110,278
Staff welfare	1,078,625	310,562
Total	<u><u>18,945,970</u></u>	<u><u>7,370,773</u></u>



Zuari Infracore India Ltd

(Amount in Rupees)

27 OTHER EXPENSES

March 31, 2015

March 31, 2014

Rent	5,653,655	2,827,431
Travel and conveyance	2,482,955	2,066,163
Legal and professional fees	4,765,390	3,474,289
Communication and internet charges	755,179	735,730
Repairs and maintenance	1,827,994	2,275,976
Auditors remuneration (see note below)	531,847	339,750
Recruitment charges	1,195,906	499,252
Advertising and publicity expense - Villas	4,167,937	13,869,394
Advertising and publicity expense - Apartments & Other Phases	21,232,867	36,644,897
Rates and taxes	209,612	121,711
Fees for increase in authorised share capital	1,200,000	-
Business Development (Coorg Project)	-	64,357
Commission & Brokerage (Refer Note 2.10 (a))	6,705,855	21,574,662
Miscellaneous expenses	4,743,160	1,403,538
Loss on disposal of Asset	1,381,869	-
Total	56,854,226	85,897,150

28 Finance Cost

Interest on borrowings	9,660,614	-
Other borrowing costs	1,060,551	4,782,191
Total	10,721,165	4,782,191



ACCOUNTING POLICIES AND NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH, 31, 2015

Corporate Information:

The Company has been converted from a private company to a public company vide a fresh Certificate of Incorporation, dated January 29, 2010. The Company has changed its name from Adventz Infraworld India Ltd to Zuari Infraworld India Limited vide certificate of incorporation, dated May 28, 2013. The Company is developing a residential cum commercial property intended for sale.

1. Significant Accounting Policies:

1.1 Basis for preparation

These financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the notified accounting standards by Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on going concern basis, under the historical cost convention and on accrual basis, and complying with Schedule III of the Companies Act, 2013.

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 project and its phase 1 is in advance stage of completion, the normal operating cycle is based on the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has ascertained its operating cycle as one year for the purpose of current - non-current classification of assets and liabilities.

1.2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustment to the carrying amounts of assets, liabilities in future periods.

1.3 Tangible Fixed Assets

The fixed assets 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.

1.4 Depreciation on tangible fixed assets:

Depreciation is calculated 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

Name of the Assets	Year Ending 31.03.2015
	Useful Life
Office Equipments	5 years
Computers and Servers	3 and 6 years
Temporary Structure	Over a period of 5 years
Leasehold Improvements	Over the lease period of 11 years
Plant and Machinery	8 years

Depreciation is calculated after retaining 5% residual value.

Depreciation on assets used for the project has been considered part of construction and development cost.



1.5 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. They are amortized on a straight-line basis over the estimated useful economic life (three years). All intangible assets are assessed for impairment whenever there is an indication that they may be impaired.

1.6 Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

1.7 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in the value made to recognise a decline other than temporary in the value of the investments. On disposal of investments, the difference between the carrying amount and net disposal proceeds is charged to the statement of profit and loss.

1.8 Inventories

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.

1.9 Foreign Currency Transactions

Foreign currency transactions are recorded at exchange rate prevailing on the date of transaction/realisation. Current assets/liabilities 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 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, is recognised in the Statement of Profit & Loss. Non-monetary items denominated in foreign currency are valued at the exchange rate prevailing on the date of transaction.

1.10 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.

1.11 Taxation

Provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently enacted or substantially enacted tax rates. Deferred tax assets are recognized, only if there is reasonable / virtual certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.



1.12 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 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 (Revised 2012) 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. 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) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- iii) Dividend is recognised as and when the right to receive payment is established by the balance sheet date

1.13 Employee Benefits

i) Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account 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 liability under the Payment of Gratuity Act 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) 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) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

1.14 Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

1.15 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.

1.16 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.

2. NOTES ON ACCOUNTS

2.1 Capital and other commitment

Estimated amount of contracts remaining to be executed on project construction and development account- Rs.1,244,857,078 (Previous year Rs 689,192,393)



2.2 Contingent Liabilities

- i) Claims against the Company not acknowledged as debts – NIL. (Previous year NIL)
- ii) Dividend on cumulative preference shares – Rs. 1,271,507

2.3 Employee Benefits

Actuarial valuation of the gratuity and leave encashment for the period from 01/04/2014 to 31/03/2015 as per AS - 15 (Revised).

The present value of the obligations on account of gratuity and leave encashment is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional units of benefit entitlement and measures each unit separately to build up the final obligations. The following data are based on the report of the Actuary.

<u>PARTICULARS</u>	<u>GRATUITY</u>	<u>LEAVE</u>	<u>GRATUITY</u>	<u>LEAVE</u>
	<u>(Non Funded)</u>	<u>ENCASHMENT</u>	<u>(Non Funded)</u>	<u>ENCASHMENT</u>
	<u>As on 31st March, 2015</u>	<u>NT (Non - Funded)</u>	<u>As on 31st March, 2014</u>	<u>NT (Non - Funded)</u>
A Economic Assumptions				
1 Discount Rate (per annum)	8.00%	8.00%	9.00%	9.00%
2 Rate of Increase in future salary	9.00%	9.00%	9.00%	9.00%
B Expenses recognized in the statement of Profit & Loss Account for the year ended March, 2015				
1 Current Service Cost	1,094,866	1,093,765	524,151	530,449
2 Interest cost	95,198	66,752	44,640	21,294
3 Expected return on plan assets	-	-	-	-
4 Net actuarial (gain) / loss recognized during the year	(63,168)	(375,096)	(62,142)	(72,939)
5 Total Expense	1,126,896	785,421	506,649	478,804
C Net Asset / Liability recognized in the Balance Sheet				
1 Present value of the obligation	2,184,650	1,527,110	1,057,754	741,689
2 Fair value of plan assets	-	-	-	-
3 Funded status surplus / (deficit)	(2,184,650)	(1,527,110)	(1,057,754)	(741,689)
4 Unrecognized past service cost	-	-	-	-
5 Net Asset / (Liability) recognized in the Balance Sheet	(2,184,650)	(1,527,110)	(1,057,754)	(741,689)
D Change in Present value of the Obligation during the year ended March 31, 2015				
1 Present value of the obligation as at April 1, 2014	1,057,754	741,689	551,105	262,885
2 Current Service Cost	1,094,866	1,093,765	524,151	530,449
3 Interest cost	95,198	66,752	44,640	21,294
4 Benefits paid	-	-	-	-
5 Benefit transfer-in	-	-	-	-
6 Actuarial (gain) / loss on obligation	(63,168)	(375,096)	(62,142)	(72,939)
7 Present value of obligations as at March 31, 2015	2,184,650	1,527,110	1,057,754	741,689



2.4 Related party disclosures under Accounting Standard- 18

2.4.1 List of related parties as identified by the management:

- | | | |
|----|---|--|
| a) | Holding Company | Zuari Global Limited (ZGL) (where control exists) |
| b) | Subsidiary | Zuari Infra Middle East Limited (ZIMEL) |
| c) | Fellow Subsidiaries | Zuari Management Services Limited (ZMSL)
Simon India Limited - (SIL)
Zuari Investment Limited (ZIL) |
| d) | Joint Ventures | Brajbhumi Nirmaan Private Limited (BNPL)
Darshan Nirmaan Private Limited
Pranati Niketan Private Limited |
| e) | Key Management Personnel | Alok Banerjee, Chief Executive Officer |
| f) | Relative of director and
director of holding company | Mr. Saroj Kumar Poddar |



