



V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of Zuari Investments Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Zuari Investments 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 loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the footnote beneath note no. 10 regarding the decline in the value of long term investments as on 31st March, 2015 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 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. There are no material pending litigations against the Company which could impact its financial position in its financial statements.
 - 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.

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

Place: New Delhi

Dated:

7-05-2015


V. Rethinam
(Partner)

Membership No. 010412



Annexure referred to in the Independent Auditors' Report to the members of Zuari Investments Limited on the accounts for the year ended 31st March, 2015.

- i a) The Company has maintained 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, in our opinion, is reasonable. No material discrepancies were noticed on such verification.
- 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 or other parties required to be covered in the register maintained under section 189 of the Act, 2013. Therefore, the provisions of clause 3(iii) (a) & (b) of the Order are not applicable.
- iv In our opinion and according to the information and explanations given to us, there are reasonably adequate internal control systems, commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the internal control system.
- v The Company has not accepted deposits during the year from the public within the provisions of section 73 of the Act and the Rules framed there under.
- vi The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 (1) of the Act in respect of Company's activities.
- vii a) According to the information and explanations given to us and on the basis of examination of 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 no arrears of undisputed statutory dues as at 31st March, 2015, 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, wealth tax, duty of customs, duty of excise, value added tax and cess for the year under audit.
b) There are no disputed dues which have remained unpaid as on 31st March, 2015 on account of Income-tax and Service tax.
c) According to the information and explanation given to us, the Company has no liability or requirement to transfer any amount to Investor Education & Protection Fund in accordance with the relevant provisions of the Act.
- viii The Company has accumulated losses at the end of the year which are less than fifty per cent of its net worth. The Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix The Company has not taken any loans from financial institutions or banks or debenture holders. Therefore, the question of default in repayment of dues does not arise.
- x The Company had given corporate guarantees to Banks on behalf of Styles Spa Furniture Limited, an Associate Company (which has merged with Indian Furniture Products Limited w.e.f. 1st April, 2014) and Gobind Sugar Mills Limited, a Subsidiary Company for extending credit facilities of Rs. 10.25 Crores and Rs. 30 Crores respectively. Keeping in view that the guarantees were for an Associate Company and a Subsidiary Company, the management has clarified that it was not prejudicial to the interest of the Company. The Banks have confirmed that the guarantees stand discharged as on 31st March, 2015.
- xi According to the information and explanations given to us, the Company has not taken any term loans during the year.




xii Based on the audit procedure performed and the representation obtained from the management, we report that no material fraud on or by the Company has been noticed or reported during the year under audit.

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

Place: New Delhi

Dated: 20/5/2015


V. Rethinam
(Partner)

Membership No. 010412



ZUARI INVESTMENTS 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	374,457,900	374,457,900
Reserves & surplus	4	(82,731,127)	61,973,821
		291,726,773	436,431,721
Non current liabilities			
Long term provisions	5	3,207,051	2,562,564
Long term borrowings	6	-	800,000,000
		3,207,051	802,562,564
Current liabilities			
Short term borrowings	6	1,317,500,000	300,000,000
Trade payables	7	54,229,860	59,824,871
Other current liabilities	8	29,601,594	28,721,407
Short term provisions	5	3,948,404	3,153,028
		1,405,279,858	391,699,306
Total		1,700,213,682	1,630,693,591
<u>ASSETS</u>			
Non-current assets			
Fixed assets			
Tangible assets	9	4,787,858	6,382,537
Intangible assets		478,070	1,504,087
Non current investments	10	1,393,918,973	1,310,748,007
Long term loans & advances	11	111,246,148	108,339,429
Other non-current assets	15	5,111,524	5,111,524
		1,515,542,573	1,432,085,584
Current assets			
Current investments	12	66,000,000	71,161,820
Trade receivables	13	39,720,750	36,057,866
Cash & cash equivalents	14	71,549,719	80,184,441
Short term loans & advances	11	5,340,007	8,725,187
Other current assets	15	2,060,633	2,478,693
		184,671,109	198,608,007
Total		1,700,213,682	1,630,693,591
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 Board

(V. Rethinam)
Partner
M. No. 10412

(R.S. Raghavan)
Managing Director
DIN : 00362555

(Vijay Kathuria)
Wholetime Director
DIN : 00338125

(Tarun Khanna)
Chief Financial Officer

(Jitendra Gupta)
Company Secretary

Place : New Delhi

Date : 7052015



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

	Note No.	(Amount in Rupees)	
		For the year ended March 31, 2015	For the year ended March 31, 2014
REVENUE			
Revenue from operations	16	87,210,489	76,229,201
Other Income	17	15,400,569	117,495,402
Total Revenue		102,611,058	193,724,603
EXPENSES			
Employee benefits expense	18	66,837,446	58,248,648
Other expenses	19	30,258,216	30,761,494
Total Expenses		97,095,662	89,010,142
Earnings before interest, tax, depreciation and amortization (EBITDA)		5,515,396	104,714,462
Depreciation & amortization expenses	20	2,965,389	2,759,033
Finance costs	21	147,254,955	111,691,099
Profit/(loss) before tax		(144,704,948)	(9,735,671)
Total tax expense		-	-
Profit/(Loss) for the year after tax carried to Balance Sheet		(144,704,948)	(9,735,671)
Earnings per equity share {nominal value of share Rs.10/- (March 31, 2014 - Rs.10/-)} Basic & diluted		(3.86)	(0.26)
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

(V. Rethinam)
Partner
M. No. 10412

For and on behalf of Board

(R.S. Raghavan)
Managing Director
DIN : 00362555

(Vijay Kathuria)
Wholetime Director
DIN : 00338125

(Tarun Khanna)
Chief Finance Manager

(Jitendra Gupta)
Company Secretary

Place : New Delhi

Date : 7052015



ZUARI INVESTMENTS LIMITED.**Cash Flow Statement for the year ended March 31, 2015**(Amount in Rupees)
For the year ended
March 31, 2015 For the year ended
March 31, 2014**A) Cash Flow from Operating Activities**

Net Profit/ (Loss) before tax as per Statement of Profit and Loss		(144,704,948)		(9,735,671)
Adjustments for :				
Depreciation	2,965,389		2,759,033	
Interest Expense	147,254,955		111,691,099	
Interest Income	(4,490,022)		(3,240,811)	
(Profit) /Loss on sale of Investments (Net)	(2,500,000)		(81,449,367)	
Dividend on Investments	(11,346,165)		(34,091,290)	
Assets written back	(28,652)		(15,242)	
Excess provision Written back	(143,450)			
(Profit) /Loss on sale of Assets	1,130		140,701	
Provision for doubtful debts	189,464	131,902,649	75,327	(4,130,550)
Operating Profit before working capital changes		(12,802,299)		(13,866,221)
Adjustment in respect of Working Capital				
(Increase)/ Decrease in Trade Receivables	(3,852,348)		(13,929,681)	
(Increase)/ Decrease in Other Receivables	3,502,499		(50,746,491)	
(Increase)/ Decrease in Stock in trade	(0)		13,262,509	
Increase/(Decrease) in Trade Payables	(5,595,010)		38,763,656	
Increase/(Decrease) in Other Payables	2,463,499	(3,481,360)	(4,772,036)	(17,422,043)
Less : Income tax paid recoverable or adjustable		(2,605,978)		(1,895,171)
Net Cash used in Operating Activities		(18,889,637)		(33,183,435)

B) Cash Flow From Investing Activities

Purchase of Fixed Assets	(527,271)		(3,310,360)	
Sale of Fixed Assets	210,100		398,378	
Proceeds from Sale of Investments	27,500,000		209,675,094	
Purchase of Investments	(103,009,146)		(457,951,047)	
Dividend on Investments	11,346,165		34,091,290	
Net Cash used in Investing Activities		(64,480,152)		(217,096,645)

C) Cash Flow from Financial activities

Inter Corporate Deposits taken	417,500,000		475,000,000	
Inter Corporate Deposit repaid	(200,000,000)		(105,000,000)	
Interest Income	4,490,022		3,240,811	
Interest Expense	(147,254,955)		(111,691,099)	
Net Cash from in Financial Activities		74,735,067		261,549,712
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)		(8,634,722)		11,269,632
Cash & Cash Equivalents as at the beginning of the year		85,295,965		74,026,333
Cash & Cash Equivalents as at the closing of the year		76,661,243		85,295,965

Note:

Closing balance as on 31.03.2015 includes deposits of Rs. 5,100,000/- (Previous year - Rs. 5,100,000/-) under lien and Rs. 11,524/- (Previous year - Rs. 11,524/-) under pledge not available for use.

Annexure to our report of date
For V.Sankar Aiyar & Co.
Chartered Accountants
FRN 109208 W

For and on behalf of Board

V. Rethinam
Partner
M. No. 10412R. S. Raghavan
Managing Director
DIN : 00362555Vijay Kathuria
Wholetime Director
DIN : 00338125

Place : New Delhi

Date : 7/5/2015

Tarun Khanna
Chief Financial OfficerJitendra Gupta
Company Secretary

ZUARI INVESTMENTS LIMITED

Notes to Financial Statements for the year ended March 31, 2015

CORPORATE INFORMATION

Zuari Investments Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It was incorporated on October 9, 1995.

1. SIGNIFICANT ACCOUNTING POLICIES.

1.1 ACCOUNTING CONVENTION

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

1.2 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.

1.3 FIXED ASSETS & DEPRECIATION

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

1.3.2 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.

1.4 INVESTMENTS

Investments are classified into long term and current investments. Long term investments 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. Current investments, if held, are valued at lower of cost or market value (if applicable).

1.5 STOCK-IN-TRADE

Stock in Trade (securities) is valued at lower of cost or market value.

1.6 STAFF BENEFITS

Regular contributions towards government provident fund, family pension, employee state insurance, are charged to revenue. Provisions for gratuity and leave encashment are made on the basis of actuarial valuation.



ZUARI INVESTMENTS LIMITED
Notes to Financial Statements for the year ended March 31, 2015

1.7 REVENUE RECOGNITION

Income from services rendered is recognized when completed or based on agreements with parties. Dividend income is accounted for, when right to receive the payment is established. Interest income is accrued on time proportionate basis.

1.8 DEFERRED TAX

In accordance with Accounting Standard 22 - Taxes on Income, Deferred tax is recognized subject to consideration of prudence, being difference between accounting and taxable income that originates in one year and capable of reversal in subsequent years.

1.9 Provision is made when there is a present obligation on a result of past event that probably requires an outflow of resources and reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation can not be made.

2. OTHER NOTES ON ACCOUNTS

	Year ended 31.03.2015 Amt. (in Rs.)	Year ended 31.03.2014 Amt. (in Rs.)
2.1 Auditors' Remuneration		
Audit fee	2,50,000	1,60,000
Tax Audit Fee	75,000	40,000
Taxation matters	1,95,000	Nil
Others	75,000	50,000
Service Tax & Cess on above	49,440	30,900

2.2 Segment reporting (AS – 17)

The Company's business activities fall broadly within a single primary business segment namely capital market related services and therefore there is no reportable segment as per the provisions of Accounting Standards 17.



ZUARI INVESTMENTS LIMITED**Notes to Financial Statements for the year ended March 31, 2015****2.3 Related Party Disclosures (AS – 18)**

Related parties, as identified by the management:

i) Holding Company

Zuari Global Limited (Previously known as Zuari Industries Limited)

Nature of Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014 (Cr.)	80,00,00,000	62,50,00,000
Inter Corporate Deposits (Received)	41,75,00,000	17,50,00,000
Inter Corporate Deposits (Repaid)	Nil	Nil
Interest Paid	13,05,58,013	8,27,33,331
Depository / Brokerage Income	12,03,345	5,41,090
Purchase of Shares on their behalf	Nil	10,89,29,529
Net amount received for shares transactions	Nil	12,23,93,219
Closing Balance as on 31.03.2015 (Cr.)	121,75,00,000	80,00,00,000

ii) Subsidiaries

- Zuari Insurance Brokers Limited
- Zuari Commodity Trading Limited
- Zuari Financial Services Limited (From 01/04/2014 to 15/01/2015)
- Gobind Sugar Mills Limited (From 25/08/2014 to 31/03/2015)

a) Zuari Insurance Brokers Limited

Nature of Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014	Nil	Nil
Subscription to Equity Share Capital	Nil	50,00,000
Amount given as Share application money	Nil	25,00,000
Amount refunded against the Share application money given	25,00,000	Nil
Amount Paid on our behalf	5,75,853	1,26,512
Amount Paid on their behalf	6,59,560	7,64,600
Rent Received	50,000	60,882
Salary Received	5,45,383	2,82,282
Rent Paid	746,669	Nil
Closing Balance as on 31.03.2015	Nil	Nil

b) Zuari Commodity Trading Limited

Nature of 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 their behalf	9,16,246	10,09,363
Deputation expense	7,89,586	Nil
Rent Received	365,294	6,89,945
Closing Balance as on 31.03.2015	Nil	Nil



ZUARI INVESTMENTS LIMITED
Notes to Financial Statements for the year ended March 31, 2015

c) Zuari Financial Services Limited

Nature of Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014	Nil	Nil
Depository Charges and Income	1,700	1,450
RTA Charges and Income	7,500	Nil
Amount paid on behalf of ZFSL	8,319	53,253
Closing Balance as on 31.03.2015	Nil	Nil

d) Gobind Sugar Mills Limited

Nature of Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014	Nil	Nil
Depository Participant Income	500	650
RTA Income	92,500	30,000
Income on Consultancy Services provided	75,00,000	Nil
Subscription to 7% NCRPS	10,00,00,000	28,75,00,000
Purchase of Equity Shares of New Eros Tradecom Limited	Nil	15,50,00,000
Closing Balance as on 31.03.2015	Nil	Nil

iii) Fellow Subsidiary

- a. Simon India Limited
- b. Indian Furniture Products Limited
- c. Zuari Management Services Limited
- d. Adventz Infraworld India Limited
- e. Zuari Financial Services Limited (From 15/01/2015 to 31/03/2015)

a) Simon India Limited

Nature of Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014 (Cr.)	10,00,00,000	10,00,00,000
Opening Balance as on 01.04.2014 (Dr.)	Nil	722
Interest Paid	1,35,40,777	1,19,24,383
Depository Participant / Brokerage Income	16,589	49,463
Purchase of Shares on their behalf	Nil	1,71,87,213
Net amount paid for share transactions	4,97,30,462	Nil
Net amount received for shares transactions	Nil	1,93,12,274
Closing Balance as on 31.03.2015 (Cr.)	10,00,00,000	10,00,00,000
Closing Balance as on 31.03.2015	Nil	Nil

b) Style Spa Furniture Limited (Now merged with Indian Furniture Products Limited)

