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8th October, 2016

BSE Limited
Floor 25, P.J. Towers
Dalal Street
Mumbai 400 001

National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex
Bandra (E)
Mumbai 400 051

Sub: 'Annual Report' of Zuari Global Limited for F.Y. 2015-16 under Regulation 34 of SEBI (LODR) Reg, 2015

Dear Sir/Madam,

We hereby enclose the 'Annual Report' of Zuari Global Limited ('the Company') for the Financial Year 2015-16 along with necessary annexures.

This is in pursuance to the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Requesting you to kindly take the same on record.

Thanking you,

Yours faithfully,

For **ZUARI GLOBAL LIMITED**

Sachin Patil
Asst. Company Secretary

ZUARI GLOBAL LIMITED
(Formerly known as Zuari Industries Limited)
Registered Office : Jai Kisaan Bhawan, Zuarinagar, Goa - 403 726, India.
Telephone : (0832) 2592180, 2592181, Fax : (0832) 2555279, CIN-L65921GA1967PLC000157
Website : www.adventz.com

ANNEXURE I

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Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (*Standalone)(In Rs. Lacs)*

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016

[*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
I.	1	Turnover / Total income	4139.75	Not Determinable
	2	Total Expenditure	1313.77	
	3	Net Profit/(Loss)	2358.14	
	4	Earnings Per Share	8.01	
	5	Total Assets	87414.10	
	6	Total Liabilities	21048.48	
	7	Net Worth	66365.62	
	8	Any other financial item(s) (as felt appropriate by the management)	-	

II. **Audit Qualification (each audit qualification separately):**

a. **Details of Audit Qualification**:

The Company is carrying investments of Rs 6,944.09 lacs in the equity share capital of Nagarjuna Oil Refinery Limited (NORL), whereof the market value at the year end is Rs 1085.36 lacs. These shares were allotted to the company consequent to demerger/merger scheme of Nagarjuna Fertiliser and Chemicals Limited (NFCL). The Company further holds 3,22,67,741 equity shares in NFCL which are yet to be listed on the stock exchange pending receipt of permission from Securities Exchange Board of India. These equity shares in NFCL are carried at value of Rs 2,115.39 lacs. The Company has not made provision for diminution in the value of investment in NORL, in view of long term strategic investments in the said company, the appropriateness or otherwise of which we are unable to comment on including consequential adjustments/effects, if any, on the accompanying financial statements.

b. **Type of Audit Qualification** : Qualified Opinion

c. **Frequency of qualification**: Appeared since financial year 2012-13

	d.	**For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** Not Applicable
	e.	**For Audit Qualification(s) where the impact is not quantified by theauditor**
	(i)	**Management's estimation on the impact of audit qualification:** The Company's investment in Nagarjuna Oil Refinery Limited aggregated to Rs. 6944.09 lacs and market value of this is Rs. 1085.37 lacs. Hence, there is a diminution in the value of investment by Rs. 5858.72 lacs. The shares of Nagarjuna Fertilisers and Chemicals Limited allotted to the Company are not yet listed on the stock exchanges, pending receipt of permission from Securities and Exchange Board of India. These shares are carried at a value of Rs 2,115.39 lacs. SEBI had applied to High Court of Mumbai to set aside the High Court's earlier order sanctioning the scheme of arrangement and amalgamation relating to IKisan and NFCL. An application had been filed by SEBI in the High Court of Bombay at Mumbai to recall/review the order dated June 17,2011 and order dated July 22,2011 of the High Court of Bombay at Mumbai.The matter has been heard by Hon'ble High Court of Bombay at Mumbai and dismissed the application filed by the SEBI on September 10,2015 with costs. SEBI at hearing on February 29, 2016 informed the Hon'ble High Court of Bombay vide letter vide letter February 4, 2016 addressed to Bombay Stock Exchange Ltd, SEBI has grant relaxation to the Company completing compliance and satisfying certain conditions while at same time requesting the court that SEBI would continue to maintain the appeal. NCFL is taking necessary steps to commence trading of equity shares at the earliest. This being long term investment, management is of view that the diminution in the value of this investment is temporary in nature and hence no provision is required to be made there against.
	(ii)	**If Management is unable to estimate the impact, reasons for the same:** Notes nos. 10(a) (i), (ii) and (iii) to the financial statement are self explanatory
	(iii)	**Auditors' Comments on (i) or (ii) above:** Audit qualification is self explanatory.

III.	Signatories:	
•	CEO/Managing Director	Sunil Krishnan
•	CFO	[signature]
•	Audit Committee Chairman	Mr. R.A. Wagle
•	Statutory Auditor	Anil Gupta
Place: New Delhi		
Date: July 29, 2016		

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm's Registration No: 301003E/E300005

Anil Gupta
Partner
Membership No. 87921

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ANNEXURE I I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (*Consolidated*)(*In Rs. Lacs*)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	60490.54	Not Determinable
	2.	Total Expenditure	62420.29	
	3.	Net Profit/(Loss)	(5308.34)	
	4.	Earnings Per Share	(18.03)	
	5.	Total Assets	193060.88	
	6.	Total Liabilities	122966.18	
	7.	Net Worth	70094.70	
	8.	Any other financial item(s) (as felt appropriate by the management)	-	

II. Audit Qualification (each audit qualification separately):

a. **Details of Audit Qualification:** The Group is carrying investments of Rs 6,944.09 lacs in the equity share capital of Nagarjuna Oil Refinery Limited (NORL), whereof the market value at the year end is Rs 1085.36 lacs. These shares were allotted to the company consequent to demerger/merger scheme of Nagarjuna Fertiliser and Chemicals Limited (NFCL). The Group further holds 3,22,67,741 equity shares in NFCL which are yet to be listed on the stock exchange pending receipt of permission from Securities Exchange Board of India. These equity shares in NFCL are carried at value of Rs 2,115.39 lacs. The Group has not made provision for diminution in the value of investment in NORL, in view of long term strategic investments in the said company, the appropriateness or otherwise of which we are unable to comment on including consequential adjustments/effects, if any, on the accompanying financial statements.

b. **Type of Audit Qualification :** Qualified Opinion

c. **Frequency of qualification:** Appeared since financial year 2012-13

d. **For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:**

Not Applicable

e. **For Audit Qualification(s) where the impact is not quantified by the auditor:**

(i) **Management's estimation on the impact of audit qualification:**

The Group's investment in Nagarjuna Oil Refinery Limited aggregated to Rs. 6944.09 lacs and market value of this is Rs. 1085.37 lacs. Hence, there is a diminution in the value of investment by Rs. 5858.72 lacs.

The shares of Nagarjuna Fertilisers and Chemicals Limited allotted to the Group are not yet listed on the stock exchanges, pending receipt of permission from Securities and Exchange Board of India. These shares are carried at a value of Rs 2,115.39 lacs. SEBI had applied to High Court of Mumbai to set aside the High Court's earlier order sanctioning the scheme of arrangement and amalgamation relating to IKisan and NFCL. An application had been filed by SEBI in the High Court of Bombay at Mumbai to recall/review the order dated June 17,2011 and order dated July 22,2011 of the High Court of Bombay at Mumbai.The matter has been heard by Hon'ble High Court of Bombay at Mumbai and dismissed the application filed by the SEBI on September 10,2015 with costs. SEBI at hearing on February 29, 2016 informed the Hon'ble High Court of Bombay vide letter vide letter February 4, 2016 addressed to Bombay Stock Exchange Ltd, SEBI has grant relaxation to the Company completing compliance and satisfying certain conditions while at same time requesting the court that SEBI would continue to maintain the appeal. NCFL is taking necessary steps to commence trading of equity shares at the earliest.

This being long term investment, management is of view that the diminution in the value of this investment is temporary in nature and hence no provision is required to be made there against.

(ii) **If management is unable to estimate the impact, reasons for the same:**
Note nos. 12(a) (i), (ii) and (iii) to Consolidated financial statement are self explanatory.

(iii) **Auditors' Comments on (i) or (ii) above:** Audit qualification is self explanatory.

III.

Signatories:

- **CEO/Managing Director** Suresh Krishnan
- **CFO**
- **Audit Committee Chairman** M. R. A. Reddy
- **Statutory Auditor** Anil Gupta

Place: New Delhi

Date: July 29, 2016

For S. R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm's Registration No: 301003E/E300005

Anil Gupta
Partner
Membership No. 87921

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ANNUAL REPORT
2015 - 2016

ZUARI GLOBAL LIMITED

DIRECTORS	:	Mr. Saroj Kumar Poddar, Chairman Mr. N. Suresh Krishnan, Managing Director Mr. D. B. Engineer Mrs. Jyotsna Poddar, Whole time Director Mr. K. K. Gupta Mr. Marco Wadia
CHIEF FINANCIAL OFFICER	:	Mr. Vijay Kathuria
ASST. COMPANY SECRETARY	:	Mr. Sachin Patil
BANKERS	:	State Bank of India HDFC Bank Limited
LEGAL ADVISERS	:	Khaitan & Co., Kolkata
AUDITORS	:	S. R. Batliboi & Co. LLP Chartered Accountants, New Delhi
REGISTERED OFFICE	:	Jai Kisaan Bhawan Zuarinagar, Goa 403 726 Telephone : (0832) 2592180, 81 Fax : (0832) 2555279 website: www.adventz.com CIN: L65921GA1967PLC000157

Notice of the Annual General Meeting is being sent separately through permitted mode as required under the Companies Act, 2013 and Rules made thereunder.

DIRECTORS' REPORT 2015-16

To the Members,

1. Your Directors place before you the Forty-Eighth Annual Report of the Company together with Statement of Accounts for the accounting year ended 31st March, 2016.

2. Financial Results and Appropriation:

₹ In Lacs

Particulars	Standalone		Consolidated	
	Current Year 2015-16	Previous Year 2014-15	**Current Year 2015-16**	Previous Year 2014-15
Profit for the year before depreciation and taxation	**2,847.59**	3,421.87	**(985.1)**	(1077.51)
Less : Depreciation for the year	**21.61**	22.59	**944.65**	804.14
Profit / (Loss) before tax	**2,825.98**	3,399.28	**(1,929.75)**	(1,881.65)
Less : Provision for taxation - Current Tax	**689.69**	684.89	**717.74**	1,080.07
Tax adjustment relating to earlier year	**(202.16)**	48.48	**(202.16)**	27.48
Deferred Tax charge	**(19.69)**	32.67	**(10.55)**	(11.38)
MAT Credit Entitlement		(45.03)	**(23.07)**	(17.38)
Profit / (Loss) after tax	**2,358.14**	2,678.27	**(2,411.71)**	(2,960.44)
Add : Share in profit / (losses) from Associates	**-**	-	**(2,902.71)**	**329.04**
Profit / (Loss) for the year before Minority Interest	-	-	**(5,314.42)**	(2631.40)
Less: Share of minority interest in profits/(losses)	-	-	**(6.08)**	(6.42)
Profit / (Loss) for the year	-	-	**(5,308.34)**	(2624.98)
Add : Balance of profit brought forward	**57,817.71**	55,593.78	**60,772.42**	62,089.19
Charged to Reserves due to implementation of Schedule II of the Companies Act, 2013 (Net of deferred tax reversal of ₹ 33.63 Lacs)	**-**	-	**-**	(120.07)
Add : Transfer of securities premium account	**-**	-	**-**	1882.63
Less : Transfer to general reserve	**50.00**	100.00	**50.00**	100.00
Proposed Dividend :	**294.41**	294.41	**294.41**	294.41
Tax on dividend (Including Surcharge)	**59.93**	59.93	**59.93**	59.93
Balance of profit carried forward	**59,771.51**	57817.71	**55,059.73**	60772.43
Earnings per share (EPS)	**₹ 8.01**	₹ 9.10	**₹ (18.03)**	₹ (8.91)

The Company proposes to transfer a sum of ₹ 50.00 Lacs to the general reserve. An amount of ₹ 59,771.51 Lacs shall be retained as Surplus in the Profit and Loss account.

Review of Operations:

The revenue from the operations (Standalone) for the year ended 31st March, 2016 was Nil as compared to ₹ 3,951.77 Lacs for the previous year.

The Profit before tax for the year ended 31st March, 2016 was ₹ 2,825.98 Lacs as compared to ₹ 3,399.28 Lacs for the year ending 31st March, 2015. The Profit after Tax stood at ₹ 2,358.14 Lacs for the year ending 31st March, 2016 as compared to ₹ 2,678.27 Lacs for the previous year ending 31st March, 2015.

