INDEPENDENT AUDITOR'S REPORT

To the Members of

M/s PARRY INFRASTRUCTURE COMPANY PRIVATE LIMITED

Report on the IND AS Financial Statements

Opinion

We have audited the accompanying IND AS financial statements of **M/S Parry Infrastructure Company Private Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the IND AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by Companies Act,2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies(Indian Accounting Standards) Rules 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2020, and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the IND AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the IND AS 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 (ICAI) together with the independence requirements that are relevant to our audit of the IND AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the **ICAI's** Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the IND AS financial statements.

Responsibility of Management for the IND AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these IND AS financial statements that give a true and fair view of the financial position, financial performance (changes in equity)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 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 IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the IND AS 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 IND AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the IND AS 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 IND AS financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination for those books.

   (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid IND AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014;

(e) On the basis of written representations received from the directors as on 31st March,2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020, from being appointed as director in terms of section 164(2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, are provided in Annexure -B.

(g) With respect to the other matters to be included in the Auditors 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;

1. The Company has disclosed the impact of pending litigation on its financial position in its IND AS financial statements- Refer Note no 23 to the IND AS financial statements.
2. No provision is required under the applicable law or accounting, for material foreseeable losses, if any, on long term contracts. The Company did not have any derivative contracts
3. The Company did not have any amount which was required to be transferred to the Investor Education and Protection Fund.

For **G BADRI NARAYANA & CO**
Chartered Accountants
Firm Registration No 010473S

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SHRAVAN

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GATTUPALLI SHRAVAN
Partner
M No: 226441
UDIN: 20226441AAAAFC7809

Place: Chennai

Date: June 05, 2020

G. BADRI NARAYANA & CO.
13, (Old # 6/2), Ground Floor, 2nd Street, Sait Colony, Egmore, Chennai - 8.
Ph : 044 4210 7583
Chartered Accountants

Annexure - A

To the Independent Auditor's Report on the INDAS Financial Statements of M/S Parry Infrastructure Company Private Limited

(Referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our Report of even date)

As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government in terms of section 143 (11) of the Companies Act, 2013 and on the basis of such checks of the books and records of the Company, as we considered appropriate and according to the information and explanations given to us during the course of the audit, we report that,

1. The Company does not carry any fixed assets in its books. Accordingly, reporting under Paragraph 3(i) (a), (b) and (c) of the order does not arise.

2. The Company is a service company, primarily rendering Construction services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

3. The Company has not granted loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

5. The Company has not accepted any deposits from the public.

6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

7. (a)According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, duty of excise, service tax and value added tax have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of the Dues	Amount in (lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax.	7.23	AY-2011-12	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income tax.	146.59 (Rs 50 Lakhs paid under protest)	AY-2013-14	Commissionerof Income Tax Appeal

8. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the IND AS financial statements as required by the applicable accounting standards.

14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **G BADRI NARAYANA & CO**
Chartered Accountants
Firm Registration No 010473S

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GATTUPALLI SHRAVAN
Partner
M No: 226441
UDIN: 20226441AAAAFC7809

Place: Chennai

Date: June 05, 2020

ANNEXURE "B" TO THE AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/S Parry Infrastructure Company Private Limited ("the Company") as of 31st March 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 ("the 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 Act.

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 Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, 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.

For **G BADRI NARAYANA & CO**
Chartered Accountants
Firm Registration No 010473S

G SHRAVAN

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GATTUPALLI SHRAVAN
Partner
M No: 226441
UDIN: 20226441AAAAFC7809

