



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ZUARI COMMODITY TRADING LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **ZUARI COMMODITY TRADING LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit & Loss, Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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

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

Opinion

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



Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act, 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, we give in "Annexure A" a statement on the matters specified in the paragraphs 3 and 4 of the said Order.
- 2 As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, the Cash flow Statement and the Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with relevant rule issued thereunder.
 - e) On the basis of written representations received from the directors as on 31st March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which could impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts during the year and therefore the question of making provisions for material losses in such contracts does not arise.
 - iii. There were no amounts, which were required to be transferred during the year, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its financial statements (Refer note 29) as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company.

Place: New Delhi
Dated: 12 May, 2017

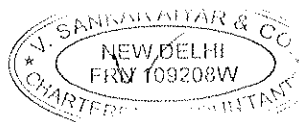
For V. Sankar Aiyar & Co.
Chartered Accountants
(Firm Regn. No.: 109208W)

V. Sankar Aiyar
(V. Rethinam)
Partner
(Membership No. 0104-12)



“Annexure-A” referred to in the Independent Auditors’ report to the Members of Zuari Commodity Trading Limited on the standalone accounts for the year ended 31st March, 2017.

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The management has physically verified most of the fixed assets at the year end. Having regard to the size of the Company and nature of its assets, the frequency of verification at the year end is, in our opinion, reasonable. No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property and hence the provisions of Clause 3(i)(c) are not applicable.
- (ii) The Company does not carry inventories of nature covered by Ind-AS-2. Therefore, Clause 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of clause 3(iii)(a),(b)&(c) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us and the representation obtained from the management (i) the Company has not granted any loans to any of its directors or any other person to whom director is interested or given guarantee or provided any security in connection with any loan taken by him or such other person within the meaning of section 185 of the Act and (ii) the Company has not given any loan, given any guarantee or provided any security and acquired securities within the meaning of section 186 of the Act.
- (v) The Company has not accepted deposits during the year from the public within the provisions of section 73 to 76 or any other provisions of the Companies Act, 2013 and the Rules framed thereunder.
- (vi) The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in respect of Company's activities.
- (vii) (a) According to the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax and any other statutory dues with the appropriate authorities. There were delay in respect of income tax deducted at source and they were paid with interest. There were no arrears of undisputed statutory dues as at 31st March, 2017, which were outstanding for a period of more than six months from the date they became payable. We are informed that there is no liability towards sales tax, value added tax, duty of customs, duty of excise and cess for the year under audit.
- (b) There are no disputed dues which have remained unpaid as on 31st March, 2017 on account of Income-tax and service tax.
- (viii) The Company has not taken any loans or borrowings from a financial institution, bank, government or debenture holders. Therefore, the question of default in repayment of dues does not arise.
- (ix) According to the information and explanations given to us, the Company has not raised money by way of initial / further public offer or taken any term loans during the year.
- (x) Based on the audit procedures performed and representation obtained from the management, we report that no case of material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year under audit.
- (xi) According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration within the meaning of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.



- (xiii) According to the information and explanations given to us and the representation obtained from the management, the Company has complied with section 188 of the Act in respect of transactions with related parties and the details have been disclosed in the financial statements as required by the applicable standards. The Company is not required to form Audit Committee under section 177 of the Act, Therefore, the provisions of clause 3(xiii) with respect to section 177 of the Order are not applicable.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and the representation obtained from the management, the Company has not entered into any non-cash transactions with the directors or persons connected with him. Therefore, the provisions of clause 3(xv) of the order are not applicable.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Place: New Delhi
Dated: 12 May, 2017


(V. Rethinam)
Partner
(M. No: 010412)



“Annexure-B” referred to in the Independent Auditors’ report to the Members of Zuari Commodity Trading Limited on the standalone accounts for the year ended 31st March, 2017.

We have audited the internal financial controls over financial reporting of the Company as of 31st March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

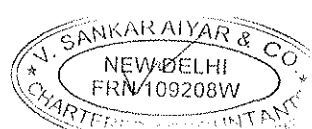
Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act,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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.




Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the 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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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


V. Rethinam
(Partner)
Membership No.010412

Place: New Delhi
Dated: 12 May, 2017



ZUARI COMMODITY TRADING LIMITED
Balance Sheet as at 31 March, 2017

(Rs.)

Particulars	Notes	31 March 2017	31 March 2016	01 April 2015
I. ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment	3	1	1	20,430
(b) Other Intangible Assets	4	1	1	1
(c) Financial Assets				
(i) Loans	5	39,90,000	50,10,000	20,30,000
(ii) Other	5	23,62,000	23,62,000	23,62,000
(d) Deferred Tax Assets (Net)	13	13,81,000	-	-
		77,33,002	73,72,002	44,12,431
(2) Current assets				
(a) Financial Assets				
(i) Cash and cash equivalents	7	25,45,069	34,92,423	55,59,126
(ii) Loans	5	48,03,000	33,03,000	58,03,000
(iii) Others	5	1,94,132	1,62,795	2,99,868
(b) Current Tax Assets (Net)		54,573	72,659	87,133
(c) Other current assets	6	1,18,821	2,43,420	1,70,682
		77,15,595	72,74,297	1,19,19,809
TOTAL		1,54,48,597	1,46,46,299	1,63,32,240
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	8	1,60,00,000	1,60,00,000	1,50,00,000
(b) Other Equity	9	-44,09,601	-51,24,448	-45,60,006
		1,15,90,399	1,08,75,552	1,04,39,994
LIABILITIES				
(1) Non-current liabilities				
(a) Provisions	10	1,73,217	2,40,139	1,85,708
		1,73,217	2,40,139	1,85,708
(2) Current liabilities				
(a) Financial Liabilities				
(i) Trade payables	11	10,03,011	2,88,616	3,35,105
(b) Other current liabilities	12	25,67,718	29,87,130	51,58,636
(c) Provisions	10	1,14,252	2,54,862	2,12,797
		36,84,981	35,30,608	57,06,538
TOTAL		1,54,48,597	1,46,46,299	1,63,32,240

