

VSPV & Co

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Zuari Infracore India Limited

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Standalone Financial Statements of Zuari Infracore India Limited ("the Company") which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other comprehensive income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying 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 March 31, 2023 and profit, changes in equity and its cash flows for the year ended on that date.


BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER PARAGRAPH

- We draw your attention to the note 4.2 of the accompanying financial statements for the year ended 31st March 2023 regarding consolidated report of foreign wholly owned subsidiary in Dubai, UAE with accumulated losses which exceeds its net worth as at the end of the year. However, as per the consolidated financial statements for the year ended 31 March 2023 of Zuari Infracore Middle East Limited, the said subsidiary, the Management has considered that Company as a going concern for the reasons listed in the specific note given.
- We draw your attention to the note 8.3 of the accompanying financial statements for the year ended 31st March 2023 regarding advance payments of Rs. 639.61 lakhs made by the Company under the Development Management Agreement to agencies against which the said agent-


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initiated insolvency resolution proceedings. The Management has currently initiated legal proceedings and is pursuing recovery through arbitration and other legal means with that party. The management does not expect any significant effect of the same on its carrying balance and expects to adjust/recover the same in full and accordingly no adjustment is considered necessary at this stage.

- We draw your attention to the note 8.6 of the accompanying financial statements for the year ended 31st March 2023 regarding recoverable advances paid to a sub-contractor amounting to Rs.2,246.49 lakhs including interest to Rs.33.72 lakhs. The Management has currently initiated legal proceedings and is pursuing recovery through arbitration and other legal means with that party, and is optimistic that this advance will be completely recovered by the Company. Hence in the view of the Management no provision is considered necessary at this stage.

Our opinion is not modified on the above matters.

OTHER INFORMATION

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

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

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

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


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


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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.


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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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.

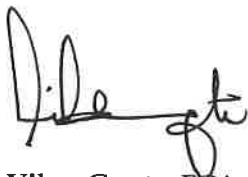
- a. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- b. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- c. 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.
- d. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- e. With respect to the adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure B.
- f. With respect to the other matters to be included in the Auditor's report in accordance with requirements of Sec 197(16) of Act:
 - In our opinion and to the best of our information and according to the explanation given to us the company has complied with the provisions of section 197 of the Act to the extent applicable in respect of managerial remuneration paid during the year.
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g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed pending litigations which would impact its financial position (Refer Note 30.1 of the accompanying financial statements).
- ii. The Company has made provision as required under applicable law or accounting standard for material foreseeable losses, if any on long term contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and protection Fund by the Company.
- iv. The management has represented that other than those disclosed in the notes to accounts,
 - (i) no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
 - (ii) no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the above representations given by the management contain any material misstatement



VSPV & Co.
Chartered Accountants

Vikas Gupta, FCA
Membership No.200924
Partner

VSPV & Co.

Chartered Accountants

Firm No.005483N

Place : Bangalore

Date : 12-May-2023

UDIN : 23200924BGTDQN6767

ANNEXURE REFERRED TO IN CLAUSE 1 OF REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS PARAGRAPH OF OUR REPORT OF EVEN DATE

Re: Zuari Infracore India Limited ('the Company')

- (i) In respect of the Company's fixed assets:
- a) In our opinion and according to information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us, the title deeds of the immovable property of the company which is part of the inventory is held by the company in its own name. As stated in the Note 14 of the Standalone Financial Statements the immovable property has been mortgaged with the banks/financial institutions as a security for the facilities availed.
- d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year
- e) The Company has no proceedings that have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
- (ii) a) The inventory held by the company has been physically verified by the management during the year and no discrepancies noticed on such verification between the physical stock and the book records. In our opinion, the frequency of such verification is reasonable.
- b) In our opinion and according to information and explanations given to us, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, during any point of time of the year from banks or financial institutions on the basis of security of current assets
- (iii) (a) during the year the company has provided loans, advances in the nature of loans, provided guarantee and securities to companies as follows

Amount (Rs. In lakhs)

Particulars	Loans
Aggregate amount granted /provided during the year	
Subsidiaries	3,790.00
Balance outstanding as at balance sheet date in respect of above cases	
Subsidiaries	3,941.92


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(b) During the year investments made, guarantee provided, security given and the terms and conditions of all loans and advances in the nature of loans & guarantee provided are not prejudicial to company, s interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated ie. repayable after three years from the date of disbursement.

(d) According to the information given to us and based on the audit procedures conducted by us there are no overdue amounts exceeding 90 days.

(e) According to the information and explanation given to us, loan granted which has fallen due during the year, has been renewed.

Amount (Rs. In Lakhs)		
Name of the party	Aggregate amount of over dues of existing loans renewed	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Zuari Infracore Middle East Limited	2,631.75	69%

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues with the appropriate authorities including Provident fund, Employees State Insurance fund, income tax, service tax, cess or any other statutory dues.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, cess and other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred in sub clause (a) above which have not been deposited as on March 31, 2023, on account of disputes are given below.


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Nature of Statute	Nature of dues	Forum where dispute is pending	Period to which amount relates	Amount in Rs in lakhs
Income Tax Act 1961	Disallowance of loss	Commissioner of Income Tax (Appeal)	AY 2018-19	9.74

- (viii) According to the information and explanations given to us, there are no transactions that are not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) Based on the examination of records and information and explanation given to us, the Company has not defaulted in repayment of its loans or payment of interest to any lender.
- (b) According to the information and explanations given to us and on the basis of the audit procedures, we report that the Company has not been declared as wilful defaulter by any banks, financial institution or government or any government authority..
- (c) According to the explanation provided to us, the company has utilised the monies raised by the way of term loans for the purpose for which the loan was obtained.
- (d) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, funds raised on short term basis was not utilised for long term purposes
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) In our opinion and according to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The company has not raised the money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the order is not applicable
- (b) During the year, company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

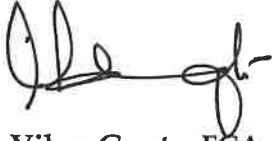
(c) No whistle-blower complaints were received during the year by the Company.

- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) According to the information and explanations given to us and based on audit procedures performed, the Company has incurred cash losses in the Financial Year Rs. 2,582.76 Lakhs and not incurred any cash losses in the immediately preceding Financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.


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(xx)

In our opinion, company does not fulfil the criteria specified in section 135(1) of the Companies Act, 2013. Therefore, the provisions of clause (xx) of the order are not applicable to the Company and hence not commented upon.



VSPV & Co.
Chartered Accountants

Vikas Gupta, FCA
Membership No.200924
Partner

VSPV & Co

Chartered Accountants

Firm No.005483N

Place : Bangalore

Date : 12-May-2023

UDIN : 23200924BGTDQN6767

ZUARI INFRAWORLD INDIA LIMITED
STANDALONE BALANCE SHEET AS AT 31 MARCH 2023
 (All Amounts in Indian Rupees in lakhs, unless otherwise stated)

	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
(a.) Property, plant and equipment	3.1	51.58	104.83
(b.) Other intangible assets	3.2	8.06	5.94
(c.) Right-of-use assets	3.3	90.72	136.08
(d.) Financial assets:			
(i.) Investments	4	2,558.16	2,558.16
(ii.) Loans	5	21,732.13	15,719.58
(iii.) Other financial assets	6.1	32.02	33.40
(e.) Deferred tax asset (net)	7.0	123.15	120.22
(f.) Other assets	8	922.82	868.82
		25,518.64	19,547.03
Current assets			
(a.) Inventories	9	22,007.53	27,925.17
(b.) Financial assets			
(i.) Trade receivables	10	907.22	1,837.14
(ii.) Cash and cash equivalents	11	5,549.77	1,171.74
(iii.) Bank balances other than (ii) above		24,542.29	23,417.76
(iv.) Other financial assets	6.2	5,175.26	3,058.30
(c.) Income tax assets (net)		165.89	140.96
(d.) Other assets	8.1	2,681.82	2,795.28
		61,029.78	60,346.36
		86,548.42	79,893.39
EQUITY AND LIABILITIES			
Equity			
(a.) Equity share capital	12	5,000.00	4,655.00
(b.) Other equity	13	9,722.57	10,732.89
		14,722.57	15,387.89
Liabilities			
Non-current liabilities			
(a.) Financial liabilities			
(i.) Borrowings	14.1	44,471.75	37,830.11
(ii.) Lease liabilities	15.1	119.18	190.00
(iii.) Trade payables	16.1		
- Total outstanding dues of creditors other than micro enterprises and small		245.29	245.29
(b.) Provisions	18.1	34.82	53.91
(c.) Deferred tax liability (net)	7		
		44,871.04	38,319.31
Current liabilities			
(a.) Financial liabilities			
(i.) Borrowings	14.2	14,177.34	12,965.53
(ii.) Lease liabilities	15.2	76.82	67.52
(iii.) Trade payables	16.2		
- Total outstanding dues of micro enterprises and small enterprises		0.51	0.51
- Total outstanding dues of creditors other than micro enterprises and small		1,249.16	1,522.55
(iv.) Other financial liabilities	17.1	5,136.71	1,726.07
(b.) Other liabilities	19	6,289.84	9,901.96
(c.) Provisions	18.2	24.44	2.04
		26,954.81	26,186.19
		86,548.42	79,893.39

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

As per our report attached

Vikas Gupta
 Vikas Gupta, FCA
 Membership No. 200924
 Partner
 VSPV & Co
 Chartered Accountants

VSPV & Co
 Chartered Accountants
 Firm.No. 005483N
 Place: Bangalore
 Date : 12.05.2023
 UDIN: 23200924BGTDQN6767

Alok Banerjee
 ALOK BANERJEE
 Director & CEO
 DIN: 01371033

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

Athar Shahab
 ATHAR SHAHAB
 Director
 DIN: 01824891

Anshul A. Bansal
 ANSHUL A. BANSAL
 Chief Financial Officer



ZUARI INFRAWORLD INDIA LIMITED
STANDALONE PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

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

Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	20	7,216.52	6,441.18
Other income	21	3,658.20	2,559.62
Total Income		10,874.72	9,000.80
EXPENSES:			
Purchase of materials, sub contract charges and other project costs	22	1,892.18	3,160.69
Changes in construction work-in-progress	23	2,965.66	1,764.94
Employee benefit expenses	24	591.26	298.54
Finance costs	25	7,589.60	3,243.70
Depreciation and amortization expense	26	69.08	68.99
Other expenses	27	436.22	366.23
Total expenses		13,543.98	8,903.09
Profit before tax		(2,669.25)	97.70
Tax expense			
Current tax expense	28	-	96.50
MAT Credit of earlier year			-
Deferred tax		(2.93)	(267.10)
Total tax Expense		(2.93)	(170.61)
Profit/(Loss) for the year		(2,666.32)	268.31
Other comprehensive income (OCI)			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of defined benefit plans (Gratuity)		-	11.29
Tax relating to items that will not be reclassified to profit or loss		-	(3.14)
Total Other Comprehensive Income		-	8.15
Total Comprehensive Income for the year		(2,666.32)	276.46
Basic & Diluted	31	(5.56)	0.58
Weighted average number of shares used in computing Earnings per share		4,79,77,260	4,65,50,000
The accompanying notes form an integral part of the standalone financial statements			

As per our report attached

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

Vikas Gupta, FCA
Membership No.200924
Partner

ALOK BANERJEE
Director & CEO
DIN: 01371033

ATHAR SHAHAB
Director
DIN: 01824891

ANSHUL A. BANSAL
Chief Financial Officer

VSPV & Co.

Chartered Accountants
Firm.No. 005483N
Place: Bangalore
Date : 12.05.2023
UDIN: 23200924BGTDQN6767



ZUARI INFRAWORLD INDIA LIMITED
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023
 (All Amounts in Indian Rupees in lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit for the year	(2,669.25)	97.70
Adjustments to reconcile profit and loss to net cash provided by operating activities:		
Depreciation & amortisation expense	86.50	97.87
Interest Income	-	(2,313.38)
Loss on sale of fixes assets	0.49	-
Balances no longer required, net	2.06	15.55
Net gain on investments	-	(61.79)
Interest expense	8,042.00	4,428.33
Re-measurement gains on defined benefit plans through OCI	-	11.29
Operating profit before working capital changes	5,461.79	2,275.58
Adjustment for net changes in :		
Trade receivables	929.92	(1,091.07)
Financial and other assets	(2,058.95)	(1,667.67)
Inventories	5,917.65	3,000.14
Trade payables	(273.39)	67.15
Provisions	3.30	(3.51)
Financial and other liabilities	(263.01)	(2,044.72)
Net cash generated from operations	9,717.32	545.89
Income taxes paid, net of refunds	(24.93)	(187.63)
Net cash generated from / (used in) operating activities	9,692.39	358.26
II. CASH FLOW FROM INVESTING ACTIVITIES :		
Additions to property, plant and equipment	(7.45)	(17.54)
Sale/Adjustment of property, plant and equipment	16.95	1.29
Investments in Mutual Funds	-	(550.00)
Proceeds from sale of Investments in Mutual Funds	-	4,700.72
Loans to subsidiaries, net of repayments	(6,012.55)	(4,316.40)
Deposits held with banks	(1,188.71)	(16,311.45)
Receipts from net investment in right-of-use assets	-	9.82
Interest received	658.99	0.72
Net cash generated from / (used in) investing activities	(6,532.78)	(16,482.84)
III. CASH FLOW FROM FINANCING ACTIVITIES :		
Borrowings, net of repayments	5,533.12	20,468.20
Issure of equity shares	2,001.00	-
Interest paid (including interest transferred to work-in-progress)	(5,721.67)	(3,218.76)
Net cash generated from / (used in) financing activities	1,812.45	17,249.44
Net Changes in Cash and Cash equivalents during the year	4,972.06	1,124.86
Cash and Cash equivalents at the beginning of the year	1,171.74	46.88
Cash and Cash equivalents at the end of the year (Refer Note 11)	6,143.80	1,171.74

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 Chartered Accountants



ZUARI INFRAWORLD INDIA LIMITED

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

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

Particulars	For the year ended	
	31 March 2023	31 March 2022

Disclosure pursuant to Ind-AS 7 as amended:

Particulars	As at 31 March 2022	Cash Flow	Trf. to Securities Premium	Non-Cash Adj. (Fair Value Adjustments)	As at 31 March 2023
Long term borrowings	31,156.53	6,641.64	-	-	37,798.17
Redeemable Preference Shares (Debt portion)	1,108.59	-	-	-	1,108.59
Lease liabilities (including security deposit received for Net investment in sub lease)	491.44	-	-	-	491.44
Short term borrowings	17,510.41	1,211.81	-	-	18,722.22
Trade payables	1,768.35	(273.39)	-	-	1,494.96
Other current financial liabilities	1,726.07	3,410.64	-	-	5,136.71

Cash flows are reported using the indirect method.

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

As per our report attached

Vikas Gupta
VSPV & Co.
 Chartered Accountants

Vikas Gupta, FCA
 Membership No.200924
 Partner

VSPV & Co.

Chartered Accountants
 Firm.No. 005483N
 Place: Bangalore
 Date : 12.05.2023
 UDIN: 23200924BGTDQN6767

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

Alok Banerjee
ALOK BANERJEE
 Director & CEO
 DIN: 01371033

Athar Shahab
ATHAR SHAHAB
 Director
 DIN: 01824891

Anshul A. Bansal
ANSHUL A. BANSAL
 Chief Financial Officer



ZUARI INFRAWORLD INDIA LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023
 (All Amounts in Indian Rupees in lakhs, unless otherwise stated)

	Note No.	As at 31 March 2023	As at 31 March 2022
A. Equity share capital	12	5,000.00	4,655.00

B. Other equity

Particulars	Securities premium account	Equity Component of convertible preference shares	Retained earnings	Total
Balance as at 31 March 2021	10,305.00	415.96	(264.52)	10,456.43
Profit for the period			268.31	268.31
Remeasurement of defined benefit obligations			8.15	8.15
Balance as at 31 March 2022	10,305.00	415.96	11.94	10,732.89
Profit for the period			(2,666.32)	(2,666.32)
Addition during the year	1,656.00			1,656.00
Remeasurement of defined benefit obligations				-
Balance as at 31 March 2023	11,961.00	415.96	(2,654.39)	9,722.57

As per our report attached


VSPV & Co.
 Chartered Accountants

Vikas Gupta, FCA
 Membership No.200924
 Partner

VSPV & Co.

Chartered Accountants
 Firm.No. 005483N
 Place: Bangalore
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For and behalf of the Board of Directors of
 Zuari Infracore India Limited


ALOK BANERJEE
 Director & CEO
 DIN: 01371033


ATHAR SHAHAB
 Director
 DIN: 01824891


ANSHUL A. BANSAL
 Chief Financial Officer



ZUARI INFRAWORLD INDIA LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

1 Corporate information:

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

The standalone financial statements were approved for issue in accordance with a resolution of the directors passed on meeting held through video conference and other visual means (VC) dated May 11, 2023.

2 Significant accounting policies:

(a.) Basis of preparation

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

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

Current and Non-current classification

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

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

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

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

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

Significant accounting judgements, estimates and assumptions :

(i.) Useful life of Property, plant & equipment:

The determination of estimated useful lives and expected residual values are based on the technical evaluation carried by the Company and these are reviewed by the Management of the Company at each reporting date.

(ii.) Impairment of financial assets and evaluation of impairment indicators:

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

(iii.) Impairment of non-financial assets:

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

(iv.) Contingencies:

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events, which may or may not occur.

(v.) Construction work-in-progress

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

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

(vi.) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

(vii.) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(viii.) Leases

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

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

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

Recognition principle:

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

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

De-recognition principle:

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



(ii.) **Depreciation**

Depreciation is calculated on the Straight Line basis over the estimated useful life of the PPE after retaining estimated residual value not exceeding 5% of the original cost, except for Leasehold improvements and aluminium panels used for construction. Depreciation on assets used for the project has been considered as part of construction and development cost. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if considered appropriate.

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

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

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

(d.) **Intangible Assets and Amortisation**

(i.) **Intangible Assets**

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

Recognition:

The cost of an item of intangible asset is recognised as an asset if, and only if:

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

De-recognition:

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

(ii.) **Amortisation**

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

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

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

(e.) **Leases**

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

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

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

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



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

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

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

(ii.) The Company as a Lessor:

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

When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease and recognises lease income accordingly.

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

(iii.) Transition

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

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

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

(f.) Impairment

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

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

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

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

(g.) Borrowing Costs

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

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

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



(h.) Foreign Currency Translation

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

Initial Recognition:

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

Conversion / Reinstatement:

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

Exchange Differences:

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

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

(i.) Inventories

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

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

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

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

(j.) Provisions and Contingent Liabilities

(i.) Provisions

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the profit and loss statement net of any reimbursement.

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

(ii.) Contingent Liabilities

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

(k.) Revenue Recognition

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

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



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

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

(i.) Identify the Contract with Customer

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

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

(ii.) Identifying the performance obligations

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

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

(iii.) Determining the transaction price

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, existence of any financial component and any other non-cash consideration, or both.