Nature of Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014 (Dr.)	1,783	96,204
RTA Income	Nil	20,000
Closing Balance as on 31.03.2015 (Dr.)	Nil	1,783



ZUARI INVESTMENTS LIMITED**Notes to Financial Statements for the year ended March 31, 2015**

c) Zuari Management Services Limited

Nature of Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014	Nil	Nil
RTA Income	20,000	20,000
Depository Participant/ Brokerage Income	1,000	2,20,480
Legal and Professional charges paid	2,52,000	2,52,000
Rent paid	2,10,000	2,45,000
Security deposit paid (refundable)	Nil	1,05,000
Payment made on our behalf	1,52,359	Nil
Purchase of shares on their behalf	Nil	7,86,91,822
Net Amount received for shares transactions	Nil	8,84,18,135
Closing Balance as on 31.03.2015 (Security Deposit)	1,05,000	1,05,000

d) Zuari Infracore India Limited (Erstwhile named Adventz Infracore India Limited)

Nature of Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014	Nil	Nil
RTA Income	35,000	25,000
Income on Consultancy services provided	18,00,000	Nil
Closing Balance as on 31.03.2015 (Dr.)	18,42,480	Nil

iv) Associate

New Eros Tradecom Limited

Nature of Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014 (Dr.)	40,306	449
Subscription to Equity Share Capital	Nil	15,50,00,000
RTA Income	Nil	20,000
Depository Participant Income	98,951	35,473
Closing Balance as on 31.03.2015 (Dr.)	1,51,375	40,306

2.4.a Key Management Personnel of the company (KMP)

Mr. Vijay Kathuria (Whole time Director)

Nature of Transaction	Current Year Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014	Nil	Nil
Gross Salary and allowance	52,33,464	29,38,904
Purchase of shares on his behalf	1,30,224	Nil
Sale of shares on his behalf	1,37,768	Nil
Amount Paid on Share transactions	35,996	Nil
Amount received for shares transactions	28,452	Nil
Income- Stock Broking / Depository	670	Nil
Closing Balance as on 31.03.2015 (Cr.)	14,40,000	Nil



ZUARI INVESTMENTS LIMITED**Notes to Financial Statements for the year ended March 31, 2015**

Mr. Akshay Tandon (Business Head)

Nature of Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014	Nil	Nil
Salary and allowance	51,77,400	45,20,004
Income- Stock Broking / Depository Participant	730	418
Purchase of shares on his behalf	7,05,169	2,84,930
Sale of shares on his behalf	26,639	59,444
Amount received for shares transactions	6,78,485	2,60,399
Closing Balance as on 31.03.2015	Nil	Nil

Ms. Komal Khattar (Company Secretary from 01/04/2014 to 07/12/2014)

Nature of Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014 (Dr.)	Nil	1,042
Salary and allowance	2,69,692	3,18,132
Income- Stock Broking / Depository Participant	Nil	155
Purchase of shares on her behalf	Nil	2,254
Sale of shares on her behalf	Nil	2,717
Amount received for shares transactions	Nil	1,006
Closing Balance as on 31.03.2015	Nil	Nil

Mr. Jitendra Gupta (Company Secretary from 07/01/2015 to 31/03/2015)

Nature of Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014 (Dr.)	Nil	Nil
Salary and allowance	1,08,500	Nil
Income- Stock Broking / Depository Participant	194	Nil
Purchase of shares on his behalf	18,109	Nil
Sale of shares on his behalf	3,867	Nil
Amount received for shares transactions	10,000	Nil
Closing Balance as on 31.03.2015	Nil	Nil

Mr. Tarun Khanna (Chief Financial Officer from 09/03/2015 to 31/03/2015)

Nature of Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014	Nil	Nil
Salary and allowance	73,106	Nil
Closing Balance as on 31.03.2015	Nil	Nil

2.4.b Relative of Key Management Personnel of the company

Mrs. Kavita Kathuria (Wife of the Whole time Director)

Nature of Transaction	Current Year (Rs.)	Previous Year (Rs.)
Opening Balance as on 01.04.2014	Nil	Nil
Income- Stock Broking / Depository Participant	614	400
Purchase of shares on her behalf	22,650	Nil
Amount received for Share Transactions	1,375	Nil



ZUARI INVESTMENTS LIMITED**Notes to Financial Statements for the year ended March 31, 2015**

Sale of shares on her behalf	21,724	Nil
Closing Balance as on 31.03.2015	Nil	Nil

2.4.c Enterprises over which key management Personnel are able to exercise significant influence

NONE

2.5 Basic and Diluted Earning per share as per Accounting Standard - 20

S.No	Particulars	Year ended March 31, 2015	Year ended March 31, 2014
a)	Net Profit/(Loss) after tax (Rs.)	(14,47,04,948)	(97,35,671)
b)	Weighted average number of Equity shares	3,74,45,790	3,74,45,790
c)	Face value per share (Rs.)	10	10
d)	Basis and diluted earning per share (Rs.)	(3.86)	(0.26)

2.6 Deferred tax (Liability)/ Assets as at 31.03.2015 consists of

Particulars	(in Rs.)		
	31.03.2014	For the year	31.03.2015
Book/Tax Depreciation difference	14,27,000	3,16,000	17,43,000
Provision for Leave Encashment/Gratuity	17,66,000	4,45,000	22,11,000
Carry forward of Loss (including unabsorbed depreciation)	1,09,66,000	4,55,82,000	5,65,48,000
Net Deferred Tax (Liability)/ Asset for the year	1,41,59,000	4,63,43,000	6,05,02,000

Note: The net deferred tax asset has not been considered as a matter of prudence.

2.7 Employee Benefits (AS – 15 Revised)

The Company has obtained valuation report from an Actuary. The following data is given from the report of the Actuary.

i) Changes in the present value of obligation

S.No	Particulars	(in Rs.)			
		Gratuity (Unfunded)		Leave Encashment (Unfunded)	
		31/03/14	31/03/15	31/03/14	31/03/15
a)	Present value of obligation as at the beginning of the period	34,76,251	26,08,100	37,65,667	31,07,492
b)	Interest cost	2,78,100	2,34,729	3,01,253	2,79,674
c)	Current service cost	6,06,171	5,90,715	9,52,952	10,55,042
d)	Benefits paid	(8,52,398)	(1,58,539)	(11,80,456)	(8,58,519)
e)	Actuarial	(9,00,024)	(22,418)	(7,31,924)	3,19,178



ZUARI INVESTMENTS LIMITED**Notes to Financial Statements for the year ended March 31, 2015**

	(gain)/loss on obligation				
f)	Present value of obligation as at the end of period	26,08,100	32,52,587	31,07,492	39,02,867

ii) Expense recognized in the statement of profit and loss

S.No	Particulars	Gratuity (Unfunded)		(in Rs.) Leave Encashment (Unfunded)	
		31/03/14	31/03/15	31/03/14	31/03/15
a)	Current service cost	6,06,171	5,90,715	9,52,952	10,55,042
b)	Interest cost	2,78,100	2,34,729	3,01,253	2,79,674
c)	Net actuarial (gain)/ loss recognized in the period	(9,00,024)	(22,418)	(7,31,924)	3,19,178
d)	Expenses recognized in the statement of profit & losses	(15,753)*	8,03,026	5,22,281	16,53,894

*After crediting Rs. 8,68,151/- excess provision written back.

iii) Economic Assumptions

S.No	Particulars	Gratuity		Leave Encashment	
		31/03/14	31/03/15	31/03/14	31/03/15
1.	Discounting rate	9%	9%	9%	9%
2.	Future salary increase	9%	9%	9%	9%

2.8 Particulars of Investments as required u/s 186(4) of the Companies Act, 2013 :-

Refer Notes 11 & 13

2.9 Previous year figure have been regrouped wherever considered necessary to correspond to current year figure.



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

3. Share capital	(Amount in Rupees)	
	As at March 31, 2015	As at March 31, 2014
Authorised		
6,00,00,000 Equity Shares of Rs.10/- each	600,000,000	600,000,000
3,20,00,000 10% Non Cumulative Non Convertible Redeemable Preference Shares of Rs.10/- each	320,000,000	320,000,000
	<u>920,000,000</u>	<u>920,000,000</u>
Issued		
3,74,45,790 Equity Shares of Rs.10/- each	<u>374,457,900</u>	<u>374,457,900</u>
Subscribed and Paid-up		
3,74,45,790 Equity Shares of Rs.10/- each, fully paid up	<u>374,457,900</u>	<u>374,457,900</u>

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	37,445,790	374,457,900	37,445,790	374,457,900
Issued during the year	-	-	-	-
Outstanding at the end of the year	37,445,790	374,457,900	37,445,790	374,457,900

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 Global Limited	37,445,790	100	37,445,790	100

d) The entire paid up capital is held by Zuari Global Limited, the Holding Company.

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

Balance as per last financial statements	61,973,821	71,709,492
Net Profit/(Loss) for the current year	(144,704,948)	(9,735,671)
	<u>(82,731,127)</u>	<u>61,973,821</u>

5. Provisions

Provision for employee benefits	March 31, 2015		March 31, 2014	
	Non Current	Current	Non Current	Current
- Gratuity	3,207,051	45,536	2,562,564	45,536
- Leave benefits	-	3,902,868	-	3,107,492
	<u>3,207,051</u>	<u>3,948,404</u>	<u>2,562,564</u>	<u>3,153,028</u>

6. Long term borrowings

Unsecured,

Inter Corporate Deposits from

Zuari Global Limited	-	330,000,000
Terms: Interest @ 12.25% per annum, maturity on 31.05.2015		
Zuari Global Limited	-	175,000,000
Terms: Interest @ 11.00% per annum, maturing on varying dates between 31.01.2015 and 31.08.2015		
Zuari Global Limited	-	295,000,000
Terms: Interest @ 13.25% per annum, maturity on 31.05.2015		
Terms: Interest @ 13.25% per annum		
	<u>-</u>	<u>800,000,000</u>



ZUARI INVESTMENTS LIMITED**Notes to financial statements for the year ended March 31, 2015****6. Short term borrowings**

Unsecured,

Inter Corporate Deposits from

Chambal Fertilisers & Chemicals Limited Terms: Interest @ 16% per annum	-	200,000,000
Simon India Ltd. Terms: Interest @ 13.50% per annum, maturity on 30.09.2015	100,000,000	100,000,000
Zuari Global Limited Terms: Interest @ 12.25% per annum, maturity on 31.05.2015	330,000,000	-
Zuari Global Limited Terms: Interest @ 11.00% per annum, maturing on varying dates between 31.05.2015 and 31.08.2015	175,000,000	-
Zuari Global Limited Terms: Interest @ 13.25% per annum, maturity on 31.05.2015	295,000,000	-
Zuari Global Limited Terms: Interest @ 13.25% per annum, maturity on 30.06.2015	397,500,000	-
Zuari Global Limited Terms: Interest @ 12.50% per annum, maturity on 30.09.2015 and 01.10.2015	10,000,000	-
Zuari Global Limited Terms: Interest @ 13.25% per annum, maturity on 04.02.2016	10,000,000	-
	<u>1,317,500,000</u>	<u>300,000,000</u>

7. Trade payables

Trade Payables*	54,229,860	59,824,871
	<u>54,229,860</u>	<u>59,824,871</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

(a) Security Deposits (Depository Clients-interest free)	23,830,527	24,223,027
(b) Other Payables Statutory dues	5,771,067	4,498,380
	<u>29,601,594</u>	<u>28,721,407</u>

9. Fixed Assets

As per Annexure



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

10. Non Current Investments Long Term (Non Trade - unless stated otherwise) (Refer note no.1.4 on valuation of investments)	Nos.	(Amount in Rupees)	
		As at March 31, 2015	As at March 31, 2014
(1) Fully Paid Up Equity Shares			
a) Quoted (at cost)			
Texmaco Infrastructure & Holdings Ltd. (of Rs.1/- each)	22,263,900	56,434,906	56,434,906
Texmaco Rail & Engineering Ltd. (of Rs.1/- each)	28,963,900	103,920,291	103,920,291
Chambal Fertilisers & Chemicals Limited (of Rs.10/- each)	402,840	32,486,884	32,486,884
Gobind Sugar Mills Ltd. (of Rs.10/- each) (see foot note below)	1,640,632	46,983,826	38,577,506
Ess Dee Aluminium Ltd. (of Rs. 10/- each)	14,000	8,170,966	-
		<u>247,996,873</u>	<u>231,419,587</u>
b) Unquoted (at cost unless otherwise stated)			
Lionel Edward Ltd. (of Rs.100/- each) (net off write off)	19,092	190,920	190,920
Style Spa Furniture Ltd. (of Rs. 10/- each) (see foot note)	6,575,000	-	65,750,000
Indian Furniture Products Ltd. (of Rs.10/- each) (see foot note)	7,044,643	65,750,000	-
New Eros Tradecom Ltd.(of Rs. 10/- each)	2,049,994	155,387,500	155,387,500
In Wholly Owned Subsidiary Companies (Trade)			
Zuari Insurance Brokers Ltd. (of Rs.10/- each)	2,750,000	27,500,000	27,500,000
Zuari Commodity Trading Limited (of Rs.10/- each)	1,500,000	15,000,000	15,000,000
Zuari Financial Services Limited (of Rs.10/- each)	-	-	25,000,000
(2) Others			
Gobind Sugar Mills Ltd. (of Rs.10/- each) 7% Non Cumulative Non Convertible Preference Shares, Series-I redeemable in one single lot after expiry of the 12th year from the date of allotment.(In previous year: redeemable in three instalments commencing from the 9th year).	15,000,000	150,000,000	150,000,000
Gobind Sugar Mills Ltd. (of Rs.10/- each) 7% Non Cumulative Non Convertible Preference Shares, Series-II redeemable in one single lot after expiry of the 12th year from the date of allotment.(In previous year: redeemable in single lot at the expiry of 7th year).	2,300,000	23,000,000	23,000,000
Gobind Sugar Mills Ltd. (of Rs.10/- each) 7% Non Cumulative Non convertible preference shares, Series-III redeemable in one single lot after expiry of the 12th year from the date of allotment. (in previous year: redeemable in three instalments commencing from the 9th year)	33,000,000	330,000,000	330,000,000
Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative Non convertible preference shares, Series-IV redeemable in one single lot after expiry of the 12th year from the date of allotment.	3,500,000	35,000,000	35,000,000
Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative Non convertible preference shares, Series-V redeemable in one single lot after expiry of the 12th year from the date of allotment.	2,659,368	26,593,680	35,000,000
Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative Non convertible preference shares, Series-VI redeemable in one single lot after expiry of the 12th year from the date of allotment.	10,000,000	100,000,000	100,000,000
Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative Non convertible preference shares, Series-VII redeemable in one single lot after expiry of the 12th year from the date of allotment.	11,750,000	117,500,000	117,500,000
Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative Non convertible preference shares, Series-VIII redeemable in one single lot after expiry of the 12th year from the date of allotment.	5,250,000	52,500,000	-
Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative Non convertible preference shares, Series-IX redeemable in one single lot after expiry of the 12th year from the date of allotment.	2,000,000	20,000,000	-
Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative Non convertible preference shares, Series-X redeemable in one single lot after expiry of the 12th year from the date of allotment.	2,750,000	27,500,000	-
		<u>1,145,922,100</u>	<u>1,079,328,420</u>
Total Non Current Investments		<u>1,393,918,973</u>	<u>1,310,748,007</u>
Market Value of Quoted Investments		<u>5,136,485,297</u>	<u>1,973,863,303</u>

Quotation in respect of Gobind Sugar Mills Ltd. is not available. Hence not considered.

