



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

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**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF Zuari Sugar & Power Limited (Formerly known as Zuari Financial Services Limited)**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Zuari Sugar & Power Limited ("the Company") earlier known as Zuari Financial Services Limited, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these 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 the 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 policies 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 knowledge and according to the explanations given to us, the aforesaid 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 31<sup>st</sup> March, 2016, and its loss and its cash flows for the year ended on that date.

## Emphasis of Matter

We draw attention to the footnote beneath Note No.7 regarding the decline in the value of Investments as on 31<sup>st</sup> March 2016 and the management's view for not providing for the same. Our opinion is not modified in respect of this matter.

## 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 the "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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 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".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company 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.

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

  
V. Rethinam  
(Partner)  
Membership No. 010412

Place : New Delhi  
Dated: 31/05/2016



**“Annexure A” referred to in the Independent Auditors’ report to the shareholders of Zuari Sugar & Power Limited on the accounts for the year ended 31<sup>st</sup> March, 2016.**

- i The Company does not own any fixed assets or immovable property and hence the provisions of Clause 3(i)(a), 3(i)(b), 3(i)(c) are not applicable.
- ii The Company does not carry inventories of nature covered by Accounting Standard-2. Therefore, Clause 3(ii) of the order is not applicable to the Company.
- iii The Company has not granted any loans during the year, secured or unsecured, to companies, firms, limited liability partnerships or other parties required to be covered in the register maintained under section 189 of the Act. Therefore, the provisions of clause 3(iii)(a), (b) and (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 or any other provisions of the Companies Act, 2013 and the Rules framed there under.
- 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 tax deducted at source, income-tax, and any other statutory dues with the appropriate authorities. There were no arrears of undisputed statutory dues as at 31<sup>st</sup> March, 2016, 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 duty of customs, duty of excise and cess for the year under audit.
- 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 procedure performed and the representation obtained from the management, we report that no case of fraud by the Company or by its officers or employees on the Company 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 of the Act. Therefore, the provisions of clause 3(xi) of the Order are not applicable.
- xii The Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.

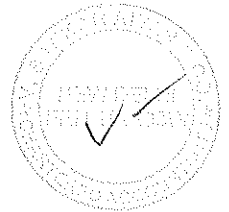


- xiii According to the information and explanations given to us and the representation obtained from the management, the Company has complied with section 188 of the Act in respect of transactions with related parties and the details have been disclosed in the financial statements as required by the 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 directors or persons connected with him. Therefore, the provisions of clause 3(xv) of the Order are not applicable.
- xvi We draw attention to Note no.2(v) regarding non registration of the Company under section 45-IA of the Reserve Bank of India Act, 1934 and hence have no comment to make.

**For V. SankarAiyar & Co.**  
**Chartered Accountants**  
**ICAI Firm Regn. No. 109208W**

**Place : New Delhi**  
**Dated: 7/05.2016**

**V. Rethinam**  
**(Partner)**  
**Membership No. 010412**



**“Annexure B” referred to in the Independent Auditors’ report to the shareholders of Zuari Sugar & Power Limited on the accounts for the year ended 31<sup>st</sup> March, 2016.**

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2016 in conjunction with our audit of the 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 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 March 31, 2016, 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. SankarAiyar & Co.  
Chartered Accountants  
ICAI Firm Regn. No. 109208W**

**Place: New Delhi  
Dated: 7/04/2016**







  
**V. Rethinam  
(Partner)  
Membership No. 010412**



**ZUARI SUGAR & POWER LIMITED (Formerly known as Zuari Financial Services Limited)**

**Balance Sheet as at March 31, 2016**

(Amount in Rupees)