The revenue from operations (Consolidated) for the year ended 31st March, 2016 was ₹ 58,986.60 Lacs as compared to ₹ 53,453.68 Lacs for the previous year.

The Consolidated Loss before tax for the year ended 31st March, 2016 was ₹ (1,929.75) Lacs as compared to a Loss of ₹ (1,881.65) Lacs for the year ending 31st March, 2015. The Loss after Tax stood at ₹ (2,411.71) Lacs for the year ending 31st March, 2016 as compared to Lossof ₹ (2,960.44) Lacs for the previous year.

There were no material changes and commitments affecting the financial position of the Company from the end of the financial year till the date of the Directors' Report.

3. Dividend:

The Directors recommend a dividend of ₹ 1/- per equity share (₹1/- per equity share in the previous year).

4. Conservation of Energy / Technology Absorption / Foreign Exchange earnings and outgo:

The Company is not engaged in manufacturing activities, hence no information on Conservation of Energy is required to be provided. Similarly, no new technology was absorbed during the year. The Foreign exchange earnings and outgo is given in Note No. 28,29 & 30 of the financial statements.

5. Industrial Relations:

The industrial relations with the employees continues to be harmonious.

6. Extract of the Annual Return:

The extract of the Annual Return for the financial year ended 31st March, 2016 in Form No. MGT–9 is enclosed as **Annexure 'E'** to the Directors' Report.

7. Related Party Transactions:

All related party transactions that were entered into during the financial year were at arm's length basis. All related party transactions are approved by the Audit Committee and the Board of Directors. Prior omnibus approval of the Audit Committee is put in place for the transactions which are repetitive in nature. There were no other materially significant related party transactions entered into by the Company with the Promoters, Directors, key managerial personnel which may have a potential conflict with the interest of the Company at large.

The Company has adopted a Related Party Transactions Policy. The Policy, as approved by the Board, is uploaded on the Company's website at the web link: http://www.adventz.com/adventz-investors-zgl.php. There were no transactions during the year which would require to be reported in Form AOC 2.

8. Particulars of Loans, Guarantees or Investments:

The details of Loans, Corporate Guarantees and Investments made during the financial year under the provisions of Section 186 of the Companies Act, 2013 are given in the Note No.41 to the Financial Statements.

9. Nomination and Remuneration Policy and Disclosures on Remuneration:

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and employees in the Senior Management. The details of the same are given in the Report on Corporate Governance.

The Nomination and Remuneration policy is displayed on the Company's website. The web link for the same is http://www.adventz.com/adventz-investors-zgl.php

The information required pursuant to Section 197 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request by the shareholders. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company in this regard.

The disclosures under Section 197 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure 'H'** to this Report.

10. Risk Management:

The Company has constituted the Risk Management Committee, which comprises two Independent Directors and Managing Director.,

Name of the member	Status
D.B. Engineer	Chairman
Mr. Marco Wadia	Member
Mr. N. Suresh Krishnan	Member

The object of Risk Management Committee is to monitor and review the risk management plans for the Company including identification therein of elements of risks if any, which may threaten the existence of the Company and such other functions.

The Board of Directors on the recommendation of the Risk Management Committee has approved the Risk Management Policy for the Company in accordance with the provisions of Section 134 and Section 177, Schedule IV of the Companies Act, 2013 The Risk Policy document has in its scope, the establishment of a process for risk assessment, identification of risks both internal and external and a detailed process for evaluation and treatment of risks. The risks identified and the steps taken to mitigate risks shall be reviewed by the Risk Management Committee and shall be placed before the Board.

11. Vigil Mechanism / Whistle Blower Policy:

The Company in accordance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015 has established a vigil mechanism for Directors and employees to report genuine concerns to the management viz. instances of unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct. The Company has also formulated Whistle Blower Policy ("Policy") which provides for adequate safeguard against victimisation of persons and has a provision for direct access to the Chairperson of the Audit Committee. The Company has not denied any person from having access to the Chairperson of the Audit Committee.

12. Corporate Social Responsibility ("CSR"):

The Board of Directors has constituted a CSR Committee and also approved the CSR Policy. CSR Committee comprises two Independent Directors and one Executive Director.,

Name of the member	Status
Mr. K. K. Gupta	Chairman
Mr. Marco Wadia	Member
Mr. N. Suresh Krishnan	Member

The Board has constituted the CSR Committee to formulate and recommend to the Board a CSR Policy which shall indicate the activities to be undertaken by the Company, as specified in Schedule VII of the Companies Act, 2013, to recommend the amount of expenditure to be incurred on the CSR activities and to monitor the CSR Policy of the Company from time to time.

The policy is displayed on the website of the Company.
The web link for the same is http://www.adventz.com/adventz-investors-zgl.php

The detailed report on CSR activities as required under The Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **Annexure 'G'** to this report.

The Company has spent an amount of ₹ 58.46 Lacs towards Corporate Social Responsibility during the current financial year.

13. Directors and Key Managerial Personnel:

All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015.

In accordance with the provisions of the Companies Act, 2013, Mr. Saroj Kumar Poddar retires by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment.

A brief profile and details of other Directorships and committee memberships of Mr. Saroj Kumar Poddar, are given in the Report on Corporate Governance attached as **Annexure 'A'** to this report

Mr. N. Suresh Krishnan, Managing Director (w.e.f. 1st April, 2015) Mr. Vijay Kathuria CFO (w.e.f. 5th February, 2016) and Mr. Sachin Patil, Asst. Company Secretary, (w.e.f. 5th February, 2016) have been designated as Key Managerial Personnel in accordance with provisions of Section 203(1) of the Companies Act, 2013.

14. Board Evaluation:

Pursuant to the relevant provisions of the Companies Act, 2013 and the Listing regulations, the Board has carried out an annual performance evaluation of its own, the Directors individually as well as evaluation of the working of its Committees.

The Nomination and Remuneration Committee has carried out evaluation of every Director.

The independent Directors evaluated performance of the Non-Independent Directors, the Board as whole and the chairperson of the Company.

The details of annual performance evaluation carried out are given in the Corporate Governance Report attached as **Annexure A.**

15. a. Board Meetings:

During the year under review, four Board meetings were held on : 15th May, 2015, 12th August, 2015, 30th October, 2015 and 5th February, 2016.

b. Audit Committee:

The details of the composition of the Audit Committee is given in the Corporate Governance Report. During the year, all the recommendations of the Audit Committee were accepted by the Board.

16. Fixed Deposits:

As reported in the year 2008-09, the Fixed Deposit Scheme of the Company was discontinued. Deposits matured and claimed have been repaid. 13 deposits amounting to ₹ 2.71 Lacs which had matured have not been claimed. The Company advises the depositors at regular intervals for repayment of the deposits. During the year, the Company has transferred an amount of ₹ 4.90 Lacs towards unclaimed / unpaid deposits and interest thereon to 'The Investors Education and Protection Fund', pursuant to Section 125 of the Companies Act, 2013.

17. Debt Servicing:

Your Company has met all obligations towards repayment of principal and interest on all loans.

18. Details of significant and material orders passed by the regulators or courts:

There are no significant material orders passed by the courts/regulators or tribunals impacting the going concern status and Company's operations in future.

19. Adequacy of internal financial controls with reference to financial statements:

The company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. The Company has designed and put in place adequate Standard Operating Procedures and Limits of Authority Manuals for conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of fraud and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

These documents are reviewed and updated on an ongoing basis to improve the internal control systems and operational efficiency. The Company uses a state-of-the-art ERP (SAP) system to record data for accounting and managing information with adequate security procedure and controls.

20. Disclosure Requirements :

Your Company has complied with all the mandatory SEBI Listing Regulations. The Report on Corporate Governance is enclosed as **Annexure 'A'** to this report. The Practising Company Secretary's Certificate on compliance of Corporate Governance is enclosed as **Annexure 'B'**. Declaration by the Managing Director is enclosed as **Annexure 'C'** and the Management Discussion and Analysis is enclosed as **Annexure 'D'** to this report.

21. Auditors:

As per Section 139 of the Companies Act, 2013 and Rules made thereunder, the Auditors, M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, New Delhi, Statutory Auditors of the Company were appointed as Auditors from the conclusion of the Forty-Sixth Annual General Meeting till the conclusion of the Forty-Ninth Annual General Meeting subject to ratification by the members at every Annual General Meeting. The Board, based on the recommendation of the Audit Committee recommends ratification of appointment of M/s. S.R. Batliboi & Co. LLP, as statutory auditors of the Company and to authorize the Board to fix the remuneration for the year 2016-17.

22. Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed Mr. Sadashiv V. Shet, as Secretarial Auditor, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is enclosed as **Annexure 'F'** to this report. The report does not contain any qualification.

23. Internal Complaints Committee:

As per provisions of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has constituted an Internal Complaints Committee for redressal of complaints against sexual harassment. No complaints were received during the financial year.

24. Employees' Stock Option (ESOP) Scheme:

The Company has not issued any ESOPS to its employees during the year.

25. Consolidated Financial Statements under Section 129 of the Companies Act, 2013:

The consolidated financial statements of the Company prepared in accordance with Section 129 of the Companies Act, 2013 and relevant Accounting Standards (AS) issued by the Institute of Chartered Accountants of India forms part of the Annual Report.

The Company will make available the financial statements of subsidiaries upon request by any member of the Company interested in receiving this information. The Financial Statements of the Subsidiary Companies will also be available for inspection by any member of the Company at the Registered Office of the Company and its Subsidiaries.

26. Subsidiaries:

A brief review of the subsidiaries of the Company is given below:–

A. Zuari Infraworld India Limited (ZIIL) :

A wholly owned subsidiary of your Company represents the group's foray into Real Estate Sector.

Projects under Execution

I. Own Project

Zuari Garden City Project, Mysore development of 73.65 Acres

Phase-II (Apartments): During the year, the Company has started the construction of Residential Development consisting of "464" Apartments with the saleable area of 732,640 Sft. The civil and structural work is in progress for 3 Towers.

During the period 18 slabs have been cast and the progress achieved is 35%. As of 31st March 2016, the Company has sold 87 units of value ₹ 43.66 Crores.

II. Joint Venture

(1) Mayavan Project, Vrindavan, Mathura

During the year, the Company has commenced the development work in Phase-I (36 Acres) consisting of Villas in 23 Acres and Plotting in 13 Acres. Infrastructure and site development work such as Entrance Gate, Compound wall, Interior Roads for 36 Acres is in progress and nearing completion. As of 31st March 2016, 178 No. plots and 14 No. Villas were sold.

(2) Adventz Tower – Burj Khalifa Downtown, Dubai

During the year the Company has;

- Completed the Design Development for the project
- Received the shoring and piling permit from Dubai Municipality. Work likely to commence in May' 16
- Progressed well on Branding and Marketing strategy
- All other critical approvals are expected in the H1 of F.Y. 2016-2017 i.e. by September 16
- Sales and construction work to commence in H2 of F.Y. 2016-2017

III. DMC

Goa (37 Acres Residential)

During the year the Company;

- Has entered into Development Management Agreement with Zuari Global Ltd. Where the Company has been appointed as Development Manager to supervise the overall Project.
- Intend to develop the Project in Cluster wise and accordingly has received the Technical clearance from the Town and Country Planning Department for carrying out the construction of residential project for 6.89 Acres (Phase-1)
- As of 31st March 2016, the Company has sold 86 units of value ₹ 72 Crores and the construction is expected to be completed by 2017-2018.

Awards and Recognitions:

(1) Zuari Garden City (ZGC) – Mysore:

- ZGC -Mysore has won the "Best Upcoming Residential Project of the Year award at the Construction Times Builders Award, 2015 organized by the Construction Times magazine held in Mumbai.
- ZGC –Gardens (park 5 & 6) has won outstanding gardens award at Mysore Dasara Garden Competition 2015, held in Mysore.

(2) Adventz Tower –Dubai:

- The Project has won the Global award for "Best International Architecture Multiple Residence" at the Annual International Property Awards 2015, held in London.
- The Project has also won awards in the similar category in Dubai and Arabia Region.