2.4.2 Transactions carried out with related parties in the ordinary course of business:

Sl. No.	Transaction Details	Year Ended 31st March, 2015						Year Ended 31st March, 2014		
		Holding Company	Wholly Owned Subsidiaries	Fellow Subsidiaries	Joint Ventures	Key Management Personnel	Relative of Director and director of holding company	Holding Company	Fellow Subsidiaries	Key Management Personnel
1	Payment made on their behalf									
	Zuari Infra Middle East Limited	-	17,202,401	-	-	-	-	-	-	-
	Brajbhumi Nirmaan Private Limited	-	-	-	922,087	-	-	-	-	-
2	Payment made on our behalf for various expenses									
	Zuari Management Services Limited	-	-	119,030	-	-	-	-	102,725	-
	Zuari Global Limited	-	-	-	-	-	-	1,030,408	-	-
3	Contribution to Share Capital									
	Zuari Infra Middle East Limited (100% Wholly Owned Subsidiary)	-	166,400	-	-	-	-	-	-	-
	Brajbhumi Nirmaan Private Limited (Joint Venture)	-	-	-	239,400,000	-	-	-	-	-
	Pranati Niketan Private Limited (Joint Venture)				25,000					
	Darshan Nirmaan Private Limited (Joint Venture)				25,000					
4	Service Charges / Management Fees Paid									
	Zuari Management Services Limited	-	-	2,242,790	-	-	-	-	1,330,712	-
	Zuari Investments Limited	-	-	1,835,000	-	-	-	-	25,000	-



ZUARI INFRAWORLD INDIA LIMITED

2.4.3 Balance outstanding at the year end	<u>31-03-15</u>	<u>31-03-14</u>
A Unsecured Loan		
- ICD form Holding Company (ZGL)	210,800,000	320,800,000
- ICD to Subsidiary Company (ZIMEL)	6,127,848	-
B Sundry Creditors		
- Zuari Global Limited	200,000	-
- Simon India Limited	3,692,844	3,692,844
- Zuari Investments Limited	1,842,480	-
- Zuari Management Services Limited	72,693	-
C Sundry Debtors		
- Brajbhumi Nirmaan Private Limited	19,689,117	-
- Zuari Infra Middle East Limited	52,517,165	-
	<u>31-03-15</u>	<u>31-03-14</u>
2.5 Basic and diluted earnings per share as per Accounting Standard -20		
A Profit for the period	27,995,962	8,346,300
B Weighted average number of equity shares	46,550,000	41,011,644
C Face value of per share	10	10
D Basic and diluted earnings per share	0.60	0.20

2.6 Payment to Auditors

	<u>31.03.2015 (Rs)</u>	<u>31.03.2014 (Rs)</u>
Certification Fees	223,596	112,360
Statutory Audit Fees	400,000	179,776
Tax Audit Fees	-	44,944
Others - Out of pocket expenses	31,670	-

2.7 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. 5,653,655 (Previous Year Rs. 2,502,726). The future lease payments of operating lease are as follows :

<u>Minimum Lease Rentals payable</u>	<u>31.03.2015 (Rs)</u>	<u>31.03.2014 (Rs)</u>
Within one year	4,966,308	3,229,668
Later than one year but less than five years	51,664,428	3,965,315
Later than five year	56,927,232	-



2.8 i) The Company has not entered into any forward exchange contracts to hedge foreign currency risk.

ii) Unhedged foreign currency exposures as at the Balance Sheet Date:

Nature of Exposure	Currency	Outstanding amount in foreign currency
		31.03.2015
Trade Receivables	AED	2,063,118
	INR	35,000,000
Balances with banks on current accounts	AED	1,195,758
	INR	20,353,958
Claims Receivables	AED	1,032,571
	INR	17,517,165
Inter Corporate Deposit	AED	360,000
	INR	6,127,848

2.9 Additional information pursuant to the provisions of paragraph 5 of part II of the Schedule II of the Companies Act, 2013:

i) Expenditure in foreign currency (on accrual basis) Rs. 39,592,713 (previous year Rs. 4,904,223). The details of foreign currency expenditure are as below:

	<u>31.03.2015 (Rs.)</u>	<u>31.03.2014 (Rs.)</u>
Architect fees for Goa project	29,532,345	3,700,425
Sponsorship & Promotions	212,590	457,899
Consultancy Fees	2,049,900	-
Legal Fees	4,103,509	
Foreign Travel	3,694,369	745,899
TOTAL	39,592,713	4,904,223

ii) Earnings in foreign exchange - Rs. 3,53,14,764

	<u>31.03.2015 (Rs.)</u>	<u>31.03.2014 (Rs.)</u>
Development Management Fees	35,000,000	-
Interest income on ICD	314,764	-
TOTAL	35,314,764	-

2.10 Advances Recoverable in Cash or Kind

(a) It includes Rs. 19,594,323/- 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 Statement of Profit & Loss as and when revenue is recognized.

(b) 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. 63,960,556



ZUARI INFRAWORLD INDIA LIMITED

till 31.03.2015. 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.

2.11 Aggregate amount of costs incurred and profits recognized before tax to date is Rs. 612,339,620 and Rs. 25,201,158 respectively. Amount of advance received from customers Rs. 1,108,392,631. The unbilled revenue is Rs. 250,525,247.

2.12 In the opinion of the Board and to the best of their knowledge and belief, the value of realization of current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.

2.13 List of Subsidiaries and Joint Ventures

a. Subsidiary Company:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as at March 31, 2015
Zuari Infra Middle East Limited	UAE	100.00%

b. Following Joint Ventures have been consolidated on proportionate basis:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as at March 31, 2015
Brajbhumi Nirmaan Private Limited	India	25%
Pranati Niketan Private Limited	India	25%
Darshan Nirmaan Private Limited	India	25%

2.14 Details of the Subsidiary and Joint Ventures included in the Consolidated Financial Statements are as follows:
(Amount in Rs.)

Sl. No.	Name of the Entity in the	Net Assets i.e., Total Assets minus total liabilities as at March 31, 2015		Share of profit & loss	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount
	Subsidiary				
	Indian				
1	Zuari Infra Middle East Limited	0.05%	588,281.00	1.51%	408,175.00
	Joint Ventures				
	Indian				
1	Brajbhumi Nirmaan Private Limited	9.91%	123,695,690.50	(1.92%)	(517,990.00)
2	Pranati Niketan Private Limited	0.0013%	(16,352.57)	(0.02%)	(5045.75)
3	Darshan Nirmaan Private Limited	0.0013%	(16,153.50)	(0.02%)	(4,875.50)



ZUARI INFRAWORLD INDIA LIMITED

2.15 Statement containing salient features of the financial statement of subsidiary and Joint Venture (Pursuant to proviso to sub-section (3) of section 129 read with Rule 9.3)

Sl. No.	Subsidiaries / Joint Ventures	Reporting Period	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment	Turnover	Profit before taxation	Provision for taxation	Proposed Dividend	% of shareholding
	Subsidiaries												
	Indian												
	Zuari												
	Infra												
1	Middle East Limited	2014-15	INR	170,218	418,063	420,213,973	419,625,692	NIL	44,043,663	408,175	NIL	NIL	100%
	Joint Ventures												
	Indian												
	Brajbhumi												
1	Nirmaan Private Limited	2014-15	INR	60,000,000	63,695,690	257,535,337	133,839,646	NIL	41,527	(586,044)	(68,054)	NIL	25%
2	Darshan Nirmaan Private Limited	2014-15	INR	25,000	(41,153)	6,908,967	6,925,120	NIL	NIL	(5,045)	NIL	NIL	25%
3	Pranati Niketan Private Limited	2014-15	INR	25,000	(41,352)	5,420,143	5,436,496	NIL	NIL	(4,875)	NIL	NIL	25%




ZUARI INFRAWORLD INDIA LIMITED

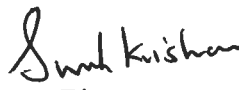
2.16 Previous year figures have been reclassified wherever necessary to conform to current year classification.