	Note No.	As at March 31, 2016	As at March 31, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	14,90,00,000	14,90,00,000
Reserves & surplus	4	6,76,960	1,41,30,894
		14,96,76,960	16,31,30,894
<b>Current liabilities</b>			
Short Term Borrowings	5	31,48,20,000	26,50,00,000
Other current liabilities	6	6,94,632	75,977
		31,55,14,632	26,50,75,977
<b>Total</b>		46,51,91,592	42,82,06,871
<b>ASSETS</b>			
<b>Non-current assets</b>			
Non-current investments	7	32,80,00,000	16,20,00,000
Long term loans & advances	8	1,71,213	23,228
		32,81,71,213	16,20,23,228
<b>Current assets</b>			
Cash & cash equivalents	9	9,53,747	60,03,534
Short term loans & advances	8	11,52,98,934	26,00,00,000
Other current assets	10	2,07,67,698	1,80,109
		13,70,20,379	26,61,83,643
<b>Total</b>		46,51,91,592	42,82,06,871
Significant Accounting Policies	1		
Other notes forming part of the financial statements	2		
As per our report of even date			
For V.Sankar Aiyar & Co. Chartered Accountants FRN 109208 W		For and on behalf of the Board	
 V. Rethinam Partner M No.10412		 R. S. Raghavan Director (DIN-00362555)	 Vijay Kathuria Director (DIN-00338125)
Place: New Delhi Date: 7052016		 Nishant Dalal (Chief Financial Officer)	 Vandana Gupta (Company Secretary)

**ZUARI SUGAR & POWER LIMITED (Formerly known as Zuari Financial Services Limited)**  
**Statement of Profit and Loss for the year ended March 31, 2016**

(Amount in Rupee)

	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>REVENUE</b>			
Revenue from operations	11	2,22,70,911	2,28,299
Other income	12	193	16,143
<b>Total Revenue</b>		<b>2,22,71,104</b>	<b>2,44,442</b>
<b>EXPENSES</b>			
Other expenses	13	1,20,156	8,92,404
<b>Total Expenses</b>		<b>1,20,156</b>	<b>8,92,404</b>
<b>Profit/(Loss) for the year before interest &amp; taxation</b>		<b>2,21,50,948</b>	<b>(6,47,962)</b>
Finance costs	14	3,56,04,882	1,88,767
<b>Profit/(loss) before tax</b>		<b>(1,34,53,934)</b>	<b>(8,36,729)</b>
Tax expense		-	-
<b>Profit/(Loss) after taxation carried to Balance Sheet</b>		<b>(1,34,53,934)</b>	<b>(8,36,729)</b>
Earnings per equity share {nominal value of share Rs.10/- (March 31, 2015 - Rs.10/-)} Basic & diluted		(0.90)	(0.20)

As per our report of even date

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


V. Rethinam  
Partner  
No.10412



Place: New Delhi  
Date: 7/05/2016

For and on behalf of the Board

  
R. S. Raghavan  
Director  
(DIN-00362555)

  
Vijay Kathuria  
Director  
(DIN-00338125)

  
Nishant Dalal  
(Chief Financial Officer)

  
Vandana Gupta  
(Company Secretary)



**ZUARI SUGAR & POWER LIMITED (Formerly known as Zuari Financial Services Limited)**  
**Cash Flow Statement for the year ended March 31, 2016**

(Amount in Rupees)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A) Cash Flow from Operating Activities</b>		
Net Profit (loss) before tax as per statement of profit & loss	(1,34,53,934)	(8,36,729)
Adjustments for:		
Interest Income on Fixed Deposits	(2,52,282) (2,52,282)	(35,970) (35,970)
Operating Profit/ (Loss) before working capital changes	(1,37,06,216)	(8,72,699)
Adjustment for changes in Working Capital (Increase)/ Decrease in Other Receivables	(2,05,87,589)	(1,73,205)
Increase/ (Decrease) in Trade and Other Payables	6,18,655 (1,99,68,934)	31,033 (1,42,172)
Less: Income Tax Paid	(1,47,985)	60,147
<b>Net Cash used in Operating Activities</b>	<b>(3,38,23,135)</b>	<b>(9,54,724)</b>
<b>B) Cash Flow from Investing Activities</b>		
Interest Income on Fixed Deposits	2,52,282	35,970
Purchase of Investment	(16,60,00,000)	(13,50,00,000)
<b>Net Cash from Investing Activities</b>	<b>(16,57,47,718)</b>	<b>(13,49,64,030)</b>
<b>C) Cash Flow from Financial Activities</b>		
ICD taken	4,98,20,000	26,50,00,000
ICD given	14,47,01,066	(26,00,00,000)
Share Capital issued	-	13,64,00,000
<b>Net Cash from Financial Activities</b>	<b>19,45,21,066</b>	<b>14,14,00,000</b>
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(50,49,787)	54,81,246
Cash & Cash Equivalents as at the beginning of the year	60,03,534	5,22,288
Cash & Cash Equivalents as at the end of the year	<u>9,53,747</u>	<u>60,03,534</u>