B. Simon India Limited (SIL) :

Simon India Limited (SIL), a wholly owned subsidiary of your Company, was engaged in the execution of following projects in 2015-16:

- SIL commissioned the New 2000 TPD Sulphuric Acid Plant along with its captive 23 MW power plant and auxiliary systems like cooling water and demineralized water. The plant having a proprietary heat recovery system with MECS USA was executed on EPC basis by Simon India. The engineering, procurement and construction of second phase of the project involving retrofit of proprietary heat recovery system of MECS are in progress.
- New 200 TPD (Expandable to 250 TPD) Chlor-Alkali Plant for KLJ-Qatar in Qatar on EPCM basis.
- 2x10,000 MT phosphoric acid tanks for GSFC, Sikka Shore Terminal on EPC basis
- 50,000 TPY Caprolactum Distillation Unit for GSFC, Vadodara on EPC basis
- Project Management Consultancy for construction of Specialty Chemical Complex of Addar Chemical Company, KSA
- Conceptual Design of Butadiene Loading Station for Addar Chemical Company, KSA
- Detail Engineering of Ammonia Unloading Trolley for PPL, Paradeep

C. Indian Furniture Products Limited (IFPL):

Your Company holds 72.45 % share in IFPL.

IFPL is into the business of manufacturing of particle board furniture and also into retail/wholesale trade of furniture.

Furniture industry across the country has been going through difficult times during the last 3 years. As sluggishness further continued, IFPL went ahead with weeding out operations of unhealthy stores. Thirty loss-making showrooms have been closed to turn operations healthier.

In the market place, multifarious activities have been undertaken primarily at Showrooms in terms of new products, innovative pricing, regular customer contact programs etc. A total of 76 new products were introduced during the financial year. Every 6 months, 20 new products would be launched to rejuvenate the showrooms scaling up the freshness index.

Soundaryaa IFPL Interiors Ltd.

Subsidiary of Indian Furniture Products Limited which is a highly reputed Company in commercial interiors business. It has executed several projects for many multinational companies in India. The Company is executing a project of M/s. Shell India Ltd. for ₹ 5,200 Lacs.

D. Zuari Investments Limited (ZIL):

Zuari Investments Limited (ZIL), a wholly owned subsidiary of your Company (ZGL), is engaged in the distribution of financial products and is focused to be a single window for all leading financial institutions offering complete bouquet of all financial products/services under one roof.

The company is a member of both, National Stock Exchange (NSE) and Bombay Stock Exchange (BSE), for cash, derivative and currency segments and providing Stock Broking services to clients. ZIL is a Depository Participant with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and providing Depository Services to clients. Besides being empanelled with Association of Mutual Fund of India (AMFI) for distribution of Mutual Fund products and a Category- II Registrar and Share Transfer Agents registered with Securities and Exchange Board of India (SEBI). In addition to above, the company is engaged as a direct selling agent for mortgages and real estate products.

(i) Zuari Insurance Brokers Limited:

Zuari Insurance Brokers Limited (ZIBL), a wholly owned subsidiary of ZIL, is registered with the Insurance Regulatory and Development Authority (IRDA) and provides complete Insurance solutions to Individuals & Corporates as an Insurance Broker. The company also caters to the entire in-house Insurance requirements of the group.

(ii) Zuari Commodity Trading Limited:

Zuari Commodity Trading Limited (ZCTL), a wholly owned subsidiary of ZIL, is a member of National Commodity Derivative Exchange Limited (NCDEX) and Multi Commodity Exchange Limited (MCX), providing commodity trading services to the clients.

(iii) Gobind Sugar Mills Limited (GSML):

Gobind Sugar Mills Limited (GSML), a subsidiary of Zuari Investments Limited (ZIL), belongs to the Adventz Group. It became a subsidiary of ZIL w.e.f. 25th August, 2014 and hence, became a subsidiary of your Company as well. It is one of the most rapidly growing companies in the sugar industry. The Company is listed on the Calcutta Stock Exchange.

During the year the Company has produced 7.53 lakh qtls. sugar with average recovery of 10.53% against previous sugar production of 7.12 lakh Qtls with sugar recovery of 9.33%. Molasses production for the year remained 3.71 lakh Qtls against previous year production of 3.90 lakh Qtls.

The Last quarter of the year brought ray of hope in sugar Industry as sugar prices started firming up and reached up to ₹ 3500/- per quintal from ₹ 2600/- per quintal. At present New sugar is being sold @ ₹ 3300/- to 3500/- per Quintal. UP government has maintained the same sugarcane price of ₹ 280/- per quintal even after 3rd consecutive year and has assured almost all benefits declared last year. State Government has allowed the payment of Sugar cane in two parts. First payment of ₹ 230/- per quintal to be made immediately and rest after three months.

E. Zuari Sugar & Power Limited (Formerly known as Zuari Financial Services Limited):

Zuari Sugar & Power Limited (ZSPL), a wholly owned subsidiary of our Company has proposed to commence operations related to Sugar Manufacturing and Power Generation pursuant to change in the main objects of the Company. It is proposed to set up 60 KLPD Ethanol Plant at Aira, Dist. Lakhimpur Kheri.

F. Zuari Management Services Limited (ZMSL):

Zuari Management Services Limited (ZMSL), a wholly owned subsidiary of your Company, is engaged in the business of rendering management services. The services to Group Companies include the areas of human resource, internal audit, corporate communication, etc.

G. Globex Limited:

Your Company has wound up Globex Ltd., an offshore subsidiary Company established at Jebel Ali Free Zone, which was engaged in general trading in fertilizers and commodities and advisory services,

27 Joint Ventures:

Zuari Indian Oiltanking Private Limited (ZIOPL):

Zuari Indian Oiltanking Private Limited (ZIOPL), has state-of-the art terminalling facility for handling petroleum products namely Naphtha, Motor Spirit, High Speed Diesel & Superior Kerosene.

The Company provides terminalling services to Hindustan Petroleum Corporation Limited, Bharat Petroleum Corporation Limited & Indian Oil Corporation Limited as a Common User Terminal (CUT) facility. Products currently handled are Motor Spirit, High Speed Diesel & Ethanol. For the year, 2015-16, the Oil Terminal has achieved a throughput of 549807.319 KL.

Associates:

Zuari Agro Chemicals Limited (ZACL):

Your Company holds 20% shares and the subsidiary Zuari Management Services Limited holds 12.08% shares of Zuari Agro Chemicals Limited (ZACL).

The statement containing salient features of the financial statement of subsidiaries/associates/joint ventures is attached as **Annexure 'I'** to this report.

28. Directors' Responsibility Statement:

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of provisions of Section 134 (5) of the Companies Act, 2013, and hereby confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the annual accounts on a going concern basis;

(e) the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively .

29. Directors' comments on the Audit Report:

Your Company's investment in Nagarjuna Oil Refinery Limited aggregated to ₹ 6944.09 Lacs and market value of this is ₹ 1085.37 Lacs. Hence, there is a diminution in the value of investment by ₹ 5858.72 Lacs.

The shares of Nagarjuna Fertilisers and Chemicals Limited allotted to the Company are not yet listed on the stock exchanges, pending receipt of permission from Securities and Exchange Board of India. These shares are carried at a value of ₹. 2,115.39 Lacs. SEBI had applied to High Court of Mumbai to set aside the High Court's earlier order sanctioning the scheme of arrangement and amalgamation relating to IKisan and NFCL. An application had been filed by SEBI in the High Court of Bombay at Mumbai to recall/review the order dated June 17, 2011 and order dated July 22, 2011 of the High Court of Bombay at Mumbai. The matter has been heard by Hon'ble High Court of Bombay at Mumbai and dismissed the application filed by the SEBI on September 10, 2015 with costs. SEBI at hearing on February 29, 2016 informed the Hon'ble High Court of Bombay vide letter vide letter February 4, 2016 addressed to Bombay Stock Exchange Ltd, SEBI has grant relaxation to the Company completing compliance and satisfying certain conditions while at same time requesting the court that SEBI would continue to maintain the appeal. NCFL is taking necessary steps to commence trading of equity shares at the earliest.

This being long term investment, management is of view that the diminution in the value of this investment is temporary in nature and hence no provision is required to be made there against.

30. Acknowledgements:

Your Directors wish to place on record their appreciation for the dedication, commitment and contribution of all the stakeholders and employees of your Company.

For and on behalf of the Board

Place : Gurgaon
Date : 13th May, 2016

S. K. Poddar
Chairman

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Report on Corporate Governance

1. **Company's Philosophy on the Code of Corporate Governance:**

The Company's Philosophy on Corporate Governance envisages an attainment of the highest level of transparency and accountability. It is aimed at safeguarding and adding value to the interests of various stakeholders. The Company is committed to the best Corporate Governance and continues with its initiatives towards the best Corporate Governance practices.

2. **Board of Directors:**

The Board of Directors of the Company comprises six members including Managing Director, a Whole Time Director and four Non-Executive Directors. Half of the Board comprises of Independent Directors. The other related information concerning the Board is given hereunder.

During the year under review, four Board meetings were held on: 15th May, 2015, 12th August, 2015, 30th October, 2015 and 5th February, 2016.

Attendance of each Director at the Board of Directors' meetings and at the last Annual General Meeting along with the number of other Companies and Committees where he is a Chairman / Member is given hereunder:

Director	Category of Directorship #	No. of Directorships in other companies**	No. of Board Meetings Attended	No. of shares held	Attendance at last AGM	No. of Board Committees of all other companies*	
						Chairman	Member
S. K. Poddar	Promoter / Chairman	12	4	891390	No	0	0
N.Suresh Krishnan	Managing Director	9	4	NIL	Yes	1	5
D. B. Engineer	NED / I	7	4	NIL	Yes	1	2
Jyotsna Poddar	Whole Time Director	10	3	471621	No	N.A.	N.A.
Marco Wadia	NED / I	12	4	2,811	Yes	2	6
K. K. Gupta	NED/I	2	4	NIL	Yes	0	2

I-Independent, NED-Non-Executive Director

* Includes Audit Committee and Stakeholders Relationship Committee

** The number of Directorship in other Public and Private limited companies.
non of the Directors are related to each other except for Mrs. Jyotsna Poddar who is wife of Mr. Saroj Kumar Poddar.

3. **Retirement of Directors by rotation and re-appointment:**

Mr. Saroj Kumar Poddar retires by rotation and is eligible for re-appointment.

As per Section 152(6) of the Companies Act, 2013, brief profile and information about Mr.Saroj Kumar Poddar is given below:

Mr. Saroj Kumar Poddar 70, a leading Indian industrialist of international repute, is Chairman of the Adventz group. The group, with a total turnover in excess of US $3 billion, comprises 23 leading companies in various verticals, constituting key drivers of the Indian economy and was repositioned under the Adventz banner by Mr. Poddar, to leverage its exemplary equity in terms of knowledge, best practices and technical excellence. Under Mr. Poddar, the group has promoted various seminal projects including joint ventures with leading international corporations. The most notable of these ventures are Hettich India Private Ltd. - a joint venture with the Hettich Group of Germany and MCA Phosphates Pte Ltd. - a joint venture with Mitsubishi Corporation, Japan. Mr. Poddar was also instrumental in promoting Gillette India Ltd., a venture with the renowned 'The Gillette Company,' USA and was Founder Chairman of the Company since 1984, before relinquishing the position in December 2013. At Mr. Poddar's initiative the group has acquired a controlling stake as well as management control of Kalindee Rail Nirman (Engineers) Ltd. and Bright Power both of which offers synergetic strength to its core railway products business.

Mr. Poddar is the Chairman of Zuari Agro Chemicals Limited, Zuari Global Limited, Chambal Fertilisers & Chemicals Limited, Paradeep Phosphates Limited, Texmaco Infrastructure & Holdings Limited and Texmaco Rail & Engineering Limited.

A gold medalist in Commerce from Calcutta University, Mr. Poddar is an aficionado of art, culture and sports and is involved in their promotion and development. Mr. and Mrs. Poddar promote young cricketers to go abroad for training and practice. He is also a recipient of the Rashtriya Samman award from the Central Board of Direct Taxes. The Poddars are currently involved in setting up a museum in Delhi with the theme 'India through the ages'. The museum, to be named after Mr. Poddar's father-in-law, the late Dr. K.K. Birla as 'K K Birla Academy', will be fully funded by the family and is to be commissioned in the coming years.

Mr. Poddar has served as President of FICCI and International Chamber of Commerce in India, and has been appointed by Govt. of India on the Board of Trade - the highest body on trade – as well as on the Court of the Indian Institute of Science, Bangalore. Mr. Poddar has also served as a member of the Board of Governors of the Indian Institute of Technology, Kharagpur for over 10 years and on the local Board of the Reserve Bank of India for a similar period. He was also on the Advisory Board of one of the most reputed investment brokers, M/s. N M Rothschild & Sons (India) Pvt. Limited.

Mr. Poddar is the Chairman of India-Saudi Arabia Joint Business Council and is a Member of the Indo-French CEO Forum.

