

Unaudited standalone financial results for the quarter and nine months period ended 31 Dec 2023

(INR in lakhs except per share data)

S No	Particulars	Standalone					
		Quarter ended			Nine months period ended		Year ended
		31-Dec-23 (Unaudited)	30-Sep-23 (Unaudited)	31-Dec-22 (Unaudited)	31-Dec-23 (Unaudited)	31-Dec-22 (Unaudited)	31-Mar-23 (Audited)
<b>1</b>	<b>Income</b>						
	(a) Revenue from operations	10,033.17	21,377.64	16,601.81	47,780.24	53,870.30	81,195.52
	(b) Other income	5,662.90	4,110.20	2,418.03	17,983.50	9,434.79	14,917.08
	<b>Total income</b>	<b>15,696.07</b>	<b>25,487.84</b>	<b>19,019.84</b>	<b>65,763.74</b>	<b>63,305.09</b>	<b>96,112.60</b>
<b>2</b>	<b>Expenses:</b>						
	(a) Cost of material consumed	13,874.53	14.69	15,058.83	21,830.89	17,464.38	48,981.40
	(b) Purchases of Stock-in-Trade	4.28	-	2.40	333.71	277.52	338.52
	(c) Project expenses	(0.69)	50.82	57.72	50.13	46.69	65.89
	(d) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(6,513.92)	19,128.82	(1,335.31)	17,309.73	28,335.49	14,158.59
	(e) Employee benefits expense	1,247.32	997.82	1,083.55	3,375.24	2,831.71	4,235.80
	(f) Finance costs	3,331.26	3,562.32	3,936.16	10,601.25	11,901.20	15,781.53
	(g) Depreciation and amortisation expense	604.63	604.57	696.70	1,795.43	1,853.84	2,386.82
	(h) Other expenses	1,790.82	1,518.65	1,879.22	4,801.89	4,756.31	7,093.33
	<b>Total expenses</b>	<b>14,338.23</b>	<b>25,877.69</b>	<b>21,379.27</b>	<b>60,098.27</b>	<b>67,467.14</b>	<b>93,041.88</b>
<b>3</b>	<b>Profit / (Loss) before tax and exceptional items (1-2)</b>	<b>1,357.84</b>	<b>(389.85)</b>	<b>(2,359.43)</b>	<b>5,665.47</b>	<b>(4,162.05)</b>	<b>3,070.72</b>
<b>4</b>	Exceptional item (refer note 3)	(4,463.19)	-	(221.00)	(4,463.19)	(591.64)	(591.64)
<b>5</b>	<b>Profit / (Loss) before tax (3+4)</b>	<b>(3,105.35)</b>	<b>(389.85)</b>	<b>(2,580.43)</b>	<b>1,202.28</b>	<b>(4,753.69)</b>	<b>2,479.08</b>
<b>6</b>	<b>Tax expense</b>						
	(a) Current tax expense	-	-	-	-	-	-
	(b) Deferred tax charge / (credit)	4.93	(87.92)	(583.93)	(391.21)	(1,021.23)	642.17
	<b>Total tax expense / (credit)</b>	<b>4.93</b>	<b>(87.92)</b>	<b>(583.93)</b>	<b>(391.21)</b>	<b>(1,021.23)</b>	<b>642.17</b>
<b>7</b>	<b>Profit/ (loss) for the period / year (5 - 6)</b>	<b>(3,110.28)</b>	<b>(301.93)</b>	<b>(1,996.50)</b>	<b>1,593.49</b>	<b>(3,732.46)</b>	<b>1,836.91</b>
<b>8</b>	<b>Other comprehensive income</b>						
	(A) (i) Items that will not be reclassified to profit or loss	69,398.36	6,727.38	(6,800.84)	85,907.46	(62,594.70)	(96,355.83)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(7,619.28)	(421.98)	637.13	(8,620.75)	3,848.22	6,950.10
	(B) (i) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income</b>	<b>61,779.08</b>	<b>6,305.40</b>	<b>(6,163.71)</b>	<b>77,286.71</b>	<b>(58,746.48)</b>	<b>(89,405.73)</b>
<b>9</b>	<b>Total comprehensive income for the period/ year (7+8)</b>	<b>58,668.80</b>	<b>6,003.47</b>	<b>(8,160.21)</b>	<b>78,880.20</b>	<b>(62,478.94)</b>	<b>(87,568.82)</b>
<b>10</b>	<b>Paid - up equity share capital</b> (face value of INR 10/- each)	2,978.17	2,978.17	2,978.17	2,978.17	2,978.17	2,978.17
<b>11</b>	<b>Other equity</b>						2,19,781.43
<b>12</b>	<b>Earnings per share</b> (of INR 10/- each) (not annualised)						
	(a) Basic (INR)	(10.44)	(1.01)	(6.70)	5.35	(12.53)	6.17
	(b) Diluted (INR)	(10.44)	(1.01)	(6.70)	5.35	(12.53)	6.17