Annexure to our report of date

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

*315*  
V. Rethinam  
Partner  
M No.10412

Place : New Delhi  
Date : *7052016*



For and on behalf of the Board

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

*Nishant Dalal*  
Nishant Dalal  
(Chief Financial Officer)

*Vijay Kathuria*  
Vijay Kathuria  
Director  
(DIN-00338125)

*Vandana Gupta*  
Vandana Gupta  
(Company Secretary)

**ZUARI SUGAR & POWER LIMITED (Formerly known as Zuari Financial Services Limited)**  
**Notes to financial statements for the year ended March 31, 2016**

**CORPORATE INFORMATION**

Zuari Sugar & Power limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It was incorporated on June 27, 2008.

**1. SIGNIFICANT ACCOUNTING POLICIES**

**i) Basis of preparation of accounts**

The financial statements are prepared under historical cost convention, on a going concern basis and in accordance with applicable Accounting Standards.

**ii) Use of Estimates**

The preparation of financial statement requires management to make certain estimates and assumptions that affect the amount reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialize.

**iii) Revenue Recognition**

Interest income is recognized on time proportion basis.

**iv) Investments**

Investments held by the Company are long term investments. These are valued at cost. Provision for diminution in value is made, if in the opinion of the board, such a decline is considered other than temporary.

**2. OTHER NOTES ON ACCOUNTS**

**i) List of related parties as identified by the management is as under:**

- |                        |                                     |
|------------------------|-------------------------------------|
| a) Holding Company     | : Zuari Global Limited              |
| b) Fellow Subsidiaries | : Zuari Investments Limited         |
|                        | : Simon India Limited               |
|                        | : Indian Furniture Products Limited |
|                        | : Zuari Management Services Limited |
|                        | : Adventz Infraworld India Limited  |
|                        | : Gobind Sugar Mills Limited        |



**ZUARI SUGAR & POWER LIMITED (Formerly known as Zuari Financial Services Limited)**  
**Notes to financial statements for the year ended March 31, 2016**

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

**Zuari Global Limited**

Nature of Transactions	2015-16 (Rs.)	2014-15 (Rs.)
Opening balance as on April 1	26,50,00,000	Nil
Subscription of Fresh Equity Shares	Nil	12,40,00,000
Security Premium Received	Nil	1,24,00,000
Inter Corporate Deposit Received	11,60,00,000	26,50,00,000
Inter Corporate Deposit Repaid	6,61,80,000	Nil
Interest Paid	3,56,04,882	1,88,767
Closing balance as on March 31 (Cr.)	31,48,20,000	26,50,00,000

**Zuari Investments Limited**

Nature of Transactions	2015-16 (Rs.)	2014-15 (Rs.)
Opening balance as on April 1	Nil	Nil
Fees & Subscription Exp.	10,236	7,500
Amount Paid on Our Behalf	29,51,903	8,319
Depository Charges paid	1,823	1,700
Closing balance as on March 31	Nil	Nil

**Gobind Sugar Mills Limited**

Nature of Transactions	2015-16 (Rs.)	2014-15 (Rs.)
Opening balance as on April 1	Nil	Nil
Advance for Purchase of Land	4,95,00,000	Nil
Advance Refunded By GSML	4,95,00,000	Nil
Interest Accrued	14,43,260	Nil



**ZUARI SUGAR & POWER LIMITED (Formerly known as Zuari Financial Services Limited)**  
**Notes to financial statements for the year ended March 31, 2016**

7% NCRP shares subscribed	16,60,00,000	13,50,00,000
Closing balance as on March 31	12,98,934 (Dr.)	Nil

**iv) Basic and diluted earnings per share as per Accounting Standard – 20**

S. No.	Particulars	Year ended March 31, 2016	Year ended March 31, 2015
a)	Net Profit after tax (Rs.)	(1,34,53,934)	(8,36,729)
b)	Weighted average number of equity shares	1,49,00,000	41,64,658
c)	Face value per share (Rs.)	10	10
d)	Basis and diluted earning per share (Rs.)	(0.90)	(0.20)

- v) The Company's financial assets and income are in excess of 50% of the total assets and total income, respectively. The Company has no intention to carry on activities of a Non-Banking Financial Company. In the circumstances, Company is of the view that registration under section 45-IA of the RBI Act, 1934 is not required.
- vi) Particulars of Loans & Investments as required u/s 186(4) of the Companies Act, 2013 :- Refer Note 7 & 8
- vii) Previous year figures have been regrouped wherever considered necessary to correspond to current year figures.