Names of the other Companies in which Mr. Saroj Kumar Poddar is a Director as on 31st March, 2016 is given below :

Sr. No.	Name of the Company
1	Chambal Fertilisers And Chemicals Limited
2	Lionel India Ltd.
4	Paradeep Phosphates Limited
5	Texmaco Infrastructure & Holdings Limited
6	Texmaco Rail & Engineering Limited
7	Zuari Agro Chemicals Limited
8	Adventz Finance Private Limited
9	Ethan Allen India Private Limited
10	Hettich India Private Limited
11	Texmaco Hi-Tech Private Limited (Formerly Texmaco UGL Rail Pvt. Ltd.
12	HePo VB & Fasteners India Private Limited

The other details of Mr. S. K. Poddar pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is provided in the notice to the Annual General Meeting.

4. Board Agenda:

The Board meetings are scheduled well in advance and the Board members are generally given notice at least 7 days prior to the meeting date. All major items are backed by in-depth background information and analysis, wherever possible, to enable the Board members to take informed decisions.

5. Formal letter of appointment to Independent Directors:

The Company has issued a formal letter of appointment to all Independent Directors in accordance with the provisions of the Companies Act, 2013 and Clause 49 II (4) of the Listing Agreement. The terms and conditions of appointment of Independent Directors is uploaded on the Company's website.

6. Annual Performance evaluation:

Pursuant to the provisions contained in Companies Act, 2013 and Schedule IV (Section 149(8)) of the Companies Act, 2013 the annual performance evaluation has been carried out of all the Directors, the Board, Chairman of the Board and the working of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

The performance evaluation policy of the Board of Directors was carried out based on the detailed questionnaire containing criteria such as duties and responsibilities of the Board, information flow to the Board, time devoted to the meetings, etc. Similarly, the Director's evaluation was carried out on the basis of questionnaire containing criteria such as level of participation by individual directors, independent judgement by the director, understanding of the Company's business, etc.

The performance evaluation of the Board and the Committees, viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee was done by all the Directors. The performance evaluation of the Independent

Directors was carried out by the Board excluding the Director being evaluated. The performance evaluation of the Chairman and Executive Directors was carried out by the Independent Directors. The Directors expressed their satisfaction over the entire evaluation process.

7. **Independent Directors' Familiarization Programme:**
The Company in compliance with Regulation 25(7) of SEBI (LODR) Regulations, 2015 has formulated a programme to familiarize the Independent Directors with the Company, their roles, responsibilities. The Independent Directors are given detailed presentation on the operations of the Company on quarterly basis at the meetings of the Board/Committees. The details of the familiarization programme has been disclosed on the Company's website. The weblink for accessing the familiarization policy is http://www.adventz.com/adventz-investors-zgl.php

8. **Board Diversity Policy:**
The Company in compliance with Regulation 19(4) of SEBI (LODR) Regulations, 2015 with Stock Exchanges has formulated policy on Board Diversity which sets out the frame work to promote diversity on Company's Board of Directors. The policy was recommended by Nomination and Remuneration Committee and approved by the Board.

9. **Separate Meeting of Independent Directors :**
Separate meetings of the Independent Directors of the Company, without the attendance of Non - Independent Directors and members of Management were held as required under Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. At the Meetings, The Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present for the meetings, except for Mr. D. B. Engineer who could not attend one of the meetings, due to his ill health.

10. **Board Committees:**
The Committees of the Board are as follows:

a) **Audit Committee:**
The Audit Committee comprises three independent Non-Executive Directors and Managing Director. The permanent invitee includes Head of internal audit. The Company Secretary is the Secretary of the Committee. The Committee met 4 times during the financial year ended 31st March, 2016 on : 15th May, 2015, 11th August, 2015, 30th October, 2015 and 5th February, 2016.

Terms of Reference
As per Regulation 18(3) and schedule II of SEBI (LODR) Regulations, 2015, the terms of reference and role of the Audit Committee includes review of the Company's financial reporting process and its financial statements, review of the accounting and financial policies and practices, the internal control and internal audit systems (including review and approval of internal audit plan, appointment of internal auditors and review of internal audit reports), risk management policies and practices, review the functioning of the Whistle Blower mechanism, etc. The role also includes making recommendations to the Board, re-appointment of Statutory Auditors / Secretarial Auditor and fixation of audit fees.

Besides the above, the additional terms of reference of Audit Committee as per the Companies Act, 2013 includes reviewing and monitoring auditor's independence and performance and effectiveness of audit process; examination of the financial statement and the auditor's report thereon; approval or any subsequent modification of transactions of the Company with related parties; scrutiny of inter-corporate loans and investments; valuation of undertakings or assets of the Company, wherever it is necessary and monitoring the end use of funds raised through public offers and related matters.

The attendance of the members at the meeting was as follows:

Name of the member	Status	No. of meetings attended
Mr. D.B. Engineer	Chairman	4
Mr. Marco Wadia	Member	4
Mr. K.K. Gupta	Member	4
Mr. N. Suresh Krishnan	Member	4

b) Stakeholders Relationship Committee:

Stakeholders Relationship Committee comprises two Independent Directors and Managing Director. The Board has designated Company Secretary, as the Secretary to the Committee. The Committee met 5 times during the financial year ended 31st March, 2016 on : 15th May,2015, 21st July, 2015, 22nd September, 2015, 30th October, 2015 and 5th February, 2016.

Terms of Reference:

The Board has constituted Stakeholders Relationship Committee which oversees the performance of the share transfer work and recommends measures to improve the level of investor services. In addition, the Committee looks into investors' grievances such as non receipt of dividend, Annual Reports and other complaints related to share transfers.

There were 77 complaints received from the shareholders during the year, which were duly addressed. There were no outstanding complaints or share transfers pending as on 31st March, 2016.

The attendance of the members at the meeting was as follows:-

Name of the member	Status	No. of meetings attended
Mr. D. B. Engineer	Chairman	5
Mr. Marco Wadia	Member	5
Mr. N. Suresh Krishnan	Member	4

c) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises three Non-Executive Independent Directors. The Board has designated Company Secretary as the Secretary to the Committee. The Committee met 3 times during the financial year ended 31st March, 2016 on: 15th May, 2015, 30th October, 2015 and 5th February, 2016.

Terms of Reference:

The Board has constituted the Nomination and Remuneration Committee, as required under the Companies Act, 2013, which shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. The Nomination and Remuneration Committee shall also formulate criteria for evaluation of Independent Directors and the Board and devise a policy on Board diversity. It shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board, their appointment and removal.

The attendance of the members at the meeting was as follows:-

Name of the member	Status	No. of meetings attended
Mr. D.B. Engineer	Chairman	3
Mr. Marco Wadia	Member	3
Mr. K.K. Gupta	Member	3

Details of remuneration to all the Directors for the year:

Payment of remuneration to the Whole Time Director / Managing Director was recommended by the Remuneration Committee, and approved by the Board and the Shareholders. The remuneration comprises salary, incentives, perquisites, contribution to the Provident Fund, Superannuation Fund and Gratuity.

₹ in Lacs

Executive Directors	Salary	Perquisites	Retirement benefits
Mrs. Jyotsna Poddar	60.00	0.00	4.32
Mr. N. Suresh Krishnan	201.44	9.23	29.68

The term of the Whole Time Director is for a period of five years with effect from 1st April, 2012 and of Managing Director is 3 year w.e.f. 1st April, 2015. The notice period for the termination of the appointment of the Whole Time Director/ Managing Director is three months from either side.

a. No severance pay is payable on termination of the appointment of the Whole Time Director.

b. Payment of remuneration to the Whole Time Director / Managing Director was recommended by the Nomination and Remuneration Committee and approved by the Board and the shareholders.

Sitting fees paid to Non-Executive Directors

Remuneration by way of sitting fees paid to the Non-Executive Directors during the financial year ended 31st March, 2016 for attending the meetings of the Board and the Committees thereof is given below:

Sr. No.	Name of Director	Amount (₹)
1.	Mr. S. K. Poddar	2,00,000
2.	Mr. D. B. Engineer	4,20,000
3.	Mr. Marco Wadia	4,35,000
4.	Mr. K. K. Gupta	3,60,000

Details of Pecuniary relationship of Directors:

During the financial year, none of the Directors of the Company had any material pecuniary relationship(s) or transaction(s) or transaction(s) with the Company, its Promoters, its Senior management or its Subsidiary or Associate Company apart from the following:

a) Remuneration paid to whole time Director, Managing Director and sitting fees paid to the Non – Executive Directors

b) Reimbursement of expenses incurred by the Directors in discharging their duties

c) Professional fees of ₹ 2.27 Lacs paid to Crawford Bayley & Co during the year. Mr. Marco Wadia and D. B. Engineer are the partners in Crawford Bayley & Co, Solicitors & Advocates, which has professional relationship with the Company, but is not considered material enough to infringe on the independence of Mr. Wadia and D.B. Engineer.

d) Mr. Saroj Kumar Poddar , Mrs Jyotsna Poaddr and Mr. Marco Wadia are holding equity shares of the Company, details of which are given in this Corporate Governance Report.

d) Other Committees:

Apart from the above stated Board Committees, the Board has also constituted other committees including Committee for Banking and Finance, Risk Management Committee, Corporate Social Responsibility (CSR),. The Committee meetings are held as and when the need arises and at such intervals as may be expedient..

11. Annual General Meetings

Details of the last three Annual General Meetings are:

Year	Location	Date	Time	Whether any special resolutions passed
2014-2015	Jai Kisaan Bhawan, Zuarinagar, Goa-403726	22-09-2015	10.00 a.m.	YES
2013-2014		01-09-2014	11.00 a.m.	YES
2012-2013		25-09-2013	10.30 a.m.	YES

Special Resolutions Passed

Special Resolutions passed in the Annual General Meetings / Extra Ordinary General Meetings held during last three financial years and through postal ballot during the last financial year are as follows:

1. Details of Special resolutions:

Financial Year	Date of AGM/EGM		Particulars of Special Resolution
2014-15	22nd September, 2015	1.	Appointment and Remuneration of Mr. N. Suresh Krishnan as the Managing Director of the Company for a period of 3 years w.e.f. 1st April, 2015
		2.	Alteration in the Articles of Association of the Company by replacing all the existing regulations as per the draft regulations contained in the Articles of Association submitted
2013-14	1st September, 2014	1.	To borrow from time to time any sum or sums of money not exceeding ₹ 1000 crore
		2.	Alteration of Clause V of the Memorandum of Association of the Company
		3.	Alteration of Clause 3 of the Articles of Association of the Company
		4.	Sale of 3,22,67,741 shares of Nagarjuna Fertilisers & Chemicals Ltd., held by the Company
		5.	Purchase of 25,00,000 equity shares of ₹ 10/- each of Zuari Financial Services Ltd. from Zuari Investments Limited

Financial Year	Date of AGM/EGM	Particulars of Special Resolution	
2012-13	25th September, 2013	1.	Purchase of equity shares of Texmaco Rail & Engineering Limited (TREL) for an amount not exceeding ₹ 5 Crores
		2.	Purchase of equity shares of Zuari Agro Chemicals Limited (ZACL) for an amount not exceeding ₹ 25 Crores
		3.	Commencement of new Business activities

2. Details of special resolution passed through Postal Ballot during the financial year 2015-16:

Date of Postal ballot Notice	Details of the Resolutions passed	Result of the postal ballot
22nd September, 2015	Consent of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013 accorded to mortgage, hypothecate, otherwise charge, dispose off as may be necessary of all immovable and movable properties of the Company to secure all the monies already borrowed or to be borrowed for the business of the Company or by its wholly owned subsidiary, Zuari Infraworld India Limited (ZIIL) and authorizing the Board of Directors to perform all such acts, deeds and things as may be necessary, desirable or expedient in connection therewith	Special resolution is passed by Shareholders with majority

Mr. Shivaram Bhat, Practicing Company Secretary was the Scrutinizer to conduct the Postal Ballot process.

12. Disclosures:

A) Mr. D. B. Engineer and Mr. Marco Wadia, are Partners of Crawford Bayley & Co., Solicitors & Advocates, which has a professional relationship with the Company. The professional fees of ₹ 2.27 Lacs paid to Crawford Bayley & Co. during the year is not considered material enough to infringe on the independence of Mr. Engineer and Mr. Wadia. Accordingly, there were no transactions of material nature with the directors or the management or their subsidiaries or relatives having potential conflict with the interest of the Company.

B) There were no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority or any matter related to capital markets during the last three years.

C) The Company has put in place a Vigil mechanism and adopted the Whistle Blower Policy and affirms that no person has been denied access to the Audit Committee. The information on Vigil mechanism is placed on the website of the Company.