Unaudited consolidated financial results for the quarter and nine months period ended 31 Dec 2023

(INR in lakhs except per share data)

S No	Particulars	Consolidated					
		Quarter ended			Nine months period ended		Year ended
		31-Dec-23 (Unaudited)	30-Sep-23 (Unaudited)	31-Dec-22 (Unaudited)	31-Dec-23 (Unaudited)	31-Dec-22 (Unaudited)	31-Mar-23 (Audited)
<b>1</b>	<b>Income</b>						
	(a) Revenue from operations	11,574.62	26,864.73	25,222.75	57,539.11	67,297.62	95,513.50
	(b) Other income	7,947.04	4,648.26	2,909.39	20,793.89	12,177.70	18,230.62
	<b>Total income</b>	<b>19,521.66</b>	<b>31,512.99</b>	<b>28,132.14</b>	<b>78,333.00</b>	<b>79,475.32</b>	<b>1,13,744.12</b>
<b>2</b>	<b>Expenses:</b>						
	(a) Cost of materials consumed	13,874.53	14.69	15,058.85	21,830.89	17,464.60	48,981.62
	(b) Purchase of stock in trade	145.77	56.16	13.95	554.68	326.46	396.27
	(c) Project expenses	538.80	178.06	2,978.75	770.66	9,137.21	10,409.82
	(d) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(7,340.87)	23,423.21	3,349.50	25,220.94	30,168.86	15,036.12
	(e) Employee benefits expense	2,633.18	2,343.47	2,404.94	7,170.43	6,398.87	8,968.90
	(f) Finance costs	7,192.18	7,381.42	6,153.36	21,432.62	18,118.21	24,843.51
	(g) Depreciation and amortisation expense	693.81	692.01	793.21	2,049.73	2,138.24	2,742.09
	(h) Other expenses	3,410.57	2,186.21	2,043.74	9,530.23	5,926.00	8,940.07
	<b>Total expenses</b>	<b>21,147.97</b>	<b>36,275.23</b>	<b>32,796.30</b>	<b>88,560.18</b>	<b>89,678.45</b>	<b>1,20,318.40</b>
<b>3</b>	<b>Profit/(loss) before share of loss of associates and joint ventures, tax (1 - 2)</b>	<b>(1,626.31)</b>	<b>(4,762.24)</b>	<b>(4,664.16)</b>	<b>(10,227.18)</b>	<b>(10,203.13)</b>	<b>(6,574.28)</b>
<b>4</b>	Share of Profit/(loss) of associates and joint ventures	502.20	1,383.27	2,315.62	1,165.52	29,778.66	37,949.57
<b>5</b>	<b>Profit/(loss) before tax and exceptional items (3+4)</b>	<b>(1,124.11)</b>	<b>(3,378.97)</b>	<b>(2,348.54)</b>	<b>(9,061.66)</b>	<b>19,575.53</b>	<b>31,375.29</b>
<b>6</b>	Exceptional item (refer note 4)	81,327.79	-	-	81,327.79	-	-
<b>7</b>	<b>Profit/(Loss) before tax (5+6)</b>	<b>80,203.68</b>	<b>(3,378.97)</b>	<b>(2,348.54)</b>	<b>72,266.13</b>	<b>19,575.53</b>	<b>31,375.29</b>
<b>8</b>	<b>Tax expense</b>						
	(a) Current tax expense / (reversals) (including earlier years)	93.71	15.77	13.45	143.43	49.07	63.26
	(b) Deferred tax charge / (credit)	7,312.37	(82.51)	(1,963.29)	7,498.56	(872.21)	799.25
	<b>Total tax expense / (credit)</b>	<b>7,406.08</b>	<b>(66.74)</b>	<b>(1,949.84)</b>	<b>7,641.99</b>	<b>(823.14)</b>	<b>862.51</b>
<b>9</b>	<b>Profit/(loss) for the period / year (7-8)</b>	<b>72,797.60</b>	<b>(3,312.23)</b>	<b>(398.70)</b>	<b>64,624.14</b>	<b>20,398.67</b>	<b>30,512.78</b>
<b>10</b>	<b>Other comprehensive income</b>						
	(A) (i) Items that will not be reclassified to profit or loss	79,440.77	12,570.57	(5,053.94)	1,05,813.53	(65,658.34)	(97,831.97)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(7,766.90)	(284.17)	624.50	(8,627.72)	7,554.77	10,660.76
	(B) (i) Items that will be reclassified to profit or loss	695.96	167.89	(73.86)	390.15	(356.30)	(429.55)
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	<b>Total other comprehensive income</b>	<b>72,369.83</b>	<b>12,454.29</b>	<b>(4,503.30)</b>	<b>97,575.96</b>	<b>(58,459.87)</b>	<b>(87,600.76)</b>
<b>11</b>	<b>Total comprehensive income for the period / year (9+10)</b>	<b>1,45,167.43</b>	<b>9,142.06</b>	<b>(4,902.00)</b>	<b>1,62,200.10</b>	<b>(38,061.20)</b>	<b>(57,087.98)</b>
	<b>Net profit/(loss) attributed to :</b>						
	Owners of the holding Company	72,820.28	(3,274.84)	(373.96)	64,719.54	20,505.87	30,628.69
	Non controlling interests	(22.68)	(37.39)	(24.74)	(95.40)	(107.20)	(115.91)
	<b>Other comprehensive income attributed to :</b>						
	During the quarter ended Dec 31, 2023, the Holding Company	72,369.83	12,454.29	(4,503.30)	97,575.96	(58,459.87)	(87,600.74)
	Non controlling interests	-	-	-	-	-	(0.02)
<b>12</b>	<b>Paid - up equity share capital</b> (face value of INR 10/- each)	2,978.17	2,978.17	2,978.17	2,978.17	2,978.17	2,978.17
<b>13</b>	<b>Other equity</b>						2,36,519.19
<b>14</b>	<b>Earnings per share</b> (of INR 10/- each) (not annualised)						
	(a) Basic (INR)	244.51	(11.00)	(1.26)	217.31	68.85	102.84
	(b) Diluted (INR)	244.51	(11.00)	(1.26)	217.31	68.85	102.84