Place: Chennai

Date: June 05, 2020

PARRY INFRASTRUCTURE COMPANY PRIVATE LIMITED

BALANCE SHEET AS AT March 31, 2020

S.No	Particulars	Note No.	As at March 31, 2020 Rs.	As at March 31, 2019 Rs.
A.	**ASSETS**			
	Non-Current Assets			
	(a) Financial Assets			
	(i) Investments			
	a) Other Investments	2	2,95,28,891	7,15,30,571
	(ii) Lease Receivable	2A	8,02,70,342	-
	(iii) Other financial assets	3	8,54,795	1,59,65,783
	(b) Other Non Current Assets	4	-	9,24,65,856
	(c) Deferred Tax Asset	7	-	46,84,050
	Total non-current assets		**11,06,54,028**	**18,46,46,260**
	Current Assets			
	(a) Financial Assets			
	(i) Other investments	2	7,41,37,821	5,11,16,938
	(ii) Cash and Cash Equivalents	5	1,43,872	1,63,445
	(iii) Balances other than (ii) above	6	-	2,50,00,000
	(iv) Other financial assets	3	-	5,55,641
	(b) Current tax assets (Net)	14	81,28,529	72,95,411
	(c) Other Current Assets	4	2,45,09,508	1,93,44,366
	Total current assets		**10,69,19,729**	**10,34,75,801**
	TOTAL ASSETS		**21,75,73,757**	**28,81,22,061**
B.	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity Share Capital	8	5,00,00,000	5,00,00,000
	(b) Other Equity	9	8,38,82,029	12,77,38,994
	Total equity		**13,38,82,029**	**17,77,38,994**
	Liabilities			
	Non-Current Liabilities			
	(a) Financial Liabilities			
	i. Borrowings	10	-	1,51,10,987
	ii. Lease Liability	2A	8,02,70,342	-
	(b) Other non-current liabilities	13	-	9,24,65,856
	(c) Deferred tax liabilities	7	4,45,861	-
	Total non-current liabilities		**8,07,16,203**	**10,75,76,843**
	Current Liabilities			
	(a) Financial Liabilities			
	i. Trade Payables			
	total outstanding dues of micro and small enterprises			
	total outstanding dues other than above	11	2,782	-
	ii. Other financial Liabilities	12	19,20,957	18,55,556
	(b) Other Current Liabilities	13	10,51,786	9,50,667
	Total current liabilities		**29,75,525**	**28,06,223**
	Total Liabilities		**8,36,91,727**	**11,03,83,067**
	TOTAL EQUITY AND LIABILITIES		**21,75,73,757**	**28,81,22,061**

For G Badri Narayana & Co
Chartered Accountants
Firm Registration no: 010743S

For and on behalf of the Board of Directors

S Ramesh Kumar
Director

Biswa Mohan Rath
Director

Shravan Gattupalli
Partner
Membership no-226441
Chennai
Date: June 5, 2020

A Bala
Company Secretary

PARRY INFRASTRUCTURE COMPANY PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED March 31, 2020

S.No	Particulars	Note No.	Period ended March 31, 2020 Rs.	Year ended March 31, 2019 Rs.
I	Revenues from Operations	15	-	1,43,60,624
II	Other Income	16	1,65,69,685	64,82,082
III	**Total Income (I+II)**		**1,65,69,685**	**2,08,42,706**
IV	**Expenses:**			
	Finance costs	17	1,18,31,354	17,19,472
	Other expenses	18	11,84,796	1,50,95,904
	Total Expenses (IV)		**1,30,16,150**	**1,68,15,376**
V	**Profit before tax (III-IV)**		**35,53,536**	**40,27,330**
VI	**Tax Expense:**			
	(1) Current Tax		2,78,908	4,12,063
	(2) Deferred Tax		1,89,714	2,56,147
			4,68,622	**6,68,211**
XI	**Profit for the year (VII + X)**		**30,84,913**	**33,59,119**
	Other Comprehensive Income			
	A. i) Items that will not be reclassified to profit or loss			
	a) Equity instruments through other comprehensive income		(4,20,01,680)	(4,75,01,900)
			(4,20,01,680)	(4,75,01,900)
	ii) Income tax relating to items that will not be reclassfied to profit or loss		(49,40,198)	49,40,198
	B. i) Items that will be reclassified to profit or loss		-	-
XII	**Total other comprehensive income (A(i-ii)+B(i-ii))**		(4,69,41,878)	(4,25,61,702)
XIII	**Total Comprehensive Income (XI+XII)**		(4,38,56,965)	(3,92,02,583)
XIV	**Earnings Per Equity Share (Nominal value per share Re. 1)**	20		
	(a) Basic		0.62	0.67
	(b) Diluted		0.62	0.67

For G Badri Narayana & Co
Chartered Accountants
Firm Registration no: 010743S

Shravan Gattupalli
Partner
Membership no-226441
Chennai
Date: June 5, 2020

For and on behalf of the Board of Directors

S Ramesh Kumar
Director

Biswa Mohan Rath
Director

A Bala
Company Secretary

PARRY INFRASTRUCTURE COMPANY PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