Corporate Information	1
Significant Accounting Policies	2
Other notes forming part of the financial statements.	19-29

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
FRN 109208 W

V. Rethinam
Partner
M No.10412



Place: New Delhi
Date: 12 May 2017

For and on behalf of the Board

R. S. Raghavan
Director
(DIN-00362555)

Vijay Kathuria
Director
(DIN-00338125)

ZUARI COMMODITY TRADING LIMITED**Statement of Profit and Loss for the year ended 31 March, 2017****(Rs.)**

Particulars	Notes	31 March 2017	31 March 2016
I REVENUE			
Revenue From Operations	14	20,41,172	31,09,616
Other Income	15	6,14,674	6,67,684
Total Revenue (I)		26,55,846	37,77,300
II EXPENSES			
Employee Benefits Expense	16	15,52,521	22,71,225
Depreciation and amortization expense	17	-	20,429
Other Expenses	18	19,05,643	20,33,930
Total expenses (II)		34,58,164	43,25,584
III Profit / (Loss) before exceptional items and tax (I-II)		-8,02,318	-5,48,284
IV Exceptional Items		-	-
V Profit/(loss) before tax (III-IV)		-8,02,318	-5,48,284
VI Tax expense:			
Current Tax	13	-	-
Deferred Tax (credit)	13	-14,19,000	-
MAT adjustable		-14,710	-
VII Profit / (Loss) for the period (V-VI)		6,31,392	-5,48,284
VIII Other Comprehensive Income :			
A Items that will be reclassified to profit or loss			
Net (loss)/gain on FVTOCI securities		-	-
Income tax effect		-	-
B Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		1,21,455	-16,158
Income tax thereon	13	-38,000	-
IX Total Comprehensive Income for the period (VII + VIII)		7,14,847	-5,64,442
(Comprising Profit (Loss) and Other			
X Earnings per equity share:			
(1) Basic	20	0.39	-0.37
(2) Diluted	20	0.39	-0.37

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
FRN 109208 W

V. Rethinam
Partner
M No.10412



Place: New Delhi
Date: 12 May 2017

For and on behalf of the Board

R. S. Raghavan
Director
(DIN-00362555)

Vijay Kathuria
Director
(DIN-00338125)

ZUARI COMMODITY TRADING LIMITED

Statement of Changes in Equity for the year ended 31 March, 2017

(Rs.)

(a) Equity Share Capital

Equity shares of Rs.10/- each issued, subscribed and fully paid	Number	Amount
At 1 April 2015	15,00,000	1,50,00,000
At 31 March 2016	16,00,000	1,60,00,000
At 31 March 2017	16,00,000	1,60,00,000

(b) Other equity

For the year ended 31 March, 2017:

	Reserves and surplus		Total
	Adjustments in OCI	Surplus in the statement of profit and loss (Note 9)	
As at 1 April, 2016	-16,158	-51,08,290	-51,24,448
Profit / (Loss) for the year	-	6,31,392	6,31,392
Other comprehensive income	83,455	-	83,455
At 31 March, 2017	67,297	-44,76,898	-44,09,601

For the year ended 31 March 2016:

	Reserves and surplus		Total
	Adjustments in OCI	Surplus in the statement of profit and loss (Note 9)	
As at 1 April, 2015	-	-45,60,006	-45,60,006
Profit / (Loss) for the year	-	-5,48,284	-5,48,284
Other comprehensive income	-16,158	-	-16,158
At 31 March, 2016	-16,158	-51,08,290	-51,24,448

Annexure to our report date

For V. Sankar Aiyar & Co.
Chartered Accountants
FRN 109208 W

V. Rethinam
Partner
M No.10412



Place: New Delhi
Date: 12 May 2017

For and on behalf of the Board

R. S. Raghavan
R. S. Raghavan
Director
(DIN-00362555)

Vijay Kathuria
Vijay Kathuria
Director
(DIN-00338125)

ZUARI COMMODITY TRADING LIMITED
Statement of Cash Flows for the year ended 31 March, 2017
(Rs.)

	Particulars	31 March, 2017	31 March, 2016
A)	Cash Flow from Operating Activities		
	Net Profit (loss) before tax as per statement of profit & loss	-6,80,863	-5,64,442
	Adjustments for:		
	Finance income (including fair value change in financial instruments)	-5,55,503	-5,62,546
	Depreciation	-	20,429
	Operating Profit/ (Loss) before working capital changes	-12,36,366	-11,06,559
	Adjustment for changes in Working Capital		
	Increase / (Decrease) in provisions	-2,07,532	-
	(Increase)/ Decrease in Other Receivables	1,39,309	-5,52,735
	Increase/ (Decrease) in Trade and Other Payables	2,94,983	-21,21,499
	Less: Income Tax (Paid) / Refund	18,086	14,474
	Net Cash used in Operating Activities	-9,91,520	-37,66,319
B)	Cash Flow from Investing Activities		
	Security Deposit (Increase) / decrease	-4,80,000	-
	Interest Income	5,24,166	6,99,616
	Net Cash from Investing Activities	44,166	6,99,616
C)	Cash Flow from Financial Activities		
	Share Capital issued	-	10,00,000
	Net Cash used in Financial Activities	-	10,00,000
	Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	-9,47,354	-20,66,703
	Cash & Cash Equivalents as at the beginning of the year	34,92,423	55,59,126
	Cash & Cash Equivalents as at the end of the year	25,45,069	34,92,423