Foot note - Under a scheme of arrangement approved by the Madras High Court, Style Spa Furniture Ltd. (SSFL) merged with Indian Furniture Products Limited (IFPL) from the appointed date of 1st April, 2014. As a result, the Company was allotted 70,44,643 equity shares of Rs.10/- each, fully paid up in IFPL. The management is of the view that the shares allotted in IFPL carries the same cost at which the shares of SSFL were held. Keeping in view the long term nature of the investments, no provision for diminution in value is considered necessary.

As regards Gobind Sugar Mills Limited, the paid up capital and reserves of the investee company is nearly eroded by accumulated losses. Keeping in view the long term nature of the investments, the management is of the view that the diminution in value is other than permanent and hence no provision for shortfall is considered necessary.

In respect of loans taken by Gobind Sugar Mills Limited, 16,32,000 Equity Shares of Gobind Sugar Mills Limited held by the company is pledged in favour of Aditya Birla Finance Limited through the security trustee IL&FS Trust Company Limited on 11.11.2014.



ZUARI INVESTMENTS LIMITED**Notes to financial statements for the year ended March 31, 2015****11. Loans and advances**

(Unsecured, considered good)

	March 31, 2015		March 31, 2014	
	Non Current	Current	Non Current	Current
Security Deposits (interest free)	106,511,392	-	108,339,429	-
Advance payment of Income Tax & Tax deducted at Source (net of provisions)	4,637,697	2,605,978	-	4,637,697
Other advances recoverable in cash or in kind	97,059	2,734,029	-	4,087,490
	<u>111,246,148</u>	<u>5,340,007</u>	<u>108,339,429</u>	<u>8,725,187</u>

12. Current investments

(Refer note no 1.4 on valuation of investment)

	Nos.	March 31, 2015	March 31, 2014
a) Quoted			
Ess Dee Aluminium Ltd. (of Rs. 10/- each)		-	5,161,820
b) Unquoted			
Adventz Investment Company Private Limited (6% Non Cumulative, Non convertible Preference Shares @ 100/- each) (Redeemable on 30th September, 2015) (Original date of redemption was 30th September, 2013)	660,000	66,000,000	66,000,000
		<u>66,000,000</u>	<u>71,161,820</u>
Market Value of Quoted Investments		-	<u>5,773,662</u>

13. Trade receivables

(Unsecured - considered good unless otherwise stated)

	March 31, 2015		March 31, 2014	
	Non Current	Current	Non Current	Current
Outstanding for a year exceeding six months from the due date				
- Considered good	-	31,914,468	-	26,183,166
- Considered doubtful	-	2,389,941	-	2,200,477
- Other receivables	-	7,806,282	-	9,874,700
	-	<u>42,110,691</u>	-	<u>38,258,343</u>
Less : Provision for doubtful debts	-	2,389,941	-	2,200,477
	-	<u>39,720,750</u>	-	<u>36,057,866</u>

14. Cash and cash equivalents

- a. Balances with banks
 -in Current Accounts
 - in Deposit accounts*
 b. Cash in hand

	March 31, 2015	March 31, 2014
	Non Current	Current
-in Current Accounts	-	71,521,190
- in Deposit accounts*	5,111,524	-
b. Cash in hand	-	28,529
	<u>5,111,524</u>	<u>71,549,719</u>
	<u>5,111,524</u>	<u>80,184,441</u>

(* Under Lien - includes Rs.10,00,000 to BSE, Rs.8,00,000 to NSEIL, Rs.25,00,000 to NSE maturing within 12 months of the reporting date. However, considering the compulsion to renew the same, it is treated as non-current. ; Rs. 8,00,000 to ISSI); (Under Pledge - Rs. 11,524)

15. Other assets

- Non-current bank balances (Refer Note 14)
 Interest accrued on deposits

	March 31, 2015	March 31, 2014
	Non Current	Current
Non-current bank balances (Refer Note 14)	5,111,524	-
Interest accrued on deposits	-	2,060,633
	<u>5,111,524</u>	<u>2,060,633</u>
	<u>5,111,524</u>	<u>2,478,693</u>



ZUARI INVESTMENTS 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
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16. Revenue from operations
(Refer Note no. 1.7 for revenue recognition)

Depository Operations	15,162,378	14,181,483
Corporate Consultancy	9,300,000	-
Commission Received (Mortgage)	2,619,396	7,003,353
Commission Received (Real Estate)	1,432,736	4,878,078
Stock Broking	36,904,668	33,298,548
Share Transfer Agency	3,097,500	2,803,000
Retail Brokerage	13,744,486	10,092,622
Dividend-Stock-in-Trade -Units of Mutual Fund	-	272,200
Interest Income from deposits with banks	459,303	459,106
Interest Income on others	4,490,022	3,240,811
	87,210,489	76,229,201

17. Other Income

Dividend		
- Long Term Investments (Non Trade)	11,346,165	33,819,090
Miscellaneous Income	1,288,729	600,916
Notice year Recovery	93,573	-
Excess provision written back:		
-Gratuity	-	868,151
-Leave encashment	-	658,175
-Others	143,450	84,461
Profit/(Loss) on sale of Investments	2,500,000	81,449,367
Assets written off in the previous year, now written back	28,652	15,242
	15,400,569	117,495,402

18. Employee benefits expense

(Refer Note no.1.6 on Employee Benefits)

Contribution to Provident & Other Funds	2,820,953	2,661,576
Gratuity	803,026	852,398
(includes Rs.1,58,539/- paid during the year, Previous Year Rs.8,52,398/-)		
Staff Welfare	1,966,178	1,044,974
Salary (Net of deputation Income)	55,828,850	52,235,473
Salary Outsourc	5,418,439	1,454,227
	66,837,446	58,248,648



ZUARI INVESTMENTS 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
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19. Other expenses

Advertisement	71,213	721,022
DP Charges & Brokerage	4,427,522	2,398,191
Computer Repair & Maintenance	2,181,284	1,622,997
Fees & Subscriptions	1,265,605	478,092
Insurance	207,310	268,859
Interest & penalties	172,665	131,064
Loss on sale of assets	1,130	140,701
Legal & Professional Charges	773,554	674,479
Payment to Auditors (as per details below)	595,000	250,000
Miscellaneous	236,946	789,945
Office Maintenance	3,901,055	5,629,116
Rates & Taxes	46,845	7,500
Printing & Stationery	884,338	1,215,150
Rent	9,182,007	8,325,398
Communication	3,268,761	3,034,570
Travelling & Conveyance	2,318,288	2,522,386
Bad Debt written off	22,392	35,777
Commission Paid-Mortgage	225,546	2,300,920
Commission Paid-Real Estate	25,031	140,000
Provision for Doubtful Debts	189,464	75,327
Data Charges	57,380	-
Security Deposit Writen off	204,880	-
	30,258,216	30,761,494

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

Audit Fee	250,000	160,000
Tax Audit Fee	75,000	40,000
Taxation services	195,000	-
Other Services (Certification Fees)	75,000	50,000
	595,000	250,000

20. Depreciation and amortization expense

Tangible assets	1,939,372	1,757,445
Intangible assets	1,026,017	1,001,588
	2,965,389	2,759,033

21. Finance costs

Interest Expense - ICD	147,254,955	111,691,099
	147,254,955	111,691,099

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


(V. Rethinam)
Partner
M. No. 10412

Place : New Delhi
Date : 705 2015



For and on behalf of Board


(R.S. Raghavan)
Managing Director
DIN : 00362555


(Vijay Kathuria)
Wholetime Director
DIN : 00338125

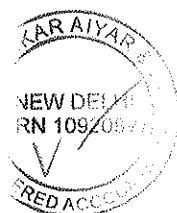

(Tarun Khanna)
Chief Financial Officer


(Jitendra Gupta)
Company Secretary

ZUARI INVESTMENTS LIMITED**Notes to financial statements for the year ended March 31, 2015****(Annexure)****Note 9 - Fixed Assets****(Amount in Rupees)**

	Particulars	Tangible			Total	Intangible	Grand Total
		Furniture & Fixtures	Vehicles	Office Equipments		Software and Dealership Rights	
a	Cost						
	As at 01.04.2014	7,966,422	556,223	20,764,322	29,286,967	7,866,746	37,153,713
	Additions	-	-	527,271	527,271	-	527,271
	Disposals	37,929	556,223	84,676	678,828	-	678,828
	As at 31.03.2015	7,928,493	-	21,206,917	29,135,410	7,866,746	37,002,156
b	Depreciation						
	Upto 31.03.2014	4,352,140	356,991	18,195,299	22,904,430	6,362,659	29,267,089
	Charge for the Year	527,439	16,654	1,395,279	1,939,372	1,026,017	2,965,389
	Written back	37,929	373,645	84,676	496,250	-	496,250
	Upto 31.03.2015	4,841,650	-	19,505,902	24,347,552	7,388,676	31,736,228
c	Net Block						
	As at 31.03.2015	3,086,843	-	1,701,015	4,787,858	478,070	5,265,928
	As at 31.03.2014	3,614,282	199,232	2,569,023	6,382,537	1,504,087	7,886,624

Refer Note no.1.3.2 for method and rate of depreciation





V. SANKAR AIYAR & CO.
CHARTERED ACCOUNTANTS

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 | & 301 | Tel. (011) 25705233, 25705232
 E-mail : newdelhi@vsa.co.in

INDEPENDENT AUDITORS' REPORT

To The Members of Zuari Investments Limited

Report on Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Zuari Investments Limited ("the Holding Company"), and its subsidiaries ("the Group") and its associate, comprising of the consolidated Balance Sheet as at 31st March 2015, the consolidated Statement of Profit & Loss and consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

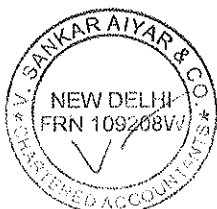
Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and Consolidated cash flows of the Group including its associate in accordance with the Accounting principles generally accepted in India, including Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 there under.

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 consolidated financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

In respect of GSML- basis for qualified opinion

Attention is invited to note 12 to the financial statements, the Company has recognized Deferred Tax Assets (net) Rs.6,046.40 lacs (including Rs. 1,024.25 lacs during the year) in terms of Accounting Standard-22, "Accounting for Taxes on Income", notified pursuant to the section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, based on the future profitability projections made by the management. However, in our opinion, in the absence of virtual certainty and convincing evidence of the aforesaid projections in terms of Accounting Standard-22, no deferred tax asset should be recognized. Had the impact of the same been considered, there would be a loss of Rs. 7,767.12 lacs as against the reported loss of Rs. 1,720.72 lacs for the year.

In respect of the above, audit report of GSML for the previous period ended March 31, 2014 was similarly modified.

Opinion

We further state that, in our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter(s) described in the Basis for Qualified Opinion above in respect of GSML, the consolidated 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:

- a) in the case of the consolidated Balance Sheet, of the consolidated state of affairs of the Group and its associate as at 31st March 2015;
- b) in the case of the consolidated statement of Profit and Loss, of the consolidated loss for the year ended on that date; and
- c) in the case of consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the footnote beneath note no.11 regarding the decline in the value of the investments as on 31st March, 2015 and the management's view for not providing for the same.

Our opinion is not modified in respect of above matter.



Other Matters

We did not audit the financial statement of a subsidiary Gobind Sugar Mills Limited (GSML), whose financial statements reflect total assets of Rs. 43,172.76 lacs as at 31st March, 2015, total revenues of Rs.439.27 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 1,017.07 lacs for the year ended 31st March, 2015, as considered in the consolidated financial statements and in respect of associate Rs. 41.23 lacs, whose financial statements have not been audited by us. These financial statements have been audited by other auditors, whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associate, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1) As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) Except for the effects of the matter(s) described in the Basis for Qualified Opinion above in respect of GSML, 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 of the aforesaid consolidated financial statements.

(b) Except for the effects of the matter(s) described in the Basis for Qualified Opinion above in respect of GSML, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) Except for the effects of the matter(s) described in the Basis for Qualified Opinion above in respect of GSML, the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) Except for the effects of the matter(s) described in the Basis for Qualified Opinion above in respect of GSML, in our opinion, the aforesaid consolidated 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) In respect of GSML, the matter described in the Basis for Qualified Opinion above and in CARO clause ix, may have an adverse effect on the functioning of the Company.

(f) Except for the effects of the matter(s) described in the Basis for Qualified Opinion above in respect of GSML, on the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies, and its associate company incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.



