



V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS

Satyam Cinema Complex, Ranjit Nagar Community Centre, New Delhi – 110 008
Flat No. | 202, 203 | Tel. (011) 25702691, 25704639, 43702919
 | & 301 | Tel. (011) 25705233, 25705232
 E-mail : newdelhi@vsa.co.in

INDEPENDENT AUDITOR'S REPORT

To the Members of Zuari Commodity Trading Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Zuari Commodity Trading Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) 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.
2. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central 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 statement on the matters specified in the paragraphs 3 and 4 of the said Order.

Place: New Delhi

Dated: 6.05.2015

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


V. Rethinam
(Partner)

Membership No. 010412



ZUARI COMMODITY TRADING LIMITED**Balance Sheet as at March 31, 2015**


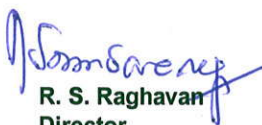

(Amount in Rupees)

	Note No.	As at March 31, 2015	As at March 31, 2014
<u>EQUITY AND LIABILITIES</u>			
Shareholders' funds			
Share capital	3	15,000,000	15,000,000
Reserves & surplus	4	(4,560,006)	(4,768,020)
		10,439,994	10,231,980
Non current liabilities			
Deferred tax liabilities (Net)	5	-	-
Long term provisions	6	185,708	161,303
		185,708	161,303
Current liabilities			
Trade payables	7	335,105	389,759
Other current liabilities	8	5,158,636	2,898,045
Short term provisions	6	212,797	199,615
		5,706,538	3,487,419
Total		16,332,240	13,880,702
<u>ASSETS</u>			
Non-current assets			
Fixed assets	9		
(i) Tangible assets		20,430	51,419
(ii) Intangible assets		1	1
Long term loans & advances	10	2,117,133	2,180,504
Other non-current assets	11	2,362,000	2,362,000
		4,499,564	4,593,924
Current assets			
Cash & cash equivalents	11	5,559,126	2,895,360
Short term loans & advances	10	5,973,682	6,091,431
Other current assets	12	299,868	299,987
		11,832,676	9,286,778
Total		16,332,240	13,880,702
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: 6-05-2015			



ZUARI COMMODITY TRADING LIMITED**Statement of Profit and Loss for the year ended March 31, 2015**

(Amount in Rupees)

	Note No.	For the year ended March 31, 2015	For the year ended March 31, 2014
REVENUE			
Revenue from operations	13	3,422,223	3,958,246
Other income	14	830,937	833,072
Total Revenue		4,253,160	4,791,318
EXPENSES			
Employee benefits expense	15	2,315,031	3,797,200
Other expenses	16	1,699,126	2,389,126
Total Expenses		4,014,157	6,186,326
Earnings before interest, tax, depreciation and amortization (EBITDA)		239,003	(1,395,008)
Depreciation & amortization expenses	17	30,989	799,361
Profit/(loss) for the year before tax		208,014	(2,194,369)
Total tax expense		-	-
Profit/(Loss) for the year after tax carried to Balance Sheet		208,014	(2,194,369)
Earnings per equity share {nominal value of share Rs.10/- (March 31, 2014 - Rs.10/-)} Basic & diluted		0.14	(1.46)
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: 6-05-2015			



ZUARI COMMODITY TRADING LIMITED**Cash Flow Statement for the year ended March 31, 2015**

(Amount in Rupees)

<u>Particulars</u>	<u>For the year ended March 31, 2015</u>		<u>For the year ended March 31, 2014</u>	
A) Cash Flow from Operating Activities				
Net Profit (loss) before tax as per statement of profit & loss		208,014		(2,194,369)
Adjustments for:				
Interest Income	(722,239)		(744,305)	
Depreciation	30,989	(691,250)	799,361	55,056
Operating Profit/ (Loss) before working capital changes		(483,236)		(2,139,313)
Adjustment for changes in Working Capital				
(Increase)/ Decrease in other Receivables	137,868		(215,202)	
Increase/ (Decrease) in Trade and other payables	2,243,524	2,381,392	(2,220,841)	(2,436,043)
Less: Income Tax Paid		43,371		(131,779)
Net Cash used in Operating Activities		1,941,527		(4,707,135)
B) Cash Flow from Investing Activities				
Interest Income		722,239		744,305
Net Cash from Investing Activities		722,239		744,305
Net Increase/ (Decrease) in cash and cash Equivalents (A+B+C)		2,663,766		(3,962,830)
Cash & Cash Equivalents as at the beginning of the year		5,257,360		9,220,190
Cash & Cash Equivalents as at the end of the year		7,921,126		5,257,360

Note:

Closing balance as on 31.03.2015 includes deposits of Rs. 23,62,000/- (previous year - Rs. 23,62,000/-) under lien and not available for use.