Annexure to our report date

 For V. Sankar Aiyar & Co.
 Chartered Accountants
 FRN 109208 W

 V. Rethinam
 Partner
 M No.10412

 Place: New Delhi
 Date: 12 May 2017

For and on behalf of the Board

 R. S. Raghavan
 Director
 (DIN-00362555)

 Vijay Kathuria
 Director
 (DIN-00338125)

ZUARI COMMODITY TRADING LIMITED

Notes to financial statements for the year ended March 31, 2017

1. CORPORATE INFORMATION

The stand-alone financial statements of "Zuari Commodity Trading Limited" ("the Company" or "ZCTL") are for the year ended 31 March 2017. The Company is a public company domiciled in India and was incorporated on June 27, 2008 under the provisions of the Companies Act, 1956. Address of the registered office of the Company is Plot no. 2, Zamrudpur Community Center, Kailash Colony Extension, New Delhi – 110048.

The Company is principally involved in the business of commodity broking and is registered as a broking member with MCX and NCDEX.

The stand-alone financial statements were approved for issue by a resolution of the Board of Directors on May 12, 2017.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of accounts

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

For all periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2017 are the first the Company has prepared in accordance with Ind AS. Adjustments pertaining to transition to Ind AS is detailed in Note 26 of financial statements.

The stand-alone financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

2.2 Estimates and assumptions

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amount reported in the financial statements and notes thereto. Difference between the actual results and estimates are recognized in the period in which the results are known or materialized. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

2.3 Provisions, contingent liabilities and contingent assets

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and reliable estimates can be made of the amount of obligation. A disclosure of contingent liability is made when there is possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent



ZUARI COMMODITY TRADING LIMITED

Notes to financial statements for the year ended March 31, 2017

assets are not recognized but disclosed in the financial statements, where economic inflow is probable.

2.4 Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. All significant costs incidental to the acquisition of assets are capitalized.

Recognition:

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

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

Gains or losses arising from de-recognition of tangible assets are measured as the difference between the net disposable proceeds and the carrying amount of the asset and are recognized in the statement of Profit and Loss, when the asset is derecognized.

2.5 Depreciation on tangible assets

The company has adopted the policy of providing depreciation in line with requirement of part C of schedule II of the Companies Act, 2013. The company continues to follow straight line method of depreciation. In respect of additions to fixed assets, depreciation is calculated on pro-rata basis from the date on which assets is put to use. Depreciation on assets, whose value, is less than Rs. 5000/- are depreciated fully in the year of purchase.

Annual review

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 appropriate.

2.6 Revenue recognition

Income from services rendered is recognised when completed or based on agreements with parties. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements.

Interest income is accrued on time proportionate basis.

2.7 Staff benefits

Retirement benefit in the form of providend fund is a defined contribution scheme. The contributions to the providend fund are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the providend fund.



ZUARI COMMODITY TRADING LIMITED

Notes to financial statements for the year ended March 31, 2017

In respect of gratuity and leave benefits, provision has been made as per actuarial valuation.

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 are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

2.8 Leases – operating lease

Office premises are held on operating lease. The premise is under sub lease agreement and terms and conditions are correlated with the original lease agreement made between the sub lessor and landlord. Lease payments are recognised as an expense in the statement of profit & loss. The original agreement is for 6 years and is further extendable for another 3 years by mutual consent on mutually agreed terms. The Company has to share increase in rent owing to the escalation clause in the original lease agreement. There are no restrictions imposed by sub lease agreement.

2.9 Deferred tax

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

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

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the income taxes levied by the same taxation authority.

2.10 Financial instruments

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



ZUARI COMMODITY TRADING LIMITED

Notes to financial statements for the year ended March 31, 2017

a) Financial assets

i) Initial recognition and measurement

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

ii) Subsequent measurement

Financial assets carried at amortised cost (AC)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

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

iii) Derecognition

The company derecognizes a financial asset when the contractual right to the cash flow from the financial asset end or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

iv) Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortised cost e.g., deposits, trade receivables and bank balance.

The company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

The company uses historical loss experience to determine the impairment loss allowance on security deposits and bank balances. At every reporting date, the historical observed default rates are updated and changes in the forward looking estimates are analysed.

b) Financial Liabilities

i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.



ZUARI COMMODITY TRADING LIMITED

Notes to financial statements for the year ended March 31, 2017

ii) Subsequent measurement

Financial Liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired or it transfers the financial liability and the transfer qualifies for derecognition under Ind AS 109.