(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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. There were no material pending litigations which would impact the consolidated financial position of the Group and its associate except in respect of GSML. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- refer note 2.7 to the financial statements.
 - ii. The Group and its associate did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and its associate company incorporated in India.
- 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, based on the comments in the auditors' reports of the Holding company, subsidiary companies and associate company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Place: New Delhi

Dated:

705 2015

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


(V. Rethinam)

Partner

Membership No. 010412



Annexure to the Independent Auditors' Report on Consolidated Financial Statements of Zuari Investments Limited for the year ended 31st March, 2015

- i a) The Group and its associate have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) The Group and its associate (other than GSML) have physically verified most of the fixed assets at the year end; having regard to the size and the nature of the business, the frequency of verification at the year end, in our opinion, is reasonable. In respect of GSML, all fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is considered reasonable. No material discrepancies were noticed on such verification.
- ii The Group and its associate except GSML do not carry inventories of nature covered by Accounting Standard – 2. Therefore, clause 3 (ii) of the Order is not applicable to the Group and its associate except in respect of GSML:
 - a) The management have conducted physical verification of inventory at reasonable intervals during the year.
 - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii The Group and its associate have not granted any loans, secured or unsecured, to companies, firms 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) and (b) of the Order are not applicable.
- iv In our opinion and according to the information and explanations given to us, there are reasonably adequate internal control systems, commensurate with the size of the Group and its associate and the nature of its business, for the purchase of inventory and fixed assets, for the sale of goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the internal control system.
- v The Group and its associate have not accepted deposits within the provisions of sections 73 of the Act or any other relevant provisions and the Rules framed there under.
- vi The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148(1) of the Act in respect of Group's and its associate activities except in respect of GSML, Their auditors have reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act, related to the manufacture of sugar and its by- products, and are of the opinion that prima facie, the specified accounts and records have been maintained and that they have not however made a detailed examination of the same.
- vii a) According to the information and explanations given to us and on the basis of examination of the records of the Group and its associate, they have been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Service tax, sales tax, wealth tax, customs duty, excise duty, value added tax, cess and any other statutory dues with the appropriate authorities except in case of GSML, where there has been slight delay in a few cases. There were no arrears of undisputed statutory dues as at 31st March, 2015, which were outstanding for a period of more than six months from the date they became payable.



b) There are no disputed dues which have remained unpaid as on 31st March, 2015 except in case of GSML which are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Period to which amount relates	Forum where dispute is pending
Central Excise Act, 1944	Disallowance of CENVAT Credit on input goods and services and Duty Demand on Sale of scrap and storage loss of molasses	19.91	2007-08 to 2012-13	Commissioner Appeal, Lucknow
Central Excise Act, 1944	Disallowance of CENVAT Credit on input goods	2.69	2003-04, 2005-06, and 2000-01	High Court Bench, Lucknow
Central Excise Act, 1944	Disallowance of CENVAT Credit	1.35	1983-84	High Court, Kolkata
Central Excise Act, 1944	Disallowance of CENVAT Credit on input goods and services and Duty Demand on Sale of Bagasse and scrap sales	67.79	2004-05, 2006-07 to 2011-12	CESTAT, New Delhi
Central Sales Tax Act, 1956	Interest demand on CST on ex-UP sale	2.52	2003-04	Additional Commissioner, Sitapur
Tax on Entry of Goods Act, 2000	Entry tax on free sugar sale	1.19	2001-02	Tribunal Court, Lucknow
UP Trade Tax Act, 1948	Trade tax	0.09	2006-07 and 2007-08	Tribunal Court, Lucknow

c) There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Group and its associate in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder.

viii The Group and its associate have accumulated losses at the end of the financial year which are more than fifty percent of its net worth. The Group and its associate have incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.



- ix The Group and its associate except for GSML have not taken any loans from financial institutions or banks or debenture holders. In case of GSML, the Company has not defaulted in repayment of dues to the banks & financial institutions. However, in respect of loan from Ratnakar Bank Limited of Rs. 2,000 lacs which was due for renewal on 28th January, 2015, the Company had applied for renewal of loan prior to due date which has not yet been renewed and hence we are unable to comment whether there is default or not. The Company did not have outstanding debentures during the year.
- x According to the information and explanations given to us, the Group and its associate have not given any guarantee for loans taken by others from banks or financial institutions.
- xi According to the information and explanations given to us, the Group and its associate has not taken any term loans during the year except in respect of GSML, where term loans were applied for the purpose for which the loans were obtained.
- xii Based on the audit procedure performed and the representation obtained from the management, no material fraud on or by the Group and its associate have been noticed or reported during the year under audit.

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

Place: New Delhi

Dated:

705 2015

315
(V. Rethinam)

Partner

Membership No. 010412



ZUARI INVESTMENTS LIMITED

Consolidated Balance Sheet as at March 31, 2015

Note No.	(Amount in Lacs)		
	As at 31-Mar-15	As at 31-Mar-14	
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	3,744.58	3,744.58
Reserves & surplus	4	(3,865.16)	(572.23)
		(120.58)	3,172.35
Preference Shares held outside group			
		1,704.06	
Non current liabilities			
Long term provisions	5	35.17	27.92
Long term borrowings	6	16,720.00	8,000.00
		16,755.17	8,027.92
Current liabilities			
Short term borrowings	7	31,112.06	3,000.00
Trade payables	8	14,455.54	620.12
Other current liabilities	9	2,826.97	319.18
Short term provisions	5	93.55	34.59
		48,488.12	3,973.89
TOTAL		66,826.77	15,174.16
ASSETS			
Non-current assets			
Goodwill on Consolidation		7,286.91	
Fixed assets	10		
Tangible assets		3,850.79	92.74
Intangible assets		7.11	19.92
Capital work-in-progress	10 (a)	16,763.99	-
Non current investments	11	3,627.94	11,665.44
Deferred Tax assets	12	5,655.53	-
Long term loans & advances	13	2,214.88	1,216.81
Other non-current assets	18	148.84	99.75
		39,555.99	13,094.66
Current assets			
Current investments	14	660.00	711.62
Inventories	15	20,956.50	-
Trade receivables	16	493.29	418.14
Cash & cash equivalents	17	1,429.08	839.68
Short term loans & advances	13	3,584.36	82.20
Other current assets	18	147.55	27.86
		27,270.78	2,079.50
TOTAL		66,826.77	15,174.16

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

V. Rethinam
Partner
M. No. 10412



Place: New Delhi
Date: 7 05 2015

For and on behalf of Board

R.S. Raghavan
R.S. Raghavan
Managing Director
DIN : 00362555
Tarun Khanna
Tarun Khanna
Chief Financial Officer

Vijay Kathuria
Vijay Kathuria
Wholetime Director
DIN : 00338125
Jitendra Gupta
Jitendra Gupta
Company Secretary

ZUARI INVESTMENTS LIMITED**Consolidated Statement of Profit & Loss for the year ended March 31, 2015**

	Note No.	(Amount in Lacs)	
		For the year ended	For the year ended
		<u>31-Mar-15</u>	<u>31-Mar-14</u>
REVENUE			
Revenue from operations (Net)	19	10,503.78	1,058.24
Other income	20	581.06	1,188.03
Total Revenue		11,084.84	2,246.27
EXPENSES			
Cost of raw material consumed	21	19,435.10	-
Purchase of traded goods (Increase) in inventories of finished goods, traded goods and goods under process	22	(1.14)	-
Employee benefits expense	23	(10,841.91)	-
Other expenses	24	1,565.17	757.56
Total Expenses		1,985.10	455.08
Earnings before interest, tax, depreciation and amortization (EBITDA)		12,142.32	1,212.64
Depreciation & amortization expenses	25	(1,057.48)	1,033.63
Finance costs	26	181.93	44.85
Profit/ (Loss) before tax		2,643.19	1,118.48
Tax expense		(3,882.60)	(129.70)
Current tax		28.53	-
Current tax expense relating to prior years		-	0.04
Deferred Tax		(573.82)	-
Total tax expense		(545.29)	0.04
Profit/(Loss) for the year after tax		(3,337.31)	(129.74)
Share in profits/(losses) of associate for the current year (Style Spa Furniture Limited)		-	(138.45)
Share in profits/(losses) of associate for the current year (Gobind Sugar Mills Limited)		-	(153.08)
Share in profits/(losses) of associate for the current year (New Eros Tradecom Limited) (45.05% of PAT of Rs 91.54 Lacs)		41.24	6.23
Profit/(Loss) for the year after tax carried to Balance Sheet		(3,296.07)	(415.04)
Earnings per equity share (nominal value of share Rs.10/- (March 31, 2014 - Rs.10/-) Basic & diluted		(8.80)	(1.11)
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

Y. Rethinam
Partner
M. No. 10412

Place: New Delhi
Date: 705 2015



For and on behalf of Board

R.S. Raghavan
Managing Director
DIN : 00362555

Tarun Khanna
Chief Financial Officer

Vijay Kathuria
Wholetime Director
DIN : 00338125

Jitendra Gupta
Company Secretary

ZUARI INVESTMENTS LIMITED.**Cash Flow Statement for the year ended March 31, 2015**

CONSOLIDATED CASH FLOW STATEMENT	For the year ended 31-Mar-15 Amount in Lacs	For the year ended 31-Mar-14 Amount in Lacs
Cash Flow from Operating Activities		
Net Profit/ (Loss) before tax as per Statement of Profit & Loss	(3,882.60)	(129.71)
Adjustments for :		
Depreciation	181.93	44.85
Interest Expense	2,638.65	1,116.91
Interest Income	(75.15)	(42.77)
(Profit)/Loss on sale of Investments (Net)	0.69	(814.49)
Dividend on Investments	(115.30)	(340.91)
Molasses Storage & maintenance Reserve	3.14	-
Unspent liabilities, provisions no longer required and	(2.34)	-
Loss on write off of Assets	0.47	0.17
Assets written back	104.76	(0.15)
(Profit) /Loss on sale of Assets	(0.24)	1.41
Provision for doubtful debts	1.89	0.75
	2,738.50	(34.23)
Operating Profit before working capital changes	(1,144.10)	(163.94)
Adjustment in respect of working capital		
(Increase) / Decrease in Trade Receivables	(72.08)	(180.60)
(Increase) / Decrease in other Receivables	(50.66)	(489.76)
(Increase) / Decrease in Stock in trade	(10,814.51)	132.63
Increase / (Decrease) in Trade and other payabl	4,079.22	328.67
	(6,858.03)	(26.50)
Less: Income Tax Paid recoverable or adjustable	(59.26)	(26.50)
Net Cash used in Operating Activities	(8,061.39)	(399.50)
Cash Flow From Investing Activities		
Purchase of Fixed Assets	(8,712.74)	(73.68)
Sale of Fixed Assets	18.25	3.98
Proceeds from Sale of Investments	275.00	2,096.75
Investment in bank deposits during the period	(558.25)	-
Purchase of Investments	(1,030.09)	(4,529.51)
Interest Received	144.83	9.93
Dividend on Investments	1.84	340.91
Net Cash used in Investing Activities	(9,861.16)	(2,151.62)
Cash Flow from Financial Activities		
Inter Corporate Deposits taken	4,175.00	4,750.00
Inter Corporate Deposits repaid	(2,000.00)	(1,050.00)
Issuance of preference share capital	1,825.00	-
Repayment of long term loans	-	-
Proceeds from long term loans	12,059.67	-
Proceeds / (Repayment) of short term borrowings,	476.11	-
Repayment of other short term borrowings	(25.00)	-
Proceeds from other short term borrowings	4,132.33	32.84
Interest Expense	(3,482.12)	(1,116.91)
Net Cash used in Financial Activities	17,160.99	2,615.93
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(761.55)	64.81
Cash & Cash Equivalents as at the beginning of the year ****	1,764.10	870.49
Cash & Cash Equivalents as at the closing of the year	1,002.55	935.30

Note:

Closing balance as on March 31, 2015 includes deposits of Rs. 96.62/- (Previous year - Rs. 96.62/- lacs) under lien and not available for use
 **** The difference of Rs 828.80 Lacs (1164.10-935.30) in the item from last year closing represents the opening cash & cash equivalent of GSML of Rs 834.03 reduced by Rs 5.23 Lacs representing closing cash & cash equivalent of 2014 of ZFSL (Ceased subsidiary)

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: 30/05/2015

For and on behalf of Board

R.S. Raghavan
Managing Director
DIN : 00362555

Tarun Khanna
Chief Financial Officer

Vijay Kathuria
Wholetime Director
DIN : 00338125

Jitendra Gupta
Company Secretary

ZUARI INVESTMENTS LIMITED**Statement Containing Salient Features of the Financial Statement of Subsidiaries / Associates as on March 31,2015**

(Pursuant to first proviso to sub section (3) Of section 129)

Part "A" - Subsidiaries

1	2	3	4	5
Sl No	Particulars	Zuari Insurance Brokers Limited	Zuari Commodity Trading Limited	Gobind Sugar Mills Limited
1	Reporting period for the subsidiary concern, if different from the holding company's reporting period	01.04.2014-31.03.2015	01.04.2014-31.03.2015	01.09.2014-31.03.2015
2	Reporting currency and exchange rate as on the last date of relevant Financial Year in the case of foreign subsidiaries	INR	INR	INR
3	Share Capital	275.00	150.00	10845.00
4	Reserve and Surplus	-12.69	-45.60	-9506.60
5	Total Assets	271.03	163.32	52429.17
6	Total Liabilities	8.72	58.92	34370.77
7	Investments	Nil	Nil	14.55
8	Turnover	340.80	34.22	9256.41
9	Profit Before taxation	148.77	2.08	-2560.71
10	Provision for taxation	28.53	Nil	-573.82
11	Profit after taxation	120.24	2.08	-1986.89
12	Proposed Dividend	Nil	Nil	Nil
13	% of Shareholding	100%	100%	51.27%

Note : - Zuari Financial Services Limited wholly owned subsidiary has been sold on 15.1.2015.

Part "B" - Associates And Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013

1	2	3
S. No.	Particulars	New Eros Tradecom Limited
1	Latest Audited Balancesheet Date	31.03.2015
2	Shares of Associate held by company on year end	
	No.	2049994
	Amount of Investment In Associate (Rs. In Lacs)	1553.87
	Extend of Holding %	45.05
3	Description of how there is significant influence	Holding more than 20 % of Share Capital
4	Reason why the associate is not consolidated	Complied with AS 23
5	Networth attributable to Shareholding as per latest audited Balance Sheet	2086.25
6	Profit / Loss for the Year	
	i. Considered in Consolidation	41.24
	ii. Not Considered in Consolidation	50.30

1. ACCOUNTING POLICIES.

1.1 BASIS OF PREPARATION OF ACCOUNTS

The Consolidated Financial Statements (CFS) relates to Zuari Investments Limited and its group companies. These financial statements are prepared under historical cost convention, on a going concern basis and in accordance with applicable Accounting Standards notified under the Companies (Accounting Standards) Rules 2014 issued by the Central Government.

1.2 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.

1.3 FIXED ASSETS & DEPRECIATION

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

1.3.2 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.

1.3.3 The Company, except Gobind Sugar Mills Limited (GSML) is charging 100% depreciation on assets costing less than Rs. 5,000 in the year of purchase. GSML has changed its accounting policy w.e.f 1st April, 2014 for depreciation of fixed assets costing less than Rs. 5,000. As per the revised policy, GSML is depreciating such fixed assets over their useful life as assessed by the management. The accounting for depreciation of fixed assets costing less than Rs. 5,000 did not have any material impact on the loss for the current year.