Unaudited consolidated financial results for the quarter and nine months period ended 31 Dec 2023

Segment information:

(INR in lakhs)

S No	Particulars	Consolidated					
		Quarter ended			Nine months period ended		Year ended
		31-Dec-23 (Unaudited)	30-Sep-23 (Unaudited)	31-Dec-22 (Unaudited)	31-Dec-23 (Unaudited)	31-Dec-22 (Unaudited)	31-Mar-23 (Audited)
1	<b>Segment revenue</b>						
	a) Sugar	8,383.88	20,385.94	15,918.99	44,225.46	45,169.93	69,470.27
	b) Power	1,924.82	228.43	1,625.43	2,915.11	2,363.40	6,615.17
	c) Ethanol Plant	1,636.75	4,668.58	3,110.46	10,822.52	10,156.99	17,183.83
	d) Real estate	3,193.77	2,937.82	7,667.97	7,678.84	14,223.71	17,208.78
	e) Management services	797.80	675.81	952.52	2,115.93	2,330.35	2,912.68
	f) Investment services	532.22	470.73	380.16	1,490.87	1,198.00	1,561.11
	g) Engineering services	71.40	68.87	29.94	156.22	63.16	87.41
	h) Furniture	-	-	49.30	-	78.46	78.49
	<b>Total</b>	<b>16,540.64</b>	<b>29,436.18</b>	<b>29,734.77</b>	<b>69,404.95</b>	<b>75,584.00</b>	<b>1,15,117.74</b>
	Less: Intersegment Revenue	4,966.02	2,571.45	4,512.02	11,865.84	8,286.38	19,604.24
	<b>Total segment revenue</b>	<b>11,574.62</b>	<b>26,864.73</b>	<b>25,222.75</b>	<b>57,539.11</b>	<b>67,297.62</b>	<b>95,513.50</b>
2	<b>Segment results</b>						
	a) Sugar	(1,156.62)	(824.31)	(1,305.49)	(1,983.05)	(4,122.59)	(844.60)
	b) Power	(338.00)	(392.14)	(285.79)	(952.45)	(799.79)	196.42
	c) Ethanol Plant	(194.17)	668.11	923.04	1,116.88	1,774.57	2,538.55
	d) Real estate	(1,207.98)	(534.70)	(62.11)	(1,226.68)	1,078.87	1,250.55
	e) Management services	9.74	(126.34)	(30.77)	(197.69)	(112.64)	(251.94)
	f) Investment services	194.10	96.75	12.07	453.34	200.68	211.47
	g) Engineering services	(53.29)	(149.34)	(92.53)	(249.80)	660.65	616.07
	h) Furniture	83.71	73.24	(12.01)	236.41	110.93	30.94
	<b>Sub total</b>	<b>(2,662.51)</b>	<b>(1,188.73)</b>	<b>(853.59)</b>	<b>(2,803.04)</b>	<b>(1,209.32)</b>	<b>3,747.46</b>
	Less : Finance costs	7,192.18	7,381.42	6,153.36	21,432.62	18,118.21	24,843.51
	Add: Unallocable income net off unallocable expenses	8,228.38	3,807.91	2,342.79	14,008.48	9,124.40	14,521.77
	<b>Profit/(Loss) before share of loss from associates and joint ventures and exceptional item</b>	<b>(1,626.31)</b>	<b>(4,762.24)</b>	<b>(4,664.16)</b>	<b>(10,227.18)</b>	<b>(10,203.13)</b>	<b>(6,574.28)</b>
	Share of Profit/(loss) of associates and joint ventures	502.20	1,383.27	2,315.62	1,165.52	29,778.66	37,949.57
	<b>Profit / (Loss) before tax and exceptional item</b>	<b>(1,124.11)</b>	<b>(3,378.97)</b>	<b>(2,348.54)</b>	<b>(9,061.66)</b>	<b>19,575.53</b>	<b>31,375.29</b>
	Exceptional Item	81,327.79	-	-	81,327.79	-	-
	<b>Profit / (Loss) before tax</b>	<b>80,203.68</b>	<b>(3,378.97)</b>	<b>(2,348.54)</b>	<b>72,266.13</b>	<b>19,575.53</b>	<b>31,375.29</b>
	Less: Tax expense/(credit)	7,406.08	(66.74)	(1,949.84)	7,641.99	(823.14)	862.51
	<b>Net Profit / (loss) for the period / year</b>	<b>72,797.60</b>	<b>(3,312.23)</b>	<b>(398.70)</b>	<b>64,624.14</b>	<b>20,398.67</b>	<b>30,512.78</b>
3	<b>Segment assets</b>						
	a) Sugar	47,210.32	39,170.85	49,175.69	47,210.32	49,175.69	65,124.01