D) The Company has formulated a policy for determining material subsidiaries and the policy is disclosed on the Company's website. The weblink for accessing the policy is http//:www.adventz.com/adventz-investors-zgl.php

E) The Company has formulated a policy on dealing with Related Party transactions and the same is disclosed on the Company's website. The weblink for accessing the Related Party Transaction Policy is http//:www.adventz.com/adventzinvestors-zgl.php

F) The Company has complied with all mandatory requirements under SEBi Listing Regulations .including regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of LODR Regulation, 2015..

13. Means of communication:

a. Half-yearly Unaudited Financial Results:

Unaudited financial results for the half-year ended 30th September, 2015 were sent to each household of shareholders, apart from publishing in one English National Daily and Local dailies, published in the language of the region where the registered office of the Company is located.

b. Quarterly Results:

Quarterly results are published in one English National Daily and Local dailies, published in the language of the region where the registered office of the Company is located.

c. Website on which the results are displayed:

www.adventz.com

14. Code of Conduct:

The Company has adopted a 'Code of Conduct' for the Directors and Senior Executives of the Company. The code promotes conducting business in an ethical, efficient and transparent manner so as to meet its obligations to its shareholders and all

other stakeholders. The code has set out a broad policy for one's conduct in dealing with the Company, fellow Directors and employees and the external environment in which the Company operates.

The declaration given by the Managing Director of the Company with respect to the affirmation of compliance of the code by the Board of Directors and Senior Executives of the Company is enclosed as **Annexure 'C'** to this report.

15. Code of internal procedures and conduct for trading in securities of the Company:

The Company adopted the new code of internal procedures and conduct for trading in securities of the Company which was revised and applicable w.e.f. 15th May, 2015. The code inter alia prohibits purchase/sale of shares of the Company by the Directors and designated employees of the Company while in possession of unpublished price sensitive information related to the Company.

16. General Shareholders Information:

a. Annual General Meeting:

The Annual General Meeting will be held on 30th September, 2016 at Jai Kisaan Bhawan, Zuarinagar, Goa-403726 at 10.30 A.M.

b. Financial calendar (Tentative)

Results for the quarter ended 30th June, 2016– on or before 2nd week of August, 2016

Results for the half-year ended 30th September, 2016–on or before 2nd week of November, 2016

Results for the quarter ended 31st December, 2016 – on or before 2nd week of February, 2017

Audited Annual Results 2016-17 – on or before 31st May, 2017

c. Date of book closure:

2nd August, 2016 to 9th August, 2016 (inclusive of both days).

d. Dividend payment date:

The Dividend payment date is on or after 4th October, 2016 but within the stipulated time under the Companies Act, 2013.

e. Management Discussion and Analysis forms part of this Report as Annexure 'D'.

f. Listing on Stock Exchanges:

Company's shares are listed on:

BSE Limited, Mumbai

The National Stock Exchange of India Limited, Mumbai

The company has paid the annual listing fees to the stock Exchanges for the Financial Year 2015-16.

g. Stock Code:

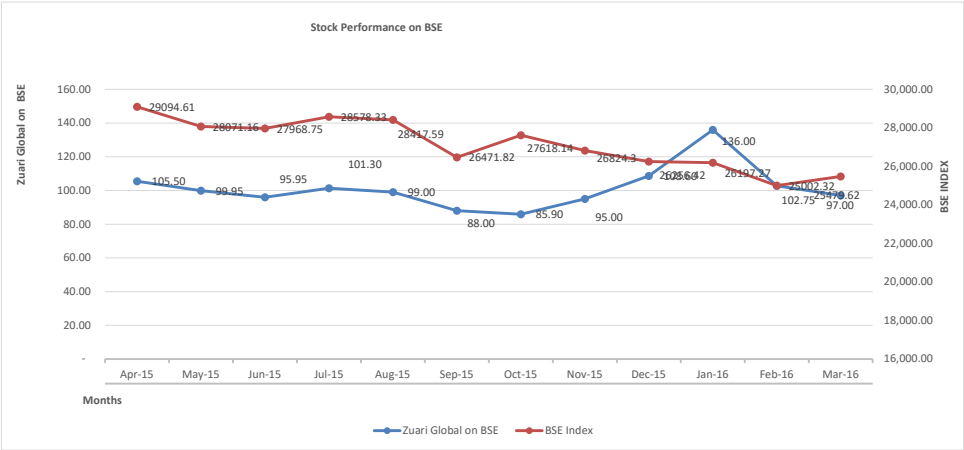
1. BSE Limited, Mumbai: 500780
2. The National Stock Exchange of India Limited, Mumbai: ZUARIGLOB
3. International Standard Identification Number (ISIN) : INE217A01012

h. Stock Market Data:

High/Low share prices during the period 1st April, 2015 to 31st March, 2016

Month	BSE		BSE Sensex	
	High	Low	High	Low
April, 2015	105.50	92.95	29094.61	26897.54
May, 2015	99.95	91.00	28071.16	26423.99
June, 2015	95.95	87.50	27968.75	26307.07

Month	BSE		BSE Sensex	
	High	Low	High	Low
July, 2015	101.30	86.00	28578.33	27416.39
August, 2015	99.00	80.00	28417.59	25298.42
September, 2015	88.00	77.00	26471.82	24833.54
October, 2015	85.90	77.70	27618.14	26168.71
November, 2015	95.00	78.05	26824.30	25451.42
December, 2015	108.60	90.05	26256.42	24867.73
January, 2016	136.00	94.00	26197.27	23839.76
February, 2016	102.75	85.00	25002.32	22494.61
March, 2016	97.00	87.05	25479.62	23133.18



i. **Share Transfer System**

The Share Transfers in physical mode above 1000 equity shares are approved by Stakeholders Relationship Committee.

The Company has authorized the Company Secretary to approve share transfers involving up to 1000 shares with a view to expedite the process of share transfers.

j. **Shareholders are requested to write to the Company or the Share Transfer Agents at the following address:**

Link Intime India Pvt. Limited
C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (W)
Mumbai – 400 078
Tel: 022 – 25946970/78
Fax: 022 – 25946969
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.com

k. The Company maintains an exclusive email id, investor_redressal@adventz.com to redress the Investor's Grievances as required under Regulation 13 of SEBI (LODR) Regulations, 2015. The correspondence received under this email id are monitored and addressed on a daily basis.

l. Shareholding

The distribution of shareholding as on 31st March, 2016 was as follows:

No. of shares	No. of shareholders	% of shareholders
Upto 500	32,447	96.75
501 – 1000	548	1.63
1001- 2000	253	0.76
2001 – 3000	80	0.24
3001 – 4000	44	0.13
4001 – 5000	30	0.09
5001 – 10000	60	0.18
10001 and above	75	0.22
Total	33,537	100.00

Shareholding Pattern as on 31st March, 2016 :

Category	No. of shares held	% shareholding
Promoters	1,91,65,231	65.10
Banks/Financial Institutions and Insurance Companies	23,66,548	8.04
Foreign Institutional Investors	10,67,718	3.62
Mutual Funds	16,00,100	5.44
NRIs/OCBs	76,691	0.26
Bodies Corporate	11,40,775	3.87
Public	40,23,541	13.67
Total	2,94,40,604	100.00

m. Dematerialization of shares and liquidity:

29046527 equity shares (98.66%) have been dematerialized as on 31st March, 2016.

n. The Address for correspondence is:

Zuari Global Limited
Jai Kisaan Bhawan,
Zuarinagar, Goa- 403 726.
Tel: 91-0832-2592509
Fax: 91-0832-2555279
E- mail : shares@adventz.com and/or investor_redressal @adventz.com
Website : www.adventz.com

o. Non mandatory Requirement

The Company has adopted with the following discretionary requirements as specified in part E of Schedule II of LODR Regulation, 2015:

- Providing half yearly unaudited financial results of the Company to each household of the shareholder.
- Sharing the expenses for maintaining the Chairman's Office.
- Internal Auditor reports directly to the Audit Committee

ANNEXURE 'B' TO THE DIRECTORS' REPORT

Certificate of Corporate Governance

To

The Members of Zuari Global Limited

I have examined the compliance of conditions of corporate governance by Zuari Global Limited, (`the Company) for the year ended 31st March 2016 as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "listing Regulation").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. My examination has been limited to review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the condition of Corporate Governance as stipulated in the said Listing Regulations. It is neither audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and based on the representation made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

I further sate that such compliance is neither an assurance as to the future viability of the Company nor the efficiency of effectiveness with which the management has conducted the affairs of the company.

Date : 12th May, 2016
Place : Panjim

CS Sadashiv V. Shet
Practising Company Secretary
FCS No.: 2477
CP No. 2540

ANNEXURE 'C' TO THE DIRECTORS' REPORT

Declaration by the Managing Director

Pursuant to Regulation 26(3) of SEBI (LODR) Regulations, 2015. I, N. Suresh Krishnan, Managing Director of Zuari Global Limited, declare that all Board Members and Senior Executives of the Company have affirmed their compliance with the Code of Conduct and Ethics during the financial year 2015-16.

Place : Gurgaon
Date : 13th May, 2016

N. Suresh Krishnan
Managing Director

ANNEXURE 'D' TO THE DIRECTORS' REPORT

Management Discussion and Analysis

The Board of Directors is pleased to present the business analysis and outlook for Zuari Global Limited (ZGL) based on the current Government policies and market conditions.

Global Outlook

The world economy stumbled in 2015, amid weak aggregate demand, falling commodity prices and increasing financial market volatility in major economies. The world gross prod¬uct is projected to grow by a mere 2.4 per cent in 2015, marking a downward revision from the 2.8 per cent forecast in the World Economic Situation and Pros¬pects as of mid-2015 (United Nations, 2015a). The growth rates of gross fixed capital forma¬tion and aggregate demand continue to remain subdued. The world economy is projected to grow by 2.9 per cent in 2016 and 3.2 per cent in 2017, supported by generally less restrictive fiscal and still accommodative monetary stances worldwide. The anticipated timing and pace of normalization of the United States monetary policy stance is expected to reduce policy uncertainties, while preventing excessive volatility in exchange rates and asset pric¬es. While the normalization will eventually lead to higher borrowing costs, rising interest rates should encourage firms to front-load investments in the short run. The improvement in global growth is also predicated on easing of downward pressures on commodity pric¬es, which should encourage new investments and lift growth, particularly in commodity-dependent economies.

Indian Economy

India's economic growth rate as measured through GDP showed signs of steady recovery in F.Y. 2015-16 at around 7.6% as compared to 7.2% in 2014-15. Much of that improvement is attributed to increase in urban consumption and infrastructure investments by the Government. However, the rural consumption in 2015 has remained subdued due to two consecutive weak monsoons and drought conditions in some of the states in India

Riding on strong macroeconomic fundamentals, favourable business sentiments and downward trend in interest rates, the Confederation of Indian Industry (CII) expects the Indian economy to grow at around 8% in 2016-17. Even the Reserve Bank of India has forecast a GDP growth of 7.6% for 2016-17.

Economic growth in India accelerated in Fiscal Year 2015 despite a double-digit decline in exports. It is projected to dip marginally in FY2016 due to a slowdown in public investment, stressed corporate balance sheets, and declining exports, then pick up in FY2017 as newly strengthened bank and corporate finances allow a revival in investment. Notwithstanding unexpected delays in enacting some economic reform, the prospects for continued rapid growth are undiminished.

Selected economic indicators (%) – India	2015	2016 Forecast	2017 Forecast
GDP Growth	7.6	7.4	7.8
Inflation	5.0	5.4	5.8
Current Account Balance (share of GDP)	-1.3	-1.6	-1.8

Source : Asian Development Outlook 2016

Subsidiaries

Diversity enriches, insulates and encompasses multiple hues of our business spectrum. With the objective of providing consumers with a comprehensive range of world-class products, the Company continues to strengthen its diverse product portfolio through its subsidiaries in the sugar, financial services, engineering services and furniture sectors, which are leading the Company to become a vibrant, multi brand enterprise.

A profile of these businesses is given below:

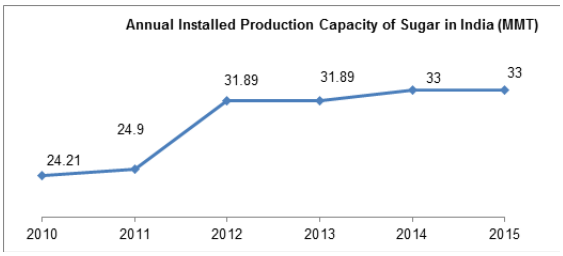
I) GOBIND SUGAR MILLS LIMITED.