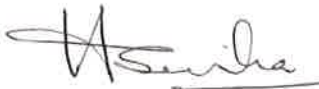
As per our report of even date attached

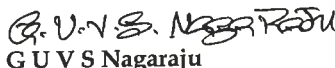
For V.Sankar Aiyar & Co.
Chartered Accountants
Firm's Regn No: 109208 W

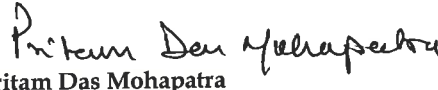

(V. Rethinam)
Partner
Membership No. 10412

For and on behalf of Board of Directors of
Zuari Infraworld India Ltd


Director
DIN. No. 00021965


Director
DIN. No. 02702645


G U V S Nagaraju
Chief Financial Officer


Pritam Das Mohapatra
Company Secretary

Place: Gurgaon
Date: 08.05.2015



Place: Gurgaon
Date: 08.05.2015





V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS

Satyam Cinema Complex, Ranjit Nagar Community Centre, New Delhi - 110 008
Flat No. | 202, 203 Tel. (011) 25702691, 25704639, 43702919
& 301 Tel. (011) 25705233, Telefax : (011) 25705232
E-mail : newdelhi@vsa.co.in

Independent Auditor's Report

**To the Members of
Zuari Infraworld India Limited**

Report on the Consolidated Financial statements

We have audited the accompanying consolidated financial statements of Zuari Infraworld India Limited (hereinafter referred to as "the Holding Company"), and its subsidiary (together referred to as "the Group") and jointly controlled entities comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position and consolidated financial performance of the Group, including jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group and of and jointly controlled entities 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. 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 Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and audit evidence obtained by the other auditors in terms of their report is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group and jointly controlled entities as at 31st March, 2015, and their consolidated profit for the year ended on that date.

Other Matters

We did not audit the financial statement of a subsidiary and three jointly controlled entities, whose financial statement reflect total assets of Rs. 534,288,305 as at 31st March 2015 and total revenues of Rs. 8,545,427 for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 35,003,906 for the year ended 31st March, 2015, as considered in the consolidated financial statements,

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on consolidated financial statements, in so far relates to the amounts and disclosure included in respect of the subsidiary and jointly controlled entities and our report in terms of sub-section (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary and jointly controlled entities is based solely on the reports of the other auditors.

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



Report on Other Legal and Regulatory Requirements

1. 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 of the aforesaid consolidated financial statements
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors
 - (c) The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the holding company as on 31st March, 2015 taken on record by the Board of Directors of the holding company and the reports of the statutory auditors of the jointly controlled entities, none of the directors of the Group companies & jointly controlled entities, incorporated in India, is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act
 - (f) 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 material pending litigations which would impact the consolidated financial position of the Group and jointly controlled entities.
 - ii. The Group and jointly controlled entities did not have any long-term contracts including 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 Holding Company and its jointly controlled entities incorporated in India
2. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditor's reports of the Holding company and jointly controlled entities company incorporated in India, we give in the Annexure a statement on the matters specified in the paragraphs 3 and 4 of the said Order to the extent applicable

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W

Gurgaon
Place: New Delhi

Dated: *8-05-2015*

215
V. Rethinam
Partner
Membership No. 010412



ANNEXURE REFERRED TO IN OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF ZUARI
INFRAWORLD INDIA LIMITED FOR THE YEAR ENDED 31st MARCH, 2015

1. (a) The Holding company and jointly controlled entities have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) We are informed that the management have physically verified the assets at the year end. Having regard to the size of the Holding company and jointly controlled entities and nature of its assets, in our opinion this is considered reasonable. No material discrepancies have been noticed on the basis of such verification as compared to the book records.
2. The Holding company and its jointly controlled entities do not carry inventories of the nature covered by Accounting Standard - 2.
3. The Holding company and jointly controlled entities have not granted any loans, secured or unsecured to companies, firms or other parties covered in the register required to be maintained under Section 189 of the Act. Therefore, the provisions of clause 3 (iii)(a) & (b) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Holding company and jointly controlled entities and the nature of its business with regard to purchase of fixed assets and the sale of goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control system of the Holding company and jointly controlled entities.
5. The Holding company and jointly controlled entities have not accepted any deposits from the public in terms of sections 73 to 76 or any other relevant provisions of the Act and the rules made there under.
6. We have broadly reviewed the books of account maintained by the Holding company and jointly controlled entities pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section(1) of section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained, where applicable.
7. According to the information and explanations given to us in respect of statutory and other dues:
 - a) According to the records of the Holding company and jointly controlled entities, they have generally been regular during the year in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, value added tax and service tax and other material statutory dues as applicable with the appropriate authorities. We are informed that there is no liability towards sales-tax, wealth-tax, customs duty, excise duty, and cess .According to the information and explanations obtained, there are no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
 - b) There are no dues in respect of income tax, service tax and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
 - c) There are no amounts which is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Act and rules made thereunder



8. The Holding company and jointly controlled entities have accumulated losses at the end of the financial year which are less than fifty percent of the net worth. The jointly controlled entities have incurred cash losses during the financial year covered by our audit.

9. On the basis of the verification of records and information and explanations given to us, the Holding company and jointly controlled entities have not defaulted in repayment of dues to banks. There are no dues to financial institutions or debentures outstanding in the books of accounts at any time during the year.

10. According to the information and explanations given to us, the Holding company have given fund based guarantee during the year for loans taken by a wholly owned overseas subsidiary from banks or financial institutions. The terms and conditions are not prima facie prejudicial to the interests of the Holding company.

11. According to the records of the Holding company and jointly controlled entities, term loans taken during the year have been applied for the purpose for which they were obtained

12. Based on the audit procedure performed and the representation obtained from the management, we report that no case of material fraud on or by the Holding company and jointly controlled entities have been noticed or reported during the year under audit

For V. Sankar Aiyar & Co.
Chartered Accountants
ICAI Firm Regn. No. 109208W

Place: ~~New Delhi~~ Gurgaon

Dated: 8-5-2015


V. Rethinam
Partner

Membership No. 010412



1. Basis for preparation of accounts

The Consolidated Financial Statements relate to Zuari Infraworld India Limited (hereinafter referred to as the "Company") and its Subsidiary companies and Joint Venture, (collectively hereinafter referred to as the "ZIIL Group"). These financial statements have been prepared to comply in all material respects with the accounting standards notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. This year is the 1st year of consolidation for the group.

2.1 Statement of significant accounting policies

I) Basis of classification of Current and Non Current

These financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the notified accounting standards by Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on going concern basis, under the historical cost convention and on accrual basis, and complying with Schedule III of the Companies Act, 2013.