	b) Power	18,279.58	17,578.96	17,328.52	18,279.58	17,328.52	19,507.63
	c) Ethanol Plant	17,048.21	16,416.29	18,947.88	17,048.21	18,947.88	19,341.03
	d) Real estate	1,07,242.24	1,00,879.18	1,22,579.55	1,07,242.24	1,22,579.55	1,54,672.36
	During the quarter ended Dec 31, 2023, the Holding Co	281.08	278.84	320.60	281.08	320.60	258.62
	f) Investment services	6,972.16	6,145.13	5,433.72	6,972.16	5,433.72	5,544.36
	g) Engineering services	1,154.67	1,189.21	1,301.79	1,154.67	1,301.79	1,300.63
	h) Furniture	3,290.46	3,213.20	3,347.48	3,290.46	3,347.48	3,336.20
	i) Unallocated	5,54,629.03	3,97,419.18	3,35,374.70	5,54,629.03	3,35,374.70	3,11,819.43
	<b>Total segment assets</b>	<b>7,56,107.75</b>	<b>5,82,290.84</b>	<b>5,53,809.93</b>	<b>7,56,107.75</b>	<b>5,53,809.93</b>	<b>5,80,904.27</b>
4	<b>Segment liabilities</b>						
	a) Sugar	13,921.08	12,375.39	15,258.47	13,921.08	15,258.47	24,451.54
	b) Power	-	-	-	-	-	-
	c) Ethanol Plant	35.19	15.18	-	35.19	-	28.44
	d) Real estate	72,838.74	63,763.50	15,617.80	72,838.74	15,617.80	41,083.02
	e) Management services	533.12	587.13	431.52	533.12	431.52	456.32
	f) Investment services	2,725.83	2,028.36	2,025.26	2,725.83	2,025.26	1,722.23
	g) Engineering services	844.47	889.68	1,129.96	844.47	1,129.96	1,013.88
	h) Furniture	1,075.95	1,103.16	1,513.78	1,075.95	1,513.78	1,429.43
	i) Unallocated	2,64,052.06	2,46,614.50	2,60,627.30	2,64,052.06	2,60,627.30	2,72,540.34
	<b>Total segment liabilities</b>	<b>3,56,026.44</b>	<b>3,27,376.90</b>	<b>2,96,604.09</b>	<b>3,56,026.44</b>	<b>2,96,604.09</b>	<b>3,42,725.20</b>



**Notes to statement of Unaudited standalone and consolidated financial results for the quarter and nine months period ended 31 Dec 2023**

- 1 The above unaudited standalone and consolidated financial results have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015 and as specified in section 133 of the Companies Act, 2013, as amended time to time.
- 2 The above standalone and consolidated financial results of Zuari Industries Limited (formerly Zuari Global Limited) ("the Company" or "the Holding Company") and its Subsidiaries (together referred to as the Group), its Associates and Joint Ventures, for the quarter ended Dec 31, 2023 have been reviewed by the Audit Committee in their meeting held on February 13, 2024 and approved by the Board of Directors of the Company in their meeting held on February 13, 2024. The statutory auditors have conducted limited review of these financial results in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and have expressed an unmodified opinion on the same.
- 3 The Company has investment (equity shares) amounting to INR 5,103.34 lakhs in Indian Furniture Products Limited (IFPL), a subsidiary company which is in the business of distribution and retailing of furniture and related items. Based on review of current situation and future prospects of furniture business, the Company has recognised an impairment loss on investment in the standalone financial results for the quarter ended Dec 31, 2023 amounting to INR 17.53 lakhs and nine months period ended Dec 31, 2023 amounting to INR 17.53 lakhs.  
  
