ZUARI INFRAWORLD INDIA LIMITED

STANDALONE BALANCE SHEET

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

	Note No.	As at December 31, 2019	As at March 31, 2019
ASSETS			
Non-current assets			
(a.) Property, plant and equipment	3.1	88.20	135.42
(b.) Other intangible assets	3.2	1.72	1.36
(c.) Right of use assets	3.3	371.01	-
(d.) Financial assets:			
(i.) Investments	4.1	11,856.47	11,419.48
(ii.) Loans	5.1	5,103.40	2,917.56
(iii.) Other financial assets	6.1	32.44	31.16
(e.) Income tax assets (net)		98.44	51.38
(f.) Other non current assets	7.1	834.37	1,077.44
		18,386	**15,633.80**
Current assets			
(a.) Inventories	8	28,832.94	26,506.29
(b.) Financial assets			
(i.) Trade receivables	9	548.69	618.52
(ii.) Cash & Cash equivalents	10	37.54	185.50
(iii.) Other bank balances	10.1	500.00	500.00
(iv.) Loans	5.2	10.85	9.44
(v.) Other financial assets	6.2	505.49	428.01
(c.) Other current assets	7.2	3,635.26	3,428.05
		34,070.77	**31,675.81**
		52,456.82	**47,309.61**
EQUITY AND LIABILITIES			
Equity			
(a.) Equity share capital	11	4,655.00	4,655.00
(b.) Other equity	12	10,263.57	10,238.35
		14,918.57	**14,893.35**
Liabilities			
Non-current liabilities			
(a.) Financial liabilities			
(i.) Borrowings	13.1	20,402.47	18,937.23
(ii.) Trade payables	14.1		
- dues to micro and small enterprises		-	-
- dues to other creditors		60.50	39.01
(iii.) Other financial liabilities	15.1	615.64	24.92
(b.) Provisions	16.1	72.00	53.72
(c.) Deferred tax liability (net)	17	220.60	220.60
		21,371.21	**19,275.48**
Current liabilities			
(a.) Financial liabilities			
(i.) Borrowings	13.2	731.73	1,058.11
(ii.) Trade payables	14.2		
- dues to micro and small enterprises		0.80	4.56
- dues to other creditors		1,780.78	1,117.77
(iii.) Other financial liabilities	15.2	3,619.07	2,437.06
(b.) Other current liabilities	18	10,034.65	8,517.83
(c.) Provisions	16.2	-	5.44
		16,167.03	**13,140.77**
		52,456.82	**47,309.61**

ZUARI INFRAWORLD INDIA LIMITED

STANDALONE PROFIT AND LOSS STATEMENT

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

Particulars	Note No.	For the period ended December 31, 2019	For the year ended March 31, 2019
REVENUE:			
Revenue from operations	19	789.60	2,185.30
Other income	20	876.90	1,144.54
Total Income		**1,666.50**	**3,329.84**
EXPENSES:			
Purchase of materials, sub contract charges and other project	21	2,767.97	2,443.19
Changes in Construction Work-in-progress	22	(2,326.66)	(1,150.67)
Employee benefit expenses	23	230.80	274.25
Other expenses	24	377.50	596.91
Total expenses		**1,049.61**	**2,163.67**
Profit Before Interest, Tax and Depreciation & Amortisation		**616.89**	**1,166.17**
Finance costs	25	519.99	959.17
Depreciation and amortization expense	26	71.68	19.93
Profit before tax expenses		**25.22**	**187.08**
Tax expenses:	27		
Current tax expense		-	4.00
Tax Expense of earlier years		-	2.60
Deferred tax charge/(credit)		-	139.41
Tax Expenses for the year (net)		**-**	**146.00**
Profit/(Loss) for the year before other comprehensive income		**25.22**	**41.07**
Other comprehensive income / (Loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans (Gratuity)		-	5.40
Deferred tax on above defined benefit plans		-	(1.40)
Total Other Comprehensive Income/(Loss)		**-**	**4.00**
Total Comprehensive Income/(Loss)		**25.22**	**45.07**

1. Corporate information:

Zuari Infraworld India Limited (“the Company” or “ZIIL”) is a wholly owned subsidiary of Zuari Global Limited ("ZGL") The company is a public limited company 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.

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 requirement 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 as one year for the purpose of Current - Non-current classification of assets and liabilities, which is considered appropriate.

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

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

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

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

Significant accounting judgements, estimates and assumptions :

(i) Useful life of Property, plant & equipment:
The determination of estimated useful lives and expected residual values are based on the technical evaluation carried by the Company and these are reviewed by the Management of the Company at each reporting date.