2.11 Previous year figures have been regrouped wherever considered necessary to correspond to current year figures.



ZUARI COMMODITY TRADING LIMITED
Notes to Financial Statements for the year ended 31 March 2017

3. Property, Plant and Equipment		
		(Rs.)
	Office Equipments	Total
Cost		
At 1 April 2015	20,430	20,430
Additions	-	-
Less: Disposals	-	-
At 31 March 2016	20,430	20,430
Additions	-	-
Less: Disposals	-	-
At 31 March 2017	20,430	20,430
Depreciation and impairment		
At 1 April 2015	-	-
Charge for the year	20,429	20,429
Impairment	-	-
Less: Disposals	-	-
At 31 March 2016	20,429	20,429
Charge for the year	-	-
Impairment	-	-
Less: Disposals	-	-
At 31 March 2017	20,429	20,429
Net Block		
At 31 March 2016	1	1
At 31 March 2017	1	1

4. Intangible assets		
		(Rs.)
	Software & Licenses	Total
Cost		
At 1 April 2015	1	1
Additions	-	-
Less: Disposals	-	-
At 31 March 2016	1	1
Additions	-	-
Less: Disposals	-	-
At 31 March 2017	1	1
Depreciation and impairment		
At 1 April 2015	-	-
Charge for the year	-	-
Impairment	-	-
Less: Disposals	-	-
At 31 March 2016	-	-
Charge for the year	-	-
Impairment	-	-
Less: Disposals	-	-
At 31 March 2017	-	-
Net Block		
At 31 March 2016	1	1
At 31 March 2017	1	1



ZUARI COMMODITY TRADING LIMITED
Notes to Financial Statements for the year ended 31 March 2017

5. Financial assets						
	Long Term			Short Term		
	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Loans (at amortised cost)						
Security Deposits						
i) Secured, Considered Good	-	-	-	-	-	-
ii) Unsecured, Considered Good	39,90,000	50,10,000	20,30,000	48,03,000	33,03,000	58,03,000
iii) Unsecured, Considered Doubtful	-	-	-	-	-	-
	39,90,000	50,10,000	20,30,000	48,03,000	33,03,000	58,03,000
Less : Provision for Doubtful Deposits	-	-	-	-	-	-
Total	39,90,000	50,10,000	20,30,000	48,03,000	33,03,000	58,03,000
Other Financial assets (at amortised cost)						
Balances with banks - in Deposit accounts*	23,62,000	23,62,000	23,62,000	-	-	-
Interest accrued on Deposits	-	-	-	1,94,132	1,62,795	2,99,868
Total	23,62,000	23,62,000	23,62,000	1,94,132	1,62,795	2,99,868

* Under lien Rs.15,00,000 to NCDEX- maturing within 12 months of the reporting date (Considering the compulsion to renew the same it is treated as non-current) Rs. 7,50,000 with MCX. & Rs.1,12,000 to ISSL.

6. Other assets						
	Current			Non-current		
	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Advances recoverable in cash or in kind						
MAT credit entitlement	14,710	-	-			
Service Tax Credit	18,370	-	-			
KKC Credit	658	-	-			
Prepaid expenses	18,241	1,71,754	1,48,731			
Others	66,842	71,666	21,951			
Total	1,18,821	2,43,420	1,70,682			

7. Cash and Cash Equivalent						
Particulars	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Cash and Cash Equivalents						
Bank Balances:						
-in Current Accounts	25,40,006	34,85,685	55,49,242			
Cash in hand	5,063	6,738	9,884			
Total	25,45,069	34,92,423	55,59,126			



ZUARI COMMODITY TRADING LIMITED
Notes to Financial Statements for the year ended 31 March 2017

8. Share Capital

Particulars	(Rs.)	
	31-Mar-17	01-Apr-15
Authorized:		
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000	5,00,00,000
Total	5,00,00,000	5,00,00,000
Issued shares :		
16,00,000 Equity Shares of Rs. 10/- each	1,60,00,000	1,50,00,000
Total	1,60,00,000	1,50,00,000
Subscribed and fully paid-up shares :		
16,00,000 Equity Shares of Rs. 10/- each	1,60,00,000	1,50,00,000
Total	1,60,00,000	1,50,00,000

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year/period:

	31-Mar-17		31-Mar-16		01-Apr-15	
	No. of Shares	Rs.	No. of Shares	Rs.	No. of Shares	Rs.
Equity Shares						
Outstanding at the beginning and end of the year	16,00,000	1,60,00,000	15,00,000	1,50,00,000	15,00,000	1,50,00,000
Issued during the year			1,00,000	10,00,000		
Outstanding at the end of the year	16,00,000	1,60,00,000	16,00,000	1,60,00,000	15,00,000	1,50,00,000

(b) Terms / rights attached to Equity Shares

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

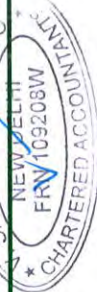
(c) Shares held by holding company

	31-Mar-17	31-Mar-16	01-Apr-15
Zuari Investments Limited (Holding Company)	16,00,000	16,00,000	15,00,000

(e) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	31-Mar-17		31-Mar-16		01-Apr-15	
	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity shares of Rs. 10 each fully paid						
Zuari Investments Limited (Holding Company)	16,00,000	100	16,00,000	100	15,00,000	100

As per the records of the Company including its register of shareholders/members, the above shareholding represents legal ownerships of shares.



ZUARI COMMODITY TRADING LIMITED
Notes to Financial Statements for the year ended 31 March 2017

9. Other Equity			
Particulars	(Rs.)		
	31-Mar-17	31-Mar-16	01-Apr-15
Surplus in the statement of profit and loss			
Balance as per last financial statements	-51,08,290	-45,60,006	-47,68,020
Net profit for the year	6,31,392	-5,48,284	2,08,014
Balance carried forward to next year	-44,76,898	-51,08,290	-45,60,006
FVTOCI Reserve			
Balance Bought Forward from Last Year's Account	-16,158	-	-
Add/Less: Movement during the year	83,455	-16,158	-
Balance carried forward to next year	67,297	-16,158	-
Total	-44,09,601	-51,24,448	-45,60,006

10. Provisions (Current and Non-Current)

Provisions -	(Rs.)					
	Non Current			Current		
	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Gratuity	1,73,217	2,40,139	1,85,708	-	-	-
Leave Encashment	-	-	-	1,14,252	2,54,862	2,12,797
Total	1,73,217	2,40,139	1,85,708	1,14,252	2,54,862	2,12,797

11. Trade payables (at amortised cost)

Particulars	(Rs.)		
	31-Mar-17	31-Mar-16	01-Apr-15
Trade Payables*	10,03,011	2,88,616	3,35,105
Total	10,03,011	2,88,616	3,35,105

*The Company has not received any information from parties regarding their registration under Micro, Small and Medium Enterprises (Development) Act, 2006. In the circumstances, disclosures relating to amount remaining unpaid as at the year end together with interest, if any, payable under the Act are not ascertainable.