The Company has investment (equity shares) amounting to INR 4,445.66 lakhs in Forte Furniture Products India Private Limited (FFPL), a joint venture company which is in the business of manufacture, distribution and retailing of furniture and related items. Based on review of current situation and future prospects of furniture business, the Company has recognised an impairment loss on investment in the standalone financial results for the quarter ended Dec 31, 2023 amounting to INR 4,445.66 lakhs and nine months period ended Dec 31, 2023 amounting to INR 4,445.66 lakhs.
- 4 During the quarter ended Dec 31, 2023, Texmaco Rail & Engineering Limited (TREL), an associate, approved allotment of equity shares pursuant to QIP issue. Consequently, shareholding of the Company and its subsidiaries in TREL has reduced from 20.05% to 16.83%. Hence TREL ceases to be accounted for as an equity accounted investee (associate) from the date of loss of significant influence i.e. Nov 24, 2023. Accordingly, gain of INR 81327.79 lakhs is recognised as an exceptional item in consolidated profit & loss, being the difference between fair value of retained investment and carrying value of investment on the date of loss of significant influence. Subsequently, the investment is accounted for at Fair Value through Other Comprehensive Income (FVOCI) as per IND AS 109.
- 5 The sugar business of the Company is seasonal in nature wherein sugar cane crushing normally takes place during the period between November to May, while sales takes place throughout the year. Accordingly, the performance of the Company varies from quarter to quarter.
- 6 The Board of Directors of the Company, vide its resolution dated Feb 13, 2023 accorded its consent for the Scheme of Amalgamation between the Company and Zuari Sugar & Power Limited (a wholly owned subsidiary of the Company) and their respective shareholders and creditors ('the Scheme'). The Board of Directors of Zuari Sugar & Power Limited also accorded consent to the Scheme vide its resolution dated Jan 31, 2023. The appointed date of Amalgamation as per the Scheme is 1 April 2022.  
The hearing of the first motion application was held on 11 May 2023 and the NCLT order was received on 19 May 2023. Pursuant to the said order, NCLT has dispensed with the holding of meetings of shareholders (both equity and preference) and creditors (both secured and unsecured) of ZIL. The said order has been filed with the Stock Exchanges on 19 May 2023 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The second motion application was filed by the Company on June 23, 2023 with NCLT. The final date of hearing is scheduled to be held on February 20, 2024.
- 7 During the quarter ended Dec 31, 2023, the Holding Company subscribed to 1,84,90,000 equity shares of face value of INR 10 each of its Joint Venture company, Zuari Envien Bioenergy Private Limited (ZEBPL). Further, the other joint venture partner also subscribed to 1,85,00,000 equity shares of ZEBPL. Post subscription of the shares, there is reduction in ownership of the Group to 50% resulting in loss of control of ZEBPL as per IND AS. Accordingly, the Group has recognised a gain of INR 2,667.93 lakhs on dilution of ownership in ZEBPL under other income in the consolidated profit and loss.
- 8 **Notes relating to Unaudited consolidated financial results of Zuari Infracore India Limited (a Subsidiary of the Company) for the quarter ended Dec 31, 2023:**
  - a) Zuari Infracore India Limited in 2007 purchased 73.65 acres of land at Mysore for developing the same into a township and selling the same. Being new in the real estate business, the company appointed M/S Axiom Estates Advisory Services Private Limited as the Development Manager which included Marketing & sales. As the project progressed, the company advanced INR 639.61 lakhs towards fees, which was to be adjusted against its sales commission & profit share. However, Axiom Estates got into financial difficulty and could not perform its duty as a Development Manager. One of the operating creditors of the Axiom Estate initiated corporate insolvency resolution process against the Company. After multiple follow ups, no amount seems realisable as ZIL is an unsecured creditor and Axiom has no substantial assets. As a prudent practice, the company has decided to write off the amount and charge to profit and loss account.
  - b) Recoverable advances as at December 31, 2023 paid in 2017 to a sub-contractor aggregates to INR 2,246.49 lakhs (March 31, 2023: INR 2,246.49 lakhs) including interest accrued of INR 33.72 lakhs (March 31 2023: INR 33.72 lakhs). The company management has currently initiated legal proceedings and is pursuing recovery through arbitration and other legal means with that party and is optimistic that this advance will be completely recovered by the Company. Hence in the view of the company management, no provision is considered necessary at this stage.