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

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

(iv) Contingencies:
Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

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

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

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

(vii.) Fair value measurement of financial instruments
When the fair values of financial assets and financial liabilities recorded in the 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.

(c.)

(i) Property, plant and equipment

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

Recognition:
The cost of an item of property, plant and equipment is recognised as an asset if, and only if:
(i.) it is probable that future economic benefits associated with the item will flow to the Company; and
(ii.) the cost of the item can be measured reliably.

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

(ii) Depreciation

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

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

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

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

(d.)

(i) Intangible Assets

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

Recognition:
The cost of an item of intangible asset is recognised as an asset if, and only if:
(i.) it is probable that future economic benefits associated with the item will flow to the Company; and
(ii.) the cost of the item can be measured reliably.

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

(ii) Amortisation

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

Intangible assets representing computer software is amortised using the straight line method over a period of 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., 1st April, 2015.

(e.) Leases (other than land leases)
Operating Leases as a lessee:
Operating Lease payments are recognised as an expense in the Profit and Loss Statement on a straight line basis with reference to lease terms and other considerations except where:-
(i) Another systematic basis is more representative of the time pattern of the benefit derived from the asset taken or given on lease.;
(ii) The payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases

(f.) Impairment

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

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

(g.) Borrowing Costs

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

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

Borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and do not qualify for capitalisation. However, the 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 it’s functional currency.

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

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

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

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

(i.) Inventories

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

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

(j.) Provisions, Contingent Liabilities and Capital Commitments

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

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

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

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

(k.) Revenue Recognition

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

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

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

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

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

Identify the Contract with Customer

The Company evaluates whether a valid contract is satisfying all the following conditions:
· All parties have approved the agreement (may be oral or written)
· All parties are committed to approve their obligations.
· Each party’s rights are identifiable.
· The contract has commercial substance.
· Collectability is probable.

Identifying the performance obligations

The Company evaluates the separability of the promised goods or services based on whether they are ‘distinct’. A promised good or service is ‘distinct’ if both:
· the customer benefits from the item either on its own or together with other readily available resources, and
· it is ‘separately identifiable’ (i.e. the Company does not provide a significant service integrating, modifying or customizing it)

Determining the transaction price

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

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

Allocating the transaction price to the performance obligations

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

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

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

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

The main revenue streams for Zuari Infraworld India Limited relate are as under:
- Residential cum commercial properties (constructed properties)
- Development Management Services.
- Sales Commission.

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

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

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

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

(ii) Income from sale of services

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

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

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

(iv) Other income

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

(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.

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.

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

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

(i) Financial assets at amortised cost

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

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

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

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

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

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

(i) Equity, reserves and dividend payments

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

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

Retained earnings are adjusted for the following:
- Re-measurement of net defined benefit liability-comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets

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

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

(ii) Cash and cash equivalents

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

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

(r.) Investments

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

(s.) Inventories

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

(t.) Recent Accounting pronouncements

(i.) New Accounting Standards not yet adopted:

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

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

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

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

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

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

(ii.) New standards adopted by the Company

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

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

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

3.1 Property, plant and equipment (Tangible Assets)

	Plant and Equipment	Office Equipment	Leasehold Improvements	Computers	Furniture and Fixtures	Temporary Structures	Vehicles	Total
Deemed Cost								
As at April 1, 2017	**6.77**	**40.92**	**129.21**	**15.98**	**45.22**	**0.85**	**0.65**	**239.59**
Additions	-	4.58	3.65	-	1.29	-	-	9.52
Disposal	-	-	-	-	-	-	-	-
As at March 31, 2018/ April 01, 2018	**6.77**	**45.49**	**132.86**	**15.98**	**46.51**	**0.85**	**0.65**	**249.11**
Additions	-	1.92	-	0.49	-	-	-	2.41
Disposal	-	-	(39.51)	-	-	-	-	(39.51)
As at December 31, 2019	**6.77**	**47.42**	**93.35**	**16.47**	**46.51**	**0.85**	**0.65**	**212.01**
Accumulated depreciation								
As at April 1, 2017	**3.58**	**24.52**	**31.73**	**9.13**	**15.70**	**0.00**	**0.05**	**84.70**
Charge for the year	1.02	6.26	13.97	2.33	5.34	-	0.08	28.99
Disposals/adjustments	-	-	-	-	-	-	-	-
As at March 31, 2018/ April 01, 2018	**4.59**	**30.78**	**45.70**	**11.46**	**21.04**	**0.00**	**0.12**	**113.69**
Charge for the year	0.73	5.20	7.03	1.24	4.46	-	0.06	18.72
Disposals/adjustments	-	-	(8.40)	-	-	-	-	(8.40)
As at December 31, 2019	**5.32**	**35.98**	**44.33**	**12.70**	**25.50**	**0.00**	**0.18**	**124.01**
Carrying amount (net)								
As at April 1, 2017	**3.19**	**16.40**	**97.47**	**6.85**	**29.52**	**0.85**	**0.60**	**154.89**
Additions	-	4.58	3.65	-	1.29	-	-	9.52
Disposal	-	-	-	-	-	-	-	-
Depreciation	(1.02)	(6.26)	(13.97)	(2.33)	(5.34)	-	(0.08)	(28.99)
As at March 31, 2018/ April 01, 2018	**2.18**	**14.72**	**87.16**	**4.52**	**25.47**	**0.85**	**0.52**	**135.42**
Additions	-	1.92	-	0.49	-		-	2.41
Disposal	-	-	(31.11)	-	-		-	(31.11)
Depreciation	(0.73)	(5.20)	(7.03)	(1.24)	(4.46)	-	(0.06)	(18.72)
As at December 31, 2019	**1.45**	**11.44**	**49.02**	**3.77**	**21.00**	**0.85**	**0.46**	**88.01**

ZUARI INFRAWORLD INDIA LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2019

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

3.2 : Other Intangible Assets

Intangible Assets	Computer Software	Total
Deemed Cost		
As at April 1, 2017	**22.06**	**22.06**
Additions	-	-
Disposal	-	-
As at March 31, 2018/ April 01, 2018	**22.06**	**22.06**
Additions	-	-
Disposal	-	-
As at December 31, 2019	**22.06**	**22.06**
Accumulated depreciation		**-**
As at April 1, 2017	**20.26**	**20.26**
Charge for the year	0.43	0.43
Disposals/adjustments	-	-
As at March 31, 2018/ April 01, 2018	**20.69**	**20.69**
Charge for the year	0.30	0.30
Disposals/adjustments	-	-
As at December 31, 2019	**20.99**	**20.99**
Carrying amount (net)		-
As at March 31, 2018/ April 01, 2018	**1.36**	**1.36**
As at December 31, 2019	**1.07**	**1.07**

3.3 : Right of use assets

Particulars	Right of use	Total
Deemed Cost		
As at April 1, 2017	**-**	**-**
Additions	-	-
Disposal	-	-
As at March 31, 2018/ April 01, 2018	**-**	**-**
Additions	424.01	424.01
Disposal	-	-
As at Septermber 30, 2019	**424.01**	**424.01**
Accumulated depreciation		**-**
As at April 1, 2017	**-**	**-**
Charge for the year	-	-
Disposals/adjustments	-	-
As at March 31, 2018/ April 01, 2018	**-**	**-**
Charge for the year	53.00	53.00
Disposals/adjustments	-	-
As at Septermber 30, 2019	**53.00**	**53.00**
Carrying amount (net)		-
As at March 31, 2018/ April 01, 2018	**-**	**-**
As at Septermber 30, 2019	**371.01**	**371.01**