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

(iv.) Allocating the transaction price to the performance obligations

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

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

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

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

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

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

Revenue from sale of residential cum commercial properties (constructed properties)

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

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

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

Income from sale of services

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

Sales Commission from sale of plots/ residential units

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

Other income

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



(l.) Taxes on income

(i.) Current income tax

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

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

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

(ii.) Deferred tax

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

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

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

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

(m.) Retirement and other Employee Benefits

(i.) Provident Fund

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

(ii.) Gratuity

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

(iii.) Compensated Absences

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

Remeasurements:

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss statement in subsequent periods. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

(n.) Financial Instruments

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

(i.) Financial assets at amortised cost

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

(ii.) Financial assets at fair value through other comprehensive income

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

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



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(iii.) Financial assets at fair value through profit or loss

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

(iv.) Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

(v.) Equity instruments

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

(vi.) Financial guarantee contracts

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

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

(o.) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(p.) Segment Reporting

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

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

(q.) Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Retained earnings are adjusted for the following:

- Re-measurement of net defined benefit liability-comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets

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

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

(r.) Cash and cash equivalents

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

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

(s.) Investments

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

(t.) Recent Accounting pronouncements:

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



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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

3 Property, plant and equipment

3.1 Tangible assets

Particulars	Plant and Equipment	Office Equipment	Leasehold Improvements	Computers	Furniture and Fixtures	Temporary Structures	Vehicles	Total
Deemed Cost								
As at April 1, 2021	128.16	48.99	132.86	17.31	46.51	0.85	0.65	375.32
Additions	-	3.37	-	2.67	-	-	-	6.04
Disposals/adjustments	(0.22)	-	-	(8.56)	-	(0.85)	-	(9.62)
As at March 31, 2022/ April 01, 2023	127.95	52.36	132.86	11.43	46.51	-	0.65	371.74
Additions	-	-	-	3.06	-	-	-	3.06
Disposals/adjustments	(121.39)	-	-	-	-	-	-	(121.39)
As at 31 March 2023	6.56	52.36	132.86	14.48	46.51	-	0.65	253.41
Accumulated depreciation								
As at April 1, 2021	64.03	40.41	74.76	13.12	31.61	0.00	0.28	224.21
Charge for the year	28.88	2.54	14.51	1.13	3.90	-	0.08	51.04
Disposals/adjustments	(0.20)	-	-	(8.13)	-	-	-	(8.34)
As at March 31, 2022/ April 01, 2023	92.70	42.95	89.27	6.13	35.51	0.00	0.36	266.91
Charge for the year	17.42	2.14	14.51	2.25	2.45	-	0.08	38.86
Disposals/adjustments	(103.95)	-	-	-	-	-	-	(103.95)
As at 31 March 2023	6.18	45.09	103.78	8.38	37.96	0.00	0.44	201.83
Carrying amount (net)								
As at April 1, 2021	64.13	8.58	58.10	4.19	14.90	0.85	0.37	151.11
Additions	-	3.37	-	2.67	-	-	-	6.04
Disposal	(0.01)	-	-	(0.42)	-	-	-	(0.44)
Depreciation	(28.88)	(2.54)	(14.51)	(1.13)	(3.90)	-	(0.08)	(51.04)
As at March 31, 2022/ April 01, 2023	35.24	9.41	43.59	5.30	11.00	(0.00)	0.29	104.83
Additions	-	-	-	3.06	-	-	-	3.06
Disposal	(17.44)	-	-	-	-	-	-	(17.44)
Depreciation	(17.42)	(2.14)	(14.51)	(2.25)	(2.45)	-	(0.08)	(38.86)
As at 31 March 2023	0.38	7.27	29.08	6.10	8.54	(0.00)	0.21	51.58

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

3 Property, plant and equipment

Other Intangible Assets

Particulars	Computer Software	Total
Deemed Cost		
As at April 1, 2021	31.06	31.06
Additions	-	-
Disposal	-	-
As at March 31, 2022/ April 01, 2022	31.06	31.06
Additions	4.39	4.39
Disposal	-	-
As at 31 March 2023	35.45	35.45
Accumulated depreciation		
As at April 1, 2021	23.14	23.14
Charge for the year	1.98	1.98
Disposals/adjustments	-	-
As at March 31, 2022/ April 01, 2022	25.12	25.12
Charge for the year	2.27	2.27
Disposals/adjustments	-	-
As at 31 March 2023	27.39	27.39
Carrying amount (net)		
As at March 31, 2022/ April 01, 2022	5.94	5.94
As at 31 March 2023	8.06	8.06

0.1 Right of Use Assets (RoU)

Particulars	ROU	Total
Deemed Cost		
As at April 1, 2021	252.27	252.27
Additions	11.50	11.50
Disposal	-	-
As at March 31, 2022/ April 01, 2022	263.77	263.77
Additions	-	-
Disposal	-	-
As at 31 March 2023	263.77	263.77
Accumulated depreciation		
As at April 1, 2021	82.84	82.84
Charge for the year	44.86	44.86
Disposals/adjustments	-	-
As at March 31, 2022/ April 01, 2022	127.70	127.70
Charge for the year	45.36	45.36
Disposals/adjustments	-	-
As at 31 March 2023	173.06	173.06
Carrying amount (net)		
As at March 31, 2022/ April 01, 2022	136.08	136.08
As at 31 March 2023	90.72	90.72



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

4 Investments	As at 31 March 2023	As at 31 March 2022
4.1 Non-current		
(i) Investments in equity instruments carried at cost		
Unquoted equity Instruments		
Investment in Subsidiaries (refer note 4.2 below)		
Zuari Infra Middle East Limited - wholly owned subsidiary (refer note 4.2 below)	1.56	1.56
Investment in Associates		
Brajbhumi Nirmaan Private Limited	1,894	1,894.00
[10,00,000 (2022: 10,00,000) Equity Shares of Rs 10 each, issued at a premium of Rs 189.40/-]		
Darshan Nirman Private Limited	0.25	0.25
[2,500 (2022: 2,500) Equity Shares of Rs 10 each]		
Pranati Niketan Private Limited	0.25	0.25
[2,500 (2022: 2,500) Equity Shares of Rs 10 each]		
	1,896.16	1,896.16
(ii) Investments in redeemable non-cumulative optionally convertible preference shares		
Unquoted Investments in preference shares in associate carried at fair value through Profit or Loss: (fully paid)		
Brajbhumi Nirmaan Private Limited (Refer Note 4.3. below)	662.00	662.00
[5,00,000 shares of Rs 100 each, fully paid, Date of Maturity 30 November 2023]		
(1% Redeemable Non-Cumulative optionally convertible preference shares)		
(Initial Cost : Rs.500 lakhs)		
	662.00	662.00
	2,558.16	2,558.16

4.2 As at 31 March 2023, the group has deficit in equity funds of AED 24,363,104 due to significant delays in commencement of the project. Although accumulated losses amounted to more than 50% of the group's paid up share capital, the accompanying consolidated financial statements have been prepared on the basis that the group will continue as a going concern. The management regards the group as going concern for the following reasons:

- The real estate market of Dubai has improved as compared to last year.
- The group successfully launched its project "Exquisite Living Residences". towards the end of the year.
- Opened an ESCROW account with a local bank during the year.
- The group has managed to avail services from marketing partner for collecting sales proceeds and other related charges from the customers.
- The marketing partner has initiated the procedure of signing of Sales & Purchase agreement.
- The group has appointed main contractor for the project and construction activities will commence from the first quarter of 2023-24.
- The group has obtained final design approval, building permit certificate and demarcation certificate from local authority.
- The group has registered the project with local authorities.
- The shareholders and Joint venture partners have resolved not to dissolve the company as required by U.A.E Federal Law No. 32 of 2021, as amended and continue its operations availing funding from the banks and or venture capital against the securities of the parent entities.
- As per the revised forecast prepared by the management, the operating and financial performance are positive and profitable.
- The beneficial owners have full confidence in the successful completion of the project and have agreed to provide required financial support.
- The existing creditors and lender of unsecured loans have agreed to extend their support till the completion of the project.
- Key executive management is in place with the group and its parent entities and upon commencement of the project additional
- There are no changes in government legislation that may adversely affect the group.

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

4.3 **Investments in Redeemable optionally convertible Non-cumulative Preference Shares:**

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

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5	Loans	As at 31 March 2023	As at 31 March 2022
	Unsecured, Considered Good		
	Non - Current		
	Loan to subsidiary (carried at amortised cost) (also refer note 4.2)	21,732.13	15,719.58
		21,732.13	15,719.58

5.1 Loans or Advances in the nature of loans are granted to the related parties

Unsecured Loan to Zuari Infracore Middle East Limited, Dubai, a wholly owned subsidiary is to meet working capital requirements of that company and carries interest rate of 15% per annum (which is changed from 14% till FY 2019-20 to 15%). These loans along with interest are repayable in equivalent Indian Currency with three year moratorium for payment of interest and principal from the date of disbursement. These loans are expected to be rolled over along with interest dues for further period and hence classified as non-current. For detailed schedule of repayment terms refer table below:

Details of loan and date of disbursement	Loan Amount	Repaid during the year	Fair value adjustment	Fair value of loan as at 31 March 2022	Due Date of repayment	Amount disbursed (In foreign Currency)
Loan 2 - 03 May, 2017	287.14	-	309.85	596.99	02 May, 2023	AED 18.09
Loan 3 - 12 Jul, 2017	35.58	-	36.66	72.23	11 Jul, 2023	AED 2.00
Loan 4 - 16 Aug, 2017	459.90	-	462.84	922.74	15 Aug, 2023	AED 26.00
Loan 5 - 25 April, 2018	240.18	-	202.26	442.44	23 Apr, 2024	AED 13.19
Loan 6 - 23 May, 2018	187.67	-	154.78	342.45	21 May, 2024	AED 10.00
Loan 7 - 25 June, 2018	283.67	-	228.19	511.86	23 Jun, 2024	AED 15.20
Loan 8 - 21 Sept, 2018	20.00	-	15.03	35.03	19 Sep, 2024	AED 1.00
Loan 9 - 24 Oct, 2018	1,095.12	-	801.50	1,896.62	22 Oct, 2024	AED 54.00
Loan 10 - 03 April, 2019	15.00	-	9.60	24.60	01 Apr, 2025	AED 0.80
Loan 11 - 25 April, 2019	500.00	-	313.85	813.85	23 Apr, 2025	USD 7.04
Loan 12 - 19 July, 2019	200.00	-	116.29	316.29	17 Jul, 2025	USD 2.86
Loan 13 - 31 Oct, 2019	1,100.00	-	579.35	1,679.35	29 Oct, 2025	USD 15.49
Loan 14 - 04 May, 2020	175.00	-	75.84	250.84	04 May, 2023	USD 2.31
Loan 15 - 13 May, 2020	1,300.00	-	557.72	1,857.72	13 May, 2023	USD 17.23
Loan 16 - 27 Aug, 2020	1,000.00	-	378.57	1,378.57	27 Aug, 2023	USD 13.51
Loan 17 - 04 Nov, 2020	200.00	-	69.34	269.34	04 Nov, 2023	USD 2.67
Loan 18 - 06 Nov, 2020	300.00	-	113.57	413.57	06 Nov, 2023	USD 4.04
Loan 19 - 24 Nov, 2020	170.00	-	58.94	228.94	24 Nov, 2023	USD 2.29
Loan 20 - 11 Dec, 2020	330.00	-	124.93	454.93	11 Dec, 2023	USD 4.48
Loan 21 - 02 Feb, 2021	135.00	-	41.34	176.34	02 Feb, 2024	USD 1.85
Loan 22 - 24 Mar, 2021	27.75	-	7.89	35.64	23 Mar, 2024	USD 0.38
Loan 23 - 06 May, 2021	200.00	-	53.14	253.14	05 May, 2024	USD 2.71
Loan 24 - 31 May, 2021	750.00	-	191.26	941.26	30 May, 2024	USD 10.33
Loan 25 - 29 Oct, 2021	1,038.00	-	199.69	1,237.69	19 Oct, 2024	USD 13.86
Loan 26 - 29 Mar, 2022	2,328.40	-	309.39	2,637.79	28 Mar, 2025	USD 30.63
Loan 27 - 06 Jun, 2022	250.00	-	26.67	276.67	05 Jun, 2025	USD 3.22
Loan 28 - 23 Sep, 2022	200.00	-	13.31	213.31	22 Sep, 2025	USD 2.47
Loan 29 - 23 Oct, 2022	200.00	-	11.15	211.15	22 Oct, 2025	USD 2.43
Loan 30 - 31 Oct, 2022	840.00	-	44.42	884.42	30 Oct, 2025	USD 10.18
Loan 31 - 29 Nov 2022	1,300.00	-	55.36	1,355.36	28 Nov, 2025	USD 15.91
Loan 32 - 29 Mar, 2023	1,000.00	-	1.02	1,001.02	28 Mar, 2026	USD 12.14
Total	16,168.41	-	5,563.72	21,732.13		

6	Other financial assets	As at 31 March 2023	As at 31 March 2022
	Unsecured, Considered Good		
6.1	Non-current		
	Security deposits (carried at amortised cost)*	31.00	31.00
	Security deposits (carried at cost)*	1.02	2.40
		32.02	33.40
6.2	Current		
	Security deposits - Current (Carried at cost)*	36.39	29.99
	Interest accrued and due - Others (refer note 8.6. below)*	33.72	33.72
	Interest Accrued but not due on deposit with bank	98.69	99.46
	Advance to employees*	12.14	6.35
	Expenses recoverable (refer note 6.4 below)	2,134.55	499.68
	Deferred revenue expenditure (refer note 6.5 below)	1,950.53	1,950.53
	Unbilled Revenue - Service Co (Refer Note 6.3 below)	909.24	438.56
		5,175.26	3,058.30

* These balances are subject to confirmation.



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6.3	Includes service income accrued and not billed as at the reporting date to related parties;		
	Zuari Infra Middle East Limited, UAE - Development Management fees	900.00	300.00
	Zuari Industries Limited, India - Sales Commission and Development Management fees	8.24	38.56
		908.24	338.56
6.4	Includes expenses recoverable from related parties;		
	Brajbhumi Nirmaan Private Limited, India	157.33	157.33
	Zuari Infra Middle East Limited, UAE	1,977.22	342.36
		2,134.55	499.68
6.5	Expenditure incurred against various projects under preview, revenue from these projects will be accruing in coming years		

7	Deferred tax (Asset) / liability (net)	As at 31 March 2023	As at 31 March 2022
7.1	Tax effect of items constituting deferred tax liabilities		
	Unrealised gain on investment in mutual funds carried at fair value through profit or loss	-	-
	Unrealised gain on Investment in preference shares carried at fair value through profit or loss	45.07	45.07
	Lease liabilities	(1.09)	(1.09)
	Timing differences on benefit obligations through OCI	-	-
	Others	-	-
	Financial liabilities and assets carried at amortised cost;		
	- Interest on preference shares	-	-
		43.98	43.98
7.2	Tax effect of items constituting deferred tax assets		
	Property, plant and equipment and Intangible assets	36.83	36.83
	Provision for employee benefits obligations	16.48	16.48
	MAT Credit Entitlement	-	-
	Others	113.81	110.67
		167.13	163.99
	Unused Tax Losses	857.39	140.52
	Less: Not considered for deferred tax purposes	(857.39)	(140.52)
		-123.15	-120.01

Also, refer note 28 for other tax related disclosures.

7.3 The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set-off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

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

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

8 Other Assets	As at 31 March 2023	As at 31 March 2022
Unsecured, Considered Good		
8.1 Non-Current		
Advances recoverable in cash or kind (refer note 8.3 below)	639.61	639.61
Goods and Service Tax Refund (refer note 8.5. below)	277.46	223.46
Karnataka VAT - refund receivable	5.76	5.76
Service tax - refund receivable	10.35	10.35
Less: Provision towards service tax refund	-10.35	(10.35)
	922.82	868.82
8.2 Current		
Advance to vendors (refer note 8.6. below)	2,392.32	2,451.90
Goods and Services tax input credit (refer note 8.4. below)	199.50	212.81
Prepaid expenses (refer note 8.7. below)	90.00	130.58
	2,681.82	2,795.28

8.3 Includes advance payments made by the Company under the Development Management Agreement to agencies which are entitled to certain percentage of income calculated in the manner specified therein. The advance payments made aggregated to Rs. 639.61 lakhs as at 31 March 2023 (2022: Rs. 639.61 lakhs) and these will be adjusted in the year when the agency becomes entitled to share of income as per the agreement. One of the operating creditors of one of the Agency company has initiated insolvency proceeding against that Company. The Management has currently initiated legal proceedings and is pursuing recovery through arbitration and other legal means with that party. The management does not expect any significant effect of the same on its carrying balance and expects to adjust/recover the same in full and accordingly no adjustment is considered necessary at this stage.

8.4 Goods and Service Tax Input credits carried in the books includes input tax credits aggregating to Rs. lakhs 20.53 lakhs (2022: 14.12 lakhs) relating to advance payments to vendors and unpaid vendors bills beyond time period stipulated under GST Law, which will be claimed in the returns in the subsequent periods when the company is eligible to claim such credits under the provisions of the GST Law.

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

8.6 Includes recoverable advances paid to a sub-contractor amounting to Rs.2,246.49 lakhs (2022: Rs 2,246.49 lakhs). The Management is in negotiation with that party for its recovery including interest accrued Rs.33.72 lakhs (2022: Rs.33.72 lakhs) as disclosed in Note 6.2 The Management has currently initiated legal proceedings and is pursuing recovery through arbitration and other legal means with that party, and is optimistic that this advance will be completely recovered by the Company. Hence in the view of the Management no provision is considered necessary at this stage.

8.7 Includes Rs.79.48 lakhs (2022: Rs.117.46 lakhs) on account of brokerage & sales commission paid to an agency for services, on gross sale consideration receivable from customers. As per the agreement, in the event of non-completion of sale transaction, such commission is refundable by the agency. The commission paid is charged to the Profit & Loss Statement as and when revenue is recognised on a proportionate basis.

9 Inventories (valued at lower of cost or net realizable value)	As at 31 March 2023	As at 31 March 2022
Completed units (Refer Note 9.1. below)	519.21	519.21
Construction Work-In-Progress (includes cost of Land, Borrowing Cost and Project Construction and Development Cost) (Refer Note 9.2. below)	21,488.32	27,405.97
	22,007.53	27,925.17

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

9.2 Includes Rs.1,950.53 lakhs (2022: Rs.1,950.53 lakhs) being cost incurred towards project in Goa managed by M/s. Zuari Industries Limited which is pending formalising the terms and conditions. These balances are subject to confirmation from that party however, the Management of the company expects these costs to be recovered in full and during the previous year it is transferred to Expenses recoverable Refer Note No. 6.5

9.2 The Management has reviewed the carrying value of its construction work-in-progress by assessing the net realisable value of the project which is determined by forecasting sales rates, expected sale prices and estimated costs to complete (including escalations and cost overrun). This review by the management did not result in any loss and thus no adjustments/ provisions to the carrying value of project work-in-progress was required and external valuation was not considered necessary by the Management. In respect of early stage projects, the underlying fair value of land based on valuation report of chartered engineer was considered for the purpose of determining the net realisable value and the carrying value of the construction work-in-progress was found to be less than the net realisable value so ascertained.

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 NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023
 (All Amounts in Indian Rupees in lakhs, unless otherwise stated)

10 Trade receivables	As at 31 March 2023	As at 31 March 2022
Unsecured, Considered Good		
10.1 Current		
Trade receivables - Related Parties (refer note 10.2, below)	833.77	804.68
Trade receivables - others*	73.45	1,032.46
	907.22	1,837.14
10.2 Receivables from the related parties;		
Zuari Global Limited	48.16	71.09
Brajbhumi Nirmaan Private Limited	404.02	404.02
Zuari Infra SJM Properties LLC, Dubai	56.84	176.77
Zuari Infra Middle East Limited, Dubai	319.69	145.44
Paradeep Phosphates Limited	5.06	5.06
Zuari Farmhub Limited	-	2.30
	833.77	804.68

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	370.84	-	132.36	-	404.02	907.22

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

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

*Subject to confirmation.

11 Cash and bank balances	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalent		
Balances held in banks in current account	5,221.55	577.71
Deposits held with banks with other than lien marked more than 3 months but less that 12 months maturity period*	328.22	594.03
Other earmarked balances held with bank		
Deposits held with banks with more than 3 months but less that 12 months maturity period*	24,542.29	23,417.76
	30,092.06	24,589.50

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

*Rs. 24,542.29 (2022 Rs. 23,417.76) Deposits held with banks under lien in favour of Yes Bank Limited, GIFT City for providing finance facility to Zuari SJM Properties LLC, Dubai, a step down subsidiary.

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

12	Share capital	As at 31 March 2023	As at 31 March 2022
----	---------------	------------------------	------------------------

12.1

(i)	Authorised		
	5,00,00,000 (2022:5,00,00,000) Equity Shares of Rs. 10 each	5,000.00	5,000.00
	1,50,00,000 (2022:1,50,00,000) Preference Shares of Rs. 10 each	1,500.00	1,500.00
		6,500.00	6,500.00
(ii)	Issued, subscribed & paid up		
	5,00,00,000 (2022:4,65,50,000) Equity Shares of Rs 10 each	5,000.00	4,655.00
	1,14,50,000 (2022:1,14,50,000) Non-Convertible Cumulative Redeemable Preference Shares of Rs 10 each issued at premium of Rs. 90 each. (Also, refer note 12.7. below)	1,145.00	1,145.00
		6,145.00	5,800.00

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

Particulars (shares of Rs. 10/- each)	As at 31 March 2023		As at 31 March 2022	
	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
At the beginning of the year	4,65,50,000	4,655.00	4,65,50,000	4,655.00
Issued during the year	34,50,000	345.00	-	-
Outstanding at the end of the year	5,00,00,000	5,000.00	4,65,50,000	4,655.00

12.3 Details of shareholders holding more than 5% shares in the Company as at 31 March 2023

Name of the Shareholder	As at 31 March 2023		As at 31 March 2022	
	No's.	% holding	No's.	% holding
Zuari Industries Limited, the Holding Company (Including 10,000 equity shares jointly held)	5,00,00,000	100%	4,65,50,000	100.00%

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

12.4 Rights, preferences and restrictions attached to equity shares:

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

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

12.6 For the period of five years immediately preceding the date as at which the Balance Sheet is prepared :

No shares were allotted as fully paid up pursuant to a contract without payment being received in cash.

No shares were allotted as fully paid up by way of bonus shares.

No shares were bought back.

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

12.8 There were no calls unpaid or forfeited shares.

12.9 Shares held by promoters at 31 March, 2023

Promoter Name	No. of Shares	% of total shares	% Change during the year
Zuari industries Limited, the Holding Company (Including 10,000 equity shares jointly held)	5,00,00,000	100%	-

Shares held by promoters at 31 March, 2022

Promoter Name	Shares	% of total shares	year
Zuari Industries Limited, the Holding Company (Including 10,000 equity shares jointly held)	4,65,50,000	100%	-

Refer Note 14.6 below for details of Cumulative Compulsarily redeemable preference shares issued by the Company.

12.10 During the year issued of 34,50,000 (Thirty Four Lakhs and Fifty Thousand) equity shares of face value of Rs. 10/- (Rupees Ten only) each at a premium of Rs. 48/- (Rupees Forty Eight only) to Zuari Industries Limited.