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 project and its phase 1 is in advance stage of completion, the normal operating cycle is based on the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has ascertained its operating cycle as one year for the purpose of current – non-current classification of assets and liabilities.

II) Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about the assumptions and estimates could result in the outcomes requiring material adjustments to the carrying amounts of assets and liabilities in future period.



III) Principles of Consolidation

In the preparation of these Consolidated Financial Statements, investments in Subsidiaries and Joint Venture entities have been accounted for in accordance with AS 21(Accounting for Consolidated Financial Statements), and AS –27 (Financial Reporting of Interests in Joint Ventures) respectively “notified under the Companies (Accounting Standards) Rules, 2014”. The Consolidated Financial Statements have been prepared on the following basis-

- i) Subsidiary companies have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, 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 Joint Ventures have been consolidated using proportionate consolidation method. For the purpose of proportionate consolidation, consolidated financial statements of the Joint Ventures and their subsidiaries have been used. Intra group balances, transactions and unrealized profits/losses have been eliminated to the extent of the Group's proportionate share.
- iii) The difference of the cost to the Company of its investment in Subsidiaries and Joint Ventures over its proportionate share in the equity of the investee company as at the date of acquisition of stake is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.
- iv) As far as possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements. Differences if any in accounting policies have been disclosed separately.
- 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 Company i.e. year ended March 31, 2015.

IV) Tangible Fixed Assets

Fixed assets are stated at historical cost less accumulated depreciation / amortization and impairment losses, if any. 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.



Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

V) Depreciation

- i) Depreciation on Fixed Assets (other than as stated in para (ii) to (iii) below) is provided using the Straight Line Method as per the useful lives of the fixed assets as estimated by the management which are equal to the useful lives as stated under Schedule II of the Companies Act, 2013.
- ii) Leasehold improvements are being depreciated over the respective lease period.
- iii) In case of the company and ZIIL Group, depreciation on assets used for the projects has been considered as a part of construction and development cost.

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

Name of the Assets	Year Ending 31.03.2015 Useful Life
Office Equipments	5 years
Computers and Servers	3 and 6 years
Temporary Structure	Over a period of 5 years
Leasehold Improvements	Over the lease period of 11 years
Plant and Machinery	8 years

Depreciation is calculated after retaining 5% residual value.

VI) Goodwill

Goodwill represents the difference between the ZIIL Group's share in the net worth of the investee company and the cost of acquisition at the time of making the investment. For this purpose, the Group's share of net worth of the investee company is determined on the basis of the latest financial statements on historical cost of that company available at the date of acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.



ZUARI INFRAWORLD INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF ZUARI INFRAWORLD INDIA LIMITED FOR THE FINANCIAL YEAR 2014-15

VII) Intangibles Assets

Intangible assets acquired separately are measured on initial recognition at cost. They are amortized on a straight-line basis over the estimated useful economic life (three years). All intangible assets are assessed for impairment whenever there is an indication that they may be impaired.

VIII) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

IX) Inventories

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. Net Realizable Value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

X) Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of which such investments are made are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of investments, the difference between its carrying amount and net disposal proceeds is charged to the Statement of profit & loss.

XI) Retirement and other Employee Benefits

- i) Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Profit and Loss Account 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 liability under the Payment of Gratuity Act 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) 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) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

XII) Foreign Currency Translation

Foreign Currency transactions and balances

i) Initial recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion :

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

iii) Exchange Differences:

Exchange differences arising on the settlement of 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.

Exchange differences arising on a monetary item that, in substance, form part of the Group's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognized as income or as expenses.

iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability:

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.



v) Translation of Integral and Non – Integral Foreign Operation :

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the 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.

XIII) Leases

Where the Company is the lessee:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is lessor:

Leases in which the company (within the ZIIL Group) does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

XIV) Accounting for taxes

Provision is made for deferred tax for all timing differences arising between taxable income and accounting income at currently enacted or substantially enacted tax rates. Deferred tax assets are recognized, only if there is reasonable / virtual certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.



Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company (within the ZIIL Group) will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company (within the ZIIL Group) will pay normal income tax during the specified period.

XV) 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 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 (Revised 2012) 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. 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) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- iii) Dividend is recognised as and when the right to receive payment is established by the balance sheet date

XVI) Borrowing Cost

Borrowing costs includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction of development property/asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost such time the property is ready for its intended use . All other borrowing costs are expensed in the period they occur.

XVII) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.



XVIII) 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.

XIX) 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 original maturity periods of three months or less.

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



Zuari Infracore India Limited

Consolidated Balance Sheet as at 31st March 2015

		Notes	31st March 2015
I.	EQUITY AND LIABILITIES		
	Shareholders' funds		
	(a) Share capital	3	535,500,000
	(b) Reserves and surplus	4	622,509,620
			1,158,009,620
	Minority Interest	5	-
	Non-current liabilities		
	(a) Long-term borrowings	6	735,797,545
	(b) Deferred tax liabilities	7	-
	(c) Other long term liabilities	9	30,935,105
	(d) Long-term provisions	10	3,597,332
			770,329,982
	Current liabilities		
	(a) Short-term borrowings	11	451,600,710
	(b) Trade payables	8	91,907,825
	(c) Other current liabilities	9	713,976,218
	(d) Short-term provisions	10	366,664
			1,257,851,417
	Total		3,186,191,019
II.	ASSETS		
	Non-current assets		
	(a) Goodwill on consolidation		160,368,431
	(b) Fixed assets		
	i Tangible assets	12.1	16,740,530
	ii Intangible assets	12.2	1,028,388
	iii Capital work-in-progress		-
	(c) Non Current Investments	13	-
	(d) Deferred tax Asset	7	3,575,516
	(e) Loans and advances	14	82,205,452
	(f) Other non-current assets	15	5,574
			263,923,891
	Current assets		
	(a) Current investments	16	243,669,628
	(b) Inventories	17	1,179,831,709
	(c) Trade receivables	18	53,406,324
	(d) Cash and bank balances	19	516,018,594
	(e) Loans and advances	14	667,053,688
	(f) Other current assets	15	262,287,185
			2,922,267,128
	Total		3,186,191,019

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for and on behalf of the Board

For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No: 109208W

Sankar Aiyar

Director
DIN. No. 00021965

H. Sankar

Director
DIN. No. 02702645

315
(V.Rethinam)
Partner

Membership No. 10412

G. U. V. S. Nagaraju
G U V S Nagaraju
Chief Financial Officer

Pritam Das Mohapatra
Pritam Das Mohapatra
Company Secretary

Place: *Gurgaon*
Date: *08.05.2015*

Place: Gurgaon
Date: *08.05.2015*



Zuari Infracore India Limited

Consolidated Statement of Profit and Loss for the year ended 31st March, 2015

	Notes	31st March 2015
I. Income		
(a) Revenue from operations	20	564,099,208
(b) Other income	21	29,609,590
Total Revenue		593,708,798
II Expenses		
(a) Project Construction & Development Expenses	22	468,935,405
(b) Employee benefits expense	23	18,952,939
(e) Other expenses	24	60,380,690
(c) Depreciation and amortization expense	25	4,618,950
(d) Finance costs	26	16,730,891
Total		569,618,875
III Profit/(Loss) before tax (I-II)		24,089,923
IV Tax expenses		
(a) Current tax		-2,765,050
(b) MAT credit entitlement		2,765,050
(c) Deferred tax charge		2,842,271
Total tax expense		2,842,271
V Profit/(Loss) for the year (III-IV)		26,932,194
VI Less: Shares of Minority interest in profits/(Loss)		-
VII Net Profit/(Loss) attributable to shareholders of Zuari Infracore India Limited		26,932,194
Basic	30	
Earnings per equity share (nominal value of share Rs.10/-)		Rs.0.58
Diluted		
Earnings per equity share (nominal value of share Rs.10/-)		Rs.0.58

Summary of significant accounting policies 2.1
The accompanying notes are an integral part of the financial statements.