4. Investments		**As at December 31, 2019**	**As at March 31, 2019**
4.1. Non-current			
(i)	**Investments in equity instruments carried at cost**		
	Unquoted equity Instruments		
	Investment in Subsidiaries		
	Zuari Infra Middle East Limited - wholly owned subsidiary [10,000 (2018:10,000) Equity Shares of AED 1 each (1 AED = Rs.16.64)]	1.66	1.66
	Investment in Associates		
	Brajbhumi Nirmaan Private Limited [10,00,000 (2018:10,00,000) Equity Shares of Rs 10 each, issued at a premium of Rs 179.40/-]	1,894.00	1,894.00
	Darshan Nirman Private Limited [2,500 (2018: 2,500) Equity Shares of Rs 10 each]	0.25	0.25
	Pranati Niketan Private Limited [2,500 (2018:2,500) Equity Shares of Rs 10 each]	0.25	0.25
		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 4.4. below) [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)	672.00	696.25
		672.00	**696.25**
(iii)	**Investments in mutual funds (Quoted)**		
	Investments at fair value through Profit or Loss:		
MF	(a.) ICICI Prudential Fixed Maturity plan Series (77-1473 Days Plan C) [5,000,000 units at Rs 10 per unit, Date of Maturity 25 May, 2019]	-	686.65
	(b.) ICICI Prudential Fixed Maturity plan Series (78-1130 Days Plan T) [10,000,000 units at Rs 10 per unit, Date of Maturity 25 April, 2019]	-	1,264.47
	(c.) ICICI Prudential Fixed Maturity plan Series (78-1156 Days Plan T) [5,000,000 units at Rs 10 per unit, Date of Maturity 29 May, 2019]	-	628.33
	(d.) SBI Debt Fund Series B-36 (1131 Days) [8,500,000 units at Rs 10 per unit, Date of Maturity 06 May, 2019]	-	1,067.19
	(e.) SBI Debt Fund Series C-1 (1100 Days) [15,000,000 units at Rs 10 per unit, Date of Maturity 26 June, 2020]	1,646.75	1,685.04
	(f.) ICICI Prudential Corpatate Bond Fund [13,081,249 units at Rs 20 per unit]	2,758.69	-
	(g.) SBI LD546G SDFC C-23 (1100 Days) Direct Growth [2,00,00,000 units at Rs 10 per unit, Date of Maturity 03 September, 2021]	2,276.38	2,123.28
	(h.) SBI Liquid Mutual Fund-Magnum [6.06 units at Rs.3,845/- per unit]	0.27	0.25
	(i.) SBI Debt Fund C-16 Series 1100 Days [12,670,900 units at Rs.10 per unit, Date of Maturity 01 June, 2021]	1,469.63	1,371.85
	(j.) SBI short term debt fund [1,73,57,242.175 units at Rs.10 per unit]	1,136.59	-
		9,288.31	**8,827.06**
	MF		
		11,856	**11,419.48**

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

Investment Class	**Method of Valuation**	**As at December 31, 2019**	**As at March 31, 2019**
Unquoted equity Instruments	Carried at cost (deemed cost)	1,896.16	1,896.16
Unquoted preference Instruments	Discounted cash flows method* (fair value)	672.00	696.25
Mutual funds	Market observable inputs (fair value)	9,288.31	8,827.06
		11,856.47	**11,419.48**

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

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

5. Loans	**As at December 31, 2019**	**As at March 31, 2019**
Unsecured, Considered Good		
5.1. Non - Current		
Loan to related party (carried at amortised cost) (Refer Note 5.3 below)	5,103.40	2,917.56
	5,103.40	**2,917.56**
5.2. Current		
Advance to Employees	10.85	9.44
	10.85	**9.44**
	5,114.25	**2,927.01**

5.3. Unsecured Loan to Zuari Infraworld Middle East Limited, Dubai, a wholly owned subsidiary is to meet working capital requirements of that company and carries interest rate of 14% per annum. These loans along with interest are repayable in equivalent Indian Currency with three year moratorium for payment of interest and principal from the date of disbursement. For detailed schedule of repayment terms refer table below:

6. Other financial assets	**As at December 31, 2019**	**As at March 31, 2019**
Unsecured, Considered Good		
6.1. Non-current		
Security deposits (carried at amortised cost)	30.44	28.76
Security deposits (carried at cost)*	2.00	2.40
	32.44	**31.16**
6.2. Current		
Security deposits - Current (Carried at cost)*	37.10	26.04
Interest accrued and due - Others (refer note 7.7. below)*	33.72	33.72
Interest Accrued but not due	35.67	5.09
Expenses Recoverable (refer note 6.5. below)	192.99	189.23
Net Investment (sub-lease)	204.94	
Unbilled Revenue - Service Contracts	1.08	173.93
Unbilled Revenue - Project Contracts	-	-
	505.49	**428.01**

** Balances are subject to confirmation.*

6.4	**Includes service income accrued and not billed to related parties;**		
	Zuari Infra Middle East Limited, UAE - Commission towards financial guarantee		-
	Zuari Global Limited, India - Sales and Development Management Commission		57.05
		-	**57.05**
6.5	**Includes expenses recoverable from related parties;**		
	Brajbhumi Nirmaan Private Limited, India		157.33
	Zuari Infra Middle East Limited, UAE		31.91
		-	**189.23**