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

13 Other equity	As at 31 March 2023	As at 31 March 2022
13.1 Deemed equity on fair-value adjustment to Non-convertible cumulative redeemable preference Shares:		
Equity component of redeemable Preference Shares	562.11	562.11
Income tax effect on the interest portion on Preference shares	(146.15)	(146.15)
	<u>415.96</u>	<u>415.96</u>
Also refer note 14.6 below for detailed disclosure on preference shares.		
13.2 Security Premium Account:		
As at the beginning and end of the year	10,305.00	10,305.00
Add : Addition during the year	1,656.00	-
	<u>11,961.00</u>	<u>10,305.00</u>
Opening balance of security premium represents premium on issue of cumulative compulsarily redeemable preference shares. During the year issued of 34,50,000 (Thirty Four Lakhs and Fifty Thousand) equity shares of face value of Rs. 10/- (Rupees Ten only) each at a premium of Rs. 48/- (Rupees Forty Eight only) to Zuari Industries Limited.		
13.3 Balance in profit and Loss Statement		
As at the beginning of the year.	11.93	(264.52)
Add: Profit for the year before OCI	(2,666.32)	268.31
Add: Re-measurement gains/(loss) on defined benefit plans, not reclassified to profit or loss*	-	8.15
Net deficits in the profit and loss statement	<u>(2,654.39)</u>	<u>11.93</u>
	<u>9,722.57</u>	<u>10,732.89</u>
*The Remeasurements gains in respect of employee benefits included above are as under;		
As at the beginning of the year.	12.41	13.18
Remeasurements gain/(loss) on defined benefit plans		(1.07)
Income tax effect on above		0.30
Balance carried forward	<u>12.41</u>	<u>12.41</u>

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

14 Borrowings	As at 31 March 2023	As at 31 March 2022
14.1 Long-term borrowings:		
(i) Secured Loans		
Term Loans from others:		
LIC Housing Finance Limited (refer 14.3 below)	16,525.92	18,466.60
Less: Current maturities of long term borrowings (refer note 17.1 below)	-4,851.00	-
IIFL Wealth Management Limited	4,999.64	3,003.25
IIFL Wealth Prime Limited (refer note 14.7 below)	9,000.00	-
	25,674.56	21,469.85
(ii) Unsecured Loans		
Inter-Corporate Deposits from related parties (refer note 14.4 below)		
Inter-Corporate Deposits from others		
Zuari Global Limited (carried at cost)	151.80	6,814.13
Zuari International Limited	16,780.97	7,693.53
Adventz Securities Enterprises Ltd	719.42	707.60
	17,652.19	15,215.26
Liability component of compound financial instrument		
Non-Convertible Cumulative Redeemable Preference Shares (Also, refer note 14.6. below)	1,145.00	1,145.00
	44,471.75	37,830.11
14.2 Short-term borrowings:		
(i) Secured Loans		
Barclays Bank PLC	9,004.00	9,561.58
	9,004.00	9,561.58
Unsecured loans		
Inter-Corporate Deposits from (refer note 14.4. below)		
Texmaco Infrastructure & Holdings Limited (carried at cost)	804.23	753.86
Adventz Finance Private Limited (carried at c (Refer Note No.14.4(ii)))	1,747.16	1,503.02
Addies Innovations Pvt Ltd	-	139.49
Matheson Bosanquet Enterprises Pvt Ltd	1,025.35	507.58
Sanjana Cryogenic Storages Ltd	304.62	500.00
Toshniwal Brothers (SR) P Ltd	203.12	-
Raibareilly Flour Mills P Ltd	134.33	-
Art Rubber Industries Ltd	302.89	-
Deepa Bagla Financial Consultants P Ltd	500.94	-
Estrela Batteries Limited	150.71	-
	5,173.34	3,403.95
	14,177.34	12,965.53

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

14.3 LIC Housing Finance Limited

Term loan facility of Rs.20,000 lakhs for takeover of outstanding loan of Rs.13,000 lakhs from Federal bank limited and as a top up for construction finance for Zuari Garden City Phase I, II & III project which is repayable over a period of 60 months with 36 months moratorium for repayment of principal from the date of first disbursement with right to accelerate payment based on the review of cash flows. This loan is secured by equitable mortgage on the Land and Building to be constructed under project name 'Zuari Garden City' in area measuring to 50 Acres and 35 Guntas (excluding sold units), Project receivables and further secured by Corporate Guarantee issued by Zuari Global Limited, the Holding Company. There are other conditions and financial covenants attached to this bank facility, which are in ordinary course of business. The loan outstanding as at 31 March 2023 is Rs.11,866.94 lakhs (as at 31 March 2022 : Rs. 15,094.56 lakhs).

Guaranteed Emergency Credit Line Scheme sanctioned limit of Rs.3,250 lakhs to construction finance for Zuari Garden City Phase I, II & III project which is repayable over a period of 60 months with 12 months moratorium for repayment of principal from the date of first disbursement and the outstanding balance as at 31 March 2023 is Rs. 2,585.68 lakhs (2022:Rs. 3,250.00).

Guaranteed Emergency Credit Line Scheme 2.0 sanctioned limit of Rs.2,028 lakhs to construction finance for Zuari Garden City Phase I, II & III project which is repayable over a period of 60 months with 24 months moratorium for repayment of principal from the date of first disbursement and the outstanding balance as at 31 March 2023 is Rs. 2,028.00 lakhs (2022:Nil).

14.4 Unsecured Inter-Corporate Deposits from related parties

(i) Zuari Industries Limited, Holding Company

Unsecured term loan from Zuari Global Limited, the holding company to meet the working capital needs of the Company. The unpaid loans which was due for payment during the year was rolled over and renewed for a further period up to 31 March 2025, without any changes to the existing terms and condition, detailed as under.

Terms of Repayment:

Particulars	Outstanding 31 March 2022 (including interest)	Loans during the Year	Repaid	Interest accrued and due	Outstanding 31 March 2023 (including interest accrued)	Due Date*
Loan at 8% p.a.	1,072.99	-	1,072.99	-	-	-
Loan at 12% p.a.	1,035.18	-	1,035.18	-	-	-
Loan at 15% p.a.	4,705.96	1,032.40	5,589.36	2.81	151.80	31-Mar-25
Total	6,814.13	1,032.40	7,697.53	2.81	151.80	

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

(ii) Adventz Finance Private Limited

During the year Additional loan for working capital purpose of Rs. 200 lakhs from Adventz Finance Private Limited, a group company carries interest rate of 12.5% p.a. The loan along with interest is due in 11 months i.e. 30th April 2023 and accordingly disclosed under current liabilities. The loan outstanding including interest accruals as at 31 March 2023 is Rs.1,747.16 lakhs (31 March 2022 : Rs.1,503.02 lakhs).

14.5 Other Unsecured Inter-Corporate Deposits

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

Party Name	Amount borrowed during the	Amount Repaid during the year	Rate of Interest	Date / due date for Repayment	Interest Accrued and not due	As at 31 March 2023 (including accrued interest)
Texmaco Infrastructure & Holdings Limited	-	-	16.75%	Repayable on demand	304.23	804.23
Addies Innovations Pvt Ltd	-	135.00	16.00%	27-Mar-23	-	-
Matheson Bosanquet Enterprises Pvt Ltd	1,000.00	500.00	16.00%	02-Aug-23	25.35	1,025.35
Sanjana Cryogenic Storages Ltd	300.00	300.00	16.00%	06-Jun-23	4.62	304.62
Toshniwal Brothers (SR) P Ltd	200.00	200.00	16.00%	12-Oct-23	3.12	203.12
Raibareilly Flour Mills P Ltd	130.00	130.00	16.00%	31-May-23	4.33	134.33
Art Rubber Industries Ltd	300.00	300.00	16.00%	07-Jun-23	2.89	302.89
Deepa Bagla Financial Consultants P Ltd	500.00	500.00	17.00%	29-May-23	0.94	500.94
Estrela Batteries Limited	150.00	150.00	17.00%	19-Jun-23	0.71	150.71
Total	2,580.00	2,215.00			346.19	3,426.19



ZUARI INFRAWORLD INDIA LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

14.6 Non-Convertible Cumulative Redeemable Preference Shares:

(i) Reconciliation of Shares Outstanding at the beginning and end of the reporting year Non-Convertible Cumulative Redeemable Preference Shares of Rs 10 each, issued at premium Rs 90 per share	As at	As at
	31 March 2023	31 March 2022
At the beginning of the year	1,14,50,000	1,14,50,000
Issued during the year	-	-
Outstanding at the end of the year	1,14,50,000	1,14,50,000

(ii) Shares holding more than 5% as at the beginning and end of the reporting year Non-Convertible Cumulative Redeemable Preference Shares of Rs 10 each, issued at premium Rs 90 per share.	As at 31 March 2023		As at 31 March 2022	
	In No's	In %	In No's	In %
Mr. Saroj Kumar Poddar	85,00,000	74%	85,00,000	74%
Tcxmaco Infrastructurc & Holdings Limited	29,50,000	26%	29,50,000	26%

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

The Company has only one class of non-convertible preference share having a par value of Rs 10 per share, carrying coupon rate of 8.5% per annum which are cumulative in nature and redeemable on 08 Dec 2024 (70,00,000 Shares), 30 July 2025 (15,00,000 Shares) and 31 March 2027 (29,50,000 Shares) respectively. The Company has extended the redemption period of 15,00,000 preference shares which was due on 31 March 2025 to 30 July 2025. These shares are redeemable at a price band of Rs 125 - Rs 150 per preference share. During the year the Company has extended the redemption period of 29,50,000 preference shares which was due on 31 March 2022 to 31 March 2025, these share are reedmable at a price band of Rs. 200 - Rs. 270 per preference share. Each holder of preference shares is entitled to one vote per share on resolutions placed before the company.

(iv) Pursuant to Schedule III of the Companies Act 2013 ("the Act"), for companies whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015 read with Indian Accounting Standard 32 - Disclosure of Financial Instruments, Non-convertible redeemable cumulative preference shares which are settled in cash needs to be classified as 'financial liability' and not 'equity'. Accordingly company has computed the fair value of these preference shares considering the effective interest rate (EIR) at 14% and the portion computed as 'Borrowing' amounting to Rs.1,145.00 lakhs (2022 : Rs.1,145.00 lakhs) has been classified under 'Long-term Borrowings' and the portion computed as the deemed equity amounting to Rs. 415.96 lakhs (2022 : Rs.415.96 lakhs), net of taxes has been reported under 'Other Equity'.

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

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

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

14.7 IIFL Wealth Prime Limited - Debentures

Secured, unrated and unlisted Non-Convertible Debentures ("NCDs") aggregating to INR 9,000.00 lakhs comprising of 900 debentures of INR 10 lakhs each, bearing interest rate of 14.00% p.a. were issued by the Company during the year to IIFL Wealth Prime Limited.

This loan is secured by following:

(i) A first ranking exclusive pledge to be created over 85,00,000 of preference shares of the Company ("ZIL Preference Shares"), held by Mr. Saroj Kumar Poddar ("Promoter") to ensure that a security cover is maintained at all times till the Debentures are redeemed in full, to the satisfaction of the Debenture Trustee along with all rights, title, claims, demands, benefits and interests of the Company therein, in favour of the Debenture Trustee, for the benefit of the holders of the Debentures ("Pledge");

(i) A first ranking and exclusive charge by way of mortgage over Mortgaged Property (as more particularly described in Schedule hereto) pursuant to the relevant documents executed by Indian Furniture Products Limited ("Mortgagor") in relation to creation of such mortgage in favour of Debenture Trustee ("Mortgage");

(i) A first ranking and exclusive charge by way of hypothecation over all the present and future receivables of the Company and all the rights, title, interests, benefits, claims, proceeds, demands whatsoever or any part thereof of the Company in relation to such receivables ("Hypothecated Assets"), in favour of the Debenture Trustee; ("Hypothecation")

15 Lease Liabilities	As at 31 March 2023	As at 31 March 2022
15.1 Non-Current		
Lease Liability	119.18	190.00
	119.18	190.00
15.2 Current		
Lease Liability	76.82	67.52
	76.82	67.52
	195.99	257.52

15.3 Other Notes on leases

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

During the year ending March 31, 2022 the company has changed the terms in the investment resulting in changed in opening balance of "Net

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning*	230.82	464.71
Finance cost accrued during the year	28.47	40.45
Payment/payable towards lease liabilities	89.99	95.49
Adjustment of change in terms of lease agreement	0.00	178.85
Balance as at the end	169.29	230.82

*excluding refundable rent deposit of Rs.26.70 carried at amortised cost.

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

(ii.) The details of the contractual maturities of lease liabilities as at 31 March 2023 on an undiscounted basis are as follows :

Particulars	As at March 31	For the year ended
	2023	March 31, 2022
Less than one year	95.71	89.99
One year to five years	99.64	195.36
more than five years	-	-
Total	195.35	285.35

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

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Balance at the beginning	-	197.19
Changes in opening balance due to change in terms	-	0.00
Interest income accrued during the year	-	4.57
Lease receipts	-	9.37
Adjustment of change in terms of lease agreement	-	192.39
Balance as at the end	-	0.00

16 Trade payables

As at
31 March 2023

As at
31 March 2022

16.1 Non-Current

- Total outstanding dues of micro enterprises and small enterprises		
- Total outstanding dues of creditors other than micro	245.29	245.29
Due to others - non current (carried at cost)*		
	245.29	245.29
*Dues to related parties (carried at cost)		-

16.2 Current

- Total outstanding dues of micro enterprises and small refer note 16.4. below	0.51	0.51
- Total outstanding dues of creditors other than micro refer note 16.3. below	1,249.16	1,522.55
	1,249.67	1,523.06
*Includes dues to related parties (refer note 16.3)	-	3.48

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	0.51	0.51
previous year	-	-	0.51	-	0.51
(ii) Others	689.09	188.29	117.67	500.42	1,494.96
previous year	1,052.27	178.05	165.79	372.23	1,767.84

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

16.3 Includes retention money Rs.131.23 lakhs (2022 : Rs.131.23 lakhs) and other trade payables Rs.25.48 lakhs (2022: Rs.25.48 lakhs) to one of the sub contractors in respect of which the Management is in negotiation with party for full and the final settlement. The said balance is subject to confirmation from that party.

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

Principal amount due to suppliers under MSMED Act	0.51	0.51
Interest accrued and due to suppliers on above amount	0.09	0.10
Payment made to suppliers beyond appointed day during the year	0.00	1.34
Interest paid to suppliers during the year	-	-
Interest due and payable to suppliers towards payment already made during the year	0.78	0.60

* Balances are subject to confirmation

17 Other Financial Liabilities	As at 31 March 2023	As at 31 March 2022
17.1 Current		
Other financial liabilities (carried at cost)		
Current maturity of long term loans (refer note 14)	4,851.00	-
Refundable deposit (refer note 17.2 below)	-	1,500.00
Other Deposits	14.96	14.96
Due to employees	198.19	197.11
Due to related parties (refer note 17.3 below)	72.12	13.56
Due to others	0.44	0.44
	5,136.71	1,726.07
17.2 Refundable deposits received from M/s. Mathias Construction Private Limited for the proposed development of land/property owned by Zuari Agro Chemicals Limited in respect of which Zuari Infraworld India Limited will acquire the right of lease of the land/property. During the year deposit is refunded as proposed development of land is cancelled.		
17.3 Due to related parties comprises of dues to;		
Mr. Alok Banerjee	57.11	8.00
Mr. Anshul Amit Bansal	13.87	4.37
Ms. Nishu Kakkar	-	1.18
Dayanand G S	1.14	-
	72.12	13.56

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

18 Provisions	As at 31 March 2023	As at 31 March 2022
18.1 Non-Current		
Provision for employee benefits;		
Provision for gratuity obligation	29.99	42.60
Provision for compensated absences	4.83	11.31
	<u>34.82</u>	<u>53.91</u>
18.2 Current		
Provision for employee benefits;		
Provision for gratuity obligation	21.17	1.54
Provision for compensated absences	3.27	0.50
	<u>24.44</u>	<u>2.04</u>

Also, refer note 36 for detailed disclosures on employee benefit plans.

19 Other liabilities	As at 31 March 2023	As at 31 March 2022
Current		
Statutory dues	320.58	200.94
Advances from customers relating to;		
- Completed units pending registration or transfer of possession	500.37	500.37
- Construction work-in-progress	3,943.56	7,310.22
- Maintenance charges	9.19	9.19
- Other customer advances (refer note 19.1 below)	1,516.14	1,881.24
Advances from related party	-	-
	<u>6,289.84</u>	<u>9,901.96</u>

19.1 Includes advances of Rs.482.46 lakhs (2022:Rs.341.72 lakhs) in respect of cancelled residential units in respect of which the Company is in negotiation with parties for selling units of other projects against which these amounts are expected to be adjusted and Rs. 323.01 lakhs (2022: Rs.323.01 lakhs) collected from the buyers towards club membership charges fees which will be adjusted against the expenses incurred in this regard.

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ZUARI INFRAWORLD INDIA LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

20	Revenue from operations	For the year ended 31 March 2023	For the year ended 31 March 2022
	Sale of residential units	6,375.11	3,996.22
	Development management fees & Expenses recovered	800.00	2,393.58
	Sales commission on sale of plots/residential units	41.41	51.37
		7,216.52	6,441.18
21	Other income	For the year ended 31 March 2023	For the year ended 31 March 2022
	Interest Income on ;		
	Deposits with Bank	1,417.77	841.78
	Inter-Corporate Deposits to subsidiary	2,222.55	1,471.60
	Income tax refund	12.86	-
	Gains from redemption of Mutual Fund	-	61.79
	Unwinding of financial liability	-	125.80
	Finance Guarantee Commission	-	56.84
	Other miscellaneous income	5.01	1.80
		3,658.20	2,559.62
22	Project construction and development expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
	Depreciation on assets - Projects	17.42	28.88
	Civil Work	1,301.62	2,069.92
	Site Office Expenses	-	52.53
	Project Staff Costs	-	237.62
	Rework expenses charged to profit and loss	20.22	44.39
		1,339.26	2,433.34
	Add: Borrowing cost transferred to construction work in progress	452.40	2,419.83
	Add: Employee benefit expenses transferred to construction work in progress	100.50	237.38
	Add: Other expenses transferred to construction work in progress	-	20.66
	Less: Recovery of cost transferred to Expenses recoverable	-	(1,950.53)
		1,892.16	3,160.69
23	Changes in construction work-in-progress	For the year ended 31 March 2023	For the year ended 31 March 2022
	Completed units of stock		
	Completed units at the beginning of the year pursuant to Ind AS 115	519.21	883.35
	Completed units at the end of the year	519.21	519.21
	Changes in completed units during the year	-	364.14
	Construction Work-in- progress		
	Construction work-in-progress at the beginning of the year	27,406	30,042
	Add: Construction cost incurred during the year (refer note 22)	1,892.16	3,160.69
	Less: Cost of Projects	(4,837.60)	(3,293.91)
	Less: Finance cost transferred from inventories	(2,951.98)	(1,235.20)
	Less: Recovery of cost incurred towards project managed by holding company	-	(1,223.18)
	Less: Rework expenses charged to profit and loss	-20.22	(44.39)
	Construction work-in-progress at the end of the year	21,488.32	27,405.97
	Changes in construction work in progress	5,917.65	2,636.00
	Less: Changes in WIP related finance cost	2,951.98	1,235.20
		2,965.66	1,400.80
	Total (Increase) / Decrease (a+b)	5,917.65	3,000.14

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

24	Employee benefit expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
	Salaries and wages	616.46	492.51
	Contribution to provident and other funds	48.54	22.20
	Gratuity	8.28	10.84
	Compensated absences	(1.60)	(3.06)
	Staff welfare expenses	20.09	13.43
		691.76	535.93
	Less: Employee benefit expenses transferred to construction work in progress	(100.50)	(237.38)
		591.26	298.54
25	Finance costs	For the year ended 31 March 2023	For the year ended 31 March 2022
	Interest expense:		
	Interest on borrowings	5,061.46	4,355.97
	Interest on dues to micro & small enterprises	0.09	0.09
	Interest on lease liabilities (Refer note 15)	28.47	35.85
	Finance cost transferred from inventories	2,951.98	1,235.20
	Interest on non-convertible cumulative redeemable preference shares	-	36.41
		8,042.00	5,663.53
	Less: Borrowing cost transferred to construction work in progress	(452.40)	(2,419.83)
		7,589.60	3,243.70
26	Depreciation and amortization expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
	Depreciation of Property, plant and equipment	38.86	51.04
	Amortisation of intangible assets	2.27	1.98
	Amortisation of right-of-use-assets	45.36	44.86
		86.50	97.87
	Less: Depreciation transferred to construction work-in-progress	(17.42)	(28.88)
		69.08	68.99
27	Other expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
	Rent	1.32	1.12
	Travel and conveyance	31.88	20.40
	Legal and professional fees	61.87	47.33
	Communication and internet charges	3.53	2.65
	Office Expenses	27.87	20.44
	Repairs and maintenance	16.05	13.69
	Auditors remuneration	10.25	9.65
	Recruitment expenses, net	0.32	-
	Advertising and publicity	43.97	57.05
	Rates and taxes	36.83	2.12
	Commission & Brokerage	54.27	75.08
	Loss on financial assets measured at fair value	-	5.00
	Loss on sale of fixed assets	0.49	-
	Maintenance and Security	73.81	64.11
	Maintenance charges*	66.58	37.84
	Insurance	2.28	10.12
	Directors sitting fees	1.10	1.20
	Asset restatement balance	-	3.32
	Miscellaneous expenses	1.74	0.22
	Balances no longer required, net	2.06	15.55
		436.22	386.90
	Less: Other expenses transferred to construction work in progress	-	(20.66)
		436.22	366.23
27.1	Remuneration to Auditors' reported above includes		
	Statutory Audit Fees	7.15	7.15
	Tax Audit Fees	0.83	0.83
	Certification fees	2.27	1.68
		10.25	9.65

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

28	Income Tax	For the year ended 31 March 2022	For the year ended 31 March 2022
	Income tax expense	-	96.50
	Deferred tax charge/(credit)	(2.93)	(267.10)
		<u>(2.93)</u>	<u>(170.61)</u>
28.1	Income tax expense for the year reconciled to the accounting profit	For the year ended 31 March 2022	For the year ended 31 March 2022
	Profit before tax	-	97.70
	Income tax expense calculated at 27.82% (2022:27.82%)	-	27.18
	<i>Adjustments for:</i>	-	-
	Gain on fair value adjustments to preference shares	-	(11.52)
	Gain on fair value adjustments to Mutual funds taxable at differential rate	-	(227.25)
	Other adjustments	-	(55.52)
	Income tax expense	-	96.50
		<u>-</u>	<u>(170.61)</u>
28.2	The tax effects of timing differences that resulted in changes in deferred tax are as follows:	For the year ended 31 March 2022	For the year ended 31 March 2022
	Fair valuation of investment in mutual funds	-	(227.25)
	Unwinding of security deposit paid	-	-
	Interest accrued on preference shares issued (Adjustment pursuant to Ind-AS)	-	-
	Difference between accounting base and tax base of tangible & Intangible a:	(3.11)	(5.68)
	Unwinding of security deposit received	-	-
	Temporary differences on benefit obligations	(4.06)	4.12
	Fair valuation of investment in Preference shares	-	(11.52)
	Other adjustments	-	(2.47)
	Gain on sale of flats recognised as per Ind AS 115	8.73	(20.22)
	Lease Liabilities	(4.50)	(0.94)
		<u>(2.93)</u>	<u>(263.96)</u>

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023
 (All Amounts in Indian Rupees in lakhs, unless otherwise stated)

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

29.1 Disclosure of Interest in the following subsidiaries:

Name	Country of Incorporation	Ownership Interest of ZIIL (%)		Method used to account for investments
		As at 31 March 2023	As at 31 March 2022	
Zuari Infra Middle East Limited, Dubai	UAE	100%	100%	At Cost

29.2 Disclosure of Interest in the following associates:

Name	Country of Incorporation	Ownership Interest of ZIIL (%)		Method used to account for Investments
		As at 31 March 2023	As at 31 March 2022	
Brajbhumi Nirmaan Private Limited	India	25%	25%	At Cost
Darshan Nirman Private Limited	India	25%	25%	At Cost
Pranati Niketan Private Limited	India	25%	25%	At Cost

Note: As at 31 March 2023 Brajbhumi Nirmaan Private Limited holds 50% of Darshan Nirman Private Limited and 50% of Pranati Niketan Private Limited.