1.3.4 Tangible Fixed Assets are stated at cost less accumulated depreciation and impairment losses determined, if any. The cost comprises the purchase price inclusive of duties (net of CENVAT Credit), taxes, incidental expenses, erection/commissioning expenses and borrowing costs if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use.



ZUARI INVESTMENTS LIMITED – CONSOLIDATED
Notes to Financial Statements for the year ended March 31, 2015

Machinery spares which can be used only in connection with an item of tangible fixed asset and whose use as per technical assessment is expected to be irregular are capitalized and depreciated over the residual life of the respective assets.

Depreciation on Tangible Fixed Assets - Depreciation is provided using the Straight Line Method as per the useful lives of the fixed assets as estimated by the management, which are equal to the rates prescribed under Schedule XIV of the Companies Act, 1956. For this purpose, a major portion of the plant has been considered as continuous process plant.

In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

1.3.5 Intangible Assets:- Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the period in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life of the asset. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and changes in Accounting Policies.

1.4 INVESTMENTS

Investments are classified into long term and current investments. Long term investments 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. Current investments if held, are valued at lower of cost or market value (if applicable).



1.5 INVENTORIES

Raw Materials, stores and spares are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Goods under process, finished goods and traded goods, are valued at lower of cost and net realizable value. Finished goods and Goods under process include cost of conversion and other costs incurred in bringing the inventories to their present location and condition based on normal operating capacity.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Cost of inventories is computed on a weighted average basis.

By products and Saleable scraps, whose cost is not identifiable, are valued at estimated net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

1.6 RETIREMENT & OTHER EMPLOYEE BENEFITS

Retirement benefits in the form of Provident and Pension Funds are defined contribution schemes. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity liability being a defined benefit obligation is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year. The gratuity plan has been funded by policy taken from Life insurance Corporation of India. Actuarial gains and losses for defined benefit plan are recognized in full in the year in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.



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Notes to Financial Statements for the year ended March 31, 2015

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the entire leave as current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

1.7 REVENUE RECOGNITION

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects Sales Tax(s) and Value Added Taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty and Cess deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividend income is recognized when the shareholders' right to receive the payment is established by the reporting date.

Insurance and other claims are accounted for on acceptance/actual receipt basis.

Incomes from services rendered are recognized when completed or based on agreements with parties. Dividend income is accounted for, when right to receive the payment is established. Interest income is accrued on time proportionate basis.

1.8 OPERATING LEASE

Leases where the lessor effectively retains substantially all the risks and benefits of the ownership of the leased assets are classified as operating leases.

Operating lease payments are recognized as an expense in the statement of profit and loss on straight line basis over the lease term.

1.9 BORROWING COSTS

Borrowing cost includes interest and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.



1.10 GOVERNMENT GRANTS & SUBSIDIES

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with. When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset. Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.

1.11 FOREIGN CURRENCY TRANSACTIONS

Initial recognition Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction, and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences Exchange differences arising on the settlement/conversion of monetary items are recognized as income or expenses in the year in which they arise.

1.12 DEFERRED TAX

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to tax authorities in accordance with Income Tax Act, 1961 enacted in India. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book and tax profit for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the reporting date. Deferred tax asset is recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. If the Company has carry forward unabsorbed depreciation and tax losses, all deferred tax asset is recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient taxable income will be available in future against which such deferred tax asset can be realized.

The carrying amount of deferred tax assets is reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the



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extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient taxable income will be available in future.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

On the grounds of Prudence, Deferred Tax Assets has not been recognized in any company expect in GSML

1.13 EXCISE DUTY

Excise duty is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of stocks as on the reporting date.

1.14 PROVISIONS

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions made in terms of Accounting Standard 29 are not discounted to its present value and are determined based on the best estimate required to settle the obligation, at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current management estimates.

1.15 CONTINGENT LIABILITIES

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

1.16 SEGMENT REPORTING

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.



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Notes to Financial Statements for the year ended March 31, 2015

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

The Company organised its operations into three major businesses: "Investment Activities", "manufacturing of sugar segment" and "trading of fertilizers segment". A description of the types of activities by each reportable segment is as per **Annexure I:**

(Figures shown in the previous year for sugar and fertilizer segment relates to a period of 6 Months only. Hence, previous year figures are non comparable)

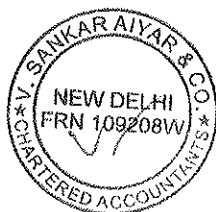
2. OTHER NOTES ON ACCOUNTS

2.1 CONSOLIDATION PROCEDURE

- i. In the preparation of this CFS, subsidiary companies have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income & expenses, after eliminating all significant intra group balances and transactions.
- ii. The following are the subsidiaries which have been consolidated:

S.No.	Name of Company	Country of Incorporation	Proportion of ownership interest as on 31.03.2015
a)	Zuari Insurance Brokers Limited	India	100%
b)	Zuari Commodity Trading Limited	India	100%
c)	Gobind Sugar Mills Limited	India	51.27%

- iii. New Eros Tradecom Limited (NETL) is an associate, in which the Company's proportion of ownership interest is 45.05%. Equity method as specified in AS-23 has been adopted.
- iv. Zuari Financial Services Limited (ZFSL) was a wholly owned subsidiary (WOS) of the Zuari Investments Limited as on 31.03.2014 and till 15.01.2015, but has ceased to be the subsidiary with effect from 15th January 2015.



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Notes to Financial Statements for the year ended March 31, 2015

v. Recognition of Minority interest :-

1. Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders. Minority interest in the net assets of consolidated subsidiaries consists of:

a) The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and

b) The minority share of movements in equity since the date the parent subsidiary relationship came into existence.

2. Minority's share of net profit for the year of consolidated subsidiaries is identified and adjusted against the Profit after tax of the Group.

2.2 Compliance Under MSMED ACT, 2006 ----

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006
(In Relations to GSML) (Rs. in lacs)

	31 March 2015
(i) Principal amount remaining unpaid to any supplier at the end of accounting period (including retention money against performance).	2.52
(ii) Interest due on above.	0.13
Total of (i) & (ii)	<u>2.65</u>
(iii) Amount of interest paid by the Company to the suppliers in terms of section 16 of the Act.	-
(iv) Amount paid to the suppliers beyond the respective due date.	6.92
(v) Amount of interest due and payable for the period of delay in payments (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	0.27
(vi) Amount of interest accrued and remaining unpaid at the end of accounting period.	0.40
(vii) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	1.96

In regards to other companies, no information has been received from the parties whether they are covered under the MSMED ACT, 2006.



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Notes to Financial Statements for the year ended March 31, 2015

2.3 Related Party Disclosures (AS – 18)

The list of related parties as identified by the management, are as follows:

i) Holding Company

Zuari Global Limited

Nature of Transaction	Current Year (Rs in Lacs)	Previous Year (Rs in Lacs)
Opening Balance as on 01.04.2014 (Cr.)	8,000.00	6,25,000
Inter Corporate Deposits (Received)	41,75.00	1,750.00
Inter Corporate Deposits (Repaid)	Nil	Nil
Interest Paid	13,05.58	827.33
Brokerage Income	12.03	5.41
Purchase of Shares on their behalf	Nil	1,089.29
Net amount received for shares transactions	Nil	1,223.93
Closing Balance as on 31.03.2015 (Cr.)	12,175.00	8,000.00

ii) Associate

New Eros Tradecom Limited

Nature of Transaction	Current Year (Rs in Lacs)	Previous Year (Rs in Lacs)
Opening Balance as on 01.04.2014 (Dr.)	0.40	0.005
Subscription to Equity Share Capital	Nil	1,550.00
RTA Income	Nil	0.20
Depository Participant Income	0.99	0.35
Closing Balance as on 31.03.2015 (Dr.)	1.51	0.40

ii) Fellow Subsidiaries

- a. Simon India Limited
- b. Zuari Management Services Limited
- c. Adventz Infracore India Limited

a) Simon India Limited

Nature of Transaction	Current Year (Rs in Lacs)	Previous Year (Rs in Lacs)
Opening Balance as on 01.04.2014 (Cr.)	0.01	0.01
Opening Balance as on 01.04.2014 (Dr.)	Nil	0.01
Interest Paid	135.41	119.24
Depository Participant / Brokerage Income	0.17	0.49
Purchase of Shares on their behalf	Nil	171.87
Net amount paid for share transactions	497.30	Nil
Net amount received for shares transactions	Nil	193.12
Closing Balance as on 31.03.2015 (Cr.)	0.01	0.01
Closing Balance as on 31.03.2015 (Dr.)	Nil	Nil



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Notes to Financial Statements for the year ended March 31, 2015

b) Zuari Management Services Limited

Nature of Transaction	Current Year (Rs in Lacs)	Previous Year (Rs in Lacs)
Opening Balance as on 01.04.2014	Nil	Nil
RTA Income	0.20	0.20
Depository Participant/ Brokerage Income	0.01	2.20
Legal and Professional charges paid	2.52	2.52
Rent paid	2.10	2.45
Security deposit paid (refundable)	Nil	1.05
Payment made on their behalf	1.52	Nil
Purchase of shares on their behalf	Nil	786.92
Net Amount received for shares transactions	Nil	884.18
Closing Balance as on 31.03.2015 (Security Deposit)	1.05	1.05

c) Zuari Infracore India Limited

Nature of Transaction	Current Year (Rs in Lacs)	Previous Year (Rs in Lacs)
Opening Balance as on 01.04.2014	Nil	Nil
RTA Income	0.35	0.25
Income on Consultancy services provided	18.00	Nil
Closing Balance as on 31.03.2015 (Dr.)	18.42	Nil

2.3.a Key Management Personnel of the company (KMP)

Mr. Vijay Kathuria (Whole time Director)

Nature of Transaction	Current Year (Rs in Lacs)	Previous Year (Rs in Lacs)
Opening Balance as on 01.04.2014	Nil	Nil
Gross Salary and allowance	52.33	29.39
Purchase of shares on his behalf	1.30	Nil
Sale of shares on his behalf	1.38	Nil
Amount Paid on Share transactions	0.36	Nil
Amount received for shares transactions	0.28	Nil
Income- Stock Broking / Depository	0.01	Nil
Closing Balance as on 31.03.2015 (Cr.)	14.40	Nil

(b) Relatives of Key Management Personnel

Zuari Investments Limited

Mrs Kavita Kathuria (Wife of the Whole time Director)

Nature of Transaction	Current Year (Rs in Lacs)	Previous Year (Rs in Lacs)
Opening Balance as on 01.04.2014	Nil	Nil
Income- Depository	0.006	0.004



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Purchase of shares on her behalf	0.227	Nil
Amount received for Share Transactions	0.014	Nil
Sale of shares on her behalf	0.217	Nil
Closing Balance as on 31.03.2015	Nil	Nil

2.4 Basic and Diluted Earning per share as per Accounting Standard – 20

S. No.	Particulars	Year ended March, 31, 2015 (Rs in Lacs)	Year ended March 31, 2014 (Rs in Lacs)
a)	Net Profit after tax (Rs)	-2303.70	-415.04
b)	Weighted average number of equity shares	374.46	374.46
c)	Face value per share (Rs)	10	10
d)	Basis and diluted earnings per share (Rs)	(6.15)	(1.11)

2.5 Employees Benefits (AS – 15 Revised)

The Company (ZIL) has obtained valuation report from an Actuary. The following data is given from the report of the Actuary.

i) Changes in the present value of obligation – Gratuity (unfunded)

S.No	Particulars	31/03/15 (Rs in Lacs)	Total (Rs in Lacs)	31/03/14 (Rs in Lacs)	Total (Rs in Lacs)
a)	Present value of obligation as at the beginning of the period	26.08	26.08	34.76	34.76
b)	Interest cost	2.35	2.35	2.78	2.78
c)	Current service cost	5.91	5.91	6.06	6.06
d)	Benefits paid	-1.59	-1.59	-8.52	-8.52
e)	Actuarial (gain)/loss on obligation	-0.22	-0.22	-9.00	-9.00
f)	Present value of obligation as at the end of period	32.52	32.52	26.08	26.08

ii) Changes in the present value of obligation – Leave Encashment (unfunded)

S.No	Particulars	31/03/15 (Rs in Lacs)	Total (Rs in Lacs)	31/03/14 (Rs in Lacs)	Total (Rs in Lacs)
a)	Present value of obligation as at the beginning of the period	31.07	31.07	37.66	37.66
b)	Interest cost	2.80	2.80	3.01	3.01
c)	Current service cost	10.55	10.55	9.53	9.53



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Notes to Financial Statements for the year ended March 31, 2015

d)	Benefits paid	-8.59	-8.59	-11.80	-11.80
e)	Actuarial (gain)/loss on obligation	3.19	3.19	-7.32	-7.32
f)	Present value of obligation as at the end of period	39.03	39.03	31.07	31.07

iii) Expense recognized in the Statement of Profit and Loss – Gratuity (unfunded)

S.No	Particulars	31/03/15 (Rs in Lacs)	Total (Rs in Lacs)	31/03/14 (Rs in Lacs)	Total (Rs in Lacs)
a)	Current service cost	5.91	5.91	6.06	6.06
b)	Interest cost	2.35	2.35	2.78	2.78
c)	Net actuarial (gain)/ loss recognized in the period	-0.22	-0.22	-9.00	-9.00
d)	Expenses recognized in the statement of P&L A/c	8.03	8.03	-0.16*	-0.16

*After crediting Rs 8.68/- excess provision written back.

iv) Expenses recognized in the Statement of Profit and Loss – Leave Encashment (unfunded)

S.No	Particulars	31/03/15 (Rs in Lacs)	Total (Rs in Lacs)	31/03/14 (Rs in Lacs)	Total (Rs in Lacs)
a)	Current service cost	10.55	10.55	9.53	9.53
b)	Interest cost	2.80	2.80	3.01	3.01
c)	Net actuarial (gain)/ loss recognized in the period	3.19	3.19	-7.32	-7.32
d)	Expenses recognized in the statement of P&L A/c	16.54	16.54	5.22	5.22

v) Economic Assumptions – Gratuity & Leave Encashment

Particulars	Zuari Investments Limited	
	Current Year	Previous Year
Discounting rate	9%	9.00%
Future salary increase	9%	9.00%



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Notes to Financial Statements for the year ended March 31, 2015

In Regard to GSML ---

The Company has a defined benefit gratuity plan. Every employee who has completed at least five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The Company has got an approved gratuity fund which has taken an insurance policy with Life Insurance Corporation of India (LIC) to cover the gratuity liabilities.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the plan.