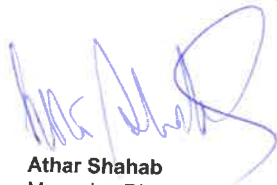
**Zuari Industries Limited (formerly Zuari Global Limited)**

**Regd. Office : Jai Kisaan Bhawan, Zuarinagar, Goa - 403726. CIN-L65921GA1967PLC000157**

**Notes to statement of Unaudited standalone and consolidated financial results for the quarter and nine months period ended 31 Dec 2023**

- c) Zuari Infra Middle East Limited, UAE (a wholly owned foreign subsidiary), in their Interim Condensed consolidated financial information, has taken provision for impairment of AED 22.95 million, in respect of Burj District One Limited (50% joint venture company), which owns a plot of land on which the project "Exquisite Living Residencies" is being developed by the subsidiary.
- 9 **Notes relating to the unaudited consolidated financial results of Zuari Agro Chemicals Limited (an Associate of the Holding Company) for the quarter ended Dec 31, 2023:**
- a) Mangalore Chemicals & Fertilizers Limited (MCFL), a subsidiary of Zuari Agro Chemicals Limited, during the year ended 31.03.2021 had recognized urea subsidy income of INR 29.14 crores without benchmarking its cost of production using naphtha with that of gas-based urea manufacturing units recently converted to natural gas, as notified by the Department of Fertilizers (DoF) for subsidy income computation, against which MCFL has filed writ petition against the DoF before the Hon'ble High Court of Delhi (DHC). Pending finalization of the writ petition before the DHC, the company management of the subsidiary, based on legal opinion and considering the fact that the energy cost is always a pass through in subsidy computation, believes that artificial benchmarking is arbitrary and discriminatory and is confident of realization of the aforesaid subsidy income.
- b) The Board of Directors of Adventz Trading DMCC (ATD), a foreign subsidiary of Zuari Agro Chemicals Limited, in its meeting held on 31st March, 2023 has approved the liquidation and winding up of operation, subject to the approval of Reserve Bank of India and other Regulatory Authorities, as it was not conducting any business since May, 2021. Further, ATD does not envisage any viable business in the near future as well. Consequently, ATD has changed the basis of preparing its financial statement from going concern to liquidation basis. Hence it has not been considered for the purpose of Consolidation of the Company.
- 10 Previous periods' figures have been re-grouped/ re-classified wherever necessary, to correspond with those of the current period's classification.

For and on behalf of the Board of Directors of  
**Zuari Industries Limited (formerly Zuari Global Limited)**



**Athar Shahab**  
Managing Director  
DIN No. 01824891

Place: Gurugram  
Date: 13 February 2024



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



**Ajay Gupta**  
Partner  
Membership No. 090104





# V. SANKAR AIYAR & CO.

CHARTERED ACCOUNTANTS

Sarojini House (GF), 6, Bhagwan Das Road, New Delhi-110001

Tel.(011)-44744643; e-mail: [newdelhi@vsa.co.in](mailto:newdelhi@vsa.co.in)

**Independent Auditor's Review Report on the Quarterly and Year to date Unaudited Standalone Financial Results of Zuari Industries Limited pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, as amended**

## Review Report

To The Board of Directors

Zuari Industries Limited (Formerly Zuari Global Limited)

1. We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of **Zuari Industries Limited** ("the Company") for the quarter and nine months ended 31<sup>st</sup> December, 2023, being submitted by the Company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard ("Ind AS") specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

(Ajay Gupta)

Partner

Membership No. 090104

ICAI UDIN : 24090104BKFOMJ9677

Place: Gurugram

Date : 13<sup>th</sup> February 2024





# V. SANKAR AIYAR & CO.

CHARTERED ACCOUNTANTS

Sarojini House (GF), 6, Bhagwan Das Road, New Delhi-110001

Tel.(011)-44744643; e-mail: [newdelhi@vsa.co.in](mailto:newdelhi@vsa.co.in)

## Independent Auditor's Review Report on the Quarterly and Year to date Unaudited Consolidated Financial Results of Zuari Industries Limited pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, as amended

### Review Report

To The Board of Directors

Zuari Industries Limited (Formerly Zuari Global Limited)

1. We have reviewed the accompanying statement of unaudited consolidated financial results ("the Statement") of **Zuari Industries Limited** (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures for the quarter and nine months ended 31<sup>st</sup> December, 2023 being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated 29<sup>th</sup> March 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities as mentioned in Annexure 1.