30 Commitments and Contingencies

30.1 Contingent Liabilities (not provided for)

Particulars	March 31 2023	March 31 2022
Dividend on Non Convertible redeemable cumulative preference shares not yet declared	536.63	536.63
Tax demand for defaults under Section 201 of Income Tax Act, 1961 as per TRACES portal of Income tax website, against which company is in the process of filing rectification.	6.35	6.29
Customer claims not acknowledged as debt by the Company	71.30	55.98
Total	614.29	598.91

30.2 Capital Commitments

Estimated amount of contracts remaining to be executed on Project construction and development, net of advances aggregates to Rs. 1,301.62 lakhs (2022:Rs.4,127.09/- lakhs).

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

30.3 Pledge of assets:

The Company has given security by way of pledge of fixed deposits held in favour of Yes Bank Limited for extending financing facility to Zuari SJM Properties LLC, Dubai, a Step-down subsidiary of the Company. The amount of finance facility extended is USD 305 lakhs (2022: USD 630 lakhs (In Indian Rupees 48,176.10 lakhs, considering 1 USD = Rs 76.47). As per latest sanction terms the above joint corporate guarantee is removed.

(a) The company has also provided security by way of pledge of fixed deposits held in the name of the Company (fair value as at reporting date) for the loan referred above.	24,542.29	23,417.76
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31 Earnings Per Share ("EPS")

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

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

Particulars	(No. of shares in absolute numbers)	
	March 31 2023	March 31 2022
Profit before OCI attributable to equity holders of the parent company	(2,666.32)	268.31
Weighted Average number of equity shares used for computing EPS (Basic & Diluted)	4,79,77,260	4,65,50,000
Earning/(Loss) Per Share (Basic and Diluted) (Rs.)	(5.56)	0.58
Face value per share (Rs.)	10.00	10.00

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023
(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

32 Related Party Disclosures

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

Sl. No	Name of the related party	Nature of relationship with the Company
1	Zuari Industries Limited	Holding Company
2	Zuari Infra Middle East Limited, UAE	Subsidiary
3	Zuari Infraworld SJM Properties LLC, UAE (formerly SJM Elysium Properties LLC)	Step down Subsidiary
4	Burj District Development Limited, Cayman Islands	Joint Venture of Step down subsidiary
5	Burj District One Limited, UAE	Subsidiary of the Joint Venture of Step down subsidiary
6	Zuari Management Services Limited	Fellow Subsidiaries
7	Simon India Limited	Fellow Subsidiaries
8	Forte Furniture Products India Private Limited	Fellow Subsidiaries
9	Zuari Finserv Limited (formerly known as Zuari Finserv Private Limited)	Fellow Subsidiaries
10	Zuari Agro Chemicals Limited	Fellow Subsidiaries
11	Brajbhumi Nirmaan Private Limited	Associates
12	Darshan Nirman Private Limited	Associates
13	Pranati Niketan Private Limited	Associates
14	Athar Sahab (appointed w.e.f. February 01, 2022)	Key Management Personnel
15	L M Chandrashekar	Key Management Personnel
16	Alok Banerjee, CEO & Director	Key Management Personnel
17	Anshul Amit Bansal, Chief Financial officer	Key Management Personnel
18	Nishu Kakkur, Company secretary (resigned w.e.f 11 November 2022)	Key Management Personnel
19	Dayanand G S Company Secretary (appointed w.e.f. 23 December 2022 & resigned w.e.f. 28 April 2023)	Key Management Personnel
20	Saroj Kumar Poddar	Director of holding company

32.2 Details of transactions with related parties:

Sl. No	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
1	Service Charges / Management Fees Paid Zuari Finserv Limited (Formerly known as Zuari Finserv Private Limited)	-	0.45
2	Recovery of cost incurred towards project handled by Zuari Global Limited	-	1,223.18
3	Service Charges / Management Fees Income Zuari Industries Limited - Development Management Commission Zuari Infra Middle East Limited- Development Management Commission Zuari Industries Limited - Sales Commission Zuari Infraworld SJM Properties LLC - Finance Guarantee charges	- 900.00 41.41 -	70.40 300.00 16.37 56.84
4	Inter-Corporate Deposits Given- Asset Zuari Infra Middle East Limited - Given	3,790.00	4,316.40
5	Inter-Corporate Deposits Taken - Liability Zuari Global Limited - Accepted - Repayment	1,032.40 7,697.53	15,265.80 18,077.36
6	Interest on ICD (Expenses) Zuari Industries Limited	533.72	1,227.52
7	Interest on ICD given - Income (incl. adjustment on amortisation) Zuari Infra Middle East Limited	2,222.55	1,471.60
10	Zuari Agro transaction Rental Income	-	9.37
11	Reimbursement of Expenses received/receivable Zuari Infra Middle East Limited	1,634.86	69.83

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

32.3 Compensation paid to Key management personnel compensation:

Sl. No	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
1	Short-term employee benefits		
	Alok Banerjee, Chief Executive Officer & Director	134.54	76.06
	Anshul Amit Bansal, Chief Financial officer	37.20	30.42
	Nishu Kakkar Company secretary (resigned w.e.f 19 November 2022)	3.01	4.08
	Dayanand G S Company Secretary (appointed w.e.f. 23 December 2022 & resigned w.e.f. 28 April 2023)	2.22	-
2	Retirement benefits (Provident fund and Gratuity)		
	Alok Banerjee, Chief Executive Officer	26.84	25.70
	Anshul Amit Bansal, Chief Financial officer	6.61	6.48
	Nishu Kakkar Company secretary (resigned w.e.f 19 November 2022)	0.27	0.32
	Dayanand G S Company Secretary (appointed w.e.f. 23 December 2022 & resigned w.e.f. 28 April 2023)	0.24	-
3	Sitting fees		
	Directors sitting fees to Non-executive Directors	1.10	1.20
	Total compensation	212.03	144.27

32.4 Year-end balances

Sl. No	Particulars	As at 31 March 2023	Year ended 31 March 2022
1	Other payable		
	Alok Banerjee	57.11	8.00
	Anshul Amit Bansal	13.87	4.37
	Nishu Kakkar Company secretary (appointed w.e.f. 20 February 2020)	-	1.18
2	Trade receivable		
	Zuari Infra Middle East Limited	319.69	145.44
	Zuari Infra SJM Properties LLC	56.84	119.93
	Brajbhumi Nirmaan Private Limited	404.02	404.02
	Zuari Industries Limited	48.16	-
	Paradeep Phosphates Limited	5.06	7.29
3	Expenses Recoverable		
	Brajbhumi Nirmaan Private Limited	157.33	157.33
	Zuari Industries Limited	1,950.53	1,950.53
	Zuari Infra Middle East Limited	1,977.22	41.75
4	Loans to related parties		
	Zuari Infra Middle East Ltd. (including interest accrual)	21,732.13	15,719.58
5	Loans from related parties:		
	Zuari Industries Limited	151.80	6,814.13
6	Other year-end balances		
	(a) Service Income accrued and not billed		
	Zuari Infra Middle East Limited	900.00	-
	Zuari Industries Limited	8.24	23.46

32.5 Other Year end balances

Zuari Infra Middle East Limited

(i) Pledge of fixed deposits held in the name of the Company	24,542.29	23,417.76
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32.6 Terms and conditions

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

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33 Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by the finance team that advises on financial risks and the appropriate financial risk governance framework for the Company. Further, the company is primarily operating in the real estate sector which is subject to The Real Estate (Regulation and Development) Act, 2016 (RERA).

33.1 Market risk

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

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

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

Interest sensitivity analysis	Outstanding Loan facility subject to floating rates	Increase/ decrease in basis points	Effect on profit before tax
For the year ended 31 March 2023			
Increase in base points	16,525.92	+50	82.63
Decrease in base points	16,525.92	-50	(82.63)
For the year ended 31 March 2022			
Increase in base points	18,466.60	+50	92.33
Decrease in base points	18,466.60	-50	(92.33)

(ii) Foreign currency risk:

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

(iii) Equity price risk

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

33.2 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

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

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

(ii) Development Management Fees:

Apart from real estate activities, the Company also provides Project Development services. The Trade Receivables includes dues from these activities aggregated to Rs.900.00 lakhs (2022: Rs2,393.58 lakhs)

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

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

33.3 Liquidity risk

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

The Company's objective is to maintain balance between continuity of funding and flexibility through the use of bank loans and Debt Preference Shares.

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

The management also obtained consent from the preference shareholders for extension of the redemption of preference shares which are due for redemption on 31 March 2020. These preference shares are now due for redemption on 30 July 2025.

33.4 Capital Management

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

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2023:

Particulars	On demand	< 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings (Incl. Debt portion of Preference Shares)	804.23	1,329.96	7,911.56	47,458.34	1,145.00	58,649.10
Trade payables	84.27	268.64	726.57	75.73	339.75	1,494.96
Lease liabilities	-	23.91	71.80	99.64	-	195.35
Other financial liabilities	-	122.12	163.59	-	1,500.00	1,785.71
Total	888.50	1,744.63	8,873.53	47,633.70	2,984.75	62,125.11

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2022:

Particulars	On demand	< 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings (Incl. Debt portion of Preference Shares)	753.86	647.08	10,061.58	38,188.13	1,145.00	31,915.87
Trade payables	49.70	45.81	1,073.83	447.31	151.70	1,701.20
Lease liabilities	-	14.57	43.71	199.23	-	557.67
Other financial liabilities	-	63.56	162.51	-	1,500.00	1,138.43
Total	803.55	771.01	11,341.64	38,834.67	2,796.70	35,313.17

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

34 Fair values

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

Financial Assets Particulars	Carrying value	
	As at 31 March 2023	As at 31 March 2022
Financial assets carried at fair value through profit or loss		
Quoted mutual funds	-	4,083.93
Preference Shares held in Associate Company	667.00	667.00
Financial assets at fair value		
Interest accrued and due	33.72	33.72
Interest accrued and not due	98.69	99.46
Expenses Recoverable - Related parties	2,134.55	499.68
Unbilled Revenue - Service contracts	909.24	438.56
Net investment (sub-lease)	-	-
Security deposits	31.00	31.00
Loan to Subsidiary	21,732.13	15,719.58
Trade Receivables	907.22	1,837.14
Cash and bank balances	30,092.06	24,589.50
Advance to employees	12.14	6.35
Financial assets carried at cost		
Investments in Associate	1,896.16	1,896.16
Security deposits	37.41	33.03
Total	58,551.32	49,935.12
Financial liabilities		
Particulars	Carrying value	
	As at 31 March 2023	As at 31 March 2022
Financial liabilities at fair value		
LIC Housing Finance Limited	16,525.92	18,466.60
Preference shares (debt portion)	1,145.00	1,145.00
Security deposit towards sub lease	-26.72	-26.72
Inter corporate deposits	22,825.53	18,619.21
Current maturity of long term loans	4,851.00	-
Refundable deposit	-	1,500.00
Lease liability including current portion	195.99	257.52
Other payable to related parties	72.12	13.56
Other deposits	14.96	14.96
Dues to employees	198.19	197.11
Trade payables	1,495.40	1,768.79
Total	47,297.39	41,956.02

Other Notes:

- (i.) The management assessed that cash and cash equivalents, other bank balances, trade receivables, retention money, inter corporate deposits, loan to related party and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- (ii.) The following methods and assumptions were used to estimate the fair values:
- (a.) The fair values of the unquoted Preference shares have been estimated using a DCF model and considering the future cash outflow in this regard, based on a independent valuation . The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted Preference shares.
- (b.) The fair values of the Company's interest-bearing borrowings and loans approximates to their carrying amounts i.e., cost as at the end of the reporting year. The own non-performance risk as at reporting was assessed to be insignificant.

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35 Fair Hierarchy

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

Quantitative disclosures fair value measurement hierarchy for assets:

Assets:	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Preference shares held in Associate	667.00	-	-	667.00

- (i.) Amounts in the parenthesis represent previous year.
(ii.) There have been no transfers between Level 1 and Level 3 during the year.

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023
(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

36 Gratuity (Employment benefit plan)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	Non-current	Current	Non-current
Value of Plan - Gratuity (Un-Funded)	21.17	29.99	1.54	42.60

Gratuity:

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

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

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

Particulars	As at 31 March 2023	As at 31 March 2022
Current Service Cost	6.92	7.91
Net Interest Cost	2.90	2.94
Expense recognised in profit and loss statement	9.83	10.84

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

Particulars	As at 31 March 2023	As at 31 March 2022
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	(0.45)	(8.04)
Experience (gains) / losses	2.18	(7.06)
Total actuarial (gain)/loss	1.73	(15.09)

(iii.) **Other comprehensive income**

Particulars	As at 31 March 2023	As at 31 March 2022
Actuarial (Gain)/Loss recognized for the period	1.73	(15.09)
Total Actuarial (Gain)/Loss recognized in (OCI)	1.73	(15.09)

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

Particulars	As at 31 March 2023	As at 31 March 2022
Opening defined obligation	28.89	33.14
Current service cost	6.92	7.91
Interest cost	2.90	2.94
Contribution paid	-	-
Actuarial (gain)/ loss on obligations	1.73	(15.09)
Defined benefit obligation	40.44	28.89

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

Particulars	As at 31 March 2023	As at 31 March 2022
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Interest / Discount Rate	7.45%	6.70%
Rate of increase in compensation	5.00%	5.00%
Expected average remaining service	14.28	14.54
Benefit of normal retirement considered as per Payment of Gratuity Act, 1972	Rs. 20 Lakhs	Rs. 20 Lakhs
Employee Attrition Rate (Past Service)	PS: 0 to 18 years : 3% PS: 18 to 30 years : 2% PS: 30 to 42 years : 1%	PS: 0 to 18 years : 3% PS: 18 to 30 years : 2% PS: 30 to 42 years : 1%

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ZUARI INFRAWORLD INDIA LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

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

Gratuity Plan	As at 31 March 2022		As at 31 March 2022	
Assumptions	Discount rate		Future salary increases	
Sensitivity Level	+1% increase	-1% decrease	+1% increase	-1% decrease
Impact on defined benefit obligation	47.76	55.15	55.13	47.72

Gratuity Plan	As at 31 March 2022		As at 31 March 2022	
Assumptions	Discount rate		Future salary increases	
Sensitivity Level	+1% increase	-1% decrease	+1% increase	-1% decrease
Impact on defined benefit obligation	37.40	43.79	43.78	37.37

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

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

Particulars	As at 31 March 2023	As at 31 March 2022
Within the next 12 months	21.17	1.54
Between 2 and 5 years	4.90	20.75
Between 5 and 10 years	7.94	6.51
Total expected payments	34.00	28.79

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

37 Segment Information

Information regarding Operating Segment Reporting as per Ind AS-108

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

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

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

Geographical information	Non-current assets		Revenue from operations	
	As at 31 March 2023	As at 31 March 2022	for the year ended 31 March 2023	for the year ended 31 March 2022
India	1,196.32	1,235.88	6,316.52	6,141.18
Outside India (Dubai)	-	-	900.00	300.00
	1,196.32	1,235.88	7,216.52	6,441.18

Note:

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

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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Customer A	-	-
Customer B	-	-
Customer C	-	-
Total	-	-

Note:

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

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38 Ratios

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

Particulars	Numerator	Denominator	31st March 2023	31st March 2022	Varian ce
a) Current Ratio,	Current assets	Current liabilities	2.26	2.44	-0.18
(b) Debt-Equity Ratio,	Total Debt	Shareholder's Equity	3.98	3.30	0.68
(c) Debt Service Coverage Ratio,	Earning available for Debt Service	Debt Service	0.66	1.05	-0.39
(d) Return on Equity Ratio,	Net Profits after taxes	Shareholder's Equity	-0.18	0.02	-0.20
(e) Inventory turnover ratio,	Cost of Goods Sold	Avg. Inventory	0.09	0.08	0.01
(f) Trade Receivables turnover ratio,	Revenue	Average Trade Receivable	3.28	3.48	-0.20
(g) Trade payables turnover ratio,	Purchases of services and other expenses	Average Trade Payables	1.62	1.53	0.10
(h) Net capital turnover ratio,	Turnover	Net Assets	0.74	0.58	0.15
(i) Net profit ratio,	Net Profit	Revenue	-0.25	0.01	-0.26
(j) Return on Capital employed,	Earning before interest and taxes	Capital Employed	0.08	0.06	0.02
(k) Return on investment.	Income Generated from Investments	Time Weighted average investments	-	0.01	-0.01

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ZUARI INFRAWORLD INDIA LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2023

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

39 Disaggregation of revenue

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	India	Outside India	India	Outside India
Sale of residential units	6,375.11	-	3,996.22	-
Development management fees	800.00	-	2,393.58	-
Sales Commission on sale of plots/residential units	41.41	-	51.37	-
Total	7,216.52	-	6,441.18	-

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

Signatures to notes 1-2 & 29-40

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

As per our report attached


VSPV & Co.
Chartered Accountants

Vikas Gupta, FCA
Membership No.200924
Partner

VSPV & Co

Chartered Accountants

Firm.No. 005483N

Place: Bangalore

Date : 12.05.2023

UDIN: 23200924BGTDQN6767

For and behalf of the Board of Directors of

Zuari Infraworld India Limited



ALOK BANERJEE
Director & CEO
DIN: 01371033

ATHAR SHAHAB
Director
DIN: 01824891



ANSHUL A. BANSAL
Chief Financial Officer



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INDEPENDENT AUDITOR'S REPORT

To the Members of Zuari Infracore India Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Consolidated Financial Statements of Zuari Infracore India Limited (hereinafter called as "Holding Company") and its subsidiaries listed in Annexure I, which comprises the consolidated Balance Sheet as at March 31, 2023, the consolidated Statement of Profit and Loss (including Other comprehensive income) and consolidated statement of changes in equity and cash flow statements for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the accompanying 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 consolidated state of affairs of the Company as at March 31, 2023 and of consolidated loss, consolidated change in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER PARAGRAPH

- We draw your attention to the note 2(d) of the accompanying Consolidated Financial Statements for the year ended 31st March 2023 regarding consolidated report of foreign wholly owned subsidiary in Dubai, UAE with accumulated losses which exceeds its net worth as at the end of the year. However, as per the Consolidated Financial Statements for the year ended 31 March 2023 of Zuari Infra Middle East Limited, the said subsidiary, the Management has considered that Company as a going concern for the reasons listed in the specific note given.


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- We draw your attention to the note 7.3 of the accompanying Consolidated Financial Statements for the year ended 31st March 2023 regarding advance payments of Rs. 639.61 lakhs made by the Company under the Development Management Agreement to agencies against which the said agent initiated insolvency resolution proceedings. The Management has currently initiated legal proceedings and is pursuing recovery through arbitration and other legal means with that party. The management does not expect any significant effect of the same on its carrying balance and expects to adjust/recover the same in full and accordingly no adjustment is considered necessary at this stage.
- We draw your attention to the note 7.5 of the accompanying consolidated financial statements for the year ended 31st March 2023 regarding recoverable advances paid to a sub-contractor amounting to Rs.2,246.49 lakhs including interest to Rs.33.72 lakhs. The Management has currently initiated legal proceedings and is pursuing recovery through arbitration and other legal means with that party and is optimistic that this advance will be completely recovered by the Company. Hence in the view of the Management no provision is considered necessary at this stage.

The consequent adjustments, if any, in the carrying value of the assets and equity deficit will be made upon completion of valuation as mentioned above.

Our opinion is not modified on the above matters.

OTHER INFORMATION

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

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

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

RESPONSIBILITY OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting

principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

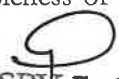
The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.


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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, we can conclude that there is no material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

OTHER MATTER

We did not audit the consolidated financial statements of one subsidiary, which consists of itself, its subsidiary, one joint venture and a subsidiary of that joint venture, all of which are incorporated outside India, whose consolidated financial statements reflect total assets of Rs. 76,275.47 lakhs as at 31st March 2023, total revenues of Rs. 1,364.68 lakhs and net cash outflows amounting to Rs. 1,270.39 lakhs for the year ended on that date, as considered in the consolidated financial statements. These consolidated financial statements of the subsidiary have been audited by the auditors of that subsidiary.

The consolidated financial statements also include the Group's share of net loss of Rs 6.19 lakhs for the year ended 31st March 2023, as considered in the consolidated financial statements, in respect of three associates to the extent recognised as detailed in Note 4.1, whose financial statements have not been audited by us. These financial statements of the associates have been audited by the auditors of those associates.

The reports of the auditors of the subsidiary and associates as mentioned above, have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.


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REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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, the Consolidated Profit and Loss Statement, the consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2011.
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors of the Holding company and the reports of the statutory auditors of its associate companies incorporated in India, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure A**.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates— Refer Note 29 to the consolidated financial statements.


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- (ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its associate companies incorporated in India.
- i. The management has represented that other than those disclosed in the notes to accounts,
- (i) no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
- (ii) no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the above representations given by the management contain any material mis-statement



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Chartered Accountants

Vikas Gupta, FCA
Membership No.200924
Partner

VSPV & Co

Chartered Accountants

Firm No.005483N

Place : Bangalore

Date : 12-May-2023

UDIN : 23200924BGTDQ01410

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in Clause (g) under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors Report of even date on the Consolidated financial statements of Zuari Infracore India Limited for the year ended 31st March, 2023.

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, We have audited the internal financial controls over financial reporting of Zuari Infracore India Limited (hereinafter referred to as "the Holding Company")

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

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


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We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

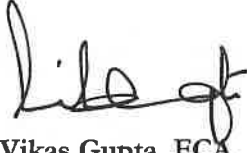
OPINION

In our opinion, the Holding Company which is incorporated in India has, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company including basis of allocating expenses to various projects considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.