Statement of profit and loss

Net employee benefit expense recognized in employee costs

	Year Ended 31 March 2015	6 Months period Ended 31 March 2014
	Rs. in Lacs	Rs. in Lacs
Current service cost	19.45	8.56
Interest cost on benefit obligation	21.68	10.69
Expected return on plan assets	(25.30)	(12.11)
Net actuarial (gain) / loss recognized in the year	(3.31)	(9.87)
Net benefit expense	12.52	(2.73)
Actual return on plan assets	25.65	12.11

Balance sheet

Net Benefit liability / (asset)

	As at 31 March 2015	As at 31 March 2014
	Rs. in Lacs	Rs. in Lacs
Present value of defined benefit obligation	298.39	281.80
Fair value of plan assets	345.40	312.74
Plan liability / (asset)	(47.01)	(30.94)

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

	31 March 2015	31 March 2014
	Rs. in Lacs	Rs. in Lacs
Opening defined benefit obligation	281.80	281.88
Current service cost	19.45	8.56
Interest cost	21.68	10.69
Benefits paid		



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Actuarial (gains) / losses on obligation	(21.58)	(9.46)
Closing defined benefit obligation	(2.96)	(9.87)
	298.39	281.80

Changes in the fair value of plan assets are as follows :

	31 March 2015 Rs. in Lacs	31 March 2014 Rs. in lacs
Opening fair value of plan assets	312.74	304.84
Expected return	25.30	12.11
Contributions by employer	28.59	25.18
Benefits paid	(21.58)	(29.39)
Actuarial gains / (losses)	0.35	-
Closing fair value of plan assets	345.40	312.74

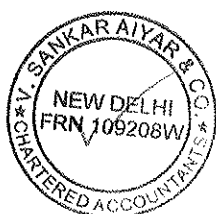
The Company expects to contribute Nil (Rs. 25.00 Lacs) to Gratuity Fund in the next year.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows :

	31 March 2015 Rs. in Lacs	31 March 2014 Rs. in Lacs
Investments with LIC	100%	100%

The principal assumptions are shown below :

	31 March 2015 Rs. in Lacs	31 March 2014 Rs. in Lacs
Discount rate	8.00%	8.00%
Expected rate of return on assets	8.00%	8.00%
Salary Increase	6.50%	5.00%
Withdrawal Rates	Varying between Nil to 4.20% per annum depending upon the duration and age of the employees	
Mortality Table	Indian assured lives mortality 2006 - 08 Ultimate	



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Notes to Financial Statements for the year ended March 31, 2015

Amounts for the current year and previous four periods are as follows :

	31 March 2015 Rs. in Lacs	31 March 2014 Rs. in Lacs	30 Sept. 2013 Rs. in Lacs	30 June 2012 Rs. in Lacs	30 June 2011 Rs. in Lacs
Gratuity					
Defined benefit obligation	298.39	281.80	281.88	304.40	297.03
Plan assets	345.40	312.74	304.84	319.82	289.61
Surplus / (deficit)	47.01	30.94	22.96	15.42	(7.42)
Experience (gain) / loss adjustments on plan liabilities	(2.96)	9.87	(1.57)	9.52	(15.42)
Experience gain / (loss) adjustments on plan assets	-	-	-	4.74	(1.43)

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Defined Contribution Plan

The Company has recognised the following amount as an expense and included under, "Contribution to Provident and Other Funds".

2.6 Particulars of Investments as required u/s 186(4) of the Companies Act, 2013 :-
Refer notes 11 & 14

2.7 Other Notes in regards to Gobind Sugar Mill Limited (GSML):-

2.7.1 **Operating lease** Certain office premises, godowns, cane purchasing centre etc. are held on operating lease. The lease term is ranging upto 3 years and are further renewable by mutual consent on mutually agreed terms. There is no escalation clause in the lease agreements. There are no restrictions imposed by lease agreements. There are no subleases. The leases are cancellable.

	31 March 2015 Rs. in lacs
Lease payments made for the year/period	47.45
	47.45

2.7.2 The networth of the Company is substantially eroded as the accumulated loss of the Company as at the reporting date stands at Rs. 9,825.62 lacs as against the shareholder's fund of Rs. 11,164.02 lacs. Also, the Company incurred a net loss of Rs. 2,111.58 lacs during the year and, as of that date; the Company's current liabilities exceeded its current assets by Rs. 9,167.89 lacs. During the current year, the shareholders have infused Rs. 2,350 lacs towards subscription of share capital of the Company to bridge the gap of accumulated losses and shareholders' funds. Further, based on the future profitability projections, the management is hopeful that the Company would be in a position to generate positive cash flows and profits in the near future. Considering the above, these financial statements have been drawn up on the going concern assumption which is appropriate in the opinion of the management.



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Notes to Financial Statements for the year ended March 31, 2015

2.7.3 Capital and other commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) Rs. 8,783.83 lacs.

2.7.4 Contingent liabilities

	31 March 2015 Rs. in lacs
Demands / Claims by various Government Authorities and others not acknowledged as debts and contested by the Company* :	
(i) Excise Duty & Service Tax	390.82
(ii) Sales & Entry Tax	4.42
(iii) Others	4.31
Total	399.55

*Based on discussions with the solicitors/ favourable decisions in similar cases/ legal opinions taken by the Company, the management does not expect these claims to succeed and hence, no provision there against is considered necessary.

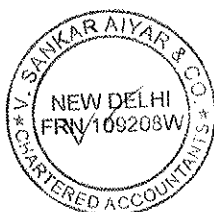
2.7.5 Imported and Indigenous Raw Material and Store & Spares consumed.

	Consumption %	Value Rs. in lacs
	31 March 2015	
Raw Material		
Imported	-	-
Indigenously obtained	100.00%	19,600.45
	100.00%	19,600.45
Store & Spares		
Imported	0.04%	0.15
Indigenously obtained	99.96%	385.73
	100.00%	385.88

2.7.6 The Company, in accordance with notification and refund order issued by State Government of Uttar Pradesh, has during the current year, received subsidy from the State Government on payment of sugar cane arrears of the last season by specified due date. The said amount of Rs. 409.11 lacs is included under other income.

2.7.7 The Government of Uttar Pradesh has announced subsidy for Sugar industry for the sugar season 2014 - 2015 linked to average selling price of sugar and by-products during the period 01st October, 2014 to 31st May, 2015. During the year, the Company has recognised such subsidy amounting to Rs. 2,172.95 lacs, based on the present and expected likely average price. The Company is hopeful to realise the subsidy as the average selling price is expected to be below the threshold level announced by the Government of Uttar Pradesh.

2.7.8 During the current year, Zuari Investments Limited, a wholly owned subsidiary of Zuari Global Limited, acquired 26.27% of equity shares in GSML (total holding 51.27% as of



ZUARI INVESTMENTS LIMITED – CONSOLIDATED
Notes to Financial Statements for the year ended March 31, 2015

March 31, 2015), consequent to which Zauri Investments Limited has become holding company of GSML.

2.8 Disclosure under Schedule III of Companies Act, 2013

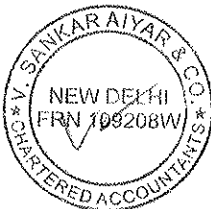
(Rs. in lacs)

Name of the Entity	Net Assets, i.e., total assets minus total liabilities as at March 31, 2015		Share in Profit or (Loss) for the year ended March 31, 2015	
	As % of consolidated net assets	Amount (Rs. in lacs)	As % of consolidated profit or (loss)	Amount (Rs. in lacs)
Parent				
Zuari Investments Limited	(7.68)	(121.62)	43.43	(1,431.64)
Indian Subsidiaries				
Zuari Insurance Brokers Limited	16.57	262.31	(3.65)	120.24
Zuari Commodity Trading Limited	6.59	104.40	(0.06)	2.08
Gobind Sugar Mills Limited	84.52	1,338.40	60.28	(1,986.89)
Zuari Financial Services Limited	-	-	(0.00)	0.14
Minority Interests in subsidiaries				
Minority Holders	-	-	-	-
Total	100.00	1,583.48	100.00	(3,296.07)

2.9 Basic and Diluted Earning per share as per Accounting Standard - 20

S.No	Particulars	Year ended March 31, 2015	Year ended March 31, 2014
a)	Net Profit/(Loss) after tax (Rs. In lacs)	(3,296.07)	(415.04)
b)	Weighted average number of Equity shares	3,74,45,790	3,74,45,790
c)	Face value per share (Rs.)	10	10
d)	Basis and diluted earning per share (Rs.)	(8.80)	(1.11)

2.10 Previous year figures have been regrouped, wherever necessary to correspond to current year figures.



ZUARI INVESTMENTS LIMITED – CONSOLIDATED
Notes to Financial Statements for the year ended March 31, 2015

Annexure I : Segment Reporting

Particulars	(Rs. In Lacs)					
	Investments		Sugar	Fertilizer	Total operations	
	Year Ended 31 March 2015	Year ended 31st March, 2014	Priond From 1/9/14 Ended 31 March 2015	Priond From 1/9/14 Ended 31 March 2015	Year Ended 31 March 2015	Year ended 31st March, 2014
Revenue						
Sales (net)	1,247.37	1,058.23	9,256.41	-	10,503.78	1,058.23
Other income	167.62	1,188.02	419.61	-	587.23	1,188.02
Total revenue	1,415.00	2,246.26	9,676.02	-	11,091.02	2,246.26
Results						
Segment results	215.66	1,033.63	(1,247.31)	-	(1,031.65)	1,033.63
Unallocated Corporate (Expense)/Income (net)						
Add : Interest					19.66	-
Income					-	-
Less: Exceptional					-	-
Items - Income					-	-
Less : Interest					(2,643.19)	-
expense						
Loss before tax					(3,655.18)	1,033.63
Tax credit					(545.29)	(527.20)
Net Loss					(4,200.47)	506.43
As at March 31, 2015						
Segment assets	17,436.49	15,174.16	46,059.97	-	63,496.46	15,174.16
Unallocated corporate assets					6,369.20	
Total assets					69,865.66	15,174.16
Segment liabilities	17,436.49	15,174.16	15,537.62	157.58	33,131.69	15,174.16
Unallocated corporate liabilities					35,395.57	
Total liabilities					68,527.26	15,174.16

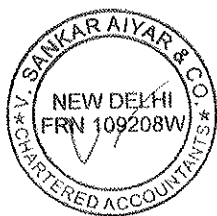


ZUARI INVESTMENTS LIMITED – CONSOLIDATED
Notes to Financial Statements for the year ended March 31, 2015

**Other segment
information**

Capital expenditure:

Tangible assets	69.51	92.74	12,856.89	-	12,926.40	92.74
Depreciation	39.18	44.85	142.76	-	181.94	44.85
Other non-cash expenses:						
Other non-cash expenses:	-	-	109.30	-	109.30	-



ZUARI INVESTMENTS LIMITED – CONSOLIDATED
Notes to Financial Statements for the year ended March 31, 2015

Annexure – II :-

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year/period :

a. Issue of Preference Share Capital				Rs . in Lacs
	Period ended	Transaction during the year/period	Amount owed by related parties	Amount owed to related parties
Fellow Subsidiary (w.e.f 25/08/2014)				
Zuari Financial Services Limited	31 March 2015	1,350.00	-	-
	31 March 2014	-	-	-
b. Purchase of investments				Rs . in Lacs
	Period ended	Transaction during the year/period	Amount owed by related parties	Amount owed to related parties
Subsidiary company (till 31/08/2015)				
New Eros Tradecom Limited	31 March 2015	13.23	-	-
	31 March 2014	-	-	-
c. Reimbursement of expenses made				Rs . in Lacs
	Period ended	Transaction during the year/period	Amount owed by related parties	Amount owed to related parties
Fellow Subsidiary (w.e.f 25/08/2014)				
Zuari Management Services Limited	31 March 2015	25.09	-	7.62
	31 March 2014	-	-	-
d. Purchase of Fixed Assets				Rs . in Lacs
	Period ended	Transaction during the year/period	Amount owed by related parties	Amount owed to related parties
Fellow Subsidiary (w.e.f 25/08/2014)				
Indian Furniture Products Limited	31 March 2015	35.35	-	0.57



ZUARI INVESTMENTS LIMITED – CONSOLIDATED
Notes to Financial Statements for the year ended March 31, 2015

31 March 2014

e. Remuneration to key managerial personnel			Rs . in lacs	
	Period ended	Transaction during the year/period	Amount owed by related parties	Amount owed to related parties
Key management personnel				
Shri Alok Saxena (w.e.f. 17.04.13)	31 March 2015	36.17	-	9.06
	31 March 2014	18.08	-	5.76

The remuneration to the key managerial personnel does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

- The Company has availed cash credit and term loans from banks, body corporate and financial institutions of Rs 21,260.89 Lacs, which are further secured by letter of comfort/corporate gurantee provided by Zuari Global Ltd.
- The Company has availed short term loan of Rs Nil from a bank. The said loan was secured by pledge of listed shares of group companies held by the erstwhile subsidiary. i.e. New Eros Tradecom Limited.



ZUARI INVESTMENTS LIMITED - CONSOLIDATED
Notes to financial statements for the year ended March 31, 2015

	As at March 31, 2015	(Amount in Lacs) As at March 31, 2014
3. Share Capital		
Authorised		
60,000,000 Equity Shares of Rs.10/- each	6,000.00	6,000.00
32,000,000 10% Non Cumulative Non Convertible Redeemable Preference Shares of Rs.10/- each	3,200.00	3,200.00
	<u>9,200.00</u>	<u>9,200.00</u>
Issued		
3,74,45,790 Equity Shares of Rs.10/- each	3,744.58	3,744.58
Subscribed and Paid-up		
3,74,45,790 Equity Shares of Rs.10/- each, fully paid up	3,744.58	3,744.58
	<u>3,744.58</u>	<u>3,744.58</u>

a) Reconciliation of Shares Outstanding at the beginning and end of the reporting period

	March 31, 2015		March 31, 2014	
	in Numbers	Rupees	in Numbers	Rupees
At the beginning of the period	374.46	3,744.58	374.46	3,744.58
Issued during the period	-	-	-	-
Outstanding at the end of the period	<u>374.46</u>	<u>3,744.58</u>	<u>374.46</u>	<u>3,744.58</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.