7. Other Assets	**As at December 31, 2019**	**As at March 31, 2019**
Unsecured, Considered Good		
7.1. Non-Current		
Advances recoverable in cash or kind (refer note 7.3 & 7.4 below)	791.75	846.63
Capital Advance (towards acquisition of software license)	10.60	10.60
Goods and Service Tax Refund (refer note 7.6. below)	-	188.19
Karnataka VAT - refund receivable	32.01	32.01
Service tax - refund receivable	10.35	10.35
Less: Provision towards service tax refund	(10.35)	(10.35)
Prepaid lease (Security deposit paid)	-	-
	834.37	**1,077.44**
7.2. Current		
Advance to vendors (refer note 7.7. below)	2,672.79	2,576.84
Goods and Service Tax Input Credit (Refer Note 7.5. below)	681.12	463.27
Prepaid expenses (refer note 7.8. below)	280.86	286.70
Other receivable (Refer Note 7.9. below)	-	99.30
Prepaid lease-current (security deposit paid)	0.49	1.94
	3,635.26	**3,428.05**

7.9. Represents amount recoverable from Indian Furniture Product Limited, a subsidiary of the holding company as per the unconditional undertaking given by the said company in respect of sale of residential unit to one of the customer.

8. Inventories (valued at lower of cost or net realizable value)	**As at December 31, 2019**	**As at March 31, 2019**
WIP		
Completed units (Refer Note 8.1. below)	3,951.53	4,392.84
Construction Work-In-Progress (includes cost of Land , Borrowing Cost and Project Construction and Development Cost) (Refer Note 8.2. below)	24,881.42 -	22,113.44
	28,832.94	**26,506.29**

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

8.1. Represents residential units in respect of which company has entered into agreement for sale with the respective customers, amounts received against these agreements by the company has been reported as advance from customers in Note No. 18. Pending receipt of balance consideration and execution of absolute sale deed effecting the transfer of legal title, the same is reported as

8.2. Includes Rs. 2,630.63 lakhs (2018: Rs. 2,396.32 lakhs) being cost incurred towards project in Goa managed by M/s. Zuari Global Limited which is pending formalising the terms and conditions. These balances are subject to confirmation from that party however, the Management of the company expects these costs to be recovered in full.

8.3. The Management has reviewed the carrying value of its construction work-in-progress by assessing the net realisable value of the project which is determined by forecasting sales rates, expected sale prices and estimated costs to complete (including escalations and cost overrun). This review by the management did not result any loss and thus no adjustments/ provisions to the carrying value of project work-in-progress was required and external valuation was not considered necessary by the Management.

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

9. Trade receivables	**As at December 31, 2019**	**As at March 31, 2019**
Unsecured, Considered Good		
Current		
Trade receivables - Related Parties (refer note 9.1. below)	528.31	594.35
Trade receivables - from sale of completed units (refer note 9.5. below)	-	-
Trade receivables - others	20.38	24.17
Total Trade Receivables	**548.69**	**618.52**

10. Cash and cash equivalents	**As at December 31, 2019**	**As at March 31, 2019**
Balances held in banks in current account*	37.54	185.50
	37.54	**185.50**

***** As per the statement of account obtained from bank.

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

This space has been intentionally left blank

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

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

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 December 31, 2019 Nos.**	**Amount (Rs.)**	**As at March 31, Nos.**	**Amount (Rs.)**
At the beginning of the year	46,550,000	4,655.00	46,550,000	4,655.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	**46,550,000**	**4,655.00**	**46,550,000**	**4,655.00**

11.3 Details of shareholders holding more than 5% shares in the Company as at June 30, 2018

Name of the Shareholder	**As at September 30, 2019 No's.**	**% holding**	**As at March 31, 2019 No's.**	**% holding**
Zuari Global Limited, the Holding Company (Including 10,000 equity shares jointly held)	46,550,000	100%	46,550,000	100.00%

12. Other equity		**As at December 31, 2019**	**As at March 31, 2019**
12.1	**Deemed equity on fair-value adjustment to Non-convertible cumulative redeemable preference Shares:**		
	At the beginning of the year	415.96	415.96
	Equity component of redeemable Preference Shares issued during the year		-
	Income tax effect on the interest portion on Preference shares		-
		416	**415.96**
	Also refer note 13.10. below for detailed disclosure on preference shares.		
12.2	**Security Premium Account:**		
	As at the beginning of the year	10,305.00	10,305.00
	Add: Security premium received during the year		-
	As at the end of the year	**10,305.00**	**10,305.00**
	Premium on issue of cumulative compulsarily redeemable preference shares.		
12.3	**Balance in profit & Loss Statement**		
	As at the beginning of the year.	(482.61)	(135.36)
	Adjustment pursuant to adoption of Ind AS 115	-	(514.53)
	Income tax effect on above	-	133.78
	Add: Profit for the year	-	29.52
	Add: Re-measurement gains/(loss) on defined benefit plans, not reclassified to profit	-	4.00
	Net deficits in the profit and loss statement	**(482.61)**	**(482.61)**
		10,238.35	**10,238.35**