As per our report of even date for and on behalf of the Board

For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No: 109208W

Sankh Krishnan

Director
DIN. No. 00021965

H. Sankar

Director
DIN. No. 02702645

V. Rethinam
Partner
Membership No. 10412

G. U. V. S. Nagaraju
G U V S Nagaraju
Chief Financial Officer

Pritam Das Mohapatra
Pritam Das Mohapatra
Company Secretary

Place: Gurgaon
Date: 08.05.2015

Place: Gurgaon
Date: 08.05.2015



Zuari Infracore India Limited
Notes to Consolidated Financial Statements for the year ended 31st March 2015

3. Share Capital

31st March 2015

Authorised	
50,000,000 Equity Shares of Rs. 10 each	500,000,000
15,000,000 Preference Shares of Rs. 10 each	150,000,000
	<u>650,000,000</u>
Issued	
46,550,000 Equity Shares of Rs. 10 each	465,500,000
7,000,000 Preference Shares of Rs. 10 each	70,000,000
	<u>535,500,000</u>
Subscribed and Paid-up	
46,550,000 Equity Shares of Rs. 10 each	465,500,000
7,000,000 Preference Shares of Rs. 10 each	70,000,000
Total	<u>535,500,000</u>

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

Equity Shares	31st March 2015	
	in Numbers	Rs
At the beginning of the year	46,550,000	465,500,000
Issued during the year	-	-
Outstanding at the end of the year	<u>46,550,000</u>	<u>465,500,000</u>
Preference Shares		
	in Numbers	Rs
At the beginning of the year	-	-
Issued during the year	7,000,000	70,000,000
Outstanding at the end of the year	<u>7,000,000</u>	<u>70,000,000</u>

b. Terms/Rights attached to equity Shares

The parent company has only one class of equity shares having a par value of Rs.10/- Share. Each share holder of equity shares is entitled to one vote per share. The parent Company declares and pay dividends in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

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.

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. 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. Date of redemption 31st March 2020

c. Details of Equity Shareholders holding more than 5% of shares in the Company

Name of Shareholder	31st March 2015	
	No. of Shares held	% Holding in Class
Zuari Global Limited	46550000	100.00%

Details of Preference Shareholders holding more than 5% of shares in the Company

Name of Shareholder	31st March 2015	
	No. of Shares held	% Holding in Class
Mr. Saroj Kumar Poddar	7000000	100.00%

As per records of the Parent Company including its register of share holders/members and other declarations received from share holders regarding beneficial interest, the above share holding represents both legal and beneficial ownership of shares.

d. Shares issued for consideration other than cash, during the period of five years immediately preceding the reporting date:

Equity Shares	31st March 2015	
	in Numbers	Rs
Equity shares allotted as fully paid-up for consideration other than cash		



Zuari Infracore India Limited
Notes to Consolidated Financial Statements for the year ended 31st March 2015

4. Reserves and Surplus

	31st March 2015 Rs
Security Premium Account	
Balance at the beginning of the year	-
Add: On issue during the year	674,850,000
Closing Balance	<u>674,850,000</u>
Surplus / (deficit) in the statement of profit and loss	
Balance at the beginning of the year	(80,004,184)
Net Profit/(Loss) for the year	26,932,194
Add: Foreign Exchange Translation reserve	732,739
Less: Transfer of WDV of assets (Nil useful life)	(1,129)
Net surplus in the statement of profit and loss	<u>(52,340,380)</u>
Total Reserves and Surplus	<u>622,509,620</u>

5. Minority Interest

	31st March 2015 Rs
Total	<u>-</u>

6. Long Term Borrowings

	Non Current 31st March 2015 Rs	Current Maturities 31st March 2015 Rs
Secured Loans		
Motor Car Loan from ICICI Bank		
Term Loan 1 -Motor Car Loan (11.25%, Maturity - 60 Months)	65,135	-
Term Loan 2 -Motor Car Loan (11.25%, Maturity - 60 Months)	112,485	-
Term Loan 3 -Motor Car Loan (10.00%, Maturity - 60 Months)	219,396	-
ICICI Bank Term Loan (13.25%, Secured against mortgage on Land, Building Constructed & hypothecation of present & future receivables)	778,067,150	-
	<u>778,464,166</u>	<u>-</u>
Less: Amount disclosed under the head Other Current Liabilities (Refer Note no 9)	155,166,621	-
	<u>623,297,545</u>	<u>-</u>
Unsecured Loans		
From Related Party		
Zuari Global Ltd (13.75%, Maturity - 18 Months)	210,800,000	-
Others		
Adventz Finance Private Limited (14.00%, Maturity - 18 Months)	200,000,000	-
	<u>410,800,000</u>	<u>-</u>
Less: Amount disclosed under the head Other Current Liabilities (Refer Note no 9)	298,300,000	-
	<u>112,500,000</u>	<u>-</u>
Total	<u>735,797,545</u>	<u>-</u>



Zuari Infracore India Limited
Notes to Consolidated Financial Statements for the year ended 31st March 2015

7. Deferred tax liabilities (Net)

	31st March 2015	
	Rs	
Deferred tax liabilities		
Gross deferred tax liabilities		-
Deferred tax assets		
Fixed assets Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting		3,575,516
Gross deferred tax assets		3,575,516
Net deferred tax liabilities/(assets)		(3,575,516)

	Non Current 31st March 2015	Current 31st March 2015
	Rs	Rs
8. Trade payables		
Due to Micro & Small Enterprises	-	-
Due to Others	-	91,907,825
Total	-	91,907,825

9. Other Liabilities

Current maturities of long term borrowings	-	453,466,621
Others - Retention Money	30,935,105	7,526,641
Interest accrued but not due on loans and deposits	-	5,893,806
Interest accrued and due on borrowings	-	2,161,312
Customer Advances		236,567,612
Statutory Dues		6,120,727
Other Expenses		2,439,499
Total	30,935,105	713,976,218

10. Provisions

	Long-term 31st March 2015	Short-term 31st March 2015
	Rs	Rs
Provision for employee benefits		
Gratuity	2,133,036	51,614.00
Leave encashment	1,464,296	315,050.00
Total	3,597,332	366,664.00

11. Short term borrowings

	31st March 2015
	Rs
Secured - From Banks	
Short term loan from Bank	
Overdraft Facility from Axis Bank, Kolkata (13.25%, Secured against mortgage of land & receivables)	7,492,910
Term Loan from Commercial Bank of Dubai (13.25%, Secured by SBLC provided by Bank of Bharain & Kuwait, B.S.C, Branch - India)	212,772,500
Term Loan from Bank of Bharain & Kuwait, B.S.C, Branch - India (4.2346%, Loan provided in USD against the Security of Fixed Deposit in INR)	144,685,300
Total	384,950,710