A.CASH FLOW FROM OPERATING ACTIVITIES	2019-20		2018-19	
	Rs.	Rs.	Rs.	Rs.
Net profit/(loss) before taxation & extraordinary items		35,53,536		40,27,330
Adjustment for:-				
a. Dividend Income	(10,35,956)		(19,43,948)	
b. Interest income	(1,34,51,250)		(32,92,862)	
c. Net gain on arising on Financial Assets designated at FVTPL	(20,82,479)		(12,39,872)	
d. Finance cost	1,18,31,354		17,19,472	
		(47,38,331)		(47,57,210)
Operating Profit before working capital changes				
(Increase)/Decrease in Lease Receivables	94,94,000		-	
(Increase)/Decrease in Other current assets	(1,65,141)		(1,26,022)	
(Increase)/Decrease in Other non current assets	-		48,66,624	
(Increase)/Decrease in Other non current financial assets	-		(17,19,473)	
(Increase)/Decrease in Other current financial assets	-		(5,55,641)	
Increase / (Decrease) in Trade payable	2,782		(600)	
Increase / (Decrease) in Other current liabilities	1,01,118		(52,332)	
Increase / (Decrease) in Other non current liabilities	-		(48,66,624)	
Increase / (Decrease) in Other non current financial liabilities	-		17,19,472	
Increase / (Decrease) in Other current financial liabilities	65,401	94,98,160	72,174	(6,62,422)
Cash generated from Operation		83,13,364		(13,92,302)
Less: Taxes Paid		(61,12,026)		-
Net Cash used in Operating Activity		**22,01,338**		**(13,92,302)**
B.CASH FLOW FROM INVESTING ACTIVITY				
Dividend income received	10,35,956		19,43,948	
Interest income received	21,76,379		15,73,390	
Purchase / redemption of Mutual funds	(2,09,38,404)		2,30,13,459	
Investment in Fixed deposit	-		(2,50,00,000)	
Redemption of Fixed deposit	2,50,00,000			
Net Cash used in Investing Activity		**72,73,932**		**15,30,797**
C.CASH FLOW FROM FINANCING ACTIVITY				
Payment of lease rent	(94,94,000)		-	
Interest paid	(842)		-	
Net cash used in Financing Activity		**(94,94,842)**		**-**
Net increase in Cash & Cash Equivalent		**(19,572)**		**1,38,496**
Cash & Cash Equivalent as at beginning of the year		**1,63,445**		24,949
Cash & Cash Equivalent as at end of the year		**1,43,872**		**1,63,445**

Note to the cash flow statement

1. *Cash and Cash Equivalents*

Cash and cash equivalents consist of cash on hand and balances with banks.
Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts.

	2019-20	2018-19
	Rs	Rs
Balance with Bank	1,43,872	1,63,445
Cash and cash equivalents as stated	**1,43,872**	**1,63,445**

For G Badri Narayana & Co
Chartered Accountants
Firm Registration no: 010743S

Shravan Gattupalli
Partner
Membership no-226441
Chennai
Date: June 5, 2020

For PARRY INFRASTRUCTURE COMPANY PVT LTD

S Ramesh Kumar
Director

Biswa Mohan Rath
Director

A Balakrishnan
Company Secretary

PARRY INFRASTRUCTURE COMPANY PRIVATE LIMITED
Statement of Changes in Equity for the year ended 31 March 2020
(in Indian Rupees, unless otherwise stated)

b. Other equity

Particulars	Share Capital	Reserves and Surplus	Items of other comprehensive income	Total
		Retained earnings	Equity Instruments through Other compehensive Income	
Balance at March 31, 2018	5,00,00,000	9,79,61,597	6,89,79,980	21,69,41,577
2018-19				
Profit for the year		33,59,119		33,59,119
Other comprehensive income for the year, net of income tax			(4,25,61,702)	(4,25,61,702)
Balance at March 31, 2019	5,00,00,000	10,13,20,716	2,64,18,278	17,77,38,994
2019-20				
Profit for the year		30,84,913		30,84,913
Other comprehensive income for the year, net of income tax			(4,69,41,878)	(4,69,41,878)
Balance at March 31, 2020	5,00,00,000	10,44,05,629	(2,05,23,600)	13,38,82,029

The accompanying notes are an integral part of these financial statements

In terms of our report attached

For G Badri Narayana & Co
Chartered Accountants
Firm Registration no: 010743S

Shravan Gattupalli
Partner
Membership no-226441
Chennai
Date: June 5, 2020

For and on behalf of the Board of Directors

S Ramesh Kumar
Director

Biswa Mohan Rath
Director

A Balakrishnan
Company Secretary
Place: Chennai
Date: June 5, 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Application of new and revised Ind AS

As at the date of preparation of these Financial statements, all the Ind AS issued and ratified by the MCA have been applied.

Ind AS 116 was notified by Ministry of Corporate Affairs on 30 March 2019 and it is applicable for annual reporting periods beginning on or after 1 April 2019.

Ind AS 116 will affect primarily the accounting by lessees and will result in the recognition of almost all leases on balance sheet. The standard removes the current distinction between operating and finance leases and requires recognition of an asset (the right-of-use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases.

The statement of profit and loss will also be affected because the total expense is typically higher in the earlier years of a lease and lower in later years. Additionally, operating expense will be replaced with interest and depreciation, so key metrics like EBITDA will change.

Operating cash flows will be higher as repayments of the lease liability and related interest are classified within financing activities.

The accounting by lessors will not significantly change. Some differences may arise as a result of the new guidance on the definition of a lease. Under Ind AS 116, 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.

SIGNIFICANT ACCOUNTING POLICIES

1.1 Statement of Compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

1.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration at the time of transaction given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

• Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

• Level 3 inputs are unobservable inputs for the asset or liability.
The principal accounting policies are set out below.