13. Borrowings	**As at December 31, 2019**	**As at March 31, 2019**

13.1 Long-term borrowings:

(a.) Secured Loans

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

	Yes Bank Ltd (refer 13.4. below)	1,010.19	1,010.19
	Term Loans from others:		
	LIC Housing Finance Limited (refer 13.5. below)	16,419.59	15,425.84
		17,429.78	**16,436.03**
	(b.) Unsecured Loans		
	Inter-Corporate Deposits from related parties (refer note 13.6. below)		
	Zuari Global Limited (carried at Amortised cost)	3,500.37	2,309.99
	Adventz Finance Private Limited (carried at Amortised cost)	1,946.74	1,572.69
	Less: Current maturities of long term borrowings (refer note 15.2. below)	(3,500.37)	(2,309.99)
		1,947	**1,572.69**
	Liability component of compound financial instrument		
	Non-Convertible Cumulative Redeemable Preference Shares (Also, refer note 13.10. below)	1,025.95	928.51
		20,402	**18,937.23**
13.2	**Short -term borrowings:**		
	(a.) Secured Loans		
	Term Loans from banks:		
	ICICI Bank Limited (refer 13.7. below)	-	-
	HDFC Bank LTD	-	
	(a.) Unsecured loans		
	Inter-Corporate Deposits from (refer note 13.9. below)		
	Sanghi Steel Udyog Private Limited (carried at Amortised cost)	-	-
	Anchor Investment Private Limited (carried at Amortised cost)	-	309.65
	Meenakshi Tea Co Limited (carried at Amortised cost)	-	206.44
	Sree Ram plywood Manufacturing Co Pvt Ltd (carried at Amortised cost)	150.49	
	Texmaco Infrastructure & Holdings Limited (carried at Amortised cost)	581.24	542.02
		732	**1,058.11**
		732	**1,058.11**

14. Trade payables			**As at December 31, 2019**	**As at March 31, 2019**
14.1	**Non-Current**			
	Retention Money - non current (carried at cost) *		60.50	39.01
	Due to others - non current (carried at cost)*	refer note 14.4. below		-
		-	**61**	**39.01**
14.2	**Current**			
	Retention Money - current (carried at cost)*	refer note 14.4. below	183.79	234.59
	Dues to related parties (carried at cost)	refer note 14.3. below	34.60	39.42
	Dues to others (carried at cost)*	refer note 14.4. below	1,562.40	843.76
	Dues to micro & small enterprises(carried at cost)*	refer note 14.5. below	0.80	4.56
		-	**1,781.58**	**1,122.33**

15. Other Financial Liabilities		**As at December 31, 2019**	**As at March 31, 2019**
15.1	**Non-Current**		
	Other financial liabilities (carried at amortised cost)		
	Rent Deposit	14.29	12.93
	Lease Liability	601.35	
	Deferred Rental on security deposits (fair value adjustment) - Non-current	-	11.99
		616	**24.92**
15.2	**Current**		

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

Other financial liabilities (carried at cost)		
Current maturity of long term loans (refer note 13)	3,500.37	2,309.99
Other Deposits	14.96	14.96
Due to employees	103.29	97.14
Due to related parties (refer note 15.3 below)	-	11.67
Due to others	0.44	0.91
Others:	-	
Deferred Rental on security deposits (fair value adjustment)-Current	-	2.37
	3,619	**2,437.06**
	-	**11.67**

16. Provisions		As at December 31, 2019	As at March 31, 2019
16.1	**Non-Current**		
	Provision for gratuity obligation	53.74	38.59
	Provision for compensated absences	18.26	15.14
		72	**53.72**
16.2	**Current**		
	Provision for gratuity obligation	-	2.91
	Provision for compensated absences	-	2.53
		-	**5.44**

Also, refer note 35 for detailed disclosures on employee benefit plans.