**ZUARI SUGAR & POWER LIMITED (Formerly known as Zuari Financial Services Limited)**  
**Notes to financial statements for the year ended March 31, 2016**

	(Amount in Rupees)	
	As at March 31, 2016	As at March 31, 2015
<b>3. Share capital</b>		
<b>Authorised</b>		
1,80,00,000 Equity Shares of Rs.10/- each ( Capital increased by 80,00,000 shares having face value Rs.10/- from Dt:11.02.2015)	18,00,00,000	18,00,00,000
<b>Issued</b>		
1,49,00,000 Equity Shares of Rs.10/- each (1,24,00,000 shares issued on dt:11.02.2015 having face value Rs.10/-)	14,90,00,000	14,90,00,000
<b>Subscribed and Paid-up</b>		
1,49,00,000 Equity Shares of Rs.10/- each, fully paid-up (1,24,00,000 shares issued on dt:11.02.2015 having face value Rs.10/-)	14,90,00,000	14,90,00,000

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

Equity Shares	March 31, 2016		March 31, 2015	
	in Numbers	Rupees	in Numbers	Rupees
At the beginning of the year	1,49,00,000	14,90,00,000	25,00,000	2,50,00,000
Issued during the year	-	-	1,24,00,000	12,40,00,000
Outstanding at the end of the year	1,49,00,000	14,90,00,000	1,49,00,000	14,90,00,000

**b) Terms/Rights attached to equity Shares**

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

**c) Details of Share Holders holding more than 5% of shares in the Company**

Name of Shareholder	March 31, 2016		March 31, 2015	
	No. of Shares	% Holding	No. of Shares held	% Holding
Zuari Global Limited (Holding Company since 15/01/2015)	1,49,00,000	100	1,49,00,000	100
<b>Total</b>	1,49,00,000	100	1,49,00,000	100

**4. Reserves & surplus**

**a) Share Security Premium**

( Being 1,24,00,000 shares issued on 11.02.2015 @ share premium of Rs.1 per share, having face value of Rs.10/- each )

	1,24,00,000	1,24,00,000
	1,24,00,000	1,24,00,000
<b>b) Surplus / (Deficit)</b>		
Balance as per last financial statements	17,30,894	25,67,623
Net Profit/( Loss) for the current year	(1,17,23,040)	(8,36,729)
<b>Total (a+b)</b>	6,76,960	1,41,30,894



**ZUARI SUGAR & POWER LIMITED (Formerly known as Zuari Financial Services Limited)**  
**Notes to financial statements for the year ended March 31, 2016**

**5. Short term borrowings**

Unsecured

Inter Corporate Deposits from

Zuari Global Limited Terms: Interest @ 8% per annum (Revised from 01.01.2016, earlier @ 13% per annum) Maturity Date : 30.06.2016	19,88,20,000	26,50,00,000
Zuari Global Limited Terms: Interest @ 8% per annum (Revised from 01.01.2016, earlier @ 13% per annum) Maturity Date : 30.06.2016	1,60,00,000	-
Zuari Global Limited Terms: Interest @ 8% per annum (Revised from 01.01.2016, earlier @ 13% per annum) Maturity Date : 30.06.2016	5,00,00,000	-
Zuari Global Limited Terms: Interest @ 8% per annum (Revised from 01.01.2016, earlier @ 13% per annum) Maturity Date : 30.06.2016	5,00,00,000	-
	31,48,20,000	26,50,00,000

(Amount in Rupees)

As at  
March 31, 2016

As at  
March 31, 2015

**6. Other current liabilities**

a) Statutory Dues	6,42,382	24,797
b) Other Payables		
Audit Fees Payable	52,250	51,180
Legal Charges Payable	-	-
	6,94,632	75,977

**7. Non current investments**

Long Term ( Non Trade - unless stated otherwise)  
(Refer note no. 1(iv) on valuation of investments)

Nos.