1.3 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

i. Rendering of services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract. The stage of completion of the contract is determined based on the agreements/arrangements with the concerned parties and when services are rendered.

ii. Dividend and interest income

a). Dividend income from investments is recognised when the right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

b). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

1.4 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as Lessee

The Company's significant leasing arrangements are in respect of operating leases for Land that are cancelable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Company as Lessor

The Company's significant leasing arrangements are in respect of operating leases for Land that are cancellable in nature. The lease rentals under such agreements are recognised in the Statement of Profit and Loss as per the terms of the lease.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.6 Earnings per Share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

1.7 Taxation

Income tax expense represents the sum of the income tax currently payable and deferred tax.

a. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

c. Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.8 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1.9 Financial instruments

Financial assets and financial liabilities are recognised when a company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial 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 of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

1.10 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

a. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

• the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

• the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

• the debt instruments carried at amortised cost include Deposits and Debtors.

For the impairment policy on financial assets measured at amortized cost, refer Note 1.10.e.

All other financial assets are subsequently measured at fair value.

b. Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

c. Investments in equity instruments at FVTOCI

The Company has elected to carry investment in equity instruments as Fair value through other comprehensive income. On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

The Company has equity investments which are not held for trading. The Company has elected the FVTOCI irrevocable option for investments marked as FVTOCI (see note 2). Fair value is determined in the manner described in note 21.8.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

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

The Company carries Investments in Mutual Funds at FVTPL. Financial assets at FVTPL also includes assets held for trading.

A financial asset is held for trading if:
• it has been acquired principally for the purpose of selling it in the near term; or
• on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
• it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

e. Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables and other contractual rights to receive cash or other financial asset not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix customer-wise which takes into account historical credit loss experience and adjusted for forward-looking information.

f. Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

1.11 Financial liabilities and equity instruments

a. Classification as debt or equity

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c. Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

c.1. ***Financial liabilities at FVTPL***

Non-derivative financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. There are no non-derivative financial liabilities carried at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Fair value is determined in the manner described in note 21.8.

c.2. ***Financial liabilities subsequently measured at amortised cost***

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

c.3. ***Derecognition of financial liabilities***

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

1.12 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.13 Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key assumption concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is as given below.

a. Fair value measurement and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 21.8.

1.14 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Note 2		
OTHER INVESTMENTS	**As at**	
	31-Mar-2020	**31-Mar-2019**
I. Quoted Investments		
(a) Investments in Equity Instruments at FVTOCI		
25,00,100 (2019 - 25,00,100) shares of Rs.10 each fully paid up in Coromandel Engineering Company Limited	2,95,01,180	7,15,02,860
(b) Other Investmensts at FVTPL		
(i) JM Financial Mutual Fund	-	2,98,77,066
(ii) IDFC low duration fund regular-growth	90,55,441	2,12,39,872
(iii) IDFC Ultra short term direct plan growth	2,28,44,930	
(iv) Aditya Brila sunlife Mutual fund	1,40,73,682	
(v) ICICI Prudential Mutual fund	80,60,713	
(vi) Investco Mutual Fund	1,00,14,072	
(vii) L&T Short Term Bond Fund	1,00,88,984	
Total Quoted Investments	**10,36,39,001**	**12,26,19,798**
II. Unquoted Investments		
(a) Investments in Equity Instruments at FVTOCI		
1 fully paid up share in Alimtec S.A	27,711	27,711
Total Unquoted Investments	**27,711**	**27,711**
Total Other Investments	**10,36,66,712**	**12,26,47,509**
Current	**7,41,37,821**	**5,11,16,938**
Non-current	**2,95,28,891**	**7,15,30,571**

E.I.D.- PARRY (INDIA) LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 2A

(i) Amounts recognised in the Balance Sheet

Lease Liablity

	Amount (Rs. Lakhs)	
	As at	As at
Carrying Amount of:	March 31, 2020	March 31, 2019
Current	94,94,000	-
Non-Current	7,07,76,342	-
Total	**8,02,70,342**	**-**

Lease Asset

	Amount (Rs. Lakhs)	
	As at	As at
Carrying Amount of:	March 31, 2020	March 31, 2019
Current	94,94,000	-
Non-Current	7,07,76,342	-
Total	**8,02,70,342**	**-**

(ii) Amounts recognised in the Statement of Profit & Loss

Interest expenses

	Amount (Rs. Lakhs)	
	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Interest expenses (included in finance costs)	1,18,30,512	
Total	**1,18,30,512**	**-**

Interest Income

	Amount (Rs. Lakhs)	
	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Interest Income (included in other income)	1,18,30,512	
Total	**1,18,30,512**	**-**