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OTHER MATTERS

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



Vikas Gupta, FCA
Membership No.200924
Partner

VSPV & Co.
Chartered Accountants

VSPV & Co

Chartered Accountants

Firm No.005483N

Place : Bangalore

Date : 12-May-2023

UDIN : 23200924BGTDQ04140

Annexure - 1

List of entities included in the Consolidated financial statements for the year ended 31 March 2023:

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

VSPV & Co.
Chartered Accountants

ZUARI INFRAWORLD INDIA LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023
(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

	Note No.	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
(a.) Property, plant and equipment	3.1	180.45	156.51
(b.) Other intangible assets	3.2	8.06	5.94
(c.) Right-of-use assets	3.3	90.72	136.08
(d.) Goodwill on consolidation		58.75	58.75
(e.) Financial assets:			
(i.) Investments	4	2,930.14	2,936.33
(ii.) Other financial assets	5.1	33.40	33.40
(f.) Deferred tax asset (net)	6	123.91	120.98
(g.) Other assets	7.1	5,721.72	5,253.76
		<u>9,147.15</u>	<u>8,701.73</u>
Current assets			
(a.) Inventories	8	65,660.53	64,063.19
(b.) Financial assets			
(i.) Trade receivables	9	530.69	1,514.92
(ii.) Cash and cash equivalents	10	6,756.70	3,480.02
(iii.) Bank balances other than (ii) above		49,858.11	23,417.76
(iv.) Other financial assets	5.2	2,327.99	2,421.39
(c.) Income tax assets (net)		165.89	140.96
(d.) Other assets	7.2	2,951.31	2,947.46
		<u>1,28,251.22</u>	<u>97,985.70</u>
		<u>1,37,398.37</u>	<u>1,06,687.44</u>
EQUITY AND LIABILITIES			
Equity			
(a.) Equity share capital	11	5,000.00	4,655.00
(b.) Other equity	12	2,483.02	5,875.99
		<u>7,483.02</u>	<u>10,530.99</u>
Liabilities			
Non-current liabilities			
(a.) Financial liabilities			
(i.) Borrowings	13.1	74,442.17	67,712.36
(ii.) Lease liabilities	14.1	119.18	170.46
(iii.) Trade payables	15.1		
total outstanding dues of creditors other than micro enterprises and small enterprises		91.30	91.30
(b.) Provisions	17.1	34.82	53.91
(c.) Deferred tax liability (net)	18		-
		<u>74,687.46</u>	<u>68,028.02</u>
Current liabilities			
(a.) Financial liabilities			
(i.) Borrowings	13.2	14,271.68	12,993.50
(ii.) Lease liabilities	14.2	76.82	87.06
(iii.) Trade payables	15.2		
total outstanding dues of micro enterprises and small enterprises		0.51	0.72
total outstanding dues of creditors other than micro enterprises and small enterprises		2,186.65	1,719.63
(iv.) Other financial liabilities	16.1	6,952.04	3,344.66
(b.) Other liabilities	19	31,643.07	9,933.53
(c.) Provisions	17.2	97.13	49.33
		<u>55,227.90</u>	<u>28,128.44</u>
		<u>1,37,398.37</u>	<u>1,06,687.44</u>

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

As per our report attached

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

Vikas Gupta, FCA
Membership No.200924
Partner

ALOK BANERJEE
Director & CEO
DIN: 01371033

ATHAR SHAHAB
Director
DIN: 01824891

ANSHUL A. BANSAL
Chief Financial Officer

VSPV & Co.

Chartered Accountants
Firm.No. 005483N
Place: Bangalore
Date : 12.05.2023
UDIN: 23200924BGTDQO4140



ZUARI INFRAWORLD INDIA LIMITED
CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

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

Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	20	6,316.52	6,141.18
Other income	21	2,799.87	1,466.14
Total Income		9,116.39	7,607.32
EXPENSES:			
Purchase of materials, sub contract charges and other project costs	22	9,407.14	7,508.92
Changes in construction work-in-progress	23	(4,549.32)	(2,583.30)
Employee benefit expenses	24	597.81	303.25
Finance costs	25	7,591.17	3,243.70
Depreciation and amortization expense	26	94.16	90.31
Other expenses	27	598.48	459.94
Total expenses		13,739.44	9,022.83
Loss before share profit/(loss) in associates and tax expense		(4,623.05)	(1,416.61)
Loss before share in net profit/(loss) of associates		(6.19)	(3.88)
Loss before tax expense		(4,629.24)	(1,419.39)
Tax expense	28		96.50
Current tax expense			96.50
MAT Credit of earlier year			
Deferred tax		(2.93)	(267.10)
Total tax Expense		(2.93)	(170.61)
Loss for the year		(4,626.31)	(1,248.78)
Other comprehensive income (OCI)			
<i>Items that will not be reclassified to profit or loss</i>			
Exchange differences arising on translation of foreign operations		(422.66)	(76.04)
Remeasurement of defined benefit plans (Gratuity)			11.29
Deferred tax on above defined benefit plans			(3.14)
Total Other Comprehensive Income		(422.66)	(67.88)
Total Comprehensive Income for the year		(5,048.97)	(1,316.67)
Earning per equity share (In Rs.)	30		
Basic & Diluted		(9.64)	(2.88)
Weighted average number of shares used in computing Earnings per share		4,79,77,260	4,65,50,000

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

As per our report attached


VSPV & Co.
Chartered Accountants

Vikas Gupta, FCA
Membership No.200924
Partner

VSPV & Co.

Chartered Accountants

Firm.No. 005483N

Place: Bangalore

Date : 12.05.2023

UDIN: 23200924BGTDQO4140

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


ALOK BANERJEE
Director & CEO
DIN: 01371033


ATHAR SHAHAB
Director
DIN: 01824891


ANSHUL A. BANSAL
Chief Financial Officer



ZUARI INFRAWORLD INDIA LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2023
(AI Amounts in Indian Rupees in lakhs, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
I. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit for the year	(4,623.05)	(1,419.39)
Adjustments to reconcile profit and loss to net cash provided by operating activities:		
Depreciation & amortisation expense	111.58	119.19
Foreign currency translation reserve	(422.66)	(76.04)
Interest Income	(1,418.33)	(841.86)
Balances written-off	-	15.55
Net gain on investments	-	(61.79)
Interest expense	9,160.66	6,746.55
Re-measurement gains on defined benefit plans through OCI	-	11.29
Adjustments for share of loss in subsidiary	6.19	3.88
Operating Profit/(Loss) before working Capital Changes	2,814.37	4,497.40
Adjustment for net changes in:		
Trade receivables	984.23	(1,044.22)
Financial and other assets	(385.37)	(1,265.51)
Inventories	(1,597.34)	(1,348.09)
Trade payables	405.28	(137.24)
Provisions	28.71	5.70
Financial and other liabilities	25,316.92	(1,632.05)
Net cash generated from operations	27,566.81	(924.01)
Direct taxes paid (net of refund incl. Interest on refund)	(24.93)	(91.13)
Net cash generated from operating activities	27,541.88	(1,015.15)
II. CASH FLOW FROM INVESTING ACTIVITIES :		
Additions to property, plant and equipment	(109.23)	(18.45)
Sale of property, plant and equipment	17	-
Proceeds from sale of Investments in Mutual Funds	-	4,154.80
Fixed deposits with bank	(98.60)	(16,311.37)
Receipts from net investment in right-of-use assets	-	10
Interest received	658.99	0.02
Net cash from Investing activities	468.10	(12,165.38)
III. CASH FLOW FROM FINANCING ACTIVITIES :		
Borrowings, net of repayments	4,568.99	19,801.67
Issure of equity shares	2,001.00	-
Interest Paid (including amount transferred to work-in-progress)	(5,721.67)	(3,218.76)
Net cash used in financing activities	848.33	16,682.91
Net Changes in Cash and Cash equivalents during the year	28,858.31	3,402.38
Exchange difference on cash and cash equivalent	-	-
Cash and Cash equivalents at the beginning of the year	3,480.02	77.64
Cash and Cash equivalents at the end of the year (Refer Note 10)	32,338.33	3,480.02

VSPV & Co.
Chartered Accountants



ZUARI INFRAWORLD INDIA LIMITED
 CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2023
 (All Amounts in Indian Rupees in lakhs, unless otherwise stated)

For the year ended 31 March 2023 For the year ended 31 March 2022

Disclosure pursuant to ind-AS 7 as amended:

Particulars	As at 31 March 2022	Cash Flow	Trf. to Securities Premium	Non-Cash Adj. (Fair Value Adjustments)	As at 31 March 2023
Long term borrowings	18,670.50	18,466.60	-	-	37,137.09
Redeemable Preference Shares (Debt portion)	1,058.66	-	-	-	1,058.66
Lease liabilities (including security deposit received for Net investment in sub lease)	257.52	-	-	-	257.52
Short term borrowings	9,613.24	161.90	-	-	9,775.14
Trade payables	1,817.03	466.81	-	-	2,283.84
Other current financial liabilities	9,933.53	475.58	-	-	10,409.11

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


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

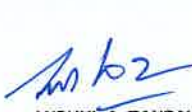
As per our report attached


 Vikas Gupta, FCA
 Membership No.200924
 Partner
 VSPV & Co.
 Chartered Accountants

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


 ALOK BANERJEE
 Director & CEO
 DIN: 01371033


 ATHAR SHAHAB
 Director
 DIN: 01824891


 ANSHUL A. BANSAL
 Chief Financial Officer

VSPV & Co.
 Chartered Accountants
 Firm.No. 005483N
 Place: Bangalore
 Date : 12.05.2023
 UDIN: 23200924BGTDQO4140



ZUARI INFRAWORLD INDIA LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2023
 (All Amounts in Indian Rupees in lakhs, unless otherwise stated)

	Note No	As at 31 March 2023	As at 31 March 2022
A. Equity share capital	11	5,000.00	4,655.00

B. Other equity

	Securities premium account	Equity Component of convertible preference shares	Retained earnings	OCI Reserve (Foreign Currency Translation reserve)	Total
Balance as at 31 March 2021	10,305.00	415.96	(3,396.57)	(131.74)	7,192.65
Profit for the period			(1,248.78)		(1,248.78)
Remeasurement of defined benefit obligations				8.15	8.15
Adjustments for foreign currency translation				(76.04)	(76.04)
Balance as at 31 March 2022	10,306.00	416.96	(4,645.35)	(199.62)	5,875.99
Profit for the period			(4,626.31)		(4,626.31)
Addition during the year	1,656.00				1,656.00
Remeasurement of defined benefit obligations					-
Adjustments for foreign currency translation				(422.66)	(422.66)
Balance as at 31 March 2023	11,961.00	416.96	(9,271.66)	(622.29)	2,483.02

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

As per our report attached

Vikas Gupta
VSPV & Co.
 Chartered Accountants

Vikas Gupta, FCA
 Membership No.200924
 Partner

VSPV & Co.

Chartered Accountants
 Firm.No. 005483N
 Place: Bangalore
 Date : 12.05.2023
 UDIN: 23200924BGTDQO4140

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

Alok Banerjee
Athar Shahab

ALOK BANERJEE **ATHAR SHAHAB**
 Director & CEO Director
 DIN: 01371033 DIN: 01824891

Anshul A. Bansal

ANSHUL A. BANSAL
 Chief Financial Officer



ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Corporate information:

The Consolidated Ind AS financial statements of Zuari Infraworld India Limited [CIN: U45309KA2007PLC043161] and its Subsidiary ("hereinafter collectively referred as the "Company" / the "Group") and its associates are for the year ended 31 March 2023. The Company is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Group's primary business is predominantly into the business of developing long term real estate projects (residential cum commercial property intended for sale).

The consolidated financial statements were approved for issue in accordance with a resolution of the directors passed on meeting held through video conference and other visual means (VC) dated May 11, 2023.

2 Significant accounting policies:

(a.) Basis of preparation

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

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

Current and Non-current classification

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

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

(b.) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company, its subsidiaries, and its associates as at 31 March 2022. Control is achieved when the Group has power over the investee, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

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

(c.) Consolidation procedure

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

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

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

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

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



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

(6.) The financial statements of the group entities used for the purpose of consolidation are drawn up to same reporting date as that of the Group i.e. year ended 31 March 2023.

List of Subsidiaries and Associates considered for consolidation:

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

Name of the Group	Country of Incorporation	Share of Ownership Interest as at 31 March 2023	Share of Ownership Interest as at 31 March 2022
Zuari Infra Middle East Limited	Dubai, UAE	100.00%	100.00%

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

Name of the Group	Country of Incorporation	Share of Ownership Interest as at 31 March 2023	Share of Ownership Interest as at 31 March 2022
Zuari Infracoreltd SJM Properties LLC (Refer Note below)	UAE	100.00%	100.00%

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

(d.) Going Concern

As at 31 March 2023, the group has deficit in equity funds of AED 24,363,104 due to significant delays in commencement of the project. Although accumulated losses amounted to more than 50% of the group's paid up share capital, the accompanying consolidated financial statements have been prepared on the basis that the group will continue as a going concern. The management regards the group as going concern for the following reasons:

- The real estate market of Dubai has improved as compared to last year.
- The group has appointed main contractor for the project.
- The real estate market of Dubai has improved as compared to last year.
- The group successfully launched its project "Exquisite Living Residences", towards the end of the year.
- Opened an ESCROW account with a local bank during the year.
- The group has managed to avail services from marketing partner for collecting sales proceeds and other related charges from the
- The marketing partner has initiated the procedure of signing of Sales & Purchase agreement.
- The group has appointed main contractor for the project and construction activities will commence from the first quarter of 2023-24.
- The group has obtained final design approval, building permit certificate and demarcation certificate from local authority.
- The group has registered the project with local authorities.
- The shareholders and Joint venture partners have resolved not to dissolve the company as required by U.A.E Federal Law No. 32 of 2021, as amended and continue its operations availing funding from the banks and or venture capital against the securities of the parent entities.
- The beneficial owners have full confidence in the successful completion of the project and have agreed to provide required financial
- The existing creditors and lender of unsecured loans have agreed to extend their support till the completion of the project.
- Key executive management is in place with the group and its parent entities and upon commencement of the project additional project
- There are no changes in government legislation that may adversely affect the group.
- Key executive management is in place with the group and its parent entities and upon commencement of the project additional project
- There are no changes in government legislation that may adversely affect the group.
- There are no changes in government legislation that may adversely affect the group.

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

Name of the Group	Country of Incorporation	Share of Ownership Interest as at 31 March 2023	Share of Ownership Interest as at 31 March 2022
Brajbhumi Nirmaan Private Limited * [based on consolidated financial statements including its subsidiaries is given below]	India	25%	25%
Pranati Niketan Private Limited	India	25%	25%
Darshan Nirmaan Private Limited	India	25%	25%

* As at 31 March 2023, Brajbhumi Nirmaan Private Limited holds 50% (2021: 50%) each in Pranati Niketan Private Limited and Darshan Nirmaan Private Limited respectively.

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



ZUARI INFRAWORLD INDIA LIMITED

NOTES FORMING INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Name of the Group	Country of Incorporation	Share of Ownership Interest as at 31 March 2023	BNPL's share of Ownership Interest as at 31 March 2022
Rosewood Agencies Private Limited	India	100.00%	25.00%
Neobeam Agents Private Limited	India	100.00%	25.00%
Mayapur Commercial Private Limited	India	100.00%	25.00%
Nexus Vintrade Private Limited	India	100.00%	25.00%
Bahubali Tradecomm Private Limited	India	100.00%	25.00%
Hopeful Sales Private Limited	India	100.00%	25.00%
Divine Realdev Private Limited	India	100.00%	25.00%
Kushal Infraproperty Private Limited	India	100.00%	25.00%
Beatle Agencies Private Limited	India	100.00%	25.00%
Suhana Properties Private Limited	India	100.00%	25.00%
Saket Mansions Private Limited	India	100.00%	25.00%

Name of the Group	Country of Incorporation	Share of Ownership Interest as at 31 March 2023	BNPL's share of Ownership Interest as at 31 March 2022
Rosewood Agencies Private Limited	India	100.00%	25.00%
Neobeam Agents Private Limited	India	100.00%	25.00%
Mayapur Commercial Private Limited	India	100.00%	25.00%
Nexus Vintrade Private Limited	India	100.00%	25.00%
Bahubali Tradecomm Private Limited	India	100.00%	25.00%
Hopeful Sales Private Limited	India	100.00%	25.00%
Divine Realdev Private Limited	India	100.00%	25.00%
Kushal Infraproperty Private Limited	India	100.00%	25.00%
Beatle Agencies Private Limited	India	100.00%	25.00%
Suhana Properties Private Limited	India	100.00%	25.00%
Saket Mansions Private Limited	India	100.00%	25.00%

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

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

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

Significant accounting judgements, estimates and assumptions :**(i.) Useful life of Property, plant & equipment:**

The determination of estimated useful lives and expected residual values are based on the technical evaluation carried by the Company and these are reviewed by the Management of the Company at each reporting date.

(ii.) Impairment of financial assets and evaluation of impairment indicators:

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

(iii.) Impairment of non-financial assets:

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

(iv.) Contingencies:

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events, which may or may not occur.

(v.) Construction work-in-progress

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

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

(vi.) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

(vii.) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.



(viii.) Leases

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

(e.) Property, plant and equipment and Depreciation

(i.) Property, plant and equipment

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

Recognition principle:

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

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

De-recognition principle:

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

(ii.) Depreciation

Depreciation is calculated on the Straight Line basis over the estimated useful life of the PPE after retaining estimated residual value not exceeding 5% of the original cost, except for Leasehold improvements and aluminium panels used for construction. Depreciation on assets used for the project has been considered as part of construction and development cost. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if considered appropriate.

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

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

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

(f.) Intangible Assets and Amortisation

(i.) Intangible Assets

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

Recognition:

The cost of an item of intangible asset is recognised as an asset if, and only if:

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

De-recognition:

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



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(ii.) **Amortisation**

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

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

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

(g.) **Leases**

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

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

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

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

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

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

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

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

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

When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease and recognises lease income accordingly.

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



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(iii.) Transition

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

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

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

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

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

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

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

(i.) Borrowing Costs

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

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

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

(j.) Foreign Currency Translation

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

Initial Recognition:

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

Conversion / Reinstatement:

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

Exchange Differences:

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

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

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(k.) Inventories

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

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

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

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

(l.) Provisions and Contingent Liabilities

(i.) Provisions

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the profit and loss statement net of any reimbursement.

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

(ii.) Contingent Liabilities

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

(m.) Revenue Recognition

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

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

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

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

(i.) Identify the Contract with Customer

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

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

(ii.) Identifying the performance obligations

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

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



(iii.) Determining the transaction price

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, existence of any financial component and any other non-cash consideration, or both.

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

(iv.) Allocating the transaction price to the performance obligations

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

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

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

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

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

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

Revenue from sale of residential cum commercial properties (constructed properties)

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

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

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

Income from sale of services

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

Sales Commission from sale of plots/ residential units

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

Other income

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

(n.) Taxes on income

(i.) Current income tax

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

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

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

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(ii.) Deferred tax

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

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

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

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

(o.) Retirement and other Employee Benefits**(i.) Provident Fund**

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

(ii.) Gratuity

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

(iii.) Compensated Absences

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

Remeasurements:

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss statement in subsequent periods. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

(p.) Financial Instruments

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

(i.) Financial assets at amortised cost

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

(ii.) Financial assets at fair value through other comprehensive income

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

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

(iii.) Financial assets at fair value through profit or loss

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

(iv.) Financial liabilities

Financial liabilities are measured at amortised cost using the effective interest method.

(v.) Equity instruments

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

(vi.) Financial guarantee contracts

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

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



(q.) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to the equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(r.) Segment Reporting

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

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

(s.) Equity, reserves and dividend payments

Share capital represents the nominal (par) value of shares that have been issued.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Retained earnings are adjusted for the following:

- Re-measurement of net defined benefit liability-comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets

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

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

(t.) Cash and cash equivalents

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

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

(u.) Investments

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

(v.) Recent Accounting pronouncements:

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards. There were no such new standards or amendments which have been notified or made applicable with effect from 01 April 2021.