**Investment in Preference Shares**

Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative Non Convertible Preference Shares, <b>Series-II</b> redeemable in one single lot after expiry of the 12th year from the date of allotment.	27,00,000	27000000	2,70,00,000
Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative Non Convertible Preference Shares, <b>Series-XI</b> redeemable in one single lot after expiry of the 12th year from the date of allotment.	1,35,00,000	135000000	13,50,00,000
Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative Non Convertible Preference Shares, <b>Series-XIV</b> redeemable in one single lot after expiry of the 12th year from the date of allotment.	1,00,00,000	100000000	-
Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative Non Convertible Preference Shares, <b>Series-XVII</b> redeemable in one single lot after expiry of the 12th year from the date of allotment.	66,00,000	66000000	-
		328000000	16,20,00,000

Foot note: Based on available information as on 31.03.2016, the investee company's paid up capital and reserves are nearly eroded by accumulated losses. Keeping in view the long term nature of the investment, the management is of the view that the diminution in value is temporary and hence no provision for shortfall is considered necessary.



ZUARI SUGAR & POWER LIMITED (Formerly known as Zuari Financial Services Limited)  
Notes to financial statements for the year ended March 31, 2016

**8. Loans and advances**

**Unsecured & Considered Good**

	March 31, 2016		March 31, 2015	
	Non Current	Current	Non Current	Current
Advance income tax and tax deducted at source (net of provisions)	1,71,213	-	23,228	-
Interest receivable (GSML)	-	12,98,934	-	-
Short term loan to a body corporate - ANS Industries Limited	-	11,40,00,000	-	26,00,00,000
Terms: Interest @ 13.50 % per annum				
Maturity Date 30.06.2016				
Purpose : Short term financial assistance				
	<b>1,71,213</b>	<b>11,52,98,934</b>	<b>23,228</b>	<b>26,00,00,000</b>

**9. Cash and cash equivalents**

	March 31, 2016		March 31, 2015	
	Non Current	Current	Non Current	Current
Balances with banks				
-in Current accounts	-	9,53,747	-	56,03,534
- in deposit accounts maturing within 12 months	-	-	-	4,00,000
	<b>-</b>	<b>9,53,747</b>	<b>-</b>	<b>60,03,534</b>

**10. Other current assets**

Interest accrued on Inter corporate deposits		2,07,67,698		1,73,096
Interest accrued on Fixed Deposits		-		7,013
		<b>2,07,67,698</b>		<b>1,80,109</b>



**ZUARI SUGAR & POWER LIMITED (Formerly known as Zuari Financial Services Limited)**  
**Notes to financial statements for the year ended March 31, 2016**

	(Amount in Rupees)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>11. Revenue from operations</b> (Refer Note no. 1(iii) for revenue recognition)		
Interest income- others	14,43,260	-
Interest income on Fixed deposits	2,52,282	35,970
Interest income on Inter corporate deposits	2,05,75,369	1,92,329
	2,22,70,911	2,28,299
<b>12. Other income</b>		
Interest on income tax refund	193	5,945
Excess provision written back	-	10,198
	193	16,143
<b>13. Other expenses</b>		
Payment to the auditors*	57,250	56,180
Printing & stationery	1,628	270
Legal & professional	8,140	8,800
Rates & taxes	37,800	22,200
ROC fees for increase in Authorised share capital	-	7,60,000
Miscellaneous	15,338	44,204
Conveyance Expenses	-	750
	1,20,156	8,92,404
<b>*Payments to the auditors</b>		
Audit Fee	50,000	50,000
Service Tax	7,250	6,180
	57,250	56,180
<b>14. Finance Costs</b>		
Interest Expense - ICD	3,56,04,882	1,88,767
	3,56,04,882	1,88,767

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

V. Rethinam  
Partner  
M No.10412

Place: New Delhi  
Date: 20/5/2016



For and on behalf of the Board

R. S. Raghavan  
Director  
(DIN-00362555)

Vijay Kathuria  
Director  
(DIN-00338125)

Nishant Dalal  
(Chief Financial Officer)

Vandana Gupta  
(Company Secretary)