	March 31, 2015		March 31, 2014	
	No. of Shares held	% Holding	No. of Shares held	% Holding
c) Details of Share Holders holding more than 5% of shares in the Company				
Name of Shareholder				
Zuari Global Limited	374.46	100	374.46	100

d) The entire paid up capital is held by Zuari Global Limited, the Holding Company.

4. (a) Reserves & Surplus

	March 31, 2015	March 31, 2014
Molasses & Alcohol Storage and Maintenance Reserve		
Balance at the beginning of the year	-	-
Add: Provided during the year/period	3.14	-
Closing balance	<u>3.14</u>	<u>-</u>

(Deficit) in the Statement of Profit and Loss

	March 31, 2015	March 31, 2014
Balance at the beginning of the year	(572.23)	(157.19)
ADD : Profit / (loss) for current period	(3,296.07)	(415.04)
	<u>(3,865.16)</u>	<u>(572.23)</u>

5. Long Term Provisions

	March 31, 2015		March 31, 2014	
	Non Current	Current	Non Current	Current
Provision for employee benefits				
- Gratuity	35.17	0.46	27.92	0.46
- Leave benefits	-	93.09	-	34.13
	<u>35.17</u>	<u>93.55</u>	<u>27.92</u>	<u>34.59</u>

6. Long term borrowings

	March 31, 2015		March 31, 2014	
	Non Current	Current	Non Current	Current
Term Loans (secured) :				
Indian rupee loan from banks	4,350.00	313.00	-	-
Loan from a body corporate	4,500.00	-	-	-
Loan under Financial Assistance Scheme to Sugar Units under SEFASU 2014 from banks (Excise Duty Loan)	2,270.00	-	-	-
From a financial institution	5,600.00	-	-	-
Amount disclosed under the head " other current liabilities"(note 9)	-	(313.00)	-	-
	<u>16,720.00</u>	<u>-</u>	<u>-</u>	<u>-</u>



(Amount In Lacs)

Unsecured,	March 31, 2015		March 31, 2014	
	Non Current	Current	Non Current	Current
- Inter Corporate Deposits from				
Zuari Global Limited Terms: Interest @ 12.25% per annum, maturity on 31.05.2015	-	-	3,300.00	-
Zuari Global Limited Terms: Interest @ 11.00% per annum, maturing on varying dates between 31.01.2015 and 31.08.2015	-	-	1,750.00	-
Zuari Global Limited Terms: Interest @ 13.25% per annum, maturity on 31.05.2015	-	-	2,950.00	-
	-	-	8,000.00	-
	16,720.00	-	8,000.00	-

1) Term Loans in Indian rupee from banks

a) Term Loan of Rs. 4,663 lacs from State Bank of India is secured by first mortgage / charge on entire fixed assets of the Company, situated at 62.318 acres of land at Aira Estate, Khamaria Pandit, Distt Lakhimpur Kheri, Uttar Pradesh and a new peice of land of 27.045 acres at Village Allipur, Paragana Dhauraha, District Kheri, Uttar Pradesh together with building, moveable and immovable machiney and other fixed and current assets, present and future of the Company, on pari pasu basis with other term lenders. Also, Zuari Global Ltd. has provided corporate guarantee for the said loan.

The aforesaid loan is repayable in 24 quarterly installments commencing from 31st March 2016 and carries interest @ 3% p.a above base rate. The 1st to 23rd quarterly installments will be of Rs. 313 lacs each and the 24th installment will be of Rs. 301 lacs.

b) Term Loan of Nil from Ratnakar Bank was secured by first mortgage / charge on all the immovable and movable fixed assets and current assets, present and future of the Company, ranking pari-passu with other lenders. Also, Zuari Agro and Chemicals Ltd. and Zuari Global Ltd. had provided letters of comfot for the said loan. The aforesaid loan's tenure was for 48 months from the date of each disbursement and carried interest @ 2% p.a above the base rate of the bank for disbursement of Rs. 11 crores and 3.50% above the base rate of the bank for disbursement over Rs. 11 crores. The said loan has been repaid during the year. However, legal formalities towards filing of satisfaction of charge are yet to be completed.

2) Term Loans under Financial Assistance Scheme to Sugar Units under SEFASU 2014 from banks (Excise Duty Loan)

a) Loan under financial assistance scheme to Sugar Units under SEFASU 2014 of Rs. 1,099 lacs from District Co-operative Bank is repayable in 5 years with 2 years of moratorium period and carry interest of 12% p.a. As per the scheme, the interest is payable by the Government of India/National Bank for Agriculture and Rural Development (NABARD). As per the terms of the sanction letter, the loan is secured by charge on free assets of the Company. This charge is yet to be created.

b) Loan under financial assistance scheme to Sugar Units under SEFASU 2014 of Rs. 1,171 lacs from State Bank of India is secured by pari passu first charge basis on the hypothecated current assets, both present and future and pari passu second charge basis on the moveable fixed assets of the Company with other Working Capital Lenders. The said loan is repayable in 12 quartely installments starting from 30th June, 2016 and carry interest of 12.50% p.a. As per the scheme, the interest to the extent of 12% p.a. is payable directly by the Government of India/National Bank for Agriculture and Rural Development (NABARD) to State Bank of India and hence, no liability towards interest has been provided in these accounts.

3) Term Loan from a financial institution of Rs. 5,600.00 lacs from Indian Renewal Energy Development Agency Limited (IREDA) is secured by first mortgage / charge on entire fixed assets of the Company, situated at 62.318 acres of land at Aira Estate, Khamaria Pandit, Distt Lakhimpur Kheri, Uttar Pradesh and a new peice of land of 27.045 acres at Village Allipur, Paragana Dhauraha, District Kheri, Uttar Pradesh together with building, moveable and immovable machinery and other fixed assets, present and future of the Company, on pari pasu basis with other term lenders. Further, the loan is secured by 2nd pari-passu charge on current assets of the Company (excluding receivables from the power project on which there is a first pari-passu charge) along with other lenders. Also, Zuari Global Ltd. has provided corporate guarantee for the said loan. The said loan is repayable in 40 quarterly installments starting from expiry of 1 year from the date of commissioning of co-generation project and carries interest @ 12.65%/13.25% p.a. Also, additional interest @ 1.00% will be charged during construction period.

4) Term loan from a body corporate of Rs. 4,500 lacs from Aditya Birla Finance Limited is secured by first mortgage / charge on all movable and immovable fixed assets including but not limited to land, buildings, plant and machinery, assignments of all project contracts, agreements etc present and future on first pari-passu basis. This loan is further secured by first pari-passu charge on all present and future current assets including book debts, operating cash flows and receivables of the Company. Also, Zuari Global Limited has issued a corporate guarantee for the said loan. The said loan is repayable in 24 equal quarterly installments after a moratorium of upto 2 years. Further, the Company cannot prepay the loan amount (partially or fully, except scheduled repayment) before a period of 30 months from the date of first disbursement. The said loan carries interest rate of 3.00% p.a plus base rate of State bank of India.



	March 31, 2015	March 31, 2014
7. Short Term Borrowings		
Secured borrowings		
Cash credit from Banks (repayable on demand)	9,572.70	-
Unsecured		
Bank	4,500.00	-
Loans from Bodies Corporate		
	3,864.36	-
	<u>17,937.06</u>	<u>-</u>
Inter Corporate Deposits from		
Chambal Fertilisers & Chemicals Limited Terms: Interest @ 16% per annum, Maturity on 30.09.2014	-	2,000.00
Zuari Global Limited Terms: Interest @ 12.25% per annum, maturity on 31.05.2015	3,300.00	-
Zuari Global Limited Terms: Interest @ 11.00% per annum, maturing on varying dates between 31.05.2015 and 31.08.2015	1,750.00	-
Zuari Global Limited Terms: Interest @ 13.25% per annum, maturity on 31.05.2015	2,950.00	-
Zuari Global Limited Terms: Interest @ 13.25% per annum, maturity on 30.06.2015	3,975.00	-
Zuari Global Limited Terms: Interest @ 12.50% per annum, maturity on 30.09.2015 and 01.10.2015	100.00	-
Zuari Global Limited Terms: Interest @ 13.25% per annum, maturity on 04.02.2016	100.00	-
Simon India Limited Terms: Interest @ 13.50% per annum, maturity on 30.09.2015	1,000.00	1,000.00
	<u>31,112.06</u>	<u>3,000.00</u>

1) Cash Credit

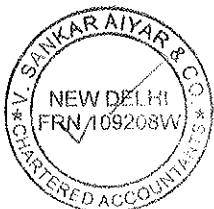
- a) Cash Credit of Rs. 1,954.03 lacs from State Bank of India is secured by hypothecation of entire current assets including book debts both present and future on pari passu basis and also by first charge on pari passu basis with other lenders on the fixed assets of the Company. This loan carries interest at the base rate of the bank plus 5.00% p.a.
- b) Cash Credit of Rs. 4,046.24 lacs from District Cooperative Bank Ltd., Lakhimpur Kheri. As per the sanction letter, the said limited is secured by pledge of some stock of finished goods and also by immovable fixed assets on pari-passu basis and carries interest @ 11.75% p.a. The said charge is yet to be created.
- c) Cash Credit of Rs. 1,572.43 lacs from District Cooperative Bank Ltd., Barabanki, as per the sanction letter is secured by pledge of some stock of finished goods and carries interest 11.75% p.a. The said charge is yet to be created.
- d) Cash Credit of Rs. 2,000 lacs from Ratnakar Bank Ltd. is secured by first mortgage / charge of entire current assets, immovable and movable fixed assets ranking pari passu with other lenders of the Company. Also, Zuari Agro and Chemicals Ltd. and Zuari Global Ltd. have provided letters of comfort for the said loan. The loan carries interest @ 13.75% p.a.

2) Other Loans from banks

- a) Loan from a bank of Rs. Rs. 4,500 lacs from HDFC Bank Limited is repayable in two instalments i.e. Rs. 1,500 lacs to be repaid on 15th April, 2015 and Rs. 3,000 lacs on or before 30th April, 2015 and carries interest @ 11.75% p.a. Also, Zuari Global Limited has issued a corporate guarantee for the said loan.

3) Other Loans from Bodies corporate

- a) Loan of Rs. 64.36 lacs from New Eros Tradecom Limited (NETL) carries interest @ 10.50% and was repayable on March 31, 2015 and has subsequently been further extended for one year.
- b) Loan from Texmaco Infrastructure & Holdings Limited of Rs. 1,300 lacs is for a tenure of one year and carries interest @ 16% p.a.
- c) Loan from Adventz Investments & Holdings Limited of Rs. 2,500 lacs is for a tenure of one year and carries interest @ 16% p.a.



(Amount In Lacs)

8. Trade Payables

	March 31, 2015	March 31, 2014
Trade Payables	14,455.54	620.12
	<u>14,455.54</u>	<u>620.12</u>

9. Other Current Liabilities

Current maturities of long-term borrowings (Note 6)	313.00	-
Payable towards purchase of capital goods	657.36	-
Advance against Sales	51.93	-
Interest accrued and due on borrowings, deposits etc. (including payable)	417.38	-
Amount payable against redemption of Preference Share Capital	5.43	-
Deposits received from agents and others	68.91	-
Statutory Dues	216.97	48.27
Advances from clients	49.91	28.69
Employee Related Payables	146.93	-
Security Deposits (Interest free)	238.31	242.23
Excise Duty on Closing Stocks	611.17	-
Other Miscellaneous	49.67	-
	<u>2,826.97</u>	<u>319.19</u>

10. Fixed Assets

As per ANNEXURE

10 (1). Capital work-in-progress

Balance brought forward from the previous period (GSML)	7,611.28	-
Add : Additions during the year/period	9,325.33	-
	<u>16,936.61</u>	<u>-</u>
Less : Transfer to Tangible Assets during the period	172.62	-
	<u>16,763.99</u>	<u>-</u>

10 (1) (a) Pre - Operative expense (pending allocation) (included in Capital work-in-progress above)

Salaries, wages and bonus etc.	28.85
Contribution to provident and other funds	2.06
Employees' welfare expenses	0.15
Power and Fuel	100.83
Rates and Taxes	11.23
Insurance	44.05
Travelling expenses	61.00
Transmission line expenses *	812.85
Professional, consultancy fees and legal expenses	53.96
Miscellaneous expenses	5.57
Interest	1,179.83
Other borrowing costs	328.35
Scrap Sales	(34.45)
	<u>2,594.27</u>
Less: Capitalised/reversed during the year/period	-
	<u>2,594.27</u>

* Considered as pre-operative expenses being part of overall expansion project cost.

11. Non Current Investments

Long Term (Non Trade - unless stated otherwise)

(Refer note no.1.4 on valuation of investments)

(1) Fully Paid Up Equity Shares

a) Quoted (at cost)

	Nos.	March 31, 2015	March 31, 2014
Texmaco Infrastructure & Holdings Ltd. (of Rs.1/- each)	22,263,900	564.35	564.35
Texmaco Rail & Engineering Limited (of Rs.1/- each)	28,963,900	1,039.20	1,039.20
Chambal Fertilisers & Chemicals Limited (of Rs.10/- each)	404,787	325.97	324.87
Ess Dee Aluminium Ltd. (of Rs. 10/- each)	14,000	81.71	-
Premium Exchange & Finance Ltd (of Rs. 10/- each)	180,240	5.59	-
Master Exchange & Finance Ltd. (of Rs. 10/- each)	188,460	5.90	-
Duke Commerce Ltd. (of Rs. 10/- each)	24,700	0.64	-
		<u>2,023.36</u>	<u>1,928.42</u>

b) Unquoted (at cost)

Lionel Edward Limited (of Rs.100/- each) (net off write off)	19,092	1.91	1.91
Style Spa Furniture Limited (of Rs.10/- each)	-	-	0.00
Indian Furniture Products Ltd. (of Rs.10/- each)	7,044,643	-	-
New Eros Tradecom Ltd.(of Rs. 10/- each) -	1,553.87	2,049,994	1,601.35
Add : Share in profit of Associate for the year 2013-14 -		6.24	
Add : Share in profit of Associate for the year 2014-15 -		41.24	
		<u>1601.35</u>	
		<u>1,603.26</u>	<u>1,562.02</u>



ZUARI INVESTMENTS LIMITED - CONSOLIDATED
Notes to financial statements for the year ended March 31, 2015

	(Amount In Lacs)	
	March 31, 2015	March 31, 2014
(2) Non-trade investments (unquoted)		
Government Securities		
20 Years U.P.State Development Loan, 2008	0.20	-
6 Years National Saving Certificates	0.12	-
* 5 Years National Saving Certificates	1.00	-
	<u>1.32</u>	<u>-</u>

* includes Securities valuing Rs. 1.02lacs deposited with Government Authorities.