Parry Infrastructure Company Private Limited
NOTES FORMING PART OF ACCOUNTS

	As at			
Note 3 Other Financial Assets	**Non Current**		**Current**	
Particulars	**31-Mar-2020**	**31-Mar-2019**	**31-Mar-2020**	**31-Mar-2019**
At Amortised Cost				
(a) Security Deposits	8,54,795	1,59,65,783	-	-
(b) Interest on fixed Deposit	-	-	-	5,55,641
	8,54,795	**1,59,65,783**	**-**	**5,55,641**

	As at			
Note 4 Other Assets	**Non Current**		**Current**	
	31-Mar-2020	**31-Mar-2019**	**31-Mar-2020**	**31-Mar-2019**
(a) Prepaid Rent	-	9,24,65,856	-	-
(b) Balance with Customs and GST	-	-	43,12,998	41,87,681
(c) Advance recoverable in kind or for value to be received				
(i) Unsecured and Considered Good	-	-	2,01,96,510	1,51,56,685
	-	**9,24,65,856**	**2,45,09,508**	**1,93,44,366**

Note 5 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	**As at 31-Mar-2020**	**As at 31-Mar-2019**
(a) Balances with banks		
(i) In Current account	1,43,872	1,63,445
	1,43,872	**1,63,445**

Note 6 Other bank balances

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques and drafts on hand. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	**As at 31-Mar-2020**	**As at 31-Mar-2019**
(a) Balances with banks		
(i) In Current account	-	2,50,00,000
	-	**2,50,00,000**

Note 7 Deferred tax asset	**31-Mar-2020**	**31-Mar-2019**
Particulars		
Deferred Tax Asset on OCI		49,40,197
Deferred Tax Liability on FVTPL assets	(4,45,861)	(2,56,147)
Total	**(4,45,861)**	**46,84,050**

Parry Infrastructure Company Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31-Mar-2020 Rs.	As at 31-Mar-2019 Rs.
Note 8 Equity Share Capital		
Equity Share Capital	5,00,00,000	5,00,00,000
AUTHORISED :		
Equity Shares:		
50,00,000 Equity Shares of Rs.10 each (2019 - 50,00,000)	5,00,00,000	5,00,00,000
ISSUED, SUBSCRIBED AND FULLY PAID UP		
50,00,000 Equity Shares of Rs.10 each (2019 - 50,00,000)	5,00,00,000	5,00,00,000
	5,00,00,000	**5,00,00,000**

8.1 Reconciliation of number of shares

Reconciliation	March-31-2020		March-31-2019	
	No of Shares	Rs.	No of Shares	Rs.
Equity Shares of Rs.10 each fully paid up				
At the beginning of the period	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Allotment of shares on exercise of Employee Stock Option	-	-	-	-
At the end of the period	**50,00,000**	**5,00,00,000**	**50,00,000**	**5,00,00,000**

The Company has only one class of Equity share having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. During the year ended March 31, 2020, the company has not declared any dividend (2018-19 - Nil)

Entire equity shares are held by EID Parry (India) Limited - Holding Company

Parry Infrastructure Company Private Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

in Rs.

Note 9 Other equity	**As at 31-Mar-2020**	**As at 31-Mar-2019**
Reserve for equity instruments through other comprehensive income	(2,05,23,600)	2,64,18,278
Retained Earnings	10,44,05,630	10,13,20,716
	8,38,82,029	**12,77,38,994**

RESERVES AND SURPLUS:		**in Rs.**
	Year ended 31-Mar-2020	**Year ended 31-Mar-2019**
(a) Reserve for equity instruments through Other Comprehensive income		
Opening Balance	2,64,18,278	6,89,79,980
Add: Current year movement	(4,69,41,878)	(4,25,61,702)
Closing	**(2,05,23,600)**	**2,64,18,278**

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed of.

(b) Retained Earnings		
Opening Balance	10,13,20,716	9,79,61,597
(Loss) / Profit for the year	30,84,913	33,59,119
Closing Balance	**10,44,05,630**	**10,13,20,716**

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. thus, the amounts reported above are not distributable in entirety.

Total Other Equity	**8,38,82,029**	**12,77,38,994**

Parry Infrastructure Company Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 10 Non-current borrowings **In Rs.**

LONG TERM BORROWING	**Non Current**		**Current**	
	As at	**As at**	**As at**	**As at**
	31-Mar-2020	**31-Mar-2019**	**31-Mar-2020**	**31-Mar-2019**
Unsecured - at amortised cost				
i). Deposit	-	1,51,10,987	-	-
Total	**-**	**1,51,10,987**	**-**	**-**

Summary of borrowing arrangements

Particulars	**31-Mar-2020**	**31-Mar-2019**	**Security & Rate of interest**	**Terms of repayment**
a. Deposit	-	1,51,10,987	Unsecured and Interest free	Redeemable at the end of lease term on May 06, 2037
Total	**-**	**1,51,10,987**		

Breach of Loan agreement

There is no breach of loan agreement

Parry Infrastructure Company Private Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 11 Trade Payables	As at 31-Mar-2020	As at 31-Mar-2019
	Rs.	Rs.
Trade payables	2,782	-
	2,782	**-**

There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 which is on the basis of such parties having been identified by the management and relied upon by the auditors.