5. Based on our review conducted and procedure performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



6. **We draw attention to:**

- a) Note 8(a), (b) & (c) to the Statement and the following Emphasis of Matter paragraphs included in review report of the consolidated financial results of the Zuari Infracore India Limited, a subsidiary of the Holding Company, reviewed by an independent firm of Chartered Accountants, vide its review report dated 06<sup>th</sup> November, 2023 which are reproduced as under:
- i) We draw attention to Note XX of the accompanying unaudited financial results for the period ended 31<sup>st</sup> December 2023 regarding advance payments of INR 639.61 lakhs made by the Company under the Development Management Agreement to agency (Axiom Estates Advisory Services Private Limited (Axiom)). The management has evaluated the non performance of obligations by Axiom, taken note of corporate insolvency proceedings initiated against it by other creditors, non existence of sufficient assets to repay the advance and has decided to write off the amount and charge to profit and loss account.
  - ii) We draw attention to Note XX of the accompanying unaudited financial results for the period ended 31<sup>st</sup> December 2023 regarding advance paid to a sub-contractor amounting to INR 2,246.49 lakhs including interest to INR 33.72 lakhs. The Management has currently initiated legal proceedings and is pursuing recovery through arbitration and other legal means with that party and is optimistic that this advance will be completely recovered by the Company. Hence, in view of the management no provision is considered necessary at this stage.
  - iii) We draw attention to Note 8(c) to the Statement regarding provision for impairment in respect of Burj District One Limited (50% joint venture company) by Zuari Infra Middle East Limited, UAE (a wholly owned foreign subsidiary).
- b) Note-9 to the Statement and the following Emphasis of Matter paragraphs included in review report of the consolidated financial results of the Zuari Agro Chemicals Limited ('ZACL'), an associate of the Holding Company, reviewed by an independent firm of Chartered Accountants, vide its review report dated 7<sup>th</sup> February 2024 which is reproduced by us as under:

We draw attention to Note XX, which states that in case of a Subsidiary Company (Mangalore Chemicals and Fertilisers Limited (MCFL)), MCFL has recognized urea subsidy of INR 29.14 crores considering that benchmarking of its cost of production of urea using Naptha with that of gas-based urea manufacturing units is arbitrary and for which the MCFL has filed a writ petition against the Department of Fertilizers before the Hon'ble High court of Delhi. Based on legal opinion obtained, the management of MCFL believes that the criteria for recognition of subsidy revenue is met.

Our conclusion is not modified in respect of above matters.

**Other matters**

7. The accompanying Statement includes the unaudited interim standalone / consolidated financial results / financial information, in respect of
- 4 subsidiaries whose unaudited interim standalone / consolidated financial results / financial information reflect total revenues of INR 1499.17 lakhs and INR 14361.01 lakhs for the quarter and nine months ended 31<sup>st</sup> December 2023 respectively, total net loss after tax of INR (3984.81) lakhs and INR (10479.55) lakhs for the quarter and nine months ended 31<sup>st</sup> December 2023 respectively, total comprehensive income of INR 20134.96 lakhs and INR 70988.59 lakhs, for the quarter and nine months ended 31<sup>st</sup> December 2023 respectively.
  - 14 associates whose unaudited interim standalone / consolidated financial results / financial information reflect Group's share of net profit after tax of INR 885.22 lakhs and INR 1938.80 lakhs for the quarter and nine months ended 31<sup>st</sup> December 2023 respectively and total comprehensive income of INR 9248.90 lakhs and INR 28040.08 lakhs for the quarter and nine months ended 31<sup>st</sup> December 2023 respectively.

The above subsidiaries / associates have been reviewed by their respective independent auditors. The reports on the unaudited interim standalone / consolidated financial results / financial information of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries / associates is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.





8. The accompanying Statement includes the unaudited interim standalone / consolidated financial results / financial information, in respect of

- One subsidiary whose unaudited interim standalone / consolidated financial results / financial information reflect total revenues of INR 128.79 lakhs and INR 381.11 lakhs for the quarter and nine months ended 31<sup>st</sup> December 2023 respectively, net profit after tax of INR (158.37) lakhs and INR (238.80) lakhs for the quarter and nine months ended 31<sup>st</sup> December 2023 respectively, and total comprehensive income of INR (158.37) lakhs and INR (238.80) lakhs for the quarter and half year ended 31<sup>st</sup> December 2023 respectively.
- 26 associates and 2 joint ventures whose unaudited interim standalone / consolidated financial results / financial information reflect Group's share of net loss after tax of INR (382.88) lakhs and INR (772.74) lakhs for the quarter and nine months ended 31<sup>st</sup> December 2023 respectively, and total comprehensive income of INR 294.35 lakhs and INR 683.11 lakhs for the quarter and nine months ended 31<sup>st</sup> December 2023 respectively.

These unaudited interim standalone / consolidated financial results / financial information have not been reviewed by their auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts, and disclosures included in respect of these subsidiary, associates and joint ventures, is based solely on such unaudited interim standalone / consolidated financial results / financial information. According to the information and explanations given to us by the Management, these unaudited interim standalone / consolidated financial results / financial information are not material to the Group.

Our conclusion on the Statement in respect of the matters stated in para 7 and 8 above is not modified with respect to our reliance on the work done and report of the other auditors and the financial results / financial information certified by the Management.