Zuari Infracore India Limited

Notes to Consolidated Financial Statements for the year ended 31 March 2015

12.1 Tangible assets

	Computers	Furniture & Fittings	Leasehold Improvement	Motor Car	Temporary Structures	Office Equipments	Total
As at 1.04.2013	2,597,506	5,686,967	9,643,757	2,994,150	9,618,488	3,743,443	34,284,310
Additions during the year	406,357	307,676	170,958	382,809	-	615,189	1,882,989
Disposals during the year	-	-	-	-	7,913,938	-	7,913,938
As at 31.03.2014	3,003,862	5,994,643	9,814,715	3,376,959	1,704,550	4,358,632	28,253,360
Additions during the year	732,868	348,540	8,877,951	-	-	993,311	10,952,670
Disposals during the year	7,800	1,346,447	9,122,075	2,431,239	-	1,207,043	14,114,604
As at 31.03.2015	3,728,930	4,996,736	9,570,591	945,720	1,704,550	4,144,900	25,091,426
Depreciation							
As at 1.04.2013	1,220,925	1,151,526	2,426,918	733,074	1,923,697	389,269	7,845,409
Charge for the year	872,814	374,739	2,761,900	409,193	340,910	202,620	4,962,176
Deductions during the year	-	-	-	-	1,582,787	-	1,582,787
As at 31.03.2014	2,093,739	1,526,265	5,188,818	1,142,267	681,820	591,889	11,224,798
Charge for the year	582,663	588,562	2,033,942	112,277	937,472	1,412,232	5,667,148
Deductions during the year	6,168	559,383	6,719,255	806,246	-	449,997	8,541,049
As at 31.03.2015	2,670,235	1,555,444	503,505	448,297	1,619,292	1,554,124	8,350,897
Net block							
As at 31.03.2014	910,123	4,468,377	4,625,897	2,234,692	1,022,730	3,766,743	17,028,563
As at 31.03.2015	1,058,696	3,441,292	9,067,086	497,423	85,258	2,590,776	16,740,530

12.2 Intangible assets

Particulars	Software	Total
Gross block		
As at 1.04.2013	2,764,210	2,764,210
Additions during the year	936,520	936,520
Disposal during the year	-	-
As at 31.03.2014	3,700,730	3,700,730
Additions during the year	15,507	15,507
Disposal during the year	-	-
As at 31.03.2015	3,716,237	3,716,237
Amortization		
As at 1.04.2013	1,315,187	1,315,187
Charge for the year	1,055,890	1,055,890
Deductions	-	-
As at 31.03.2014	2,371,077	2,371,077
Charge for the year	316,772	316,772
Deductions	-	-
As at 31.03.2015	2,687,849	2,687,849
Net block		
As at 31.03.2014	1,329,653	1,329,653
As at 31.03.2015	1,028,388	1,028,388

Depreciation Reconciliation:

Particulars	BNPL	ZIIL	Total
For Full Year			
Project	670,218	1,131,167	1,801,385
Profit & Loss Account	801,355	4,484,859	5,286,214
Total	1,471,573	5,616,026	7,087,599
Depreciation P&L A/c			
Total for the Year	801,355	4,484,859	
Less: P&L Debit upto Dec'14	264,990	-	
Net Amount to P&L A/c for Consolidation	536,365	4,484,859	
Depreciation Considered in Consolidated Financials			
Project	167,555	1,131,167	1,298,722
P&L A/c	134,091	4,484,859	4,618,950
Total			5,917,672



Zuari Infracore India Limited
Notes to Consolidated Financial Statements for the year ended 31st March 2015
Unsecured

Adventz Investment Company Private Limited	500,000
Adventz Finance Private Limited	2,500,000
Adventz Securities Enterprises Limited	750,000
Adventz Securities Trading Pvt Ltd (Loan1)	1,250,000
Adventz Securities Trading Pvt Ltd (Loan 2)	1,750,000
Mr. Saroj Kumar Poddar	625,000
Saroj Poddar Foundation	1,625,000
The Pench Valley Coal Company Limited	750,000
Magnitude Infrastructure Pvt. Ltd.	1,900,000
Aditya Birla Finance Limited	75,000,000
	<u>86,650,000</u>
Total	451,600,710

13. Non-Current Investments

31st March 2015
Rs

Total

-

14. Loans and Advances - Unsecured

(Considered good unless otherwise stated)

	Non Current 31st March 2015 Rs	Current 31st March 2015 Rs
Security Deposit	6,327,683	3,595,249
Advances to Vendors	63,960,556	659,208,247
Loans to employees	440,826	-
Advances to Employees	-	579,658
Prepaid expenses	-	171,215
Cervat Credit entitlement	-	3,425,709
Tax Deducted at Source - Receivable	11,476,387	73,610
Total	<u>82,205,452</u>	<u>667,053,688</u>

15. Other Assets

(Unsecured, considered good unless otherwise stated)

	Non Current 31st March 2015 Rs	Current 31st March 2015 Rs
Interest Accrued on Fixed Deposits with Bank	-	5,453,187
Other receivables	-	47,597
Unbilled Revenue	-	250,525,247
MAT Entitlement 2014-15	-	2,765,050
Capital Assets held for sale (Net of provision Rs 5,00,000 against book value)	-	3,446,930
Preliminary Expenses	5,574	49,174
Total	<u>5,574</u>	<u>262,287,185</u>

16. Current Investments - Non Trade

31st March 2015
Rs

Investments In Mutual Funds

Quoted Mutual Funds (Valued at lower of cost and fair value, unless stated otherwise)

IDFC-Money Manager Fund -Treasury Plan (No. of Units - 45,50,294.404)

Kotak Treasury Advantage Fund (No. of Units - 1,42,53,222.092)

(Net asset value Rs. 244,631,105)

Total

100,000,000

143,669,628

243,669,628



Zuari Infracore India Limited
Notes to Consolidated Financial Statements for the year ended 31st March 2015
17. Inventories (valued at lower of cost and net realisable value)

	31st March 2015
	Rs
Work In Progress	1,179,831,709
(Including cost of land and project construction and development expenses)	
Total	1,179,831,709

18. Trade receivables
(Unsecured, considered good)

	Non Current 31st March 2015 Rs	Current 31st March 2015 Rs
Trade and Other receivables outstanding for a period exceeding six months from the date they are due for payment		
Other receivables	-	53,406,324
Total	-	53,406,324

19. Cash and bank balances

	Non Current 31st March 2015 Rs	Current 31st March 2015 Rs
Cash and cash equivalents		
a. Balances with banks		
- On Current accounts	-	64,729,702
- On Deposits accounts with original maturity less than three months	-	9,600,000
b. Cash on hand	-	675,273
Other bank balances		75,004,975
Deposits with more than 3 Months but Less than 12 months maturity	-	441,013,619
Deposits with more than 12 months original maturity	-	-
Total	-	516,018,594

20. Revenue from operations

	31st March 2015 Rs
Revenue from operations	
Sales of Villas	507,760,202
Development Management Fees	55,500,584
Other operating revenues	
Transfer Fees	838,422
Revenue from operations	564,099,208



Zuari Infraworld India Limited
Notes to Consolidated Financial Statements for the year ended 31st March 2015

21. Other income

	31st March 2015
	Rs
Interest Income on	
Income Tax Refund	3,084
Bank deposits	11,417,790
Intercorporate loans	4,655,942
Overdue debtors, employee loans etc.	10,436,968
Dividend Income on	
Current investments (Non Trade)	3,018,832
Rent Income	40,817
Miscellaneous income	36,157
Total	29,609,590