Annexure to our report of date

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


V. Rethinam
Partner
M No.10412

Place : New Delhi
Date : 6.05.2015

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, 2015

CORPORATE INFORMATION

Zuari Commodity Trading 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 statements 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) Fixed Assets & Depreciation

- a) Fixed Assets are stated at cost of acquisition less accumulated depreciation. All significant costs incidental to the acquisition of assets are capitalized.
- b) The company has revised its policy of providing depreciation w.e.f. 01.04.2014 in line with the 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 Asset is put to use.

- iv) Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident 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 provident fund. In respect of gratuity and leave benefits keeping in view the smallness of the number of employees and their limited period of employment so far, provision has been made on a fair estimate.**

v) Revenue Recognition

Income from services rendered is recognized when completed. Interest income is recognized on time proportion basis.

2. OTHER NOTES ON ACCOUNTS

i) Auditor's remuneration

S.No.	Particulars	Year ended March 31, 2015 (Rs.)	Year ended March 31, 2014 (Rs.)
a)	Audit fees	50,000	40,000
b)	Service Tax & Cess	6,180	4,944



ZUARI COMMODITY TRADING LIMITED**Notes to financial statements for the year ended March 31, 2015****ii) List of related parties as identified by the management is as under:**

- a) Holding Company : Zuari Investments Limited
- b) Ultimate Holding Company : Zuari Global Limited
- b) Fellow Subsidiaries : Zuari Insurance Brokers Limited
: Gobind Sugar Mills Limited (From 25/08/2014 to 31/03/2015)
: Zuari Financial Services Limited (From 01/04/2014 to 15/01/2015)

iii) The following transactions were carried out with the related party during the year:**Zuari Investments Limited**

Nature of the Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014	Nil	Nil
Depository Participant charges	500	6,000
Amount paid on our Behalf	9,16,246	10,09,363
Deputation Income	7,89,586	Nil
Rent Paid	365,294	6,89,945
Closing Balance as on 31.03.2015	Nil	Nil

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

S. No.	Particulars	Year ended March 31, 2015	Year ended March 31, 2014
a)	Net Profit (Rs.)	2,08,014	(2,194,369)
b)	Weighted average number of equity shares	15,00,000	15,00,000
c)	Face value per share (Rs.)	10	10
d)	Basis and diluted earnings per share (Rs.)	0.14	(1.46)

v) For the financial years 2011-12, the Company paid income tax u/s 115 JB of the Act (MAT) amounting to Rs. 14,710/- . The Company is entitled for MAT Credit for the tax so paid within a period of 10 years as per the provisions of the Act.

vi) 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 March 31, 2015**

(Amount in Rupees)

As at
March 31, 2015

As at
March 31, 2014

3. Share capital**Authorised**

50,00,000 Equity Shares of Rs.10/- each

50,000,00050,000,000**Issued**

15,00,000 Equity Shares of Rs.10/- each

15,000,00015,000,000**Subscribed and Paid-up**

15,00,000 Equity Shares of Rs.10/- each, fully paid up

15,000,00015,000,00015,000,00015,000,000**a) Reconciliation of shares outstanding at the beginning and end of the reporting year****Equity Shares**

	March 31, 2015		March 31, 2014	
	in Numbers	Rupees	in Numbers	Rupees
At the beginning of the year	1,500,000	15,000,000	1,500,000	15,000,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>1,500,000</u>	<u>15,000,000</u>	<u>1,500,000</u>	<u>15,000,000</u>

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, 2015		March 31, 2014	
	No. of Shares held	% Holding	No. of Shares held	% Holding
Zuari Investments Limited (Holding Company)	1,500,000	100	1,500,000	100

4. Reserves & surplus**Surplus / (Deficit)**

Balance as per last financial statements	(4,768,020)	(2,573,651)
Net Profit/(Loss) for the current year	208,014	(2,194,369)
	<u>(4,560,006)</u>	<u>(4,768,020)</u>

5. Deferred tax liabilities (Net)

Difference between:

- Depreciation as per Books and as per Income Tax Act	(59,000)	(89,000)
- Provision for Gratuity & Leave encashment	(124,000)	(112,000)
- Loss Including unabsorbed depreciation carried forward	(1,081,000)	(1,312,000)
	<u>(1,264,000)</u>	<u>(1,513,000)</u>

As a matter of prudence, the net deferred tax assets has not been considered

6. Provisions

Provision for employee benefits	Long-Term		Short-Term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
- Gratuity	185,708	161,303	-	-
- Leave benefits	-	-	212,797	199,615
	<u>185,708</u>	<u>161,303</u>	<u>212,797</u>	<u>199,615</u>



ZUARI COMMODITY TRADING LIMITED**Notes to financial statements for the year ended March 31, 2015**

(Amount in Rupees)

7. Trade payables

	As at March 31, 2015	As at March 31, 2014
Trade payables	335,105	389,759
	<u>335,105</u>	<u>389,759</u>

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.