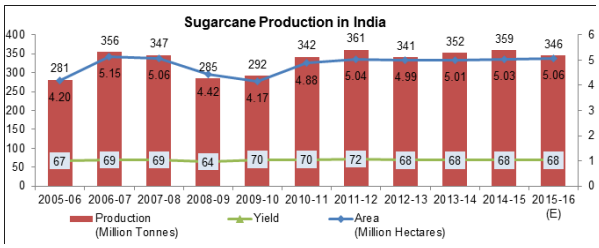
Indian Sugar industry

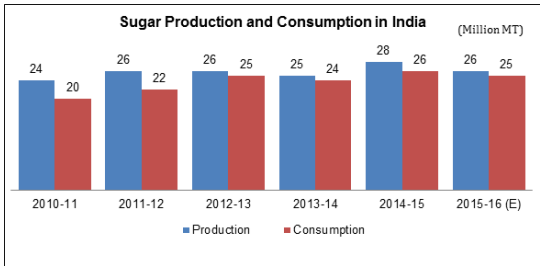
Indian sugar industry is the second largest agro-based industry after textiles. The Indian sugar industry was valued at INR 800 billion in 2013. India's sugarcane cultivation area accounts for about 2.2-2.7% of India's total cropped area. It employs 2

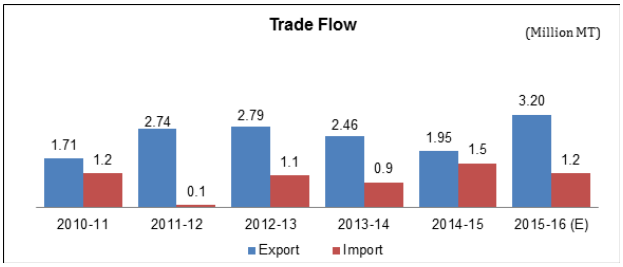
million workers and also provides substantial indirect employment through various ancillary activities. As a result, this sector directly contributes to rural economic development.

There were 714 installed sugar factories in the country as of October 2015 with sufficient crushing capacity to produce about 33 MMT of sugar.









Sugarcane production has been continuously increasing since 2011-12 while the yield has remained stagnant, till 2014-15. In last year, 2015-16, the sugarcane production is estimated to have come down.

Common Problems faced by Sugar Industry:

1. Low Yield of Sugarcane:

Although India has the largest area under sugarcane cultivation, the yield per hectare is extremely low as compared to some of the major sugarcane producing countries of the world. This leads to low overall production and results in short supply of sugarcane to sugar mills. Efforts are being made to solve this problem through the introduction of high yielding, early maturing, frost resistant and high sucrose content varieties of sugarcane as well as by controlling diseases and pests which are harmful for sugarcane.

2. Short crushing season:

Manufacturing of sugar is a seasonal phenomena with a short crushing season varying normally from 4 to 7 months in a year. The mills and its workers remain idle during the remaining period of the year, thus creating financial problems for the industry as a whole. One possible method to increase the crushing season is to sow and harvest sugarcane at proper intervals in different areas adjoining the sugar mill. This will increase the duration of supply of sugarcane to sugar mills.

3. Fluctuating Production Trends:

Sugarcane has to compete with several other food and cash crops like cotton, oil seeds, rice, etc. Consequently, the land available to sugarcane cultivation is not the same and the total production of sugarcane fluctuates. This affects the supply of sugarcane to the mills and the production of sugar also varies from year to year.

4. Low rate of recovery:

The average rate of recovery in India is less than ten per cent which is quite low as compared to other major sugar producing countries where the recovery rate is as high as 14-16 per cent.

5. High cost of Production:

High cost of sugarcane, inefficient technology, uneconomic process of production and heavy excise duty result in high cost of manufacturing. The production cost of sugar in India is one of the highest in the world. Intense research is required to increase

the sugarcane production in the agricultural field and to introduce new technology of production efficiency in the sugar mills. Production cost can also be reduced through proper utilisation of by- products of the industry.

For example, bagasse can be used for manufacturing paper pulp, insulating board, plastic, carbon cortex etc. Molasses comprise another important by-product which can be gainfully used for the manufacture of power alcohol.

This, in its turn, is useful in manufacturing DDT, acetate rayon, polythene, synthetic rubber, plastics, toilet preparations, etc. It can also be utilised for conversion into edible molasses and cattle feed. Press-mud can be used for extracting wax.

6. Small and uneconomic size of mills:

Most of the sugar mills in India are of small size with a capacity of 1,000 to 1,500 tonnes per day. This makes large scale production uneconomic. Many of the mills are economically not viable.

7. Old and obsolete machinery:

Most of the machinery used in Indian sugar mills, particularly those of Uttar Pradesh and Bihar is old and obsolete, being 50-60 years old and needs rehabilitation. But low margin of profit prevents several mill owners from replacing the old machinery by the new one.

8. Competition with Khandsari and Gur:

Khandsari and gur have been manufactured in rural India much before the advent of sugar industry in the organised sector. Since Khandsari industry is free from excise duty, it can offer higher prices of cane to the cane growers.

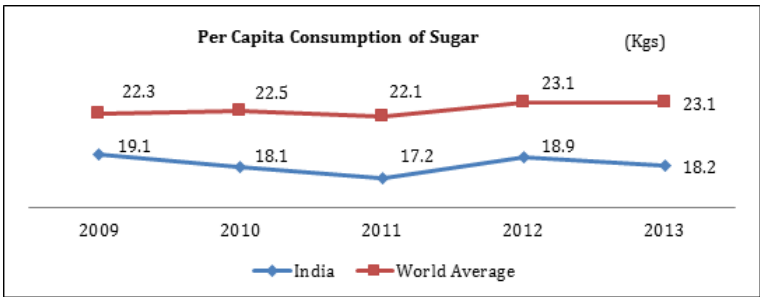
Further, cane growers themselves use cane for manufacturing gur and save on labour cost which is not possible in sugar industry. It is estimated that about 60 per cent of the cane grown in India is used for making Khandsari and gur and the organised sugar industry is deprived of sufficient supply of this basic raw material.

9. Regional imbalances in distribution:

Over half of sugar mills are located in Maharashtra and Uttar Pradesh and about 60 per cent of the production comes from these two states. On the other hand, there are several states in the north-east, Jammu and Kashmir and Orissa where there is no appreciable growth of this industry. This leads to regional imbalances which have their own implications.

10. Low per capita consumption:

The per capita annual consumption of sugar in India is only approx. 18.2 kg as against 48.8 kg in the USA., 53.6 kg in U.K., 57.1 kg in Australia and 78.2 kg in Cuba and the world average of about 23.1 kg. This result in low market demand and creates problems of sale of sugar.



Sugar Cane Prices:

(in Rs/tonne)

State	2014-15	2015-16
India(FRP)	2200	2300
UP	2800	2800
Punjab	2850	2800 – 2950
Haryana	3050	3000 – 3100
Karnataka	2500	2300 – 2625
Tamil Nadu	2650	2850

(Source: Agriwatch)

Sugar Prices

Consecutive years of surplus production from 2013 have led to surplus sugar in the domestic market, which, along with the international sugar-surplus scenario and muted international sugar prices, caused prices to touch a three-year low of ₹ 24,000/MT in July 2015.

However, sugar realizations are on a rising trend since August 2015. Prices increased marginally to ₹ 24,000/MT in August 2015 with the government considering the option of exporting surplus sugar through barter trade

Further, with the government notifying the mandatory export quota for 2016, domestic sugar prices firmed up to ₹ 25,500/MT in September 2015. Festive demand for sugar during the months of October and November 2015 led to an increase in sugar prices to ₹ 26,000/MT in October 2015 and to ₹ 26,700/MT in November 2015. The announcement of cane production subsidy in December 2015, the expected increase in sugar exports and the likely global sugar deficit scenario have combined to cause sugar prices to firm up to ₹ 31,000/MT in February 2016 and to ₹ 31,600/MT in March 2016. However, considering the domestic sugar surplus scenario going forward, despite lower sugar production during 2015-16, the sustainability of the upward trend in sugar prices remains critical on the sugar exports for 2015-16 season as well as expectations on production figures for 2016-17. In the medium term, the trends in sugar price will continue to be determined by the three factors: the domestic sugar balance; international crude oil prices, which will determine the raw sugar-ethanol mix in Brazil, the world's largest producer and exporter of sugar; and the GoI's policies regarding exports of sugar and import duties.

Demand drivers for Sugar industry

- Rising per capita consumption: Sugar consumption is expected to be the highest in Asia and within Asia, India is estimated to have 18.8% of global consumption.
- Demographics: As per Census of India, India's growing population (estimated to reach 1.3 billion by 2020) is likely to intake more sugar in the future. Sugar users such as soft drink manufacturers, bakeries, confectionary, hotel and restaurant consumers account for 60% of milled sugar demand in India.
- Rising incomes and urbanisation: People demand more processed food (high on sugar content) as incomes rise and dietary habits change.
- Deregulation: Government initiatives in cane price rationalisation and levy on sugar imports will augur well for the domestic industry.
- Urgent need for renewable biofuels: Unprecedented opportunities emerge from diversifications like electricity and ethanol for sugar millers (ethanol from molasses). Supportive government policies in both these by-products can drive demand for sugar millers.

Indian Sugar Industry Outlook:

India's sugar production is expected to drop to around 25.5 million metric tonnes (MT) during 2015-16, a decline of 10% over the previous year. Lower production along with exports of around 2 million MT, is likely to bring down the closing stocks to around 7.6 million MT in 2016 from around 9.5 million MT in 2015, a significant 20% yoy decline. However, the stocks would still be around 1.4 million MT higher than the normative sugar stock of around 6.2 million MT

The decline in production is mainly driven by severe drought in the largest sugar producing State, Maharashtra, which impacted sugar cane availability and therefore the production in Maharashtra is estimated to decline by 20% to around 8.4 million MT. In UP, production during SY2016 is estimated at similar levels to that in the previous year

Despite the estimated decline in domestic sugar production to around 25.5 million MT during 2015-16, production would marginally outstrip domestic consumption for the sixth year in a row. There is therefore likely to be no shortage of domestically produced sugar in India. The June – September monsoon rains are crucial to crops including sugar cane, rice and cotton as the rainfall in that period accounts for about 80% of India's total and waters more than 50% of farmland. Rainfall is forecast to return to above normal levels in this year after recording shortfall of 14% and 12% in the previous two years, according to India Meteorological Department.

Over the medium term, international sugar prices will be largely determined by fluctuations in world sugar production (as consumption growth has largely been steady) as well as crude oil prices, which determine the raw sugar-ethanol blend in major exporting countries like Brazil. In the medium term, lower sugar prices will boost consumption, but on the supply side, farmers are likely to shift to other crops, which in turn would reduce the sugar output, leading to a supply correction. However, with a decline in the output of major supplying nations including India and Brazil, and the resultant lower supplies to the world market, a supply deficit appears likely in 2015-16. Nevertheless, significant accumulated stocks would provide insulation from any sharp spikes in international sugar prices in the near to medium term.

As compared to the cane price arrears of 2014-15 sugar season of over ₹ 21,800 crore as on April 2015 last year, cane price arrears during the 2015-16 season are lower at about ₹ 13,300 crore. With the improvement in domestic market, it is expected that cane price payments to the farmers will improve and arrears will come down substantially further in the next few months.

Government Policies:

Sugar industry is highly politicized and closely controlled by the Government. Government control covers all aspects of sugar business i.e. licensing, capacity, cane area, procurement, pricing, distribution, imports and exports. In India sugar seen has been that of protectionism. The mills, farmers and consumers all have been protected one way or another, where as protection to farmers and consumers has been consistent and it has not been so consistent for mill owners. Due to these reasons mill owners are not in a position to decide production and marketing strategies including imports and exports. Mills are not in a position to export sugar when it is more profitable. Hence mills are facing severe difficulties and are not able make profits like other sector industries.

The government has however announced various schemes to improve the sugar industry condition:

* In September 2015, the Government of India (GOI) notified the minimum indicative export quota (MIEQ) for sugar mills to export 4 million MT of sugar during 2015-16 season. In the absence of export subsidy, domestic sugar mills had to incur losses because of the continued pressure on the international prices of sugar. In December 2015, the GoI notified a cane production subsidy of ₹ 45/MT, which was to be paid directly to farmers as part of the cane costs. The mills that meet a minimum of 80% of the target notified under the MIEQ and under the ethanol blending programme (for those mills that have distillation capacities to produce ethanol) were eligible for this subsidy. While the recent increase in domestic sugar prices is likely to hamper the pace of exports, the cane production subsidy is expected to mitigate the same to an extent.