22. Project Construction & Development Expenses

	31st March 2015
	Rs
Inventory at the beginning of the year	990,287,007
Add: Expenses Incurred during the year	659,050,526
Less : Transfer on account of recovery	570,418
Less : Inventory at the end of the year	<u>1,179,831,710</u>
	468,935,405
Expenses Incurred during the year	
Architect Fees & Drawing Expenses	33,784,962
Project Approval Cost	1,870,920
Land Development Expenses	71,538,656
Civil Work	295,803,428
Infrastructure Development expense	3,966,779
External Development Charges - MVDA	1,548,292
Direct Material	11,726,631
Consultancy & Professional Fees	25,785,728
Interest paid on loan	142,505,793
Guarantee Commission on Secured Loan	2,250,000
Employee Benefit / Salary Expenses	45,649,774
Business Promotion	34,892
Car Hire Charges	32,084
Processing Fees Paid to Bank	1,142,910
Commission on Sale of Villa & Plots	391,793
Communication Expenses	19,621
Electricity Charges-Office	66,681
Fuel, Power & Light	9,000
General Expenses	2,825,742
Site Security	2,155,021
Property Taxes	237,823
Motor Car Expenses	171,576
Rent	510,092
Miscellaneous Expenses - Project	13,067,777
Travelling & Conveyance	655,828
Depreciation	<u>1,298,722</u>
	659,050,526



Zuari Infracore India Limited
Notes to Consolidated Financial Statements for the year ended 31st March 2015

23. Employee benefit expense

	31st March 2015
	Rs
Salaries, wages and bonus	17,551,644
Contribution to provident and other funds	247,878
Gratuity	71,510
Staff welfare expenses	1,081,907
Total	18,952,939

24. Other expenses

	31st March 2015	31st March 2015
	Rs	Rs
Rent		5,653,655
Rates and taxes		764,055
Insurance		14,117
Repairs and maintenance		
Buildings	1,893	
Others	1,838,341	1,840,234
Bank Charges		54,541
Commission		6,705,855
Consultancy & Professional Fees		171,432
Preliminary Expenses written off		398,490
Loss on fixed assets sold/discarded (net)		1,381,869
Payment to Auditors		741,782
Publicity & Sales Promotion Expenses - Advertisement		25,401,169
Communication and Internet Charges		755,179
Staff Training & Recruitment Expense		1,196,188
Legal & Professional Charges		6,735,901
Travelling & Conveyance		2,482,955
Fees & Stamp Duty on increase of Authorised Share Capital		1,269,218
Printing and Stationery		3,096
Interest on Income tax		39,036
Misc Expenses		4,771,918
Total		60,380,690

25. Depreciation and amortisation expense

	31st March 2015
	Rs
Depreciation & Amortisation of Assets	4,618,950
Total	4,618,950

26. Finance costs

	31st March 2015
	Rs
Interest on Borrowings	15,670,340
Other Borrowing Costs	1,060,551
Total	16,730,891



27. List of Subsidiaries and Joint Ventures considered for consolidation

a. Following Subsidiaries have been consolidated on line by line basis:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as at March 31, 2015
Zuari Infra Middle East Limited	UAE	100.00%

b. Following Joint Ventures have been consolidated on proportionate basis:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as at March 31, 2015
Brajbhumi Nirmaan Private Limited	India	25%
Pranati Niketan Private Limited	India	25%
Darshan Nirmaan Private Limited	India	25%

28. Corporate Guarantees given in favour of banks on behalf of Subsidiary:

Particulars	As at March 31, 2015
Zuari Infra Middle East Limited	357,457,800

29. Goodwill appearing in the financial statements denotes the goodwill in respect of joint ventures acquired by the parent company and the proportionate share of the Group in the goodwill appearing in the consolidated financial statements as per details given below.

Company	2014-15
Brajbhumi Nirmaan Private Limited	159,900,867
Pranati Niketan Private Limited	36,108
Darshan Nirmaan Private Limited	36,477
Total	159,973,452



ZUARI INFRAWORLD INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF ZUARI INFRAWORLD INDIA LIMITED FOR THE FINANCIAL YEAR 2014-15

30. Earnings Per Share (EPS):

Particulars	Year ended March 31, 2015
Profit / (Loss) after taxation as per Statement of Profit and Loss	26,932,194
Number of shares used in computing earnings per share – Basic and Diluted	46,550,000
Earnings per share - Basic and diluted (in Rupees)	0.58
Face value per share (in Rupees)	10.00

31. Particulars of Foreign Currency Exposures:

Unhedged foreign currency exposures as at the Balance Sheet Date for the company:

Nature of Exposure	Currency	Outstanding amount as on
		31.03.2015
Trade Receivables	AED	2,063,118
	INR	35,000,000
Balances with banks on current accounts	AED	1,195,758
	INR	20,353,958
Claims Receivables	AED	1,032,571
	INR	17,517,165
Inter Corporate Deposit	AED	360,000
	INR	6,127,848
Short Term Loans from Banks	AED	21,000,000
	INR	357,457,800

32. Operating Lease

The Company has obtained office premise on an 11 year operating lease. The agreements are further renewable at the option of the company. These leases are cancellable in nature. The total lease rentals recognized in the Statement of Profit and Loss for the year are Rs. 5,653,655.

In case of joint venture, they have obtained office premises on operating leases. The agreements are further renewable at the option the companies. These leases are cancellable in nature. The total lease payments in respect of such leases recognized in the Statement of Profit and Loss for the year are Rs. 2,040,366.



ZUARI INFRAWORLD INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF ZUARI INFRAWORLD INDIA LIMITED FOR THE FINANCIAL YEAR 2014-15

The joint venture company has given office premises on operating lease for the period of three years. In all the cases, the agreements are further renewable at the option of the joint venture company. All these leases are cancellable in nature. There is no escalation clause in the respective lease agreements. The total lease income received in respect of such leases recognized in the Statement of Profit and Loss for the year is Rs. 166,110.

33. Employee Benefits

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

In case of company and its group, the defined benefit gratuity plan is unfunded.

34. Related party disclosures under Accounting Standard – 18, Related Party Disclosures

The list of Related Parties as identified by the management is as under:

i) Holding Company

1. Zuari Global Limited

ii) Subsidiary Company

1. Zuari Infra Middle East Limited

iii) Fellow Subsidiaries Company

1. Zuari Management Services Limited
2. Simon India Limited
3. Zuari Investment Limited

iv) Joint ventures of the Parent Company

- 1 Brajbhumi Nirmaan Private Limited
- 2 Pranati Niketan Private Limited
- 3 Darshan Nirmaan Private Limited

v) Key Management Personnel of the ZIIL's Group

- 1 Mr. Alok Banerjee, Chief Executive Officer of the Parent Company

vi) Relative of director and director of holding company

1. Mr. Saroj Kumar Poddar



b. Following transactions were carried out with related parties in the ordinary course of business:

Sl. No.	Transaction Details	Year Ended 31st March, 2015					
		Holding Company	Fellow Subsidiaries	Joint Ventures	Key Management Personnel	Relative of Director & Director of Holding Company	
1	Payment made on their behalf						
	Brajbhumi Nirmaan Private Limited			230,522			-
	Zuari Infra Middle East Limited						
2	Payment made on our behalf						
	Zuari Management Services Limited		119,030				
3	Contribution towards Share Capital						
	Zuari Infra Middle East Limited (100% Wholly Own Subsidiary)						
	Brajbhumi Nirmaan Private Limited (Joint Venture)			59,850,000			-
	Pranati Niketan Private Limited (Joint Venture)			25,000			
	Darshan Nirmaan Private Limited (Joint Venture)			25,000			
4	Service Charges / Management Fees Paid						
	Zuari Management Services Limited		2,242,790				
	Zuari Investments Limited		1,835,000				
5	Service Charges / Management Fees Received/receivable						
	Zuari Infra Middle East Limited						
	Brajbhumi Nirmaan Private Limited			4,500,000			-