(3) Others

Gobind Sugar Mills Ltd. (of Rs.10/- each) 7% Non Cumulative Non Convertible Preference Shares, Series-I redeemable in one single lot after expiry of the 12th year from the date of allotment. (In previous year: redeemable in three instalments commencing from the 9th year).	150.00	-	1,500.00
Gobind Sugar Mills Ltd. (of Rs.10/- each) 7% Non Cumulative Non Convertible Preference Shares, Series-II redeemable in one single lot after expiry of the 12th year from the date of allotment. (In previous year: redeemable in single lot at the expiry of 7th year).	50.00	-	500.00
Gobind Sugar Mills Ltd. (of Rs.10/- each) 7% Non Cumulative Non convertible preference shares, Series-III redeemable in one single lot after expiry of the 12th year from the date of allotment. (In previous year: redeemable in three instalments commencing from the 9th year)	330.00	-	3,300.00
Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative Non convertible preference shares, Series-IV redeemable in one single lot after expiry of the 12th year from the date of allotment.	35.00	-	350.00
Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative Non convertible preference shares, Series-V redeemable in one single lot after expiry of the 12th year from the date of allotment.	35.00	-	350.00
Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative Non convertible preference shares, Series-VI redeemable in one single lot after expiry of the 12th year from the date of allotment.	100.00	-	1,000.00
Gobind Sugar Mills Limited (of Rs.10/- each) 7% Non Cumulative	117.50	-	1,175.00
	<u>-</u>	<u>-</u>	<u>8,175.00</u>

Total Non Current Investments

3,627.94 11,665.44

Market Value of Quoted Investments

51,378.29 19,738.63

Foot note -

In respect of loans taken by Gobind Sugar Mills Limited, 16,32,000 Equity Shares of Gobind Sugar Mills Limited held by the company is pledged in favour of Aditya Birla Finance Limited through the security trustee IL&FS Trust Company Limited on 11.11.2014.

12. Deferred tax liabilities (Net)

Deferred tax assets	5,838.68
Carry forward of Business Losses and Unabsorbed Depreciation	506.56
Expenditure allowable against taxable income in future years	<u>6,345.24</u>
	-
Deferred tax liability	689.71
Fixed assets: Impact of difference between tax depreciation and	<u>689.71</u>
	<u>5,655.53</u>

Although, there is carried forward unabsorbed depreciation and business losses as on the reporting date, yet in view of the future profitability projections, the Group is virtually certain that there would be sufficient taxable income in future, to realise the aforesaid deferred tax assets.

13. Loans and Advances

	March 31, 2015		March 31, 2014	
	Non Current	Current	Non Current	Current
Unsecured, considered good (unless stated otherwise)				
Capital Advances	1,009.73	-	-	-
Sundry Deposits				
Considered good	1,093.44	58.03	1,111.71	58.03
Advances recoverable in cash or in kind				
Considered good	-	123.66	-	-
Considered doubtful	10.85	-	-	-
Less : Provision for doubtful advances	10.85	-	-	-
	<u>-</u>	<u>123.66</u>	<u>1,111.71</u>	<u>58.03</u>
Other loans and advances				
Considered good				
Loan to employees	-	4.97	-	-
Deposits against demand under appeal and / or under dispute	-	90.25	-	-
Prepaid Expenses	-	18.78	-	-
Advance payment of Tax, Refunds receivable and Tax deducted at	110.74	29.12	105.10	-
Other advances recoverable in cash or in kind	0.97	41.72	-	24.17
Balances with Excise and Other Government Authorities	-	1,044.88	-	-
Cane subsidy Receivable	-	2,172.95	-	-
Loan to Employee	0.35	-	-	-
Claims Receivable	0.59	-	-	-
	<u>112.65</u>	<u>3,402.67</u>	<u>105.10</u>	<u>24.17</u>
Less: Provision for doubtful loans and advances	0.94	-	-	-
	<u>111.71</u>	<u>3,402.67</u>	<u>105.10</u>	<u>24.17</u>
Total	<u>2,214.88</u>	<u>3,584.36</u>	<u>1,216.81</u>	<u>82.20</u>



(Amount in Lacs)

14. Current investments (Refer note no.1.4 on valuation of investments)	Nos.	March 31, 2015	March 31, 2014
a) Quoted Ess Dee Aluminium Ltd. (of Rs. 10/- each)	9,229	-	51.62
b) Unquoted Adventz Investment Company Private Limited (6% Non Cumulative, Non convertible Preference Shares @ 100/- each) (Redeemable on 30th September, 2015) (Original date of redemption was 30th September, 2013)	660,000	660.00	660.00
Total Current Investments		660.00	711.62

15. Inventories

Valued at Lower of Cost and Net Realisable Value	March 31, 2015	March 31, 2014
Finished goods	18,971.38	-
Raw Materials	35.89	-
Goods under process	330.77	-
Stores, Chemicals and spare parts etc.	343.25	-
Valued at Estimated Realisable Value		
By-Products	1,254.71	-
Scrap	20.50	-
	20,956.50	-

16. Trade Receivable

(Unsecured -considered good unless otherwise stated)	March 31, 2015	March 31, 2014
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Considered good	319.87	283.27
Considered doubtful	25.22	22.00
	345.09	305.27
Provision for doubtful trade receivables	25.22	22.00
	319.87	283.27
-Other receivables	173.42	134.87
	493.29	418.14

17. Cash & Cash Equivalents

	March 31, 2015		March 31, 2014	
	Non Current	Current	Non Current	Current
a). Balances with banks				
On current accounts	-	859.39	-	833.31
On saving account	-	0.03	-	5.12
- in deposit accounts maturing within 12 months	46.12	-	-	-
- in deposit accounts maturing after 12 months*	95.62	568.25	95.62	-
Post Office Deposit	-	0.02	-	-
b). Cash in hand	-	1.39	-	1.25
	141.74	1,429.08	95.62	839.68

* Under Lien with other agencies

* Under Pledge

* Fixed deposits amounting to Rs. 558.25 lacs have been pledged against loan from a body corporate and fixed deposit amounting to Rs. 10 lacs is in nature of margin money kept with a bank against issue of a bank guarantee.

* Under Lien - includes Rs.10.00 lacs to BSE, Rs. 22.00 lacs to IRDA, Rs.8.00 lacs to NSEIL, Rs.25.00 lacs to NSE and Rs.15.00 lacs 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 lacs to MCX; Rs. 9.12 lacs to ISSI.; Under Pledge - Rs. 0.12 lacs

18. Other Assets

	March 31, 2015		March 31, 2014	
	Non Current	Current	Non Current	Current
Non-current bank balances (Refer Note 17)	141.74	-	95.61	-
Interest accrued on deposits	7.10	147.55	4.14	27.86
(Includes Interest subvention receivable under SEFASU 2014 of Rs. 106.59 lacs as current assets)	148.84	147.55	99.75	27.86



ZUARI INVESTMENTS LIMITED - CONSOLIDATED
Notes to financial statements for the year ended March 31, 2015

(Amount in Lacs)

March 31, 2015

March 31, 2014

19. Revenue from Operations
(Refer Note No. 1.7 for revenue recognition)

Revenue from operations (GSML)

Sale of products		
Finished goods	8,015.10	-
Traded goods	361.56	-
By products	1,302.38	-
Other operating revenue		
Scrap Sales	12.93	-
Revenue from operations (gross)	9,691.97	-
Less : Excise duty	367.48	-
Cess	68.08	-
Revenue from operations GSML (net)	9,256.41	-
Depository Operations	151.62	141.81
Corporate Consultancy	93.00	5.00
Commission (Mortgage)	26.19	70.03
Commission (Real Estate)	14.33	48.78
Stock Broking	369.05	332.99
Share Transfer Agency	30.98	28.03
Retail Brokerage	137.44	100.93
Brokerage Income	372.86	286.95
Other Charges	2.16	3.57
Dividend-Stock-in-Trade -Units of Mutual Fur	-	2.72
Interest Income from deposits with banks	4.84	5.02
Interest Income on others	44.90	32.41
	10,503.78	1,058.24

20. Other Income

Miscellaneous Income	18.19	6.54
Interest on Bank Deposits & Investments	30.25	9.94
Interest on Income Tax Refund	0.13	1.47
Notice Period Recovery	1.16	-
Dividend		-
- Long Term Investments (Non Trade)	115.30	338.19
Excess Provision written back		-
-Gratuity	-	8.68
-Leave encashment	-	6.58
-Others	2.88	1.99
Profit/(Loss) on sale of Investments	(0.83)	814.49
Rental Income	0.85	-
Assets written off in the previous year, now w	0.29	0.15
Subsidy on cane purchase	409.11	-
Insurance and Other Claims	1.39	-
Unspent Liabilities, Provisions no longer	2.34	-
	581.06	1,188.03

21. Cost of raw material consumed

Opening Stock	3.26	-
Purchases and procurement expenses	19,467.73	-
	19,470.99	-
Closing Stock	35.89	-
	19,435.10	-



ZUARI INVESTMENTS LIMITED - CONSOLIDATED
Notes to financial statements for the year ended March 31, 2015

(Amount in Lacs)

	March 31, 2015	March 31, 2014
22.(Increase) in inventories		
Inventories at the end of the year/period		
Finished goods	18,971.38	-
By Products	1,254.71	-
Goods under process	330.77	-
Scrap	20.50	-
	<u>20,577.36</u>	-
Inventories at the beginning of the year/period		
Finished goods	8,530.88	-
Traded goods	338.90	-
By Products	251.94	-
Goods under process	87.44	-
Scrap	13.68	-
	<u>9,222.84</u>	-
	(11,354.52)	-
(Increase)/decrease of excise duty and cess	512.61	-
	<u>(10,841.91)</u>	-

23. Employee Benefit Expenses
(Refer Note No.2.8 for E employees Benefit)

Contribution to Provident & Other Funds	87.33	30.93
Gratuity	17.63	11.47
Staff Welfare	43.71	13.12
Salary	1,416.50	702.04
	<u>1,565.17</u>	<u>757.56</u>

24. Other Expenses

Advertisement	0.71	8.31
DP Charges & Brokerage	46.83	30.16
Data Charges	1.31	1.23
Computer Repair & Maintenance	24.02	18.77
Fees & Subscriptions	14.12	5.75
Insurance	47.05	3.76
IRDA Fee	1.00	1.00
Penalty Paid To IRDA	8.00	-
Loss on sale of assets	0.01	1.41
Loss / Profit on write off of assets	0.50	0.17
Legal & Professional Charges	8.45	12.17
Payment to Auditors (Refer details below)*	17.82	4.10
Repair & Maintenance	261.58	0.20
Miscellaneous	157.06	11.04
Office Maintenance	47.12	67.17
Rates & Taxes	52.27	0.16
Printing & Stationery	17.44	13.22
Rent	137.08	111.93
Communication	43.99	104.52
Travelling & Conveyance	31.52	34.49
Bad Debt written off	0.32	0.36
Commission	19.45	24.41
Provision for Doubtful Debts	1.89	0.75
Irrecoverable balances written off	108.24	-
Consumption of stores and spares	368.37	-
Interest on service tax	1.79	-
Packing Materials	286.76	-
Power & Fuel	93.69	-
Freight & Forwarding charges etc.	180.64	-
Charity and Donations	1.13	-
Molasses Storage & Maintenance Reserve	3.14	-
Director's sitting fees	1.80	-
	<u>1,985.10</u>	<u>455.08</u>



ZUARI INVESTMENTS LIMITED - CONSOLIDATED
Notes to financial statements for the year ended March 31, 2015

(Amount in Lacs)

	March 31, 2015	March 31, 2014
* Payments to the Auditors as		
Audit Fee	7.75	3.05
Tax Audit Fee	1.75	0.55
Other Services (Certification Fees)	3.45	0.50
Taxation Matters	1.95	-
Reimbursement of expenses	0.72	-
Limited Review Fees	2.20	-
	<u>17.82</u>	<u>4.10</u>
25. Depreciation and amortization expense		
Depreciation of tangible assets		
- Tangible assets	169.64	30.16
- Intangible assets	12.29	14.69
	<u>181.93</u>	<u>44.85</u>
26. Finance Costs		
Interest Expenses on LCD	2,638.65	1,117.17
Interest Expenses on others	4.54	1.31
	<u>2,643.19</u>	<u>1,118.48</u>

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

31
 V. Rethinam
 Partner
 M. No. 10412

Place: New Delhi
 Date: *705 2015*



For and on behalf of Board

R.S. Raghavan
 R.S. Raghavan
 Managing Director
 DIN : 00362555

Tarun Khanna
 Tarun Khanna
 Chief Financial Officer

Vijay Kathuria
 Vijay Kathuria
 Wholetime Director
 DIN : 00338125

Jitendra Gupta
 Jitendra Gupta
 Company Secretary

ZUARI INVESTMENTS LIMITED - CONSOLIDATED
Notes to financial statements for the year ended March 31, 2015

(Annexure)

S. No.	Particulars	Tangible						Intangible		Grand Total
		Furniture & Fixtures and Leasehold Improvements	Freehold Land	Building	Plant and equipments	Vehicles	Office Equipments and Computers	Total	Software & Dealership rights	
a	Cost									
	As at 01.04.2014	156.74	367.21	876.85	9,429.89	125.44	385.30	11,341.43	97.24	11,438.67
	Additions	41.45	18.20	172.62	-	0.03	12.53	244.83	0.24	245.07
As at 31.03.2015	Disposals	0.38	7.55	-	9.39	5.56	0.85	23.73	2.06	25.79
		197.81	377.86	1,049.47	9,420.50	119.91	396.98	11,562.53	95.42	11,657.95
b	Depreciation									
	Upto 31.03.2014	93.47	-	385.90	6,676.30	75.66	317.76	7,549.09	77.32	7,626.41
	Charge for the Year	8.29	-	16.88	107.31	5.43	31.73	169.64	12.29	181.93
	Written back	0.38	-	-	2.03	3.74	0.85	6.99	1.31	8.30
Upto 31.03.2015	101.38	-	402.78	6,781.58	77.35	348.64	7,711.74	88.30	7,800.04	
c	Net Block									
	As at 31.03.2015	96.43	377.86	646.69	2,638.92	42.56	48.34	3,850.79	7.12	3,857.91
	As at 31.03.2014	63.27	367.21	490.95	2,753.59	49.78	67.54	3,792.34	19.92	3,812.26

Refer Note no.1.3.2 for method and rate of depreciation