* For SY2016, the Commission for Agricultural Costs and Prices (CACP) has recommended Fair and Remunerative Price (FRP) of ₹ 230/quintal of cane, linked to 9.5% recovery, which is an increase from ₹ 220/quintal for the previous year. The State advised price (SAP) fixed by the UP Government for cane remains high at ₹ 280/quintal for SY2016. The UP Government has also announced a subsidy of ₹ 23.30/quintal in addition to exemption from certain taxes/commission linking the amount of subsidy to the actual average sugar prices between October 2015 and May 2016. In addition, society commission, purchase tax and entry tax amounting to ₹ 11.70/quintal have been waived. In UP, despite the subsidy being lower by ₹ 5.30/quintal in SY2016 when compared with SY2015, the cane cost of production in SY2016 is expected to decline on account of improvement in recovery rates. This along with the expected increase in sugar realizations is likely to raise the conversion margins in SY2016.

Ethanol / Molasses

Ethanol production was estimated to decline at 290 crore litres in 2015-16 as against 306 litres in the previous year. Under Ethanol Blending Programme (EBP), the central government has scaled up blending targets from 5% to 10% to promote blending of ethanol with petrol and its use as alternative fuel. The production of ethanol is linked to the production of molasses which is a by product during production of sugar. With a view to increase production of ethanol, the government is also providing soft loans of upto 40% of the project cost to sugar mills for setting up ethanol projects through Sugar Development Fund. To augment supplies of ethanol to Oil Marketing Companies (OMCs) under EBP, the policy for procurement of ethanol has been modified to smoothen the entire ethanol supply chain to provide remunerative price of ethanol. Further, the excise duty on ethanol has been waived off for supply under EBP for the sugar season 2015-16 and blending targets were also scaled up from 5% to 10%.

Blending can be raised till 15-20 per cent for both ethanol in petrol and bio-diesel in regular diesel without a major change in existing car engines. For agricultural water pumps, the blending can even be 100 per cent of bio-diesel.

As per the estimates from International Energy Agency, India's crude oil imports to rise to 550 million tonnes by 2040 and increasing use of bio-fuels will help reduce dependence on imports as well as benefit the farmers.

Cogeneration:

After the sugarcane crushing process, bagasse is the residue left which is used to generate steam. This is used as a biofuel to supply all needs of the sugar mill. The remainder energy is used in cogeneration (produce both thermal and electric energy simultaneously) to supply electricity to power grids. Being produced from a waste residue, this energy is eco-friendly and reduces greenhouse gas emissions besides also bringing additional revenue to the sugar industry. During the financial year 2015-16, the Company commissioned 30.85MW Co-generation Power Plant successfully.

Operations of the Unit:

The comparative operating performance of the Company for the last two seasons is given below:

	2014-2015	2015-2016
Sugarcane crushed (lac Quintals)	76.28	71.52
Recovery (%)	9.33	10.53
Sugar produced (lac Quintals)	7.08	7.53
Crushing days	118	137

In the last year, the company has been able to complete the setting up of a 30 MW Cogen power plant, and expand the capacity from 7,200 TCD to 10,000 TCD. The Cogen power plant operating performance is as mentioned below:

	2015-2016
Power Generation (Mn Units)	66.13
Power Export to Grid (Mn Units)	40.11

Projects to be undertaken by the Company:

Sugar business is essentially cyclical and swift changes in demand – supply scenario causes volatile change in the health of the company. The company was earlier dependent primarily on sugar sales for its survival. It didn't have any means to exploit the value of its by-products. Hence, it was severly affected by the vagaries of the sugar cycle.

Since 2012, the company has been working on removing this weakness and has adopted a three pronged strategy of Intergation, Diversification and Expansion. As a part of this strategy, the company has completed Phase-I of projects under which it has set up a 30 MW Cogen Power Plant and executed Modernisation-cum-Expansion from 7,200 TCD to 10,000 TCD alongwith a aback end sugar refinery of 500 TPD.

Now, the company is working on Phase-II of projects; under which it intends to set up molasses based 60 KLPD Distillery and another 16 MW Cogen Power Plant. The Distillery would be a multi-product one, capable of producing full Rectified Spirit, ENA or Ethanol. It would be a Zero Liquid Discharge plant, having a cogeneration plant based on Incineration technology. The 16 MW Cogen Power Plant would consist of replacement of 70 TPH Boiler and 3 MW Turbogenerator.

Both of these projects will help implement the integrated model concept adopted by the Company in regard to better utilisation of by-products and would definitely strengthen the financial health of the company and its ability to withstand the turbulent period of sugar industry in particular.

II) ZUARI INFRAWORLD INDIA LIMITED (ZIIL)

REAL ESTATE OVERVIEW

Real Estate is a critical sector for India's economy due to its large potential for employment generation, capital attraction and revenue generation for the Government. It is one of the fastest growing sectors contributing about 5 percent to India's GDP.

Capital values of properties have surpassed the 2008 peak value which has created affordability concerns in some market. To cope with this reduced demand and high pricing, developers are now reducing the sizes of apartments in new projects in order to target mid-income consumers.

Housing and urban development are key priorities of the present government. The Government is expected to drive reforms and regulations that are long overdue. The recent policy measures relaxing Foreign Direct Investment (FDI) norms, provide housing for all by 2022, create 100 smart cities and introduction of Real Estate Regulation and Development Bill, 2015 have boosted the confidence of stakeholders.

OPPORTUNITIES

(A) Housing Demand:

Your Company expects demand from the mid income residential segment to remain strong as we believe there is significant demand in this category across the country. Increasing disposable incomes, rapid urbanization, and strong demographics are some of the trends favouring the mid income residential market.

(B) Monetary Easing:

The real estate sector performance is directly bound by the country's economic fundamentals and monetary policies. In the last 18 months, RBI had lowered its policy rate by 150 basis points to 6.5% which bring cheers to the real estate sector. As expected it's a welcome move of RBI by cutting repo rate and is likely to spur demand in the housing sector. The real estate sector has been sluggish demand in the last few years and the reduced rate cut will allow banks to offer loans at more attractive rates.

(C) FDI:

The government's policy initiative to ease FDI rules in construction development sector by reducing the minimum capital requirements from US$ 10 million to US$ 5 million and the built up area from 50,000 sq.m. to 20,000 sq.m. is likely to boost foreign funds significantly. To encourage investment in affordable housing, project committing 30% of the total project costs for low cost affordable have been exempted from minimum area and capitalization of income.

(D) Real Estate(Regulation and Development) Act, 2016:

The Union Cabinet chaired by the Prime Minister Shri. Narendra Modi has approved the Real Estate (Regulation and Development) Bill, 2015 on 09th December, 2015. The Bill thereafter has received the assent of the President of India on 25th March, 2016 and became The Real Estate (Regulation and Development) Act, 2016.

The Key highlights of the Act are as follows;

- Applicable both for commercial and residential real estate projects
- Establishment of "Real Estate Regulatory Authority" in States/UTs to regulate real estate transactions
- Registration of real estate projects and real estate agents with the Authority
- Mandatory disclosure of all registered projects, including details of the promoter, project, layout plan, land status, approvals along with details of real estate agents, contractors, architect etc.
- Promoters to park 70% of all project receivables in a separate escrow account.

THREATS & CHALLENGES

(A) Regulatory Hurdles:

Unfavorable changes in government policies and the regulatory environment can adversely impact the performance of the sector. There are substantial procedural delays with regards to land acquisition, land use, project launches and construction approvals. Retrospective policy changes and regulatory bottlenecks may impact profitability and affect the attractiveness of the sector and companies operating within the sector.

(B) Shortage of Manpower & Technology:

Despite being the second largest employer in the country the construction sector as a whole faces a manpower shortage. Further the sector is heavily dependent on manual labour which increases the timelines for projects and results in supply getting deferred. Hence less labour intensive alternative methods of construction need to be adopted on a large scale through training and skill development of manpower.

III) SIMON INDIA LIMITED (SIL)

The new government has been in place in India since last nearly two years. However, the economic scenario in the country is not looking up the way it was expected. The fall in crude oil price has contributed to the already grim outlook of lack of investment in new projects. As apprehended earlier, there continues to be no investment in large capacity process plants, be it chemicals, hydrocarbons or fertilizers sectors and it is unlikely to improve in the current financial year.

Hence, it is more prudent to focus on smaller investments taking place in small capacity plants and in the modernization / revamp of existing plants. Accordingly, Simon India has been pursuing smaller projects also though due to gloomy economic situation, the number of bidders even in smaller projects is also quite large and there is cut-throat competition, some companies prepared to just cover the costs.

On a larger scale in the worldwide scenario, there are large projects being announced and implemented in Africa. Despite security concerns, a few Indian companies, mainly construction companies, are participating in these projects. Simon India has also registered itself for participation in the hope that a suitable opportunity may emerge.

Simon India is maintaining its vantage position to capitalize on opportunities in MENA region. There are prospects in Chemical & Metallurgical sectors and Simon India is cooperating with these clients in the conceptual stage itself to gain obvious advantages subsequently. With a proven record in the region demonstrating its capability and expertise, SIL is confident to make forays into projects either on its own or in collaboration with large EPC contractors as a partner or subcontractor.

Internal Control Systems and their Adequacy

The company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. These are designed to provide reasonable assurance with respect to maintaining reliable financial and operational information, complying with applicable statutes, executing transactions with proper authorisation coupled with ensuring compliance of corporate policies through documented Standard Operating Procedure (SOP) and Limits of Financial Authority Manual (LOAM).

These documents are reviewed and updated on an ongoing basis to improve the internal controls system and operational efficiency. The Company uses a state-of-the-art ERP (SAP) system to record data for accounting and managing information with adequate security procedure and controls.

The Company has an Audit Committee of the Board of Directors, the details of which have been provided in the Corporate Governance Report. The Audit Committee of the Board reviews the Audit Reports submitted by the Internal Auditors along with the recommendations of the Management Committee. Suggestions for improvement are considered and the Audit Committee follows up on the implementation of the corrective actions. The implementation status of the directions is placed before the Audit Committee periodically, confirming the actions undertaken. The Committee also meets the Company's statutory auditors on a periodic basis to ascertain, inter alia, their views on the adequacy of the internal control systems in the Company and keeps the Board of Directors informed about its major observations from time to time.

Enterprise Risk Management (ERM)

The Risk Management Committee of the Board has approved a Risk Management Policy which has been formulated in accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Our ERM framework encompasses practices relating to identification, assessment, monitoring and mitigation of strategic, operational, financial and compliance related risks. The coverage includes both internal and external factors. The risks identified are prioritised based on their potential impact and likelihood of occurrence. Risk register and internal audit findings also provide input for risk identification and assessment. The prioritised risks along with the mitigation plan are discussed with the Risk Management Committee on periodic basis.

The Company has, during the year internally conducted the Risk Assessment exercise for reviewing the existing processes of identifying, assessing and prioritizing risks. Mitigation plans have been defined for the prioritised risks and same are being reviewed for adherence periodically.

The Risk Management Committee shall periodically review the risks and report to the Board of Directors from time to time.

Material development in human resources

Steps have been taken to inculcate a performance-oriented culture by focusing and laying more emphasis on the performance management system. It has been Company's endeavour to attract talent from the most reputed institutions to meet the requirements of various functions. Efforts are being made towards retention of talent so that the organization does not lose high performers and high-potential employees.