Terms and conditions of the above financial liabilities:

- ▶ Trade payables are non-interest bearing and are normally settled on 30-day terms

12. Other Liabilities

	(Rs.)					
	Non Current			Current		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
Statutory obligations	-	-	-	41,032	1,38,316	1,67,451
Advances from clients	-	-	-	25,26,686	28,48,814	49,91,185
Total	-	-	-	25,67,718	29,87,130	51,58,636



ZUARI COMMODITY TRADING LIMITED
Notes to Financial Statements for the year ended 31 March 2017

13. Income Tax

Accounting profit

	As at 31-Mar-17	As at 31-Mar-16
	-8,02,318	-5,48,284
	-2,47,916	-1,69,420

Tax at the applicable tax rate of 30.9% (31.3.2016: 30.9%, 1.4.2015: 30.9%)

Tax effect of expenses that are deductible in determining taxable profit:

Depreciation as per income tax	13,048	21,761
Bonus paid u/s 43B	22,823	3,606
Payment and reversal of excess provision of gratuity & leave encashment	64,127	-

Tax effect of expenses that are not deductible in determining taxable profit:

Depreciation as per company act	-	6,313
Provision for bonus	8,652	22,823
Provision for gratuity & leave encashment	-	29,817

Tax expense *

	-3,39,262	-1,35,834
	NIL	NIL

* In case of negative tax expense, no tax expense is recognised.

Deferred tax:

	As at 01-Apr-15	Provided during the year	As at 31-Mar-16	Provided during the year	As at 31-Mar-17

Deferred tax liability:

Difference between:					
--Provision for Gratuity & Leave encashment	-	-	-	64,000	64,000
--Gain on remeasurement	-	-	-	38,000	38,000
Total deferred tax liability (A)	-	-	-	1,02,000	1,02,000

Deferred tax assets:

--Depreciation as per Books and as per Income Tax Act	-	-	-	30,000	30,000
--Loss Including unabsorbed depreciation carried forward	-	-	-	14,53,000	14,53,000
Total deferred tax assets (B)	-	-	-	14,83,000	14,83,000

Deferred Tax Assets / (Liability) (Net) (B - A)

	-	-	-	13,81,000	13,81,000
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The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.



ZUARI COMMODITY TRADING LIMITED
Notes to Financial Statements for the year ended 31 March 2017

14. Revenue From Operations		
	(Rs.)	
	31-Mar-17	31-Mar-16
Brokerage income	20,02,410	30,52,851
Other operative income	38,762	56,765
Total	20,41,172	31,09,616
(Rs.)		
15. Other income		
	31-Mar-17	31-Mar-16
Other income		
Interest on: (Note A)		
Interest income on deposits	5,55,503	5,62,546
Interest on income tax refund	3,267	3,917
Excess provision written back	28,989	2,851
Miscellaneous income	26,915	98,370
Total	6,14,674	6,67,684
Note A		
Total interest income (calculated using the effective interest method) for financial assets that are not at fair value through profit or loss		
In relation to Financial assets classified at amortised cost	5,55,503	5,62,546
In relation to Financial assets classified as FVOCI	-	-
Total	5,55,503	5,62,546
(Rs.)		
16. Employee Benefits Expense		
	31-Mar-17	31-Mar-16
Salaries & benefits	13,52,462	18,12,160
Contribution to Provident and other funds	96,109	1,72,035
Gratuity & leave encashment	54,533	1,70,064
Staff welfare	49,417	1,16,966
Total	15,52,521	22,71,225
* Disclosure in compliance with Ind AS - 19 on "Employee Benefits" is given in Note - 25		
(Rs.)		
17. Depreciation and amortization expense		
	31-Mar-17	31-Mar-16
Depreciation of property, plant and equipment	-	20,429
Total	-	20,429



ZUARI COMMODITY TRADING LIMITED
Notes to Financial Statements for the year ended 31 March 2017

18. Other expenses	(Rs.)	
	31-Mar-17	31-Mar-16
Advertisement	-	4,140
Fees & subscriptions	2,76,493	1,85,357
Comp.Repair & Software usage	3,71,345	2,30,245
Legal & professional charges	88,925	22,330
Insurance	7,146	11,554
Miscellaneous	8,085	92,450
Rates & taxes	15,600	3,000
Communication	3,02,583	3,85,632
Payment to the auditors*	50,250	50,000
Office Maintenance	1,37,455	1,59,366
Rent	4,22,184	3,77,162
Brokerage	1,59,679	4,15,801
Bad debts written off	6,030	-
Levies and Charges	26,678	41,374
Transaction charges	33,190	55,519
Total	19,05,643	20,33,930
*Payment to the Auditors		
Audit fee	50,250	50,000
	50,250	50,000

19. Commitments and Contingencies

Leases

Operating lease —

Lease Rentals charged to the Statement of profit and loss and maximum obligations payable as per the rentals stated in the respective lease agreements.