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ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
(All Amounts in Indian Rupees in lakhs, unless otherwise stated)

3 Property, plant and equipment

3.1 Tangible assets

Particulars	Plant and Equipment	Office Equipment	Leasehold Improvements	Computers	Furniture and Fixtures	Temporary Structures	Vehicles	Total
Deemed Cost								
As at 01 April 2021	128.16	73.25	132.86	17.31	46.51	0.85	148.24	547.19
Additions	-	3.37	-	2.67	-	-	-	6.04
Disposal	(0.22)	-	-	(8.56)	-	(0.85)	-	(9.62)
Foreign currency transition differences	-	0.89	-	-	-	-	5.41	6.30
As at 31 March 2022/ 01 April 2022	127.95	77.52	132.86	11.43	46.51	-	153.65	549.91
Additions	-	1.32	-	3.06	-	-	123.10	127.55
Disposal	(121.39)	-	-	-	-	-	(125.55)	(246.94)
Foreign currency transition differences	-	2.29	-	-	-	-	13.10	15.39
As at 31 March 2023	6.56	81.13	132.86	14.48	46.51	-	164.37	445.91
Accumulated depreciation								
As at 01 April 2021	64.03	58.60	74.76	13.12	31.61	0.00	83.16	325.28
Charge for the year	28.88	5.08	14.51	1.13	3.90	-	18.85	72.36
Disposals/adjustments	(0.20)	-	-	(8.13)	-	(0.00)	-	(8.34)
Foreign currency transition differences	-	0.71	-	-	-	-	3.39	4.11
As at 31 March 2022/ 01 April 2022	92.70	64.40	89.27	6.13	35.51	-	105.40	393.40
Charge for the year	17.42	5.20	14.51	2.25	2.45	-	22.10	63.94
Disposals/adjustments	(103.95)	-	-	-	-	-	(100.19)	(204.13)
Foreign currency transition differences	-	2.04	-	-	-	-	10.20	12.24
As at 31 March 2023	6.18	71.64	103.78	8.38	37.96	-	37.52	265.45
Carrying amount (net)								
As at 31 March 2022/ 01 April 2022	35.24	13.12	43.59	5.30	11.00	-	48.25	156.51
As at 31 March 2023	0.38	9.49	29.08	6.10	8.54	-	126.86	180.45

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
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3.2 : Other Intangible Assets

Intangible Assets	Computer Software	Total
Deemed Cost		
As at 01 April 2021	31.06	31.06
Additions	-	-
Disposal	-	-
As at 31 March 2022/ 01 April 2022	31.06	31.06
Additions	4.39	4.39
Disposal	-	-
As at 31 March 2023	35.45	35.45
Accumulated depreciation		
As at 01 April 2021	23.14	23.14
Charge for the year	1.98	1.98
Disposals/adjustments	-	-
As at 31 March 2022/ 01 April 2022	25.12	25.12
Charge for the year	2.27	2.27
Disposals/adjustments	-	-
As at 31 March 2023	27.39	27.39
Carrying amount (net)		
As at 31 March 2022/ 01 April 2022	5.94	5.94
As at 31 March 2023	8.06	8.06

3.3 : Right of Use Assets (RoU)

Particulars	ROU	Total
Deemed Cost		
As at 01 April 2021	252.27	252.27
Additions	-	-
Disposal	-	-
As at 31 March 2022/ 01 April 2022	263.77	263.77
Additions	-	-
Disposal	-	-
As at 31 March 2023	263.77	263.77
Accumulated depreciation		
As at 01 April 2021	82.84	82.84
Charge for the year	44.86	44.86
Disposals/adjustments	-	-
As at 31 March 2022/ 01 April 2022	127.70	127.70
Charge for the year	45.36	45.36
Disposals/adjustments	-	-
As at 31 March 2023	173.06	173.06
Carrying amount (net)		
As at 31 March 2022/ 01 April 2022	136.08	136.08
As at 31 March 2023	90.72	90.72



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4 Investments	As at 31 March 2023	As at 31 March 2022
4.1 Non-current		
(i) Investments in equity instruments carried at cost (Unquoted)		
Investment in Associates		
Brajbhumi Nirmaan Private Limited		
As at the beginning of the year	2,274.34	2,278
Adjustment for share of profit/(loss) in Associates	(6.19)	(3.88)
	<u>2,268.16</u>	<u>2,274.34</u>
Adjustment for Goodwill on Consolidation		
	<u>2,268.16</u>	<u>2,274.34</u>
The Company holds 10,00,000 (2022:10,00,000) Equity Shares of Rs.10 each, issued at a premium of Rs 179.40 per share.		
Darshan Nirman Private Limited		
As at the beginning of the year	-0.04	-0.04
Adjustment for share of profit/(loss) in Associates (refer note below)	(0.04)	(0.04)
	<u>(0.04)</u>	<u>(0.04)</u>
Adjustment for Goodwill on Consolidation		
	<u>(0.04)</u>	<u>(0.04)</u>
The Company holds 2,500 (2022:2,500) Equity Shares of Rs 10 each.		
Pranati Niketan Private Limited		
As at the beginning of the year	0.02	0.02
Adjustment for share of profit/(loss) in Associates (refer note below)	0.02	0.02
	<u>0.02</u>	<u>0.02</u>
Adjustment for Goodwill on Consolidation		
	<u>0.02</u>	<u>0.02</u>
	<u>2,268.14</u>	<u>2,274.33</u>
The Company holds 2,500 (2022: 2,500) Equity Shares of Rs 10 each.		
Note: The interest in associates is the carrying amount of the investment in the associate determined using the equity method. During the year since the entity's share of losses in two of its associates equals or exceeds its interest in the associate, the entity has discontinued recognising its share of further losses.		
(ii) Investments in redeemable non-cumulative optionally convertible preference shares		
Unquoted Investments in preference shares in associate carried at fair value through Profit or Loss: (fully paid)		
Brajbhumi Nirmaan Private Limited (Refer Note 4.2. below)	662.00	662.00
[5,00,000 shares of Rs 100 each, fully paid, Date of Maturity 30 November 2023] (1% Redeemable Non-Cumulative optionally convertible preference shares) (Initial Cost : Rs.500 lakhs)	<u>662.00</u>	<u>662.00</u>
Note: As per the audited consolidated financial statement of the associate entity the investment in optionally convertible preference shares have been considered as compound financial instrument.		
	<u>2,930.14</u>	<u>2,936.33</u>

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



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4.5 Investment by Zuari Infracoreworld SJM Properties LLC, Dubai

During the financial year ended 31 March 2019, the step down subsidiary company has made subscription for 50% share in the issued share capital of Burj District Development Ltd ("JV Company"), Cayman Islands made up of 25,000 shares of B class of US\$ 1 each as per JV agreement. The joint venture is engaged to carry out any activities which is not prohibited by the Companies Law (2011 revision) of Cayman Islands.

The JV Company has not opened bank account and hence the share capital is not contributed by the subsidiary company. The JV Company's incorporation and renewal expenses are accounted in subsidiary's books of account. The JV Company hold 1 share in Burj District One Limited, Jebel Ali Offshore Company, Dubai, UAE, which owns a plot of land on which the project "St Regis Residences" is being developed by the subsidiary company. Post completion of the project, profitability and its sharing between the JV partners will be separately determined extracting qualifying costs and revenue from that company's account.

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

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

The subsidiary company has incurred a loss of AED 48.51 lakhs (equivalent Rs. 1,064.09 lakhs) during the year (2022: AED 53.20 lakhs (equivalent Rs. 1,077.60 lakhs)) and has accumulated losses of AED 243.73 lakhs (equivalent Rs.5,452.85 lakhs) (2022: AED 195.22 lakhs (equivalent Rs.4,028.36 lakhs)) as of that date resulting in deficit in equity funds. This situation is not in compliance with U.A.E. Federal Law No.2 of 2015. The deficit is due to start-up phase of the project and the parent entities and the joint venture partners have funded the projects in kind. They have agreed to continue their support. The revised cash flow forecast shows positive and profitable financial performance.

5 Other financial assets	As at 31 March 2023	As at 31 March 2022
Unsecured, Considered Good		
5.1 Non-current		
Security deposits (carried at amortised cost)*	31.00	31.00
Security deposits (carried at cost)*	2.40	2.40
	<u>33.40</u>	<u>33.40</u>
5.2 Current		
Security deposits - Current (Carried at cost)*	58.55	35.44
Interest accrued and due - Others (refer note 7.5. below)*	33.72	33.72
Interest Accrued but not due	98.69	99.46
Advance to employees	19.95	6.35
Expenses Recoverable (refer note 5.4. below)*	157.33	157.33
Deferred revenue expenditure (refer note 5.5 below)	1,950.53	1,950.53
Unbilled Revenue - Service Contr. (Refer Note 5.3 below)	9.24	138.56
	<u>2,327.99</u>	<u>2,421.39</u>
* These balances are subject to confirmation.		
5.3 Includes service income accrued and not billed to related parties;		
Zuari Industries Limited, India - Sales and Development Management Commission	8.24	38.56
	<u>8.24</u>	<u>38.56</u>
5.4 Includes expenses recoverable from related parties;		
Brajbhumi Nirmaan Private Limited, India	157.33	157.33
Zuari Global Limited, India	157.33	157.33
	<u>157.33</u>	<u>157.33</u>

5.5 Expenditure incurred against various projects under preview, revenue from these projects will be accruing in coming years

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6	As at	As at
Deferred tax (Asset) / liability (net)	31 March 2023	31 March 2022
6.1 Tax effect of items constituting deferred tax liabilities		
Unrealised gain on investment in mutual funds carried at fair value through profit or loss		-
Unrealised gain on investment in preference shares carried at fair value through profit or loss	45	45.07
Lease liabilities	(1)	3.41
Timing differences on benefit obligations through OCI		-
Others		-
Financial liabilities and assets carried at amortised cost;		-
- Interest on preference shares		-
	43.98	48.48
6.2 Tax effect of items constituting deferred tax assets		
Property, plant and equipment and Intangible assets	37	33.73
Provision for employee benefits obligations	16	15.57
MAT Credit Entitlement		-
Unrealised Profit on DMC fees	0.76	0.76
Others	114	119
	167.89	169.46
Unused Tax Losses	857	260.13
Less: Not considered for deferred tax purposes	(857)	(260.13)
	-123.91	-120.98

Also, refer note 27 for other tax related disclosures.

- 6.3 The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set-off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.
- 6.4 As the management expects that the interest on Non convertible cumulative redeemable Preference shares will not be allowed as a deduction, the income tax impact on the same has been recognised in Other Equity, since the initial recognition was in Other Equity.

7	As at	As at
Other Assets	31 March 2023	31 March 2022
Unsecured, Considered Good		
7.1 Non-Current		
Advances recoverable in cash or kind (refer note 7.3 below)	639.61	639.61
Capital Advance (refer note 7.8 below)	4,798.90	4,384.94
Goods and Service Tax Refund (refer note 7.4 below)	277.46	223.46
Karnataka VAT - refund receivable	5.76	5.76
Service tax - refund receivable	10.35	10.35
Less: Provision towards service tax refund	-10.35	-10.35
	5,721.72	5,253.76
7.2 Current		
Advance to vendors (refer note 7.5 below)	2,417.79	2,451.90
Goods and Services tax input credit (Refer Note 7.4. below)	199.50	212.81
Prepaid expenses (refer note 7.6 below)	99.62	137.67
Other receivable (Refer Note 7.7 below)		-
Credit of Input VAT	234.40	145.09
	2,951.31	2,947.46

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

- 7.3 Includes advance payments made by the Company under the Development Management Agreement to agencies which are entitled to certain percentage of income calculated in the manner specified therein. The advance payments made aggregated to Rs. 639.61 lakhs as at 31 March 2023 (2022: Rs. 639.61 lakhs) and these will be adjusted in the year when the agency becomes entitled to share of income as per the agreement. One of the operating creditors of one of the Agency company has initiated insolvency proceeding against that Company. The Management has currently initiated legal proceedings and is pursuing recovery through arbitration and other legal means with that party. The management does not expect any significant effect of the same on it's carrying balance and expects to adjust/recover the same in full and accordingly no adjustment is considered necessary at this stage.
- 7.4 Represents Goods and Service Tax paid on export of services which is expected to be claimed as refund.
- 7.5 Includes recoverable advances paid to a sub-contractor amounting to Rs.2,246.49 lakhs (2022: Rs. 2,246.49 lakhs). The Management is in negotiation with that party for its recovery including interest accrued Rs.33.72 lakhs (2022: Rs.33.72 lakhs) as disclosed in Note 6.2 The Management has currently initiated legal proceedings and is pursuing recovery through arbitration and other legal means with that party and is optimistic that this advance will be completely recovered by the Company. Hence in the view of the Management no provision is considered necessary at this stage.
- 7.6 Includes Rs.79.48 lakhs (2022 Rs.117.46 lakhs) on account of brokerage & sales commission paid to an agency for services, on gross sale consideration receivable from customers. As per the agreement, in the event of non-completion of sale transaction, such commission is refundable by the agency. The commission paid is charged to the Profit & Loss Statement as and when revenue is recognised on a proportionate basis.
- 7.7 This includes advance amount paid Rs. 4,798.90 lakhs (2022: 4,333.35 lakhs) to a related party (Joint venturer) as per Property Development Contract towards purchase of land on which "St. Regis Residencies" project is being developed by the company. The balance amount of Rs.26,623 lakhs (AED 119 million considered at rate of Rs.22.37 / AED as at the reporting date) will be paid on completion of the project. The total value of the land is taken at Rs.31,322 lakhs (AED 140 million considered at rate of Rs.20.64 / AED as at the reporting date) as per the valuation. The land value will be accounted in the books on registration of the project with RERA. During the previous year this amount was disclosed as advance for land in the financial statements of the subsidiary.

8 Inventories (valued at lower of cost or net realizable value)	As at 31 March 2023	As at 31 March 2022
Completed units (Refer Note 8.1. below)	519.21	519.21
Construction Work-In-Progress (includes cost of Land , Borrowing Cost and Project Constru and Development Cost) (Refer Note 8.2 below)	21,488.32	27,405.97
Development Work-In-Progress relating to subsidiary (Refer Note 8.3 below)	43,653.00	36,138.02
	65,660.53	64,063.19

- 8.1 Represents residential units in respect of which company has entered into agreement for sale with the respective customers, amounts received against these agreements by the company has been reported as advance from customers in Note No. 18. Pending receipt of balance consideration and execution of absolute sale deed effecting the transfer of legal title/deemed handover of the property, the same is reported as Inventory.
- 8.2 Includes Rs.1,950.53 lakhs (2022: Rs.1,950.53 lakhs) being cost incurred towards project in Goa managed by M/s. Zuari Industries Limited which is pending formalising the terms and conditions. These balances are subject to confirmation from that party however, the Management of the company expects these costs to be recovered in full and during the previous year it is transferred to Expenses recoverable Refer Note No. 5.5
- 8.2 The Management has reviewed the carrying value of its construction work-in-progress by assessing the net realisable value of the project which is determined by forecasting sales rates, expected sale prices and estimated costs to complete (including escalations and cost overrun). This review by the management did not result in any loss and thus no adjustments/ provisions to the carrying value of project work-in-progress was required and external valuation was not considered necessary by the Management. In respect of early stage projects, the underlying fair value of land based on valuation report of chartered engineer was considered for the purpose of determining the net realisable value and the carrying value of the construction work-in-progress was found to be less than the net realisable value so ascertained.

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

9 Trade receivables	As at 31 March 2023	As at 31 March 2022
Unsecured, Considered Good		
9.1 Current		
Trade receivables - Related Parties (refer note 9.2. below)	459.53	482.46
Trade receivables - others*	71.15	1,032.46
	530.69	1,514.92
9.2 Receivables from the related parties;		
Zuari Industries Limited	48.16	71.09
Brajbhumi Nirmaan Private Limited	404.02	404.02
Zuari Agro Chemicals Limited	5.06	5.06
Zuari Farmhub Limited	2.30	2.30
	459.53	482.46

*Balances are subject to confirmation

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	48.16	-	7.36	71.15	404.02	530.69
Previous year						
Undisputed Trade receivables – considered good	962.00	77.81	71.09	-	404.02	1,514.92

- 9.3 The Management of the Company expects full realisation of these receivables, accordingly no allowance towards non recovery is considered necessary by the Management.
- 9.4 No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

10 Cash and bank balances	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalent		
Cash on hand	0.56	6.73
Balances held in banks in current account	6,427.92	2,879.26
Deposits held with banks with other than lien marked more than 3 months but less that 12 months maturity period*	328.22	594.03
Other balances held with bank		
Deposits held with banks lien marked with more than 3 months but less that 12 months matu	24,542.29	23,417.76
Balance in ESCROW accounts	25,315.82	-
	56,614.81	26,897.78

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

*Rs. 24,542.29 (2022 Rs. 23,417.76) lakhs held as lien by yes bank against guarantee given to the bank for the loan taken by SJM properties LLC, Dubai a step down subsidiary

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

11	Share capital	As at	
		31 March 2023	31 March 2022
11.1			
(i)	Authorised		
	5,00,00,000 (2022:5,00,00,000) Equity Shares of Rs. 10 each	5,000.00	5,000.00
	1,50,00,000 (2022:1,50,00,000) Preference Shares of Rs. 10 each	1,500.00	1,500.00
		<u>6,500.00</u>	<u>6,500.00</u>
(ii)	Issued, subscribed & paid up		
	5,00,00,000 (2022:4,65,50,000) Equity Shares of Rs 10 each	5,000.00	4,655.00
	1,14,50,000 (2022:1,14,50,000) Non-Convertible Cumulative Redeemable Preference Shares of Rs 10 each issued at premium of Rs. 90 each. (Also, refer note 13.9, below)	1,145.00	1,145.00
		<u>6,145.00</u>	<u>5,800.00</u>

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

Particulars (shares of Rs. 10/- each)	As at 31 March 2023		As at 31 March 2022	
	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
	At the beginning of the year	4,65,50,000	4,655.00	4,65,50,000
Issued during the year	34,50,000	345.00	-	-
Outstanding at the end of the year	<u>5,00,00,000</u>	<u>5,000.00</u>	<u>4,65,50,000</u>	<u>4,655.00</u>

11.3 Details of shareholders holding more than 5% shares in the Company as at 31 March 2023

Name of the Shareholder	As at 31 March 2023		As at 31 March 2022	
	No's.	% holding	No's.	% holding
	Zuari Industries Limited, the Holding Company (Including 10,000 equity shares jointly held)	5,00,00,000	100%	4,65,50,000

maintained by the Company

11.4 During the year issued of 34,50,000 (Thirty Four Lakhs and Fifty Thousand) equity shares of face value of Rs. 10/- (Rupees Ten only) each at a premium of Rs. 48/- (Rupees Forty Eight only) to Zuari Industries Limited.

12 Other equity

	As at 31 March 2023	As at 31 March 2022
--	------------------------	------------------------

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

Equity component of redeemable Preference Shares

562.11

562.11

Income tax effect on the interest portion on Preference shares

(146.15)

(146.15)

415.96

415.96

Also refer note 13.8, below for detailed disclosure on preference shares.

12.2 Security Premium Account:

As at the beginning and end of the year

10,305.00

10,305.00

Add: Addition during the year

1,656.00

-

11,961.00

10,305.00

Opening balance of security premium represents premium on issue of cumulative compulsarily redeemable preference shares. During the year issued of 34,50,000 (Thirty Four Lakhs and Fifty Thousand) equity shares of face value of Rs. 10/- (Rupees Ten only) each at a premium of Rs. 48/- (Rupees Forty Eight only) to Zuari Industries Limited.

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12.3 Balance in profit and Loss Statement

As at the beginning of the year.	(4,622.06)	(3,381.43)
Add: Profit for the year before OCI	(4,626.31)	(1,248.78)
Add: Re-measurement gains/(loss) on defined benefit plans, not reclassified to profit or loss		8.15
Net deficits in the profit and loss statement	(9,248.37)	(4,622.06)

12.4 Foreign currency translation reserve

As at the beginning of the year.	(222.91)	(146.88)
Exchange differences on translating the financial statements of foreign subsidiary	-422.66	(76.04)
	(645.57)	(222.91)
	2,483.02	5,875.99

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

As at the beginning of the year.	25.49	17.33
Remeasurements gain/(loss) on defined benefit plans	-	11.29
Income tax effect on above	-	(3.14)
Balance carried forward	25.49	25.49

13 Borrowings

As at 31 March 2023 As at 31 March 2022

13.1 Long-term borrowings:

(i) Secured Loans

Term Loans from banks:

Yes Bank Ltd, IFSC Banking Unit (refer 13.3 below)

22,111.09 22,736.47

Term Loans from others:

LIC housing finance limited (refer note 13.4 below)

22,111.09 22,736.47

Less: Current maturities of long term borrowings (refer note 16.1. below)

16,525.92 18,466.60

IIFL Wealth Management Limited

(4,851.00) -

IIFL Wealth Prime Limited -Debentures

4,999.64 3,003.25

9,000.00 -

47,785.65 44,206.32

(ii) Unsecured Loans

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

Akshay Poddar

3,332.18 3,073.39

Globalware Trading & Holdings Limited, UAE

1,959.83 1,704.45

Zuari International Limited

16,780.97 7,693.53

Adventz Securities Enterprises Ltd

719.42 708

Zuari Global Limited (carried at cost)

151.80 6,814.13

22,944.20 19,993.11

Other Loans (refer note 13.5)

Fairy Ryde Limited

1,224.96 1,130

Purshottam Kanji Co

1,342.35 1,238

2,567.31 2,367.93

Liability component of compound financial instrument

Non-Convertible Cumulative Redeemable Preference Shares

1,145.00 1,145

(Also, refer note 13.9 below)

74,442.17 67,712.36

13.2 Short-term borrowings:

(i) Secured Loans

Term Loans from banks

Vehicle Loan

61.69 -

Barclays Bank PLC

9,004.00 9,562

9,065.69 9,561.58

(ii) Unsecured loans

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

Indian Furniture Products Limited

29.29 24.87

29.29 24.87

Inter-Corporate Deposits from (refer note 13.6 below)

Matheson Bosanquet Enterprises Pvt Ltd

1,025.35 507.58

Adventz Finance Private Limited (carried at cost)

1,747.16 1,503

Texmaco Infrastructure & Holdings Limited (carried at cost)

804.23 753.86

Addies Innovations Pvt Ltd

- 139.49

Sanjana Cryogenic Storages Ltd

304.62 500.00

Innovation Management Solutions DMCC

3.36 3.10

Ioshniwal Brothers (SR) P Ltd

203.12 -

Raibareilly Flour Mills P Ltd

134.33 -

Art Rubber Industries Ltd

302.89 -

Deepa Bagla Financial Consultants P Ltd

500.94 -

Estrela Batteries Limited

150.71 -

5,176.70 3,407.05

14,271.68 12,993.50



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13.3 Yes Bank Ltd, IFSC Banking Unit

Finance facility availed by Zuari SJM Properties LLC, Dubai step down subsidiary comprising of term loan facility with the total sanctioned limit of Rs.24,609.75 lakhs [AED 110 million at rate at the reporting date of Rs.22.372 per AED (USD 30.5 million)] (2022: Rs.22,698.5 lakhs [AED 110 million at rate at the reporting date of Rs.20.635 per AED (USD 30.5 million)]) from Yes Bank Limited, IFSC banking unit, GIFT city, Gujarat, India towards project development related expense.

Term loans are secured as described herein below and bear interest of 6 months USD LIBOR plus 4.95% p.a.. The loan amount is repayable after 72 months in one bullet payment from the total draw down

Securities offered:

- Charge on current assets both present and future owned by Zuari Infraworld S J M Properties L.L.C, UAE
- Charge on share of project cash flow including reimbursement and surplus.
- Pledge of Fixed Deposit owned by group companies amounting to INR 235.42 lakhs .
- Pledge of listed India shares held by New Eros TradeCom Limited.

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

13.4 LIC Housing Finance Limited

Term loan facility of Rs.20,000 lakhs for takeover of outstanding loan of Rs.13,000 lakhs from Federal bank limited and as a top up for construction finance for Zuari Garden City Phase I, II & III project which is repayable over a period of 60 months with 36 months moratorium for repayment of principal from the date of first disbursement with right to accelerate payment based on the review of cash flows. This loan is secured by equitable mortgage on the Land and Building to be constructed under project name 'Zuari Garden City' in area measuring to 50 Acres and 35 Guntas (excluding sold units), Project receivables and further secured by Corporate Guarantee issued by Zuari Global Limited, the Holding Company. There are other conditions and financial covenants attached to this bank facility, which are in ordinary course of business. The loan outstanding as at 31 March 2023 is Rs. 11,866.94 lakhs (as at 31 March 2022 : Rs. 15,094.56 lakhs).