Note 12 Other financial liabilities	As at 31-Mar-2020	As at 31-Mar-2019	As at 31-Mar-2020	As at 31-Mar-2019
	Rs.	Rs.	Rs.	Rs.
Other Miscellaneous liabilities	-	-	19,20,957	18,55,556
	-	**-**	**19,20,957**	**18,55,556**

	Non Current		Current	
Note 13 Other liabilities	**As at 31-Mar-2020**	**As at 31-Mar-2019**	**As at 31-Mar-2020**	**As at 31-Mar-2019**
	Rs.	**Rs.**	**Rs.**	**Rs.**
a. Statutory remittances (Contributions to PF and ESIC, Withholding Taxes)	-	-	10,51,786	9,50,667
b. Deferred revenue arising from interest free deposit	-	9,24,65,856	-	-
	-	**9,24,65,856**	**10,51,786**	**9,50,667**

Note 14 Current tax asset and liabilities	As at March 31, 2020	As at March 31, 2019
Particulars		
Tax refund receivable	81,28,529	72,95,411
Total	**81,28,529**	**72,95,411**

Parry Infrastructure Company Private Limited
NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 15 Revenue from operations	Period Ended	Year ended
	31-Mar-2020	31-Mar-2019
Particulars	Rs.	Rs.
Lease Rent	-	1,43,60,624
	-	**1,43,60,624**

Note 16 Other Income	Period Ended		Year ended	
	31-Mar-2020		31-Mar-2019	
Particulars	Rs.		Rs.	
(a) Interest income earned on financial assets that are not designated as at fair value through profit or loss				
On others asset (at amortised cost)	1,18,30,512		17,19,472	
On Fixed Deposit (at amortised cost)	16,20,738	1,34,51,250	15,73,390	32,92,862
(b) Dividend Income				
From instruments designated				
as at FVTPL	10,35,956		19,43,948	
as at FVTOCI	-	10,35,956	-	19,43,948
(c) Other Gains & Losses				
- Net gain on arising on Financial Assets designated at FVTPL		20,82,479		12,39,872
(d) Provision no longer required		-		5,400
		1,65,69,685		**64,82,082**

Note 17 Finance Cost	Period Ended	Year ended
	31-Mar-2020	31-Mar-2019
Particulars	Rs.	Rs.
(i) Unwinding of discounts	-	17,19,472
(ii) Interest	1,18,31,354	-
	1,18,31,354	**17,19,472**

Note 18 Other expenses	Period Ended	Year ended
	31-Mar-2020	31-Mar-2019
	Rs.	Rs.
(a) Lease Rent	-	1,43,60,624
(b) Auditors' Remuneration	40,000	52,575
(c) Directors' Fees and Commission	-	-
(d) Professional Charges	5,51,800	65,550
(e) Manpower Cost	5,79,425	6,17,105
(f) General Administration Expenses	13,571	50
	11,84,796	**1,50,95,904**

	2019-20	2018-19
19. Income taxes relating to continuous operations	**Rs.**	**Rs.**
19.1 Income tax recognised in profit or loss		
Current tax		
In respect of current year	1,37,273	2,81,370
In respect of prior years	1,41,636	
Others	-	-
Deferred tax		
In respect of current year	1,89,714	3,86,840
Deferred tax reclassified from equity to profit or loss		
Total income tax expense /(gain) recognised in the current year relating to continuing operations	**4,68,622**	**6,68,210**

The income tax expense for the year can be reconciled to the accounting profit as follows:

	2019-20	2018-19
	Rs.	**Rs.**
Profit before tax from continuing operations	35,53,536	40,27,331
Income tax expense calculated at 22.88% (2018-19 - 31.2%)	8,13,049	12,56,527
Effect of income that is exempt from taxation	(2,29,916)	
Effect on deferred tax balance due to use of rate different from that used for current tax	(2,56,147)	(5,88,316)
	3,26,986	6,68,211
Adjustments recognised in current year relating to current tax of previous years	1,41,636	-
Income tax expense recognised in profit or loss (relating to continuing operations)	**4,68,622**	**6,68,211**

The tax rate used for the 2019-20 and 2018-19 reconciliations above is the corporate tax rate of 22.88% & 31.20% payable respectively by corporate entities in India on taxable profits under the Indian tax law.