17. Deferred tax (Asset)/liability (net)		As at December 31, 2019	As at March 31, 2019
17.1	**Tax effect of items constituting deferred tax liabilities**		
	Fair valuation of investment in mutual funds	314.58	314.58
	Interest on preference shares	56.29	56.29
	Investment in preference shares	51.03	51.03
	Unwinding of security deposit received	0.53	0.53
	Timing differences on benefit obligations through OCI	1.40	1.40
		424	**423.83**
17.2	**Tax effect of items constituting deferred tax assets**		
	Unwinding of security deposit paid	0.08	0.08
	Difference between accounting base and tax base of tangible & Intangible assets	18.23	18.23
	Timing differences on benefit obligations	15.38	15.38
	Tax effect on adjustment pursuant to adoption of IND AS 115, Net	116.68	116.68
	Others	2.69	2.69
	MAT Entitlement	50.17	50.17
		203.23	**203.23**
	Unused Tax Losses	268.92	268.92
	Less: Not considered for deferred tax purposes	(268.92)	(268.92)
		-	**-**
		220.60	**220.60**

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

18. Other current liabilities	**As at December 31, 2019**	**As at March 31, 2019**
Statutory dues	39.83	89.71
Advances from Customers	9,994.82	7,835.10
Others (refer note 18.1 below)	-	593.02
	10,035	**8,517.83**

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

ZUARI INFRAWORLD INDIA LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENI
(Amount in Rupees, except otherwise stated)

19. Revenue from operations	**For the period ended December 31, 2019**	**For the year ended March 31, 2019**
Sale of residential units	485.76	1,346.57
Development management fees	270.61	632.51
Sales Commission on sale of plots/residential units	31.00	177.37
Other Operating revenue	2.23	28.85
	789.60	**2,185.30**

20. Other income	**For the period ended December 31, 2019**	
Interest Income on ;		
Deposits with Bank	31.61	5.72
Inter-Corporate Deposits to subsidiary	370.83	230.85
Income tax refund	-	18.76
Rent from sub-lease *	-0.00	2.97
Dividend from Mutual funds	-	-
Gains from redemption of Mutual Fund	27.97	181.44
Gain on fair value adjustments to financial assets through Profit and loss		
- Preference Shares	-	42.10
- Mutual Funds	433.28	596.56
Adjustment on amortisation of security deposit	1.68	2.07
Unwinding of financial liability, security deposit from sub lea:	-	1.25
Finance Guarantee Commission	11.36	62.37
Balances no longer required	-	0.45
Miscellaneous income	0.17	-
	876.90	**1,144.54**

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

21. Project construction and development expenses	**For the period ended December 31, 2019**	**For the year ended March 31, 2019**
Architect Fees	8.65	9.61
Consultancy Fee	-	-
Depreciation on assets - Projects	0.33	4.82
Project Approval cost	-45.61	-
Land Development	-	-
Civil Work	939.41	144.26
Landscape Expenses	-	-
Site Office Expenses	-	0.02
Site Security Expenses	-	-
Project Staff Costs	0.52	0.91
Contribution to Provident & Other funds	-	-
Property Tax	-	7.56
Infrastructure Expenses	2.69	16.10
Sub Total	**906**	**183.27**
Add: Borrowing cost incurred during the year	1,599.22	1,893.36
Add: Employee benefit expenses transferred to constructior	218.20	262.41
Add: Other expenses transferred to construction work in prc	44.56	104.15
Less: Balance no longer required written back	-	-
	2,768	**2,443.19**

ZUARI INFRAWORLD INDIA LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENI

(Amount in Rupees, except otherwise stated)

22. Changes in inventories	**For the period ended December 31, 2019**	**For the year ended March 31, 2019**
(a.) Completed units of stock		
Completed units at the beginning of the year pursuant to	4,392.84	5,639.61
Completed units at the end of the year	3,951.53	4,392.84
Changes in completed units during the year	**441.32**	**1,246.77**
(b.) Construction Work-in- progress		
Construction work-in-progress at the beginning of the ye	22,113.44	17,408.05
Add: adjustment pursuant to adoption of Ind AS 115	-	2,307.95
Adjusted Inventory at the beginning of the year	**22,113.44**	**19,716.00**
Add: Construction cost incurred during the year	2,767.97	2,443.19
Less: Charged to profit and loss during the year	-	(45.75)
Construction work-in-progress at the end of the year	**24,881.42**	**22,113.44**
Changes in construction work in progress	**(2,768)**	**(2,397)**
Total (Increase) / Decrease (a+b)	**(2,326.66)**	**(1,150.67)**

23. Employee benefit expenses	**For the period ended December 31, 2019**	**For the year ended March 31, 2019**
Salaries and wages	411.96	486.64
Contribution to provident and other funds	19.46	23.80
Gratuity	12.24	13.91
Compensated absences	0.59	8.58
Staff welfare expenses	4.74	3.72
	448.99	**536.66**
Less: Employee benefit expenses transferred to constructio	(218.20)	(262.41)
	230.80	**274.25**