Guaranteed Emergency Credit Line Scheme sanctioned limit of Rs.3,250 lakhs to construction finance for Zuari Garden City Phase I, II & III project which is repayable over a period of 60 months with 12 months moratorium for repayment of principal from the date of first disbursement and the outstanding balance as at 31 March 2022 is Rs. 2,585.68 lakhs (2022:Rs. 3,250.00).

Guaranteed Emergency Credit Line Scheme 2.0 sanctioned limit of Rs.2,028 lakhs to construction finance for Zuari Garden City Phase I, II & III project which is repayable over a period of 60 months with 24 months moratorium for repayment of principal from the date of first disbursement and the outstanding balance as at 31 March 2023 is Rs. 2,028.00 lakhs (2022:Nil).

13.5 Unsecured Inter-Corporate Deposits from related parties

(i) Zuari Industries Limited, Holding Company

Unsecured term loan from Zuari Global Limited, the holding company to meet the working capital needs of the Company. The unpaid loans which was due for payment during the year was rolled over and renewed for a further period up to 30 June 2022, without any changes to the existing terms and condition, detailed as under:

Terms of Repayment:

Particulars	Outstanding 31 March 2021 (including interest accrued)	Loans during the Year	Repaid	Interest accrued and due	Outstanding 31 March 2022 (including interest accrued)	Due Date*
Loan at 8% p.a.	1,072.99	-	1,072.99	-	-	-
Loan at 12% p.a.	1,035.18	-	1,035.18	-	-	-
Loan at 15% p.a.	4,705.96	1,032.40	5,589.36	2.81	151.80	31-Mar-25
Total	6,814.13	1,032.40	7,697.53	2.81	151.80	

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

** ROI are changed from 14% (FY 2019-20) to 15% (FY 2020-21)

(ii) Adventz Finance Private Limited

During the year Additional loan for working capital purpose of Rs. 200 lakhs from Adventz Finance Private Limited, a group company carries interest rate of 12.5% p.a. The loan along with interest is due in 11 months i.e. 30th April 2023 and accordingly disclosed under current liabilities. The loan outstanding including interest accruals as at 31 March 2023 is Rs.1,747.16 lakhs (31 March 2022 : Rs.1,503.02 lakhs). Since the loan is repayable within 13 months the given loan is not carried at amortised cost.

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

This represents unsecured and 12.5% (0 to 12%) per annum interest bearing loans availed from related parties which are repayable within a period of 2 years. The parties has also agreed to extend the financial support to the Company by not demanding payment of their outstanding dues till such time as the company's equity is restored

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13.6 Other Unsecured Inter-Corporate Deposits

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

Party Name	Amount borrowed during the year	Amount Repaid during the year	Rate of Interest	Date / due date for Repayment	Interest Accrued and not due	As at 31 March 2023 (including accrued interest)
Texmaco Infrastructure & Holdings Limited	-	-	16.75%	Repayable on demand	304.23	804.23
Indian Furniture Products Limited	-	-	Nil	Repayable on demand	-	29.29
Adoles Innovations Pvt Ltd	-	135.00	18.00%	2/-Mar-23	-	-
Matheson Bosanquet Enterprises Pvt Ltd	1,000.00	500.00	10.00%	02-Aug-23	25.35	1,025.35
Sanjana Cryogenic Storages Ltd	300.00	300.00	16.00%	06-Jun-23	4.62	304.62
Toshniwal Brothers (SR) P Ltd	200.00	200.00	16.00%	12-Oct-23	3.12	203.12
Raibareilly Flour Mills P Ltd	130.00	130.00	16.00%	31-May-23	4.33	134.33
Art Rubber Industries Ltd	300.00	300.00	16.00%	07-Jun-23	2.89	302.89
Deepa Bagla Financial Consultants P Ltd	500.00	500.00	17.00%	29-May-23	0.94	500.94
Estrela Batteries Limited	150.00	150.00	17.00%	19-Jun-23	0.71	150.71
Total	2,580.00	2,215.00			346.19	3,455.48

13.7 Other Unsecured Loans

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

13.8 Non-Convertible Cumulative Redeemable Preference Shares:

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

	As at	As at
	31 March 2023	31 March 2022
Non-Convertible Cumulative Redeemable Preference Shares of Rs 10 each, issued at premium Rs 90 per share		
At the beginning of the year	1,14,50,000	1,14,50,000
Issued during the year	-	-
Outstanding at the end of the year	1,14,50,000	1,14,50,000

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

Non-Convertible Cumulative Redeemable Preference Shares of Rs 10 each, issued at premium Rs 90 per share.	As at 31 March 2023		As at 31 March 2022	
	In No's	In %	In No's	In %
Mr. Saroj Kumar Poddar	85,00,000	74%	85,00,000	74%
Texmaco Infrastructure & Holdings Limited	29,50,000	26%	29,50,000	26%
Outstanding at the end of the year	1,14,50,000	100%	1,14,50,000	100%

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

The Company has only one class of non-convertible preference share having a par value of Rs 10 per share, carrying coupon rate of 8.5% per annum which are cumulative in nature and redeemable on 08 Dec 2024 (70,00,000 Shares), 30 July 2025 (15,00,000 Shares) and 31 March 2027 (29,50,000 Shares) respectively. The Company has extended the redemption period of 15,00,000 preference shares which was due on 31 March 2025 to 30 July 2025. These shares are redeemable at a price band of Rs 125 - Rs 150 per preference share. During the year the Company has extended the redemption period of 29,50,000 preference shares which was due on 31 March 2022 to 31 March 2025, these share are redeemable at a price band of Rs. 200 - Rs. 217 per preference share. Each holder of preference shares is entitled to one vote per share on resolutions placed before the company.

(iv) Pursuant to Schedule III of the Companies Act 2013 ("the Act"), for companies whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015 read with Indian Accounting Standard 32 - Disclosure of Financial Instruments, Non-convertible redeemable cumulative preference shares which are settled in cash needs to be classified as 'financial liability' and not 'equity'. Accordingly company has computed the fair value of these preference shares considering the effective interest rate (EIR) at 14% and the portion computed as 'Borrowing' amounting to Rs.1,145.00 lakhs (2022 : Rs.1,145.00 lakhs) has been classified under 'Long-term Borrowings' and the portion computed as the deemed equity amounting to Rs. 415.96 lakhs (2022 : Rs.415.96 lakhs), net of taxes has been reported under 'Other Equity'.

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

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

13.9 IIFL Wealth Prime Limited -Debentures

Secured, unlisted and unlisted Non-Convertible Debentures ('NCDs') aggregating to INR 9,000.00 lakhs comprising of 900 debentures of INR 10 lakhs each, bearing interest rate of 14.00% p.a. were issued by the Company during the year to IIFL Wealth Prime Limited. This loan is secured by following:

(i) A first ranking exclusive pledge to be created over 85,00,000 of preference shares of the Company ('ZUIL Preference Shares'), held by Mr. Saroj Kumar Poddar ('Promoter') to ensure that a security cover is maintained at all times till the Debentures are redeemed in full, to the satisfaction of the Debenture Trustee along with all rights, title, claims, demands, benefits and interests of the Company therein, in favour of the Debenture Trustee, for the benefit of the holders of the Debentures ('Pledge');

(ii) A first ranking and exclusive charge by way of mortgage over Mortgaged Property (as more particularly described in Schedule hereto) pursuant to the relevant documents executed by Indian Furniture Products Limited ('Mortgagor') in relation to creation of such mortgage in favour of Debenture Trustee ('Mortgage');

(i) A first ranking and exclusive charge by way of hypothecation over all the present and future receivables of the Company and all the rights, title, interests, benefits, claims, proceeds, demands whatsoever or any part thereof of the Company in relation to such receivables ('Hypothecated Assets'), in favour of the Debenture Trustee; ('Hypothecation')



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14 Lease Liabilities	As at 31 March 2023	As at 31 March 2022
14.1 Non-Current		
Lease Liability	119.18	170.46
	<u>119.18</u>	<u>170.46</u>
14.2 Current		
Lease Liability	76.82	87.06
	<u>76.82</u>	<u>87.06</u>
	<u>195.99</u>	<u>257.52</u>

14.3 Other Notes on leases

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

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of Rs.256.70 lakhs, 'Net investment in sublease' of ROU asset of Rs.214.78 lakhs and a lease liability of Rs.580.66 lakhs. The cumulative effect of applying the standard was debited to retained earnings, which amounted to Rs.80.79 lakhs (net of tax effect on the same Rs. 28.39 lakhs). The adoption of this standard has resulted in an increase in cash inflows from operating activities and corresponding increase in cash outflows from financing activities on account of lease payments. The details of leases for the office premises in this regard are as under.

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2022
Balance at the beginning*	230.82	464.71
Finance cost accrued during the year	28.47	40.45
Payment/payable towards lease liabilities	89.99	95.49
Adjustment of change in terms of lease agreement	0.00	178.85
Balance as at the end	<u>169.29</u>	<u>409.67</u>

*excluding refundable rent deposit of Rs.26.70 lakhs carried at amortised cost.

(ii) The details of the contractual maturities of lease liabilities as at 31 March 2023 on an undiscounted basis are as follows :

Particulars	As at March 31 2023	As at March 31 2022
Less than one year	95.71	89.99
One year to five years	100.28	167.53
more than five years	0.00	0.00
Total	<u>195.99</u>	<u>257.52</u>

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning	0	197.19
Changes in opening balance due to change in terms	0	0.00
Interest income accrued during the year	0	4.57
Lease receipts	0	9.37
Adjustment of change in terms of lease agreement	0	192.39
Balance as at the end	<u>0</u>	<u>0.00</u>

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15 Trade payables	As at	
	31 March 2023	31 March 2022
15.1 Non-Current		
Retention Money - non current (carried at cost)*	91.30	91.30
	<u>91.30</u>	<u>91.30</u>
15.2 Current		
Retention Money - current (carried at cost)*	refer note 15.3, below	408.69
Dues to related parties (carried at cost)		1.52
Dues to micro & small enterprises (carried at cost)*	refer note 15.4, below	0.72
Dues to others (carried at cost)*		1.309
	<u>1,538.79</u>	<u>1,309</u>
	<u>2,187.16</u>	<u>1,720.36</u>

Particulars	Outstanding for following periods from due date of payment		
	Less than 1 yr.	1-2 years	More than 2 years
(i) MSME	-	-	0.51
previous year	1.13	0.51	0.21
(ii) Others	1,052.27	312.65	319.78
previous year	1,461.53	144.76	46.07

15.3 Includes retention money Rs.131.23 lakhs (2022 : Rs.131.23 lakhs) and other trade payables Rs.25.48 lakhs (2022: Rs.25.48 lakhs) to one of the sub contractors in respect of which the Management is in negotiation with party for full and the final settlement. The said balance is subject to confirmation from that party.

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

Principal amount due to suppliers under MSME Act	0.51	0.51
Interest accrued and due to suppliers on above amount	0.09	0.10
Payment made to suppliers beyond appointed day during the year	-	1.34
Interest paid to suppliers during the year	-	-
Interest due and payable to suppliers towards payment already made during the year	0.78	0.60

* Balances are subject to confirmation

16 Other Financial Liabilities	As at	
	31 March 2023	31 March 2022
16.1 Current		
Other financial liabilities (carried at cost)	-	-
Current maturity of long term loans (refer note 13)	4,851.00	-
Interest accruals on loans	1,827.47	1,618.59
Refundable deposit (refer note 16.2)	-	1,500.00
Other Deposits	14.96	14.96
Due to employees	186.05	197.11
Due to related parties (refer note 16.3 below)	72.12	13.56
Due to others	0.44	0.44
	<u>6,952.04</u>	<u>3,344.66</u>
16.2 Refundable deposits received from M/s. Mathias Construction Private Limited for the proposed development of land/property owned by Zuari Agro Chemicals Limited in respect of which Zuari Infraworld India Limited will acquire the right of lease of the land/property. During the year deposit is refunded as proposed development of land is cancelled.		
16.3 Due to related parties comprises of dues to;		
Mr. Alok Banerjee	57.11	8.00
Mr. Anshul Amit Bansal	13.87	4.37
Ms. Nishu Kakkar	-	1.18
Dayanand G S	1.14	-
	<u>72.12</u>	<u>13.56</u>

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17 Provisions	As at 31 March 2023	As at 31 March 2022
17.1 Non-Current		
Provision for gratuity obligation	29.99	42.59
Provision for compensated absences	4.83	11.31
	<u>34.82</u>	<u>53.91</u>
17.2 Current		
Provision for gratuity obligation	21.17	1.54
Provision for compensated absences	3.27	0.50
Staff end of service benefits	72.69	47.28
	<u>97.13</u>	<u>49.33</u>

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

18 Other liabilities	As at 31 March 2023	As at 31 March 2022
Statutory dues	320.58	200.94
Advances from customers relating to;		
- Completed units pending registration or transfer of possession	500.37	500.37
- Construction work-in-progress	29,262.56	7,310.22
- Maintenance charges	9.19	9.19
- Other customer advances (refer note 18.1 below)	1,516.14	1,881.24
Others	34.23	31.57
	<u>31,643.07</u>	<u>9,933.53</u>

18.1 Includes advances of Rs.482.46 lakhs (2022:Rs.341.72 lakhs) in respect of cancelled residential units in respect of which the Company is in negotiation with parties for selling units of other projects against which these amounts are expected to be adjusted and Rs. 323.01 lakhs (2022: Rs.323.01 lakhs) collected from the buyers towards club membership charges fees which will be adjusted against the expenses incurred in this regard.

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19 Revenue from operations	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of residential units	6,375	3,996.22
Development management fees	(100)	2,093.58
Sales commission on sale of plots/residential units	41	51.37
Maintenance charges*	-	-
Other operating revenue	-	-
	6,316.52	6,141.18
20 Other income	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest Income on ;		
Deposits with Bank	1,418	841.83
Income tax refund	12.86	-
Net gain on financial assets measured at fair value through Profit and loss	-	61.79
Unwinding of financial liability	-	125.80
Other miscellaneous income	1,368.67	436.72
	2,799.87	1,466.14
21 Project construction and development expenses	For the year ended 31 March 2023	For the year ended 31 March 2022
Architect Fees	714.46	299.88
Depreciation on assets - Projects	17.42	28.88
Civil Work	1,601.27	2,434.01
Rework expenses charged to profit and loss	20.22	44.39
Site Office Expenses	-	-
Project Staff Costs	180.96	138.83
Managerial remuneration and expenses	40.13	133.16
Rent project office	80.66	24.31
Miscellaneous project Expenses	1,230.76	42.52
Foreign exchange translations differences on consolidation in respect of inve	3,252.09	1,314.94
	7,737.16	4,463.35
Add: Borrowing cost incurred during the year	1,569.48	4,738.06
Add: Employee benefit expenses transferred to construction work in progres	100.50	237.38
Add: Other expenses transferred to construction work in progress	-	20.66
Less: Recovery of cost transferred to Expenses recoverable	-	(1,950.53)
	9,407.14	7,508.92
22 Changes in inventories	For the year ended 31 March 2023	For the year ended 31 March 2022
Completed units of stock		
Completed units at the beginning of the year pursuant to Ind AS 115	519.21	883.35
Completed units at the end of the year	519.21	519.21
Changes in completed units during the year	-	364.14
Construction Work-in- progress		
Construction work-in-progress at the beginning of the year	63,543.98	61,831.75
Less: Recovery of cost incurred towards project managed by holding company	-	-
Adjusted Inventory at the beginning of the year	63,543.98	61,831.75
Add: Construction cost incurred during the year	9,407.14	7,508.92
Less: Cost of Projects	-4,837.60	(3,293.91)
Less: Finance cost transferred from inventories	-2,951.98	(1,235.20)
Less: Recovery of cost incurred towards project managed by holding company	-	(1,223.18)
Less: Modification/rework charges charged to profit and loss during the year	-20.22	(44.39)
Construction work-in-progress at the end of the year	65,141.32	63,543.98
Changes in construction work in progress	(1,597.34)	(1,712.23)
Less: Changes in WIP related finance cost	2,951.98	1,235.20
	(4,549.32)	(2,947.44)
Total (Increase) / Decrease (a+b)	(1,597.34)	(1,348.09)

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	For the year ended 31 March 2023	For the year ended 31 March 2022
23 Employee benefit expenses		
Salaries and wages	619.98	495.88
Contribution to provident and other funds	48.54	22.20
Gratuity	8.28	10.84
Compensated absences	-1.60	(3.06)
Staff welfare expenses	23.12	14.78
	698.31	540.64
Less: Employee benefit expenses transferred to construction work in progress	(101)	(237.38)
	597.81	303.25
24 Finance costs		
Interest expense:		
Interest on borrowings	6,180.11	6,074.20
Finance cost transferred from inventories	2,951.98	1,235.20
Interest on MSME	0.09	0.09
Fair value adjustment pursuant to Ind AS:		
Interest on lease liability (refer note 14)	28.47	35.85
Interest others	-	-
Interest on non-convertible cumulative redeemable preference shares	-	36.41
	9,160.66	7,981.76
Less: Borrowing cost transferred to construction work in progress	(1,569.48)	(4,738.06)
	7,591.17	3,243.70
25 Depreciation and amortization expenses		
Depreciation of Property, plant and equipment	109.30	117.21
Amortisation of intangible assets	2.27	1.98
Amortisation of right of use assets	-	-
	111.58	119.19
Less: Depreciation & amortisation transferred to construction work in progress	(17.42)	(28.88)
	94.16	90.31
26 Other expenses		
Rent	1.32	1.12
Travel and conveyance	76.43	32.08
Legal and professional fees	79.86	64.27
Communication and internet charges	13.22	10.34
Office Expenses	39.68	22.34
Repairs and maintenance	21.85	38.97
Auditors remuneration	10.25	9.65
Recruitment expenses, net	0.32	-
Maintenance charges*	66.58	37.84
Advertising and publicity	43.97	65.92
Rates and taxes	36.83	2.12
Commission & Brokerage	54.27	75.08
Loss on financial assets measured at fair value	-	5.00
Maintenance and Security	73.81	64.11
Loss on sales of fixed asset	5.24	-
Insurance	12.05	27.14
Directors sitting fees	1.10	1.20
Asset restatement balance	-	3.32
Miscellaneous expenses	4.81	4.55
Balances written-off, net	56.90	15.55
Recruitment expenses	-	-
Preference Shares	-	-
	598.48	480.60
Less: Other expenses transferred to construction work in progress	-	(20.66)
	598.48	459.94
26.1 Remuneration to Auditors' reported above includes		
Statutory Audit Fees	7.15	7.15
Tax Audit Fees	0.83	0.83
Certification fees	2.27	1.68
	10.25	9.65



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27 Income Tax	For the year ended 31 March 2023	For the year ended 31 March 2022
Income tax expense	-	96.50
Deferred tax charge/(credit)	(2.93)	(267.10)
	<u>(2.93)</u>	<u>(170.61)</u>
27.1 Income tax expense for the year reconciled to the accounting profit	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	-	97.70
Income tax expense calculated at 27.82% (2022 : 27.82%)	-	27.18
<i>Adjustments for</i>		
Gain on fair value adjustments to preference shares	-	(11.52)
Gain on fair value adjustments to Mutual funds taxable at differential rate	-	(227.25)
Other adjustments	-	(55.52)
Income tax expense	-	96.50
	<u>-</u>	<u>(170.61)</u>
27.2 The tax effects of timing differences that resulted in changes in deferred tax are as follows:	For the year ended 31 March 2023	For the year ended 31 March 2022
Fair valuation of investment in mutual funds	-	-227.25
Difference between accounting base and tax base of tangible & Intangible a:	-3.11	-5.68
Temporary differences on benefit obligations	-4.06	4.12
Fair valuation of investment in Preference shares	-	-11.52
Other adjustments	-	-2.47
Gain on sale of flats recognised as per Ind AS 115	8.73	-20.22
Fair valuation of leases	-4.50	-0.94
	<u>(2.93)</u>	<u>(263.96)</u>

27.3 Deferred tax assets arising from the carry forward of unused tax losses not are recognised in these financial statements as there is that sufficient taxable profit will be available in the future against which the unused tax losses can be utilised by the Compar appropriate by the Management.

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

28.1 Disclosure of Interest in the following subsidiaries:

Name	Country of Incorporation	Ownership Interest of ZIIL (%) As at 31 March 2023	Ownership Interest of ZIIL (%) As at 31 March 2022	Method used to account for investments
Zuari Infra Middle East Ltd	UAE	100%	100%	Line by line consolidation

28.2 Disclosure of Interest in the following associates:

Name	Country of Incorporation	Ownership Interest of ZIIL (%) As at 31 March 2023	Ownership Interest of ZIIL (%) As at 31 March 2022	Method used to account for investments
Brajbhumi Nirmaan Private Limited	India	25%	25%	Equity Accounting
Darshan Nirman Private Limited	India	25%	25%	Equity Accounting
Pranati Niketan Private Limited	India	25%	25%	Equity Accounting

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

Note: As at 31 March 2023 Brajbhumi Nirmaan Private Limited holds 50% (2022: 50%) of Darshan Nirman Private Limited and 50% (2022: 50%) of Pranati Niketan Private Limited.

28.3 Information regarding Associates:

i. Carrying amount of investment in Associates	As at 31 March 2023	As at 31 March 2022
Darshan Nirmaan Private Limited	(0.04)	(0.04)
Pranati Nirmaan Private Limited	0.02	0.02
Brajbhumi Nirmaan Private Limited	2,274.34	2,278.22
ii. Share of Profit/(loss) of Associates	As at 31 March 2023	As at 31 March 2022
Brajbhumi Nirmaan Private Limited	(6.19)	(3.88)

Note: Also refer note 4 of the consolidated financial statements for the year ended 31 March 2023.