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

*Ajay Gupta*

**(Ajay Gupta)**  
**Partner**

**Membership No. 090104**  
**ICAI UDIN : 24090104BKFOMK6087**



**Place: Gurugram**  
**Date : 13<sup>th</sup> February 2024**

## Annexure I

### List of entities included in the Statement

#### Subsidiaries and step-down subsidiaries

1. Zuari Infracore India Limited
2. Zuari Infra Middle East Limited, a subsidiary of Zuari Infracore India Limited
3. Zuari Infracore SJM Properties LLC (Formerly known as SJM Elysium Properties LLC), a subsidiary of Zuari Infra Middle East Limited
4. Zuari Management Services Limited
5. Indian Furniture Products Limited
6. Simon India Limited
7. Zuari International Limited (formerly Zuari Investments Limited)
8. Zuari Finserv Limited
9. Zuari Sugar and Power Limited
10. Zuari Insurance Brokers Limited

#### Joint ventures

11. Zuari Envien Bioenergy Private Limited, a Joint venture of Zuari Industries Limited
12. Zuari IAV Private Limited (Formerly Zuari Indian Oiltanking Private Limited), a Joint venture of Zuari Industries Limited
13. Forte Furniture Products India Private Limited, a Joint venture of Zuari Industries Limited
14. Burj District Development Co., a Joint Venture of Zuari Infracore SJM Properties LLC

#### Associates

15. New EROS Tradecom Limited, an associate of Zuari International Limited
16. Zuari Agro Chemicals Limited, an associate of Zuari Industries Limited
17. Mangalore Chemicals and Fertilisers Limited, a subsidiary of Zuari Agro Chemicals Limited
18. Adventz Trading DMCC, a subsidiary of Zuari Agro Chemicals Limited (Not considered for consolidation)
19. Zuari Farmhub Limited, a subsidiary of Zuari Agro Chemicals Limited
20. Zuari Maroc Phosphates Private Limited, a joint venture of Zuari Agro Chemicals Limited
21. Paradeep Phosphates Limited, a subsidiary of Zuari Maroc Phosphates Private Limited
22. Zuari Yoma Agri Solutions Limited an associate of Paradeep Phosphates Limited
23. Brajbhumi Nirmaan Private Limited, an associate of Zuari Infracore India Limited
24. Pranati Niketan Private Limited, an associate of Zuari Infracore India Limited
25. Darshan Nirmaan Private Limited, an associate Zuari Infracore India Limited
26. Rosewood Agencies Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
27. Neobeam Agents Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
28. Mayapur Commercial Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
29. Nexus Vintrade Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
30. Bahubali Tradecom Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
31. Hopeful Sales Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
32. Divine Realdev Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
33. Kushal Infracore Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
34. Beatie Agencies Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
35. Suhana Properties Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
36. Saket Mansions Private Limited, a subsidiary of Brajbhumi Nirmaan Private Limited
37. Texmaco Infrastructure and Holdings Limited, an associate of Zuari Industries Limited
38. Valley View Landholdings Private Limited, a subsidiary of Texmaco Infrastructure and Holdings Limited
39. Macfarlane & Company Limited, a subsidiary of Texmaco Infrastructure and Holdings Limited
40. High Quality Steels Limited, a subsidiary of Texmaco Infrastructure and Holdings Limited
41. Topflow Buildcon Private Limited, a Step-down subsidiary of Texmaco Infrastructure and Holdings Limited
42. Startree Enclave Private Limited, a Step-down subsidiary of Texmaco Infrastructure and Holdings Limited
43. Snowblue Enclave Private Limited, a Step-down subsidiary of Texmaco Infrastructure and Holdings Limited
44. Lionel India Limited, an associate of Texmaco Infrastructure and Holdings Limited

#### Up to 24<sup>th</sup> November 2023 (Note-4 to the Statement)

45. Texmaco Rail & Engineering Limited, an associate of Zuari Industries Limited
46. Belur Engineering Private Limited, a subsidiary of Texmaco Rail & Engineering Limited
47. Panihati Engineering Udyog Private Limited, a subsidiary of Texmaco Rail & Engineering Limited
48. Texmaco Rail Electrification Limited, a subsidiary of Texmaco Rail & Engineering Limited
49. Belgharia Engineering Udyog Private Limited, a subsidiary of Texmaco Rail & Engineering Limited
50. Texmaco Rail System Private Limited, a Step-down subsidiary of Texmaco Rail & Engineering Limited
51. Texmaco Transtrak Private Limited, a Step-down subsidiary of Texmaco Rail & Engineering Limited
52. Texmaco Defence Systems Private Limited, an associate of Texmaco Rail & Engineering Limited
53. Touax Texmaco Railcar Leasing Private Limited, a joint venture of Texmaco Rail & Engineering Limited
54. Wabtec Texmaco Rail Private Limited, a joint venture of Texmaco Rail & Engineering Limited