	31-Mar-17	31-Mar-16
Lease rentals recognized during the period	4,22,184	3,77,162
Lease Obligations		(Rs.)
- Within one year	4,22,184	4,22,184
- After one year but not more than five years	4,22,184	8,44,368

* Company has a Sub - Lease agreement tenure of which is dependent upon the tenure for main lease agreement.

Contingent Liabilities

Claims against the company, not acknowledged as debts - Rs. Nil (Previous year - Nil).



ZUARI COMMODITY TRADING LIMITED

Notes to Financial Statements for the year ended 31 March 2017

20. Earnings Per Share (EPS)

Basic and Diluted EPS are calculated by dividing the profit for the year attributable to equity holders of the parent company by the weighted average number of equity shares outstanding during the year.

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

Particulars	31-Mar-17	31-Mar-16
Profit attributable to equity holders of the parent	6,31,392	-5,48,284
Weighted Average number of equity shares used for computing		
Earning Per Share (Basic & Diluted)	16,00,000	15,00,273
Earning Per Share (Basic and Diluted) (Rs)	0.39	-0.37
Face value per share (Rs)	10.00	10.00

21. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial requirements of the business primarily through shareholders fund. As on date Company has no outside borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2017 and 31 March 2016.



22. Financial risk management objectives and policies

The Company's principal financial liabilities, are trade and other payables and employee liabilities. The main purpose of these financial liabilities is limited to maintain the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that are derived directly from its operations.

The Company is exposed to credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

Credit risk

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

Applicability

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's senior management in accordance with the Company's policy. Investments of surplus funds are made only with a prior approval from Director. The Company is required to provide deposits to exchanges for smooth functioning of operations. These deposits are provided either in cash or through Bank Fixed deposit only.

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the rationale use of funds as securities to the exchanges. The Company's policy is to maintain a debt free organisation. The Company is backed by the shareholders fund as an when required. Considering the stable business model backed by resouceful promoters, the Company assesses its Liquidity risk as low or negligible.

The table below summarises the maturity profile of the Company's financial liabilities based on **contractual undiscounted payments**.

	(Rs.)				
	On demand / Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
31-Mar-17					
Trade payables	10,03,011	-	-	-	10,03,011
	10,03,011	-	-	-	10,03,011
31-Mar-16					
Trade payables	2,88,616	-	-	-	2,88,616
	2,88,616	-	-	-	2,88,616
01-Apr-15					
Trade payables	3,35,105	-	-	-	3,35,105
	3,35,105	-	-	-	3,35,105

Collateral

The Company has pledged part of its short-term deposits in order to fulfil the collateral requirements of the exchanges. At 31 March 2017, 31 March 2016 and 1 April 2015, the fair values of the short-term deposits pledged were Rs. 23,62,000, Rs. 23,62,000 and Rs. 23,62,000, respectively. The counterparties have an obligation to return the securities to the Company.



ZUARI COMMODITY TRADING LIMITED
Notes to Financial Statements for the year ended 31 March 2017

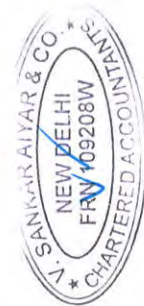
23. Reconciliation of Fair Values

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

	Carrying value			Fair value		
	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Financial assets						
Amortised cost:						
Security deposits	87,93,000	83,13,000	78,33,000	87,93,000	83,13,000	78,33,000
Total	87,93,000	83,13,000	78,33,000	87,93,000	83,13,000	78,33,000
Financial liabilities						
Amortised cost:						
Trade Payable	10,03,011	2,88,616	3,35,105	10,03,011	2,88,616	3,35,105
Total	10,03,011	2,88,616	3,35,105	10,03,011	2,88,616	3,35,105

The management assess that cash and cash equivalents, security deposit given and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.



ZUARI COMMODITY TRADING LIMITED
Notes to Financial Statements for the year ended 31 March 2017

24. Fair Value Hierarchy

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

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

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)

(Rs.)

Assets measured at fair value:

Amortised cost:

Security deposits	31-Mar-17	87,93,000		87,93,000	
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There have been no transfers between Level 1 and Level 2 during the period.

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

Liabilities measured at fair value:

Amortised cost:

Trade Payable	31-Mar-17	10,03,011		10,03,011	
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There have been no transfers between Level 1 and Level 2 during the period.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2016:

Assets measured at fair value:

Amortised cost:

Security deposits	31-Mar-16	83,13,000		83,13,000	
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Quantitative disclosures fair value measurement hierarchy for liabilities as at 31 March 2016:

Liabilities measured at fair value:

Amortised cost:

Trade Payable	31-Mar-16	2,88,616		2,88,616	
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There have been no transfers between Level 1 and Level 2 during year ended 31 March 2016.