8. Other current liabilities

Statutory dues	167,451	29,316
Advances from clients	4,991,185	2,868,729
	<u>5,158,636</u>	<u>2,898,045</u>

9. Fixed assets

Refer Annexure

10. Loans and advances**Unsecured, considered good**

	March 31, 2015		March 31, 2014	
	Non Current	Current	Non Current	Current
Security deposits	2,030,000	5,803,000	2,050,000	5,803,000
Tax deducted at source (net of provisions)	87,133	-	130,504	-
Other advances recoverable in cash or in kind	-	170,682	-	288,431
	<u>2,117,133</u>	<u>5,973,682</u>	<u>2,180,504</u>	<u>6,091,431</u>

11. Cash and cash equivalents

	March 31, 2015		March 31, 2014	
	Non Current	Current	Non Current	Current
A. Balances with banks*				
- in Current Accounts	-	5,549,242	-	2,880,632
- in deposit accounts*	2,362,000	-	2,362,000	-
B. Cash in hand	-	9,884	-	14,728
	<u>2,362,000</u>	<u>5,559,126</u>	<u>2,362,000</u>	<u>2,895,360</u>

* Under lien Rs.15,00,000 to NCDEX- maturing within 12 months of the reporting date. However, 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

12. Other current assets

Interest accrued on deposits	299,868	299,987
	<u>299,868</u>	<u>299,987</u>



ZUARI COMMODITY TRADING LIMITED**Notes to financial statements for the year ended March 31, 2015**

(Amount in Rupees)
For the year ended
March 31, 2015 For the year ended
March 31, 2014

13. Revenue from operations

(Refer note 1(v) for revenue recognition)

Brokerage income	3,206,347	3,601,657
Other Income	215,876	356,589
	<u>3,422,223</u>	<u>3,958,246</u>

14. Other income

Interest income on deposits	722,239	744,305
Interest on income tax refund	7,376	1,491
Excess provision written back	109	85,476
Miscellaneous income	94,213	1,800
Notice period recovery	7,000	-
	<u>830,937</u>	<u>833,072</u>

15. Employee benefits expense

Salaries & benefits (Net of Deputation Income)	1,947,435	3,440,123
Contribution to Provident and other funds	173,299	207,208
Gratuity & leave encashment	90,019	142,845
Staff welfare	104,278	7,024
	<u>2,315,031</u>	<u>3,797,200</u>

16. Other Expenses

Fees & subscriptions	96,609	77,259
Comp.Repair & Software usage expenses	220,378	253,911
Legal & professional charges	8,850	39,750
Insurance	7,110	7,110
Printing & stationery	76,678	1,386
Miscellaneous	576	7,393
Rates & taxes	20,400	1,500
Communication	369,105	568,083
Travelling & conveyance	86,136	84,763
Payment to the auditors*	50,000	40,000
Interest-others	3,967	-
Office Maintenance	128,331	-
Rent	365,294	689,945
Brokerage	255,702	618,026
Bad debts written off	9,670	-
Business Promotions	320	-
	<u>1,699,126</u>	<u>2,389,126</u>

***Payments to the Auditors (excluding Service Tax)**

Audit Fee	50,000	40,000
	<u>50,000</u>	<u>40,000</u>



ZUARI COMMODITY TRADING LIMITED

Notes to financial statements for the year ended March 31, 2015

17. Depreciation & amortization expenses

Tangible assets	30,989	438,234
Intangible assets	-	361,127
	<u>30,989</u>	<u>799,361</u>

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: 6-05-2015



ZUARI COMMODITY TRADING LIMITED**Notes to financial statements for the year ended March 31, 2015****Annexure****Note 9. Fixed Assets**

(Amount in Rupees.)

	Particulars	Tangible		Intangible	Grand Total
		Office Equipments	Total	Software & Licenses	
a	Cost				
	As at 31.03.2014	1,764,105	1,764,105	1,262,833	3,026,938
	As at 31.03.2015	1,764,105	1,764,105	1,262,833	3,026,938
b	Depreciation				
	Upto 31.03.2014	1,712,686	1,712,686	1,262,832	2,975,518
	Charge for the Year	30,989	30,989	-	30,989
	As at 31.03.2015	1,743,675	1,743,675	1,262,832	3,006,507
c	Net Block				
	As at 31.03.2015	20,430	20,430	1	20,431
	As at 31.03.2014	51,419	51,419	1	51,420

Refer Note No. 1 (iii) for method and rate of depreciation