28.4 Summarised financial information of the joint ventures, based on its Ind AS financial statements and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

(a) DARSHAN NIRMAAN PRIVATE LIMITED

i. Summarised Balance Sheet	As at 31 March 2023	As at 31 March 2022
Current assets, including cash and cash equivalents	277.34	277.41
Non-current financial liabilities	(280.21)	(280.09)
Equity	(2.87)	(2.69)
Proportion of the Group's ownership	25%	25%
Group's Share in Net Assets	(0.72)	(0.67)
Value of Goodwill on consolidation	0.36	0.36
Value of the investment	(0.36)	(0.31)
ii. Summarised Profit and Loss Statement	For the year ended 31 March 2023	For the year ended 31 March 2022
Other Expenses	(0.18)	(0.14)
Profit/(loss) before tax	(0.18)	(0.14)
Income tax (expense)/credit	-	-
Profit/(loss) for the year	(0.18)	(0.14)
Other Comprehensive Income	-	-
Total comprehensive income	(0.18)	(0.14)
Proportion of the Group's share	25%	25%
Group's share of profit/(loss) for the year	(0.05)	(0.04)

(b) PRANATI NIRMAAN PRIVATE LIMITED

i. Summarised Balance Sheet	As at 31 March 2023	As at 31 March 2022
Current assets, including cash and cash equivalents	217.87	217.95
Non-current financial liabilities	(220.15)	(220.05)
Equity	(2.28)	(2.10)
Proportion of the Group's ownership	25%	25%
Group's Share in Net Assets	(0.57)	(0.53)
Value of Goodwill on consolidation	0.36	0.36
Value of the investment	(0.21)	(0.16)



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ii. Summarised Profit and Loss Statement	For the year ended 31 March 2023	For the year ended 31 March 2022
Other Expenses	(0.18)	(0.14)
Profit/(loss) before tax	(0.18)	(0.14)
Income tax (expense)/credit	-	-
Profit/(loss) for the year	(0.18)	(0.14)
Other Comprehensive Income	-	-
Total comprehensive income	(0.18)	(0.14)
Proportion of the Group's share	25%	25%
Group's share of profit/(loss) for the year	(0.05)	(0.04)

(c) BRAJBHUMI NIRMAAN PRIVATE LIMITED

i. Summarised Balance Sheet	As at 31 March 2023	As at 31 March 2022
Current assets, including cash and cash equivalents	22,556.25	21,006.75
Non-current assets	29.22	35.51
Current liabilities including financial liabilities	(19,390.58)	(17,812.62)
Non current financial liabilities	-	-
Less: Deemed Equity	(421.54)	(421.54)
Equity	2,773.36	2,808.11
Proportion of the Group's ownership	25%	25%
Group's Share in Net Assets	693.34	702.03
Value of Goodwill on consolidation	1,590.01	1,590.01
Adjustments for unrealised profits	(17.66)	(17.66)
Value of the investment	2,265.68	2,274.37

Summarised Profit and Loss Statement	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue	12.39	-
Other Income	0.71	-
	13.10	-
Purchase of Stock in trade	1,642.36	1,505.65
Change in inventories of finished goods, work in progress and stock in trade)	(1,616.60)	(1,505.65)
Employee Benefits Expense	0.20	0.58
Finance Cost	-	0.01
Depreciation and amortization expense	0.89	0.99
Other Expenses	7.05	13.87
	33.90	15.45
Profit/(loss) before tax	(20.80)	(15.45)
Income tax (expense)/credit	3.94	0.08
Profit for the year	(24.74)	(15.53)
Other Comprehensive Income	-	-
Total comprehensive income	(24.74)	(15.53)
Proportion of the Group's share	25%	25%
Group's share of profit/(loss) for the year	(6.19)	(3.88)

Note: The above furnished information are extracted from the audited financial statements of that associate entities for the year ended 31 March 2023.

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29 Commitments and Contingencies

29.1 Contingent Liabilities (not provided for)

Particulars	31 March 2023	31 March 2022
Dividend on Non Convertible redeemable cumulative preference shares not yet declared	536.63	536.63
Tax demand for defaults under Section 201 of Income Tax Act, 1961 as per TRACES portal of Income tax website, against which company is in the process of filing rectification.	6.35	6.26
Customer claims not acknowledged by the Parent Company	71.30	37.98
As per the audited consolidated Financial statements of Brajbhumi Nirmaan Private Limited, an associate entity, disputed tax demands to the extent not provided for is as under:		
(a.) Income Tax demand pertaining to AY.2015-16 (FY 2014-15) pending before Commissioner Income Tax (Appeals) Kolkata. Against this demand, Parent Company has deposited as on the date is Rs.27.46 lakhs (2022: Rs. 27.46 lakhs)	427.66	427.66

29.2 Capital Commitments

Estimated amount of contracts remaining to be executed on Project construction and development, net of advances aggregates to, Zuari Infraworld India Limited, Parent Company	1,301.62	4,127.09
Zuari Infra Middle East Limited, Subsidiary Company	72,613.46	66,974.14
	73,915.08	71,101.23

29.3 Pledge of assets:

Yes Bank Limited for extending financing facility to Zuari SJM Properties LLC, Dubai, a Step-down subsidiary of the Company. The amount of finance facility extended is USD 305 lakhs (In Indian Rupees 23,323.35 lakhs, considering 1 USD = Rs 76.47 as at the reporting date (2022: USD 630 lakhs (In Indian Rupees 45,675 lakhs, considering 1 USD = Rs 72.50). As per latest sanction terms the above joint corporate guarantee is removed.

(a) The company has also provided security by way of pledge of fixed deposits held in the name of the Company (fair value as at reporting date) for the loan referred to in (a) above.	24,542.29	23,417.76
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30 Earnings Per Share ("EPS")

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

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

Particulars	(No. of shares in absolute numbers)	
	31 March 2023	31 March 2022
Profit before OCI attributable to equity holders of the parent company	(4,626.31)	(1,248.78)
Weighted Average number of equity shares used for computing EPS (Basic & Diluted)	4,79,77,260	4,65,50,000
Earning/(Loss) Per Share (Basic and Diluted) (Rs.)	(9.64)	(0.55)
Face value per share (Rs.)	10.00	10.00

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31 Related Party Disclosures

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

Sl. No	Name of the related party	Nature of relationship with the Company
1	Zuari Industries Limited	Holding Company
2	Zuari Infra Middle East Limited, UAE	Subsidiary
3	Zuari Infraworld SJM Properties LLC, UAE	Step down Subsidiary
4	Burj District Development Limited, Cayman Islands	Joint Venture (JV) of Step down subsidiary
5	Burj District One Limited, UAE	Subsidiary of the JV of Step down subsidiary
6	Zuari Management Services Limited	Fellow Subsidiaries
7	Simon India Limited	Fellow Subsidiaries
8	Forté Furniture Products India Private Limited	Fellow Subsidiaries
9	Zuari Finserv Limited (formerly known as Zuari Finserv Private Limited)	Fellow Subsidiaries
10	Zuari Agro Chemicals Limited	Associate of member of a same group
11	Brajbhumi Nirmaan Private Limited	Associates
12	Darshan Nirman Private Limited	Associates
13	Pranati Niketan Private Limited	Associates
14	Adventz Trading DMCC	Entities having common management control with subsidair
15	Globalware Trading & Holdings Ltd, U.A.E	Entities having common management control with subsidair
16	Indian Furniture Products Limited, U.A.E	Entities having common management control with subsidair
17	Green Tree Property Management Co. LLC, U.A.E.	Joint Venture of Step down subsidiary
18	Athar Sahab (appointed w.e.f. February 01, 2022)	Key Management Personnel
19	L M Chandrashekar	Key Management Personnel
20	Alok Banerjee, CEO & Director	Key Management Personnel
21	Anshul Amit Bansal, Chief Financial officer	Key Management Personnel
22	Nishu Kakkar, Company secretary (resigned w.e.f 11 November 2022)	Key Management Personnel
23	Dayanand G S Company Secretary (appointed w.e.f. 23 December 2022 & resigned w.e.f. 28 April 2023)	Key Management Personnel
24	Vinay Varma	Key Management Personnel of subsidiary
25	Saroj Kumar Poddar	Director of holding company
26	Akshay Poddar	Person having significant influence & relative of director of holding company.
27	Puja Poddar	Person having significant influence in subsidiary & relative of director of holding company.

31.2 Details of transactions with related parties:

Sl. No	Particulars	For the year ended 31 March 2023	Year ended 31 March 2022
1	Service Charges / Management Fees Paid Zuari Finserv Limited (Formerly known as Zuari Finserv Private Limited)	-	0.45
2	Recovery of cost incurred towards project handled by Zuari Industries Limited	-	1,223.18
3	Service Charges / Management Fees Income Zuari Industries Limited - Development Management Commission Zuari Industries Limited - Sales Commission	- 41.41	70.40 16.37

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Sl. No	Particulars	For the year ended 31 March 2023	Year ended 31 March 2022
4	Inter-Corporate Deposits Taken - Liability		
	Zuari Global Limited		
	- Accepted	1,032.40	15,230.65
	- Repayment	7,697.53	18,077.36
	Globalware Trading & Holdings Ltd		
	- Accepted	111.86	693.76
	Akshay Poddar		
	- Accepted	258.78	108.73
	Indian Furniture Products Limited		
	- Accepted	2.32	24.42
	Adventz Trading DMCC		
	- Accepted	-	3.04
5	Interest on ICD (Expenses)		
	Zuari Industries Limited	533.72	1,227.52
	Texmaco Infrastructure & Holdings Limited	76.08	76.08
6	Guarantee Commission		
	Zuari Industries Limited	-	54.96
7	Escrow & Restricted accounts		
	Burj District One Limited, UAE	25,315.82	-

31.3 Year-end balances

Sl. No	Particulars	For the year ended 31 March 2023	As at 31 March 2022
1	Other payable		
	Alok Banerjee, CEO & Director	57.11	8.00
	Anshul Amit Bansal, CFO	13.87	4.37
	Nishu Kakkar, Company secretary	-	1.18
	Dayanand G S, Company secretary	1.14	-
2	Trade receivable		
	Brajbhumi Nirmaan Private Limited	404.02	404.02
	Zuari Industries Limited	48.16	38.56
3	Expenses Recoverable		
	Brajbhumi Nirmaan Private Limited	157.33	157.33
4	Loans from related parties:		
	Zuari Industries Limited	151.80	6,814.13
	Globalware Trading & Holdings Ltd	1,959.83	1,704.45
	Texmaco Infrastructure & Holdings Limited	804.23	753.86
	Akshay Poddar	3,332.18	3,073.39
5	Advance for Land		
	Burj District Development Limited, Cayman Islands	4,798.90	4,333.35
6	Other receivable		
	Adventz Trading DMCC	-	15.68
7	Remuneration payable / dues to employees		
	Vinay Varma	-	1.34
8	Other year-end balances		
	(a) Service Income accrued and not billed		
	Zuari Industries Limited	8.24	38.56
13	Investments in redeemable non-cumulative optionally convertible preference shares		
	Brajbhumi Nirmaan Private Limited	662.00	662.00
14	Escrow & Restricted accounts		
	Brajbhumi Nirmaan Private Limited	25,315.02	-

31.4 Terms and conditions

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

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32 Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by the finance team that advises on financial risks and the appropriate financial risk governance framework for the Company. Further, the company is primarily operating in the real estate sector which is subject to The Real Estate (Regulation and Development) Act, 2016 (RERA).

32.1 Market risk

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

(i.) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

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

Interest sensitivity analysis	Outstanding Loan facility subject to floating rates	Increase/ decrease in basis points	Effect on profit before tax
For the year ended 31 March 2022			
Increase in base points	18,466.60	+50	92.33
Decrease in base points	18,466.60	-50	(92.33)
For the year ended 31 March 2021			
Increase in base points	17,735.53	+50	88.68
Decrease in base points	17,735.53	-50	(88.68)

(ii.) Foreign currency risk:

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

(iii.) Equity price risk

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

32.2 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

(i.) Sale of units (Villas/ Villaments & Appartments):

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

(ii.) Development Management Fees:

Apart from real estate activities, the Company also provides Project Development services. The Trade Receivables includes dues from these activities aggregated to Rs.452.17 lakhs (2022: Rs1,437.10 lakhs)

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



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32.3 Liquidity risk

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

The Company's objective is to maintain balance between continuity of funding and flexibility through the use of bank loans and Debt Preference Shares.

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

The management also obtained consent from the preference shareholders for extension of the redemption of preference shares which are due for redemption on 31 March 2022. These preference shares are now due for redemption on 31 March 2025.

32.4 Capital Management

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

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2023:

Particulars	On demand	< 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings (Incl. Debt portion of Preference Shares)	804.23	1,025.35	2,567.31	88,022.95	1,145.00	93,564.84
Trade payables	184.27	368.64	1,310.07	75.73	339.75	2,278.46
Lease liabilities	-	23.91	71.80	100.28	-	195.99
Other financial liabilities	-	63.56	210.01	-	-	273.57
Total	988.50	1,481.45	4,159.20	88,198.95	1,484.75	96,312.86

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments as at 31 March 2022:

Particulars	On demand	< 3 month	3 to 12 months	1 to 3 years	> 3 years	Total
Borrowings (Incl. Debt portion of Preference Shares)	753.86	647.08	2,367.93	75,799.58	1,145.00	80,713.44
Lease liabilities	49.70	89.11	1,073.83	447.31	151.70	1,811.65
Trade payables	-	14.57	43.71	199.23	-	257.52
Other financial liabilities	-	63.56	162.51	1,618.59	1,500.00	3,344.66
Total	803.55	814.32	3,647.98	78,064.71	2,796.70	86,127.27

As per the consolidated financial statements of Zuari Infra Middle East Limited, a subsidiary Company

The primary objective of the subsidiary company capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholders value. The subsidiary company manages its capital structure and make adjustments to it in light of changes in the business conditions. No changes were made in the objectives, policies or processes during the year ended 31 March 2023. Capital comprises share capital in cash and kind (which is not measured) and accumulated losses and is measured at deficiency of asset of AED 243.73 lakhs (equivalent to Rs.5,452.85 lakhs) as at 31 March 2022 (Previous Year deficiency of asset of AED 195.12 lakhs (equivalent to Rs.4,026.24 lakhs).

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35 Fair values

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

Particulars	Carrying value	
	As at 31 March 2023	As at 31 March 2022
Financial assets carried at fair value through profit or loss		
Preference Shares held in Associate Company	662.00	662.00
Financial assets carried at fair value		
Interest accrued and due	33.72	33.72
Interest accrued and not due	98.69	99.46
Expenses Recoverable - Related parties	157.33	157.33
Loans and advances	-	-
Unbilled Revenue - Service contracts	9.24	138.56
Unbilled Revenue - Others	-	-
Net investment (Sub-lease)		
Security deposits	31.00	31.00
Trade Receivables	530.69	1,514.92
Cash and cash equivalents	56,614.81	26,897.78
Advance to employees	19.95	6.35
Financial assets carried at cost		
Investment in Associate	2,268.16	2,274.34
Security deposits	60.95	37.84
Total	60,486.51	31,853.30
Financial liabilities carried at fair value		
LIC Housing Finance Limited	11,674.92	18,406.60
Yes Bank Ltd, IFSC Banking Unit	22,111.09	22,736.47
Vehicle Loan	-	-
Preference shares (debt portion)	1,145.00	1,145.00
Security deposit towards sub lease	-	-
Loan from related parties	5,292.01	4,777.84
Other loans	7,744.01	14,176.11
Refundable deposit	-	1,500.00
Deferred Rental on security deposits	-	-
Current maturity of long term loans	-	-
Lease liability	195.99	257.52
Other payable to related parties	72.12	13.56
Other deposits	14.96	14.96
Dues to employees	186.05	197.11
Interest accruals on loans	1,827.47	1,618.59
Trade payables	2,278.90	1,812.09
Total	52,542.52	66,715.84

Other Notes:

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

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

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

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

36 Fair Hierarchy

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

Quantitative disclosures fair value measurement hierarchy for assets:

Assets:	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Preference shares held in Associate	662.00	-	-	662.00

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

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

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37 Gratuity (Employment benefit plan)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Current	Non-current	Current	Non-current
Value of Plan - Gratuity (Un-Funded)	21.17	29.99	1.54	42.60

Gratuity:

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

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

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

Particulars	As at	As at
	31 March 2023	31 March 2022
Current Service Cost	6.92	7.91
Net Interest Cost	2.90	2.94
Expense recognised in profit and loss statement	9.83	10.84

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

Particulars	As at	As at
	31 March 2023	31 March 2022
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	(0.45)	(8.04)
Experience (gains) / losses	2.18	(7.06)
Total actuarial (gain)/loss	1.73	(15.09)

(iii) Other comprehensive income

Particulars	As at	As at
	31 March 2023	31 March 2022
Actuarial (Gain)/Loss recognized for the period	1.73	(15.09)
Total Actuarial (Gain)/Loss recognized in (OCI)	1.73	(15.09)

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

Particulars	As at	As at
	31 March 2023	31 March 2022
Opening defined obligation	28.89	33.14
Current service cost	6.92	7.91
Interest cost	2.90	2.94
Contribution paid	-	-
Actuarial (gain)/ loss on obligations	1.73	(15.09)
Defined benefit obligation	40.44	28.89

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

Particulars	As at	As at
	31 March 2023	31 March 2022
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Interest / Discount Rate	7.45%	6.70%
Rate of increase in compensation	5.00%	5.00%
Expected average remaining service	14.28	14.54
Benefit of normal retirement considered as per Payment of Gratuity Act, 1972	Rs. 20 Lakhs	Rs. 20 Lakhs
Employee Attrition Rate (Past Service)	PS: 0 to 18 years : 3% PS: 18 to 30 years : 2% PS: 30 to 42 years : 1%	PS: 0 to 18 years : 3% PS: 18 to 30 years : 2% PS: 30 to 42 years : 1%

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

Gratuity Plan	As at 31 March 2023		As at 31 March 2023	
	Discount rate		Future salary increases	
Sensitivity Level	+1% increase	-1% decrease	+1% increase	-1% decrease
Impact on defined benefit obligation	47.76	55.15	55.13	47.72

Gratuity Plan	As at 31 March 2022		As at 31 March 2022	
	Discount rate		Future salary increases	
Sensitivity Level	+1% increase	-1% decrease	+1% increase	-1% decrease
Impact on defined benefit obligation	37.40	43.70	43.78	37.37

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

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

Particulars	As at	
	31 March 2023	31 March 2022
Within the next 12 months	21.17	1.54
Between 2 and 5 years	4.90	20.75
Between 5 and 10 years	7.94	6.51
Total expected payments	34.00	28.79

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

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

Name of the Entity	Net Assets i.e., Total Assets minus total liabilities as at		Share in Profit or Loss for the year ended		Share in Other comprehensive Income for the year ended		Share in total comprehensive income for the year ended	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
i. Parent								
Zuari Infracore India Limited								
Amount	14,722.57	15,387.89	(2,868.32)	268.31	-	8.15	(2,866.32)	276.48
As % of Consolidated	196.75%	146.12%	57.63%	-21.49%	0.00%	-12.01%	52.81%	-21.00%
ii. Foreign subsidiaries								
a. Zuari Infra Middle East Limited								
Amount	565.45	565.45	(471.84)	(471.64)	-	-	(471.64)	(471.64)
As % of Consolidated	7.56%	5.37%	10.19%	37.77%	-	-	9.34%	35.82%
b. Zuari Infracore SJM Elysium Properties LLC (formerly known as SJM Elysium Properties LLC)								
Amount	(1,143.43)	(1,143.43)	(105.42)	(105.42)	-	-	(105.42)	(105.42)
As % of Consolidated	-15.28%	-10.86%	2.28%	8.44%	-	-	2.09%	8.01%
iii. Associates (share of profit/loss)								
a. Brajbhumi Nirmaan Private Limited								
Amount	-	-	(3.88)	(3.88)	-	-	(3.88)	(3.88)
As % of Consolidated	-	-	0.08%	0.31%	-	-	0.08%	0.29%
b. Pranati Niketan Private Limited								
Amount	-	-	-	-	-	-	-	-
As % of Consolidated	-	-	0.00%	0.00%	-	-	0.00%	0.00%
c. Darshan Nirmaan Private Limited								
Amount	-	-	-	-	-	-	-	-
As % of Consolidated	-	-	0.00%	0.00%	-	-	0.00%	0.00%
iv. Eliminations & adjustments on consolidation								
Amount	(6,661.58)	(4,278.93)	(1,379.04)	(936.15)	(422.68)	(76.04)	(1,801.71)	(1,012.18)
As % of Consolidated	-89.02%	-40.63%	29.81%	74.96%	100.00%	112.01%	35.68%	76.87%
Zuari Infracore India Limited (Consolidated)								
In Amount	7,483.02	10,530.99	(4,626.31)	(1,248.78)	(422.66)	(67.88)	(5,048.97)	(1,316.67)
In Percentage (%)	100%	100%	100%	100%	100%	100%	100%	100%

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39 Segment Information**Information regarding Operating Segment Reporting as per Ind AS-108**

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

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

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

Geographical information	Non-current assets		Revenue from operations	
	As at	As at	for the year ended	for the year ended
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
India	1,105.20	1,235.88	6,316.52	6,141.18
Outside India (Dubai)	-	-	900.00	300.00
	1,105.20	1,235.88	7,216.52	6,441.18

Note:

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

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

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Customer A	-	-
Customer B	-	-
Customer C	-	-
Total	-	-

Note:

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

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40 Disaggregation of revenue

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	India	Outside India	India	Outside India
Sale of residential units	6,375.11	-	3,996.22	-
Development management fees	800.00	-	2,393.58	-
Sales Commission on sale of plots/residential units	41.41	-	51.37	-
Maintenance charges	-	-	-	-
Total	7,216.52	-	6,441.18	-

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

(Signatures to notes 1-2 & 29 to 41)

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

As per our report attached


 Vikas Gupta, FCA
 Membership No.200924
 Partner

VSPV & Co.
 Chartered Accountants

VSPV & Co.

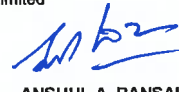
Chartered Accountants
 Firm.No. 005483N
 Place: Bangalore
 Date : 12.05.2023
 UDIN: 23200924BGTDQO4140

For and behalf of the Board of Directors of

Zuari Infraworld India Limited


ALOK BANERJEE
 Director & CEO
 DIN: 01371033


ATHAR SHAHAB
 Director
 DIN: 01824891


ANSHUL A. BANSAL
 Chief Financial Officer