Quantitative disclosures fair value measurement hierarchy for assets as at 1 April 2015:

Assets measured at fair value:

Amortised cost:

Security deposits	01-Apr-15	78,33,000		78,33,000	
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Quantitative disclosures fair value measurement hierarchy for liabilities as at 1 April 2015:

Liabilities measured at fair value:

Amortised cost:

Trade Payable	01-Apr-15	3,35,105		3,35,105	
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25. Gratuity and other post-employment benefit plans

	31-Mar-17	31-Mar-16	01-Apr-15
Plans			
- Gratuity (Not Funded)	1,73,217	2,40,139	1,54,118
	1,73,217	2,40,139	1,54,118

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

Net employee benefit expense (recognized in Employee Cost) for the year ended 31st March, 2017

Particulars	Gratuity	
	2016-17	2015-16
Current Service Cost	33,721	47,771
Net Interest Cost	20,812	12,715

Amount recognised in Other Comprehensive Income for the year ended 31st March, 2017

Particulars	Gratuity	
	2016-17	2015-16
Actuarial (gain)/ loss on obligations	-1,21,455	25,535

Changes in the present value of the defined benefit obligation are, as follows:

Particulars	Gratuity	
	2016-17	2015-16
Opening defined obligation	2,40,139	1,54,118
Current service cost	33,721	47,771
Interest cost	20,812	12,715
Remeasurements	-	-
Benefits paid	-	-
Actuarial (gain)/ loss on obligations	-1,21,455	25,535
Defined benefit obligation	1,73,217	2,40,139

The Company expects to contribute Rs. 47,546 (Previous year Rs. 71,295) towards gratuity during the year 2017-18.

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

	31-Mar-17	31-Mar-16	01-Apr-15
Discount rate (in %)	7.50%	8%	9%
Salary Escalation (in %)	9% for 1 st & 2 nd years & 7.5% thereafter	9% 2016-17 & 17-18 7.5% 2018-19 onwards	9%

A quantitative sensitivity analysis for significant assumption as at 31 March 2017 is as shown below:

Gratuity Plan

Assumptions	31-Mar-17		31-Mar-17	
	Discount rate		Future salary increases	
Sensitivity Level	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
Impact on defined benefit obligation (Rs.)	-15,189	17,050	17,003	-15,286
Assumptions	31-Mar-16		31-Mar-16	
	Discount rate		Future salary increases	
Sensitivity Level	0.50% increase	0.50 decrease	0.50% increase	0.50% decrease
Impact on defined benefit obligation (Rs.)	-7,697	8,139	8,101	-7,731

Note -

- 1) Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.
- 2) Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.
- 3) The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

	(Rs.)	
	31-Mar-17	31-Mar-16
Within the next 12 months (next annual reporting period)	3,829	37,734
Between 2 and 5 years	13,941	2,02,405
Beyond 5 years	1,55,447	
Total expected payments	1,73,217	2,40,139

The average duration of the defined benefit plan obligation at the end of the reporting period is 20.30 years (31 March 2016: 5.44 years).

26. First Time Adoption of Ind AS

Reconciliation of Equity

Particulars	Notes	(Rs.)	
		31/3/2016 (end of last period presented under previous GAAP)	01/04/2015 (Date of Transition)
Equity as reported under previous GAAP		1,08,75,552	1,04,39,994
Ind AS: Adjustments increase (decrease):			
Opening adjustment to retained earnings		-	-
Equity as reported under IND AS		1,08,75,552	1,04,39,994

Effect of Ind AS adoption on the statement of cash flows for the year ended 31 March, 2016

	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
Net cash flows/(used in) from operating activities	(36,29,249)	(1,37,070)	(37,66,319)
Net cash flows/(used in) from investing activities	5,62,546	1,37,070	6,99,616
Net cash flows/(used in) from financing activities	10,00,000	-	10,00,000
Net increase / (decrease) in cash and cash equivalents	(20,66,703)	-	(20,66,703)
Cash and cash equivalents at the beginning of period	79,21,126	(23,62,000)	55,59,126
Cash and cash equivalents at the end of period	58,54,423	(23,62,000)	34,92,423

Reconciliation of Profit

PARTICULARS	Notes	Year ended 31/3/2016 (latest period presented under previous GAAP)
Previous GAAP		-5,64,441
Ind AS: Adjustments increase (decrease):		
Adjustment on account of reclass of gratuity expense from employee benefits to OCI	1)	16,158
Profit or loss under Ind AS		-5,64,441
Other comprehensive income	1)	-16,158
Total comprehensive income under Ind ASs		-5,80,599

Note: No statement of comprehensive income was produced under previous GAAP. Therefore the above reconciliation starts with profit under previous GAAP.

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

1) Actuarial gain or loss

Under previous GAAP, actuarial gains and losses were recognised in statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability recognised in other comprehensive income.



ZUARI COMMODITY TRADING LIMITED

Notes to Financial Statements for the year ended 31 March 2017

First Time IND AS Adoption Reconciliations

Effect of Ind AS adoption on the balance sheet as at 1 April, 2015

(Rs.)

Particulars	Previous GAAP	Effect of transition to IND-AS	As per IND- AS
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	20,430	-	20,430
(b) Other Intangible Assets	1	-	1
(c) Financial Assets			
(i) Loans	20,30,000	-	20,30,000
(ii) Other	23,62,000	-	23,62,000
(d) Deferred Tax Assets (Net)	-	-	-
	44,12,431	-	44,12,431
(2) Current assets			
(a) Financial Assets			
(i) Cash and cash equivalents	55,59,126	-	55,59,126
(ii) Loans	58,03,000	-	58,03,000
(iii) Others	2,99,868	-	2,99,868
(b) Current Tax Assets (Net)	87,133	-	87,133
(c) Other current assets	1,70,682	-	1,70,682
	1,19,19,809	-	1,19,19,809
TOTAL	1,63,32,240	-	1,63,32,240
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	1,50,00,000	-	1,50,00,000
(b) Other Equity	-45,60,006	-	-45,60,006
	1,04,39,994	-	1,04,39,994
LIABILITIES			
(1) Non-current liabilities			
(a) Provisions	1,85,708	-	1,85,708
	1,85,708	-	1,85,708
(2) Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	3,35,105	-	3,35,105
(b) Other current liabilities	51,58,636	-	51,58,636
(c) Provisions	2,12,797	-	2,12,797
	57,06,538	-	57,06,538
TOTAL	1,63,32,240	-	1,63,32,240



ZUARI COMMODITY TRADING LIMITED**Notes to Financial Statements for the year ended 31 March 2017**

Effect of Ind AS adoption on statement of profit and loss for the year ended 31 March, 2016

(Rs.)