24. Other expenses	**For the period ended December 31, 2019**	**For the year ended March 31, 2019**
Rent	9.17	100.12
Travel and conveyance	13.37	15.08
Legal and professional fees	26.39	52.30
Communication and internet charges	4.95	12.84
Office Expenses	61.48	67.64
Repairs and maintenance	10.04	6.60
Auditors remuneration	7.35	6.25
Recruitment expenses	-	5.37
Advertising and publicity expense	61.30	83.02
Rates and taxes	3.58	12.34
Commission & Brokerage	23.40	214.49
Maintenance and Security Expenses	147.53	97.32
Loss on Sublease	10.35	-
Miscellaneous expenses	18.91	27.68
Provision for service tax refund receivable	-	-
Loss/(Gain) on fair value adjustments to financial assets through Profit and loss		
- Preference Shares	24.25	-
Loss on disposal of Asset	-	-

(Amount in Rupees, except otherwise stated)

	422.06	**701.06**
Less: Other expenses transferred to construction work in pr	(44.56)	(104.15)
	377.50	**596.91**

25. Finance costs	**For the period ended December 31, 2019**	**For the year ended March 31, 2019**
Interest expense:		
Interest on borrowings	1,977.73	2,738.33
Interest on MSME	0.22	0.28
Fair value adjustment pursuant to Ind AS:		
Fair value adjustment initial recognition of inter corporate loa	-	-
Fair value adjustment on initial recognition of borrowings	-	-
Interest on lease liability	43.82	-
Interest on security deposits	-	0.16
Interest on non-convertible cumulative redeemable preferen	97.44	113.75
	2,119.20	2,852.52
Less: Borrowing cost transferred to construction work in pro	(1,599.22)	(1,893.36)
	519.99	**959.17**

25.1. Capitalisation of the Borrowing cost is not required to be suspended when substantial technical and administrative work is carried out or when there is a temporary delay which is a necessary part of the process of getting an asset ready for sale. The Management is of the view that the slow progress of various real estate projects are temporary in nature considering the nature of industry and the economic conditions prevailing across the industry. Accordingly, capitalisation (transfer to inventory) of

26. Depreciation and amortization expenses	**For the period ended December 31, 2019**	**For the year ended March 31, 2019**
Depreciation of tangible assets	72.01	28.99
Amortisation of intangible assets	-	0.43
Less: Depreciation on leasehold improvements attributable	-	(4.68)
Less: Depreciation & amortisation transferred to	(0.33)	(4.82)
	71.68	**19.93**

27. Income Tax	**For the period ended December 31, 2019**	
Income tax expense		4.00
Income tax of earlier year		2.60
Deferred tax charge/(credit)	-	139.41
Total	**-**	**146.00**

27.1 Income tax expense for the year reconciled to the a	**For the period ended December 31, 2019**	**For the year ended March 31, 2019**
Profit before tax		187.08
Income tax expense calculated at 26% (2018 : 26%)		48.64
Adjustments for:		
Gain on fair value adjustments to preference shares		(17.25)
Expenses not considered for tax purposes.		-
Gain on fair value adjustments to Mutual funds taxable at differential rate		(259.23)
Interest portion fair value adjustment to preference shares issued		80.00

(Amount in Rupees, except otherwise stated)

Other adjustments		(34.69)
Tax effect on unused tax losses not recognised		49.40
Tax expenses of earlier year debited to profit and loss		2.60
Minimum Alternate Tax (MAT) of earlier year debited to profit and loss		54.17
	-	**(76.36)**

27.2 The tax effects of timing differences that resulted in changes in deferred tax are as follows:	**For the period ended December 31, 2019**	**For the year ended March 31, 2019**
Fair valuation of investment in mutual funds		(197.25)
Unwinding of security deposit paid		0.06
Interest accrued on preference shares issued (Adjustment pursuant to Ind-AS)		50.66
Difference between accounting base and tax base of tangible & Intangible assets		(10.61)
Unwinding of security deposit received		-
Temporary differences on benefit obligations		(3.34)
Fair valuation of investment in Preference shares		(6.31)
Gain on sale of flats recognised as per IND AS 115		(8.45)
Others temporary differences		-
MAT Credit of the current year		(4.00)
MAT Credit of the earlier year		54.17
	-	**(125.06)**

27.3. Deferred tax assets arising from the carry forward of unused tax losses not are recognised in these financial statements as there is no convincing evidence that sufficient taxable profit will be available in the future against which the unused tax losses can be utilised by the Company, which is

This space has been intentionally left blank