19.2 Income tax recognised in Other comprehensive income

19.3 Income tax recognised in other comprehensive income	**As at**	**As at**
Deferred tax	**2019-20** **Rs.**	**2018-19** **-**
Arising on income and expenses recognised in other comprehensive income:		
Net fair value gain on investments in equity shares at FVTOCI	(49,40,198)	49,40,198
Total income tax recognised in other comprehensive income	**(49,40,198)**	**49,40,198**

19.4 Income tax directly recognised in equity

Nil

20. Earnings per Share:

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Basic Earnings per share	0.62	0.67
Diluted Earnings per share	0.62	0.67

20.1 Basic Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Profit after Taxation (Rs.)	30,84,913	33,59,119
Earnings used in the calculation of basic earnings per share	**30,84,913**	**33,59,119**
Number of equity shares of Re. 1 each outstanding at the beginning of the year	50,00,000	50,00,000
Add : Number of shares issued pursuant exercise of Employees Stock option	-	-
(a) Number of equity Shares of Re. 1 each outstanding at the end of the year	50,00,000	50,00,000
(b) Weighted Average number of Equity Shares	50,00,000	50,00,000

20.2 Diluted Earnings per share

The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows.

Earnings used in the calculation of basic earnings per share	**30,84,913**	**33,59,119**
Adjustments	-	-
Earnings used in the calculation of diluted earnings per share	**30,84,913**	**33,59,119**

The weighted average number of equity shares for the purposes of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Weighted average number of equity shares used in the calculation of basic earnings per share	50,00,000	50,00,000
Diluting shares	-	-
Weighted average number of equity shares used in the calculation of diluted earnings per share	50,00,000	50,00,000

Parry Infrastructure Company India Private Limited
Notes forming part of the financial statements
(` in Rs., unless otherwise stated)

21. Financial instruments

21.1 Capital management

The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity. The Company does not have any borrowing except for Security Deposit received from group company which is offset by Security deposit placed with another group company with same maturity.

21.2 Categories of financial instruments

	As at 31 March 2020	As at 31 March 2019
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Mandatorily measured:		
(i)Mutual Funds	7,41,37,821	5,11,16,938
Measured at amortised cost		
(a) Cash and bank balances	1,43,872	1,63,445
(b) Lease receivable	8,02,70,342	-
(c) Other financial assets at amortised cost	8,54,795	4,15,21,424
Measured at FVTOCI		
(a) Investments in equity instruments designated upon initial recognition	2,95,01,180	7,15,02,860
Financial liabilities		
Measured at amortised cost	19,23,739	1,69,66,543
Lease Liabilities	8,02,70,342	-

21.3 Financial risk management objectives
The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks through appropriate risk management policies as detailed below. The Company does not enter into trade financial instruments, including derivative financial instruments, for speculative purposes.

Item	Primarily affected by	Risk management policies	Refer
Market risk - other price risk	Decline in value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio	Note 21.4.1
Credit risk	Ability of customers or counterparties to financial instruments to meet contractual obligations	Credit approval and monitoring practices; counterparty credit policies and limits; arrangements with financial institutions	Note 21.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cashflows; cash management policies; multiple-year credit and banking facilities	Note 21.6

21.4 Market risk
The Company's financial instruments are exposed to market rate changes. The Company is exposed to the following market risk:
- Price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

21.4.1 Price risks
The Company is exposed to equity price risks arising from equity investments. Certain of the Company's equity investments are held for strategic rather than trading purposes. The Company also holds certain other equity investments for trading purposes.

a. Equity price sensitivity analysis
The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

i. If equity prices had been 1% higher/lower other comprehensive income/ equity for the year ended 31 March 2020 would increase/ decrease by Rs. 2,95,012 (Rs.7,15,029 for the year ended 31 March 2019) as a result of the changes in fair value of equity investments measured at FVTOCI.
ii. If equity prices had been 1% higher/lower profit / equity for the year ended 31 March 2020 would increase/ decrease by Rs.7,41,378 (Rs.5,11,169 for the year ended 31 March 2019) as a result of the changes in fair value of equity investments measured at FVTPL.

21.5 Credit risk management
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks.

Outstanding receivables are mainly those from the group entities and do not pose any credit risk for the entity.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Parry Infrastructure Company India Private Limited
Notes forming part of the financial statements
(` in Rs., unless otherwise stated)

21.6 Liquidity risk management
The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2020:

Particulars	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Non interest bearing	19,23,739	19,23,739	-	-	19,23,739
Lease Liabilities	8,02,70,342	94,94,000	1,98,41,123	13,14,19,635	16,07,54,758
Total	**8,21,94,081**	**1,14,17,739**	**1,98,41,123**	**13,14,19,635**	**16,26,78,497**

The table below provides details of financial assets as at 31 March 2020:

Particulars	Carrying amount
Trade receivables	-
Other financial assets	18,49,08,009
Total	**18,49,08,009**

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2019:

Particulars	Carrying amount	upto 1 year	1-3 year	More than 3 year	Total contracted cash flows
Non interest bearing	1,69,66,543	18,55,556		15,00,00,000	15,18,55,556
Total	**1,69,66,543**	**18,55,556**	**-**	**15,00,00,000**	**15,18,55,556**

The table below provides details of financial assets as at 31 March 2019:

Particulars	Carrying amount
Trade receivables	-
Other financial assets	16,43,04,667
Total	**16,43,04,667**

21.7 Financing facilities
The Company does not operate any financing facilities.

Parry Infrastructure Company India Private Limited
Notes forming part of the financial statements
(` in Rs., unless otherwise stated)

21.8 Fair value measurements

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

Financial assets/financial liabilities	Fair Value as at*		Fair value hierarchy	Valuation techniques & key inputs used
	As at 31 March 2020	As at 31 March 2019		
1) Investments in quoted mutual fund instruments at FVTPL	7,41,37,821	5,11,16,938	Level 1	Refer Note 2
2) Investments in quoted equity instruments at FVTOCI	2,95,01,180	7,15,02,860	Level 1	Refer Note 2

*positive value denotes financial asset (net) and negative value denotes financial liability (net)

Notes:
1. There were no transfers between Level 1 and 2 in the period.
2. The Level 1 financial instruments are measured using quotes in active market

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Particulars	Fair value hierarchy	As at 31 March 2020		As at 31 March 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Financial assets at amortised cost:					
- Lease Receivable	Level 2	8,02,70,342	8,02,70,342	-	-
- Cash and cash equivalents	Level 2	1,43,872	1,43,872	1,63,445	1,63,445
- Other bank balances	Level 2	-	-	2,50,00,000	2,50,00,000
- Other financial assets	Level 2	8,54,795	8,54,795	1,59,65,783	1,66,93,525

Particulars	Fair value hierarchy	As at 31 March 2020		As at 31 March 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities					
Financial liabilities at amortised cost:					
Borrowings	Level 2	-	-	1,51,10,987	1,58,38,730
Lease Liability	Level 2	8,02,70,342	8,02,70,342	-	-
Trade payables	Level 2	2,782	2,782	-	-
Other financial liabilities	Level 2	19,20,957	19,20,957	18,55,556	18,55,556

1. In case of trade receivables, cash and cash equivalents, lease receivable, trade payables, borrowings , lease liability and other financial liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

22. Related Party Disclosure for the year ended March 31, 2020

22.1. Fellow Subsidiary Companies/Entities

01.Coromandel International Ltd
02.Parry Chemicals Ltd
03.CFL Mauritius Limited
04.Coromandel Brasil Limitada – LLP,Brazil
05. Liberty Pesticides and Fertilisers Limited
06. Dare Investments Ltd
07. Alimtch S.A
08. Sabero Europe BV ,Netherlands
09. Sabero Australia Pty.Ltd
10.Sabero Organics America SA,Brazil
11.Sabero Argentina SA
12.Coromandel Agronegoious De Mexico S.A C.V.
13.Parry America Inc.,
14.Parrys Investments Limited
15.Parrys Sugar Limited
16.US Nutraceuticals Inc
17.Parry Agrochem Exports Limited
18.La Belle Botanics LLC
19.Parrys Sugar Refinery India Private Limited
20. Parry international DMCC
21.Coromandel International (Nigeria)

Holding Company
1. E.I.D.- Parry (India) Limited

Note : Related Party Relationships are as identified by the management and relied upon by the auditors.

22.2 Transactions with related parties

in Rs.

	2019-20	**2018-19**
Lease Rental Expense		
a. Coromandel International Limited	94,94,000	94,94,000
Lease Rental Income		
a. Parry Sugars Refinery India Private Limited	94,94,000	94,94,000
Outstanding balances at year end		
a. Payable		
- Parry Sugars Refinery India Private Limited - Lease Deposit	15,00,00,000	15,00,00,000
- Coromandel International Limited	-	-
b. Receivable		
- Coromandel International Limited - Lease Deposit	15,00,00,000	15,00,00,000
- Parry Sugars Refinery India Private Limited	-	-

23 Contingent liability

Particulars	2019-20 Rs.	2018-19 Rs.
(a) Disputed Income Tax demands which are under various stages of appeal (out of which Rs.2,01,56,685 (2019 - Rs.1,51,56,685) have been paid under protest)	1,53,82,832	1,53,82,832

24 Approval of financial statements

The financial statements were approved for issued by the Board of Directors on June 05, 2020

For G Badri Narayana & Co
Chartered Accountants
Firm Registration no: 010743S

S Ramesh Kumar
Director

Biswa Mohan Rath
Director

Shravan Gattupalli
Partner
Membership no-226441
Chennai
Date: June 5, 2020

A Bala
Company Secretary
Chennai
Date: June 5, 2020