Particulars	Previous GAAP	Effect of transition to Ind-AS	As per Ind-AS
INCOME			
1 Revenue from operations	31,09,616	-	31,09,616
2 Other income	6,67,684	-	6,67,684
Total income	<u>37,77,300</u>	-	<u>37,77,300</u>
EXPENSES			
3 Employee benefits expense	22,87,383	(16,158)	22,71,225
4 Depreciation and amortisation expense	20,429	-	20,429
6 Other expenses	20,33,930	0	20,33,930
7 Total	<u>43,41,742</u>	<u>(16,158)</u>	<u>43,25,584</u>
PROFIT/(LOSS) BEFORE TAX	(5,64,442)	16,158	(5,48,284)
8 Tax expense:			
(i) Current tax	-	-	-
(ii) Deferred tax	-	-	-
PROFIT/(LOSS) FOR THE YEAR	(5,64,442)	16,158	(5,48,284)
9 Other comprehensive income			
(i) Items that will not be reclassified to profit and loss			
-Remeasurement of defined benefit obligation	-	(16,158)	(16,158)
'Net (loss)/gain on FVTOCI on investments	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME	-	(16,158)	(16,158)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(5,64,442)	-	(5,64,442)
Note- The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.			



ZUARI COMMODITY TRADING LIMITED
Notes to Financial Statements for the year ended 31 March 2017

First Time IND AS Adoption Reconciliations
Effect of Ind AS adoption on the balance sheet as at 31 March, 2016

(Rs.)

Particulars	Previous GAAP	Effect of transition to IND-AS	As per IND- AS
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	1	-	1
(b) Other Intangible Assets	1	-	1
(c) Financial Assets			
(i) Loans	50,10,000	-	50,10,000
(ii) Other	23,62,000	-	23,62,000
(d) Deferred Tax Assets (Net)	-	-	-
	73,72,002	-	73,72,002
(2) Current assets			
(a) Financial Assets			
(i) Cash and cash equivalents	34,92,423	-	34,92,423
(ii) Loans	33,03,000	-	33,03,000
(iii) Others	1,62,795	-	1,62,795
(b) Current Tax Assets (Net)	72,659	-	72,659
(c) Other current assets	2,43,420	-	2,43,420
	72,74,297	-	72,74,297
TOTAL	1,46,46,299	-	1,46,46,299
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	1,60,00,000	-	1,60,00,000
(b) Other Equity	-51,24,448	-	-51,24,448
	1,08,75,552	-	1,08,75,552
LIABILITIES			
(1) Non-current liabilities			
(a) Provisions	2,40,139	-	2,40,139
	2,40,139	-	2,40,139
(2) Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	2,88,616	-	2,88,616
(b) Other current liabilities	29,87,130	-	29,87,130
(c) Provisions	2,54,862	-	2,54,862
	35,30,608	-	35,30,608
TOTAL	1,46,46,299	-	1,46,46,299



ZUARI COMMODITY TRADING LIMITED

Notes to Financial Statements for the year ended 31 March 2017

27. Related Party disclosures**A. The list of related parties as identified by the management is as under:**

i) Holding Company:	Zuari Investments Limited
ii) Ultimate Holding Company:	Zuari Global Limited
iii) Fellow subsidiaries:	Zuari Insurance Brokers Limited Gobind Sugar Mills Limited (from 25/08/2014)

The following transactions were carried out with the related party during the year:

Zuari Investments Limited

Nature of transaction	Current year (Rs.)	Previous year (Rs.)
Opening balance as on 1st April	Nil	Nil
Depository participant charges	Nil	Nil
Amount paid on transfer of employee	29,816	Nil
Amount paid on our behalf	6,33,299	12,57,643
Deputation income	Nil	9,75,835
Share allotment	Nil	10,00,000
Money received on our behalf	14,688	27,481
Rent paid	4,40,734	3,92,210
Closing balance as on 31st March	7,52,265	Nil

iv) Key Management Personnel

- 1) Mr. R. S. Raghavan
- 2) Mr. Vijay Kathuria
- 3) Mr. Alok Banerjee

Nature of transaction	Current year (Rs.)	Previous year (Rs.)
Managerial Remuneration	Nil	Nil
Short-term employee benefits		
Post employment benefits		
Other long-term employee benefits		
Termination benefits		

28. Segment Information

The company's business activities falls broadly within a single primary business segment and therefore there is no reportable segment as per the management

29. Information relating to Specified Bank Notes (SBN)

	SBNs	Other Denomination Notes	Total
Closing Cash in hand as on 8.11.2016	-	5,043.00	5,043.00
(+) Permitted Receipts (Withdrawn from Bank)	-	34,000.00	34,000.00
(-) Permitted Payments	-	(980.00)	(980.00)
(-) Amount deposited in bank	-	-	-
Closing Cash in hand as on 30.12.2016			38,063.00

As per our report of even date

For V. Sankar Aiyar & Co.
Chartered Accountants
FRN 109208W

V. Retinam
Partner
M No.10412



For and on behalf of the Board

R. S. Raghavan
R. S. Raghavan
Director
(DIN-00362555)

Vijay Kathuria
Vijay Kathuria
Director
(DIN-00338125)

Place: New Delhi
Date: 12 May 2017