ZUARI INFRAWORLD INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF ZUARI INFRAWORLD INDIA LIMITED FOR THE FINANCIAL YEAR 2014-15

6	ICD Given						
	Zuari Infra Middle East Limited						
7	Repayment of ICD's / loans / advances						
	Zuari Global Limited	110,000,000					
8	Interest paid/payable on ICD received						
	Zuari Global Limited	32,489,931					
9	Interest received/receivable on ICD given						
	Zuari Infra Middle East Limited						
	Brajbhumi Nirmaan Private Limited		117,996				
10	Reimbursement of Employee Compensation received						
	Brajbhumi Nirmaan Private Limited						
11	ICD converted to equity						
	Brajbhumi Nirmaan Private Limited		1,055,751				
	Brajbhumi Nirmaan Private Limited						
	Refundable Deposit						
12	Zuari Global Limited						
13	Preference Share capital Investment by						
	Mr. Saroj Kumar Poddar (Rs.7 crores Share Capital and Rs.63 crores Share Premium)						700,000,000
14	Managerial Remuneration						
	Mr. Alok Banerjee					8,210,342	



ZUARI INFRAWORLD INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF ZUARI INFRAWORLD INDIA LIMITED FOR THE FINANCIAL YEAR 2014-15

35. Details of the ZIIL Group's share in Joint Ventures included in the Consolidated Financial Statements are as follows :

Sl. No.	Name of the Entity in the	Net Assets i.e., Total Assets minus total liabilities as at March 31, 2015		Share of profit & loss	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit & Loss	Amount
	Parent Subsidiaries				
	Indian				
1	Zuari Infra Middle East Limited	0.0508%	588,281.00	1.51%	408,175.00
	Joint Ventures				
	Indian				
1	Brajbhumi Nirmaan Private Limited	10.6817%	123,695,690.50	(1.92%)	(517,990.00)
2	Pranati Niketan Private Limited	0.0014%	(16,352.57)	(0.02%)	(5045.75)
3	Darshan Nirmaan Private Limited	0.0014%	(16,153.50)	(0.02%)	(4,875.50)



ZUARI INFRAWORLD INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF ZUARI INFRAWORLD INDIA LIMITED FOR THE FINANCIAL YEAR 2014-15

36. Statement containing salient features of the financial statement of subsidiary and Joint Venture (Pursuant to proviso to sub-section (3) of section 129 read with Rule 9.3)

Sl. No.	Subsidiaries / Joint Ventures	Reporting Period	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment	Turnover	Profit before taxation	Provision for taxation	Proposed Dividend	% of shareholding
	Subsidiaries												
	Indian												
	Zuari												
	Infra												
1	Middle East Limited	2014-15	INR	170,218	418,063	420,213,973	419,625,692	NIL	44,043,663	408,175	NIL	NIL	100%
	Joint Ventures												
	Indian												
	Brajbhumi												
1	Nirmaan Private Limited	2014-15	INR	60,000,000	63,695,690	257,535,337	133,839,646	NIL	41,527	(586,044)	(68,054)	NIL	25%
2	Darshan Nirmaan Private Limited	2014-15	INR	25,000	(41,153)	6,908,967	6,925,120	NIL	NIL	(5,045)	NIL	NIL	25%
3	Pranati Niketan Private Limited	2014-15	INR	25,000	(41,352)	5,420,143	5,436,496	NIL	NIL	(4,875)	NIL	NIL	25%



ZUARI INFRAWORLD INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF ZUARI INFRAWORLD INDIA LIMITED FOR THE FINANCIAL YEAR 2014-15

37. i) The Company has not entered into any forward exchange contracts to hedge foreign currency risk.

ii) Unhedged foreign currency exposures as at the Balance Sheet Date:

Nature of Exposure	Currency	Outstanding amount in foreign currency
		31.03.2015
Trade Receivables	AED	2,063,118
	INR	35,000,000
Balances with banks on current accounts	AED	1,195,758
	INR	20,353,958
Claims Receivables	AED	1,032,571
	INR	17,517,165
Inter Corporate Deposit	AED	360,000
	INR	6,127,848

38. Additional information pursuant to the provisions of paragraph 5 of part II of the Schedule II of the Companies Act, 2013:

i) Expenditure in foreign currency (on accrual basis) Rs. 39,592,713 (previous year Rs. 4,904,223). The details of foreign currency expenditure are as below:

	<u>31.03.2015</u>	<u>31.03.2014</u>
	<u>(Rs.)</u>	<u>(Rs.)</u>
Architect fees for Goa project	29,532,345	3,700,425
Sponsorship & Promotions	212,590	457,899
Consultancy Fees	2,049,900	-
Legal Fees	4,103,509	-
Foreign Travel	3,694,369	745,899
TOTAL	39,592,713	4,904,223

i) Earnings in foreign exchange - Rs. 3,53,14,764

	<u>31.03.2015</u>	<u>31.03.2014</u>
	<u>(Rs.)</u>	<u>(Rs.)</u>
Development Management Fees	35,000,000	-
Interest income on ICD	314,764	-
TOTAL	35,314,764	-



ZUARI INFRAWORLD INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF ZUARI INFRAWORLD INDIA LIMITED FOR THE FINANCIAL YEAR 2014-15

39. Advances Recoverable in Cash or Kind

(a) It includes Rs. 19,594,323/- 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 Statement of Profit & Loss as and when revenue is recognized.

(b) 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. 63,960,556 till 31.03.2015. 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.

40. Capital and other commitment

In case of the company consolidated estimated amount of contracts remaining to be executed on project construction and development account- Rs.1,245,271,886/-

41. Contingent Liabilities

- i) Claims against the Company not acknowledged as debts – NIL.
- ii) Dividend on cumulative preference shares – Rs. 1,271,507

42. The consolidated financial statements for the year ended March, 2015 have been drawn for the first time and hence the comparative previous year figures have not been given. In the absence of previous year figures, consolidated cash flow statements has not been prepared.



ZUARI INFRAWORLD INDIA LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF ZUARI INFRAWORLD INDIA LIMITED FOR THE FINANCIAL YEAR 2014-15

43. Figures pertaining to the subsidiaries and joint ventures have been reclassified wherever considered necessary to bring them in line with the Company's financial statement. Figures reported with respect to the joint ventures represent the ZIIL Group's proportionate share only.

As per our report of even date

For V.Sankar Aiyar & Co
Chartered Accountants
Firm Regn No: 109208W


(V. Rethinam)

Partner

Membership No. 10412

Place: Gurgaon
Date: 08.05.2015



For and on behalf of the Board of Director



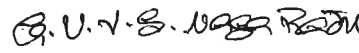
Director

DIN No. 00021965



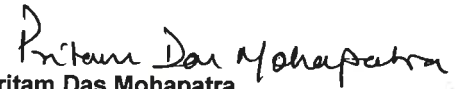
Director

DIN No. 02702645



G U V S Nagaraju

Chief Financial Officer



Pritam Das Mohapatra

Company Secretary

Place: Gurgaon

Date: 08.05.2015