ANNEXURE 'E' TO THE DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

i)	CIN	:	L65921GA1967PLC000157
ii)	Registration Date	:	12/05/1967
iii)	Name of the Company	:	Zuari Global Limited
iv)	Category / Sub-Category of the Company	:	Company Limited by Shares
v)	Address of the Registered office and contact details	:	Jai Kisaan Bhawan, Zuarinagar, Goa, 403726
vi)	Whether listed company	:	Yes

vii) Name, Address and Contact details of Registrar and Transfer Agent, if any

Link Intime India Pvt. Limited,
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai – 400078
Tel: 022-25946970/78
Fax: 022-25946969
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	-	-	-

* No revenue from operation.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. NO	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1	Indian Furniture Products Limited, G106, SIDCO Industrial Estate, Kakkalur, Tamil Nadu- 602003	U72200TN2000PLC089255	Subsidiary	72.45	2(87)
2	Simon India Limited, A-36, Mehtab House, Mohan Cooperative Industrial Estate, New Delhi-110044	U74899DL1995PLC071074	Subsidiary	100	2(87)

Sr. N0	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
3	Zuari Management Services Limited, Jai Kisaan Bhawan, Zuari Nagar, Goa-403726	U74900GA2006PLC004921	Subsidiary	100	2(87)
4	Zuari Infraworld India Limited, Adventz Centre, 1st Floor, No. 28, Cubbon Road, Bangalore- 560001 Karnataka	U45309KA2007PLC043161	Subsidiary	100	2(87)
5	Globex Limited* 409, City Tower 1 Shaikh Zayed Road, PO Box 118767, Dubai, United Arab Emirates	Foreign Company	Subsidiary	100	2(87)
6	Zuari Investments Limited, Jai Kisaan Bhawan, Zuarinagar, Goa-403726	U65993GA1995PLC001942	Subsidiary	100	2(87)
7	Zuari Sugar & Power Limited, Jai Kisaan Bhawan, Zuarinagar,Goa-403726	U65100GA2008PLC007282	Subsidiary	100	2(87)
8	Zuari Agro Chemicals Limited, Jai Kisaan Bhawan, Zuarinagar, Goa-403726	L65910GA2009PLC006177	Associate	20	2(6)
9	Lionel India Limited, 21,Old Court House Street, Kolkata, West Bengal- 700001	L65910GA2009PLC006177	Associate	24.57	2(6)
10	Zuari Indian Oiltanking Private Limited (Formerly known as Zuari Indian Oiltanking Limited) NH-17, Sancoale, Goa-40372	U11202GA2000PTC002869	Joint Venture	50	2(6)
11	Gobind Sugar Mills Limited, 9/1 R N Mukherjee Road, Kolkata West Bengal- 700001	L15421WB1952PLC020577	Indirect Subsidiary	51.27	2(87)
12	Soundaryaa IFPL Interiors Limited, G106, SIDCO Industrial Estate, Kakkalur, Tamil Nadu- 602003	U36912TN2014PLC096859	Indirect Subsidiary	50	2(87)
13	Zuari Infra Middle East Limited, PO Box No 11429, Dubai, United Arab Emirates	N.A	Indirect Subsidiary	100	2(87)
14	Zuari Insurance Brokers Limited, Jai Kisaan Bhawan, Zuarinagar, Goa-403726	U66010GA2003PLC003185	Indirect Subsidiary	100	2(87)
15	Zuari Commodity Trading Limited, Zuari House, 2 Community Centre, Zamrudpur, Kailash Colony Extension, New Delhi- 110048	U27205DL2008PLC180160	Indirect Subsidiary	100	2(87)
16	SJM Elysium Properties LLC	N.A	Indirect Subsidiary	100	2(87)

* liquidated

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders			No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	Promoter s										
	1	Indian									
		a) Individual/ HUF	1530164	0	1530164	5.20	1600578	0	1600578	5.44	0.24
		b) Central Govt									
		c) State Govt(s)									
		d) Bodies Corp.	10072903	0	10072903	34.21	10072903	0	10072903	34.21	0.00
		e) Banks / FI									
		f) Any other									
	Sub-total (A) (1)		11603067	0	11603067	39.41	11673481	0	11673481	39.65	0.24
	2	Foreign									
		a) NRIs - Individuals									
		b) Other - Individuals									
		c) Bodies Corp.	7491750	0	7491750	25.45	7491750	0	7491750	25.45	0.00
		d) Banks / FI									
		e) Any Other....									
	Sub-total (A) (2)		7491750	0	7491750	25.45	7491750	0	7491750	25.45	0.00
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)		19094817	0	19094817	64.86	19165231	0	19165231	65.10	0.24
B	Public Shareholding										
	1	Institutions									
		a) Mutual Funds	1600000	100	1600100	5.44	1600000	100	1600100	5.44	0.00
		b) Banks / FI	3087	2965	6052	0.02	875	2965	3840	0.01	-0.01
		c) Central Govt									
		d) State Govt(s)									
		e) Venture Capital Funds									
		f) Insurance Companies	2362458	250	2362708	8.03	2362458	250	2362708	8.03	0.00
		g) FIIs	1067358	400	1067758	3.63	1067318	400	1067718	3.62	0.00
		h) Foreign Venture Capital Funds									
		i) Others (specify)									
		i-i Foreign Bank	217	0	217	0	217	0	217	0	0.00
	Sub-total (B)(1):-		5033120	3715	5036835	17.12	5030868	3715	5034583	17.10	-0.01
	2	Non-Institutions									
		a) Bodies Corp.	1102365	16960	1119325	3.8	1123815	16960	1140775	3.87	0.07
		i) Indian									
		ii) Overseas									
		b) Individuals									
		i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	2600142	358782	2958924	10.05	2405620	354925	2760545	9.38	-0.67

Category of Shareholders			No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
		ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1081214	15190	1096404	3.72	956258	15190	971448	3.30	-0.42
		c) Others (specify)									
		i) Clearing Members	42052	0	42052	0.14	46348	0	46348	0.16	0.02
		ii) Non Resident Indians	88017	2837	90854	0.31	73187	2837	76024	0.26	-0.05
		iii) Overseas Bodies Corp.	0	450	450		0	450	450	0.00	0.00
		iv) Trusts	943	0	943	0	943	0	943	0.00	0.00
		v) HUF	0	0	0	0	244257	0	244257	0.83	0.83
	Sub-total (B)(2):-		4914733	394219	5308952	18.02	4850428	390362	5240790	17.80	-0.22
	Total Public Shareholding (B)= (B)(1)+ (B)(2)		9947853	397934	10345787	35.14	9881296	394077	10275373	34.90	-0.24
	TOTAL (A)+(B)		29026553	414051	29440604	100	29046527	394077	29440604	100.00	0.00
C	**Shares held by Custodian for GDRs & ADRs**		**0**	**0**	**0**	**0**	**0**	**0**	**0**		**0.00**
Grand Total (A+B+C)			**29042670**	**397934**	**29440604**	**100**	**29046527**	**394077**	**29440604**	**100.00**	**0.00**

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Globalware Holdings Ltd.	7012000	23.82		7012000	23.82		0
2	Texmaco Infrastructure & Holdings Ltd.	2757941	9.37		2757941	9.37		0
3	Coltrane Corpn. Ltd.	479750	1.63		479750	1.63		0
4	Jeewan Jyoti Medical Society	138550	0.47		138550	0.47		0
5	Adventz Finance Private Limited (Refer note 1)	1687512	5.73		1687512	5.73		0
6	Duke Commerce Ltd.	301761	1.02		301761	1.02		0
7	Saroj Kumar Poddar	880933	2.99		951347	3.23		0.24
8	Adventz Securities Enterprises Ltd.	98804	0.34		98804	0.34		0
9	Adventz Investment Co. Pvt. Ltd.	32500	0.11		32500	0.11		0
10	Ricon Commerce Ltd.	8100	0.03		8100	0.03		0
11	Jyotsna Poddar	471621	1.60		471621	1.60		0
12	New Eros Tradecom Ltd.	1196767	4.07		1196767	4.07		0
13	SIL Investments Ltd.	3208000	10.90	7.03	3208000	10.90	5.67	0
14	Pilani Investment & Ind. Corp. Ltd.	434000	1.47		434000	1.47		0
15	RTM Investment & Trading Co. Ltd.	110768	0.38		110768	0.38		0
16	SCM Investment & Trading Co. Ltd.	35000	0.12		35000	0.12		0
17	Ronson Traders Ltd.	63200	0.21		63200	0.21		0

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
18	Basant Kumar Birla	30000	0.10		30000	0.10		0
19	Saroj Kumar Poddar (HUF)	10457	0.04		10457	0.04		0
20	Akshay Poddar	137153	0.47		137153	0.47		0
	TOTAL	**19094817**	**64.86**	**7.03**	**19165231**	**65.10**	**5.67**	**0.24**

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Saroj Kumar Poddar				
	At the beginning of the year	880933	2.99	-	-
	30th March, 2015	763	0.00259	881696	-
	31st March, 2015	2832	0.00961	884528	-
	21st May, 2015	15738	0.05345	900266	-
	22nd May,2015	1813	0.00615	902079	-
	25th May, 2015	1799	0.00611	903878	-
	26th May, 2015	4240	0.0144	908118	-
	27th May, 2015	2158	0.00733	910276	-
	28th May, 2015	1522	0.00516	911798	-
	11th February, 2016	2546	0.008647	914344	-
	12th February, 2016	13030	0.044258	927374	-
	15th February, 2016	19	0.00006	927393	-
	16th February, 2016	2500	0.00849	929893	-
	17th February, 2016	6505	0.02209	936398	-
	26th February, 2016	7569	0.0257	943967	-
	29th February, 2016	7380	0.02506	951347	-
	At the End of the year	**-**	**-**	**951347**	**3.23**

Note: Includes 3595 shares purchased on 30th & 31st March, 2015 as the same were credited after 31st March 2015.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year-2015		Transactions during the Year		Cumulative Shareholding at the end of the year - 2016	
		No.of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
1	Reliance Capital Trustee Co Ltd A/c - Reliance Regular Savings Fund -Equity Option	1600000	5.4347			1600000	5.4347

	At the end of the Year					1600000	5.4347
2	Life Insurance Corporation of India	1350526	4.5873			1350526	4.5873
	At the end of the Year					1350526	4.5873
3	Deutsche Securities Mauritius Limited	899027	3.0537			899027	3.0537
	At the end of the Year					899027	3.0537
4	General Insurance Corporation of India	565922	1.9222			565922	1.9222
	At the end of the Year					565922	1.9222
5	The New India Assurance Company Limited	446010	1.5149			446010	1.5149
	At the end of the Year					446010	1.5149
6	Sicgil India Limited	331500	1.1260			331500	1.1260
	At the end of the Year					331500	1.1260
7	Earthstone Holding (Two) Limited	198225	0.6733			198225	0.6733
	At the end of the Year					198225	0.6733
8	Sparrow Asia Diversified Opportunities Fund	168291	0.5716			168291	0.5716
	At the end of the Year					168291	0.5716
9	Ajay Arjunlal Agarwal	129526	0.4400			129526	0.4400
	Transfer			01 May 2015	291	129817	0.4409
	Transfer			19 Jun 2015	183	130000	0.4416
	Transfer			30 Jun 2015	11248	141248	0.4798
	Transfer			25 Sep 2015	141248	282496	0.9595
	Transfer			30 Sep 2015	(141248)	141248	0.4798
	Transfer			08 Jan 2016	(19000)	122248	0.4152
	Transfer			15 Jan 2016	1000	123248	0.4186
	Transfer			22 Jan 2016	1000	124248	0.4220
	Transfer			12 Feb 2016	1000	125248	0.4254
	At the end of the Year					125248	0.4254
10	Prayas Securities Pvt Ltd	116472	0.3956			116472	0.3956
	At the end of the Year					116472	0.3956

Note : 1. Paid up Share Capital of the Company (Face Value ₹ 10.00) at the end of the year is 29440604 Shares.
2. The details of holding has been clubbed based on pan.
3. % of total shares of the Company is based on the paid up capital of the Company at the end of the year.

v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Saroj Kumar Poddar*	891390	3.03	961804	3.27
2	Jyotsna Poddar	471621	1.6	471621	1.6
3	Marco Wadia	2811	0.01	2811	0.01
4.	Sachin Patil	100	-	100	-

Note: *Inclusive of Saroj Kumar Poddar (HUF)

V INDEBTEDNESS :

Indebtedness of the Company including interest outstanding/accrued but not due for payment

in ₹

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i	Principal Amount	80,00,00,000	-	6,65,000	80,06,65,000
ii	Interest due but not paid	-	-	5,30,501	5,30,501
iii	Interest accrued but not due	2,71,781	-	-	2,71,781
Total (i+ii+iii)		80,02,71,781	-	11,95,501	80,14,67,282
Change in Indebtedness during the financial year					
*** Addition**					
	Principal	-	-	-	-
	Interest	9,94,71,781	-	-	9,94,71,781
*** Reduction**					
	Principal	-	-	3,94,000	3,94,000
	Interest	9,94,71,781	-	2,69,000	9,97,40,781
Net Change		-	-	6,63,000	-6,63,000
Indebtedness at the end of the financial year					
i	Principal Amount	80,00,00,000	-	2,71,000	80,02,71,000
ii	Interest due but not paid	-	-	2,61,501	2,61,501
iii	Interest accrued but not due	2,71,781	-	-	2,71,781
Total (i+ii+iii)		800271781	-	5,32,501	800804282

VI REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

₹ in Lacs

Sl. No.	Particulars of Remuneration	Name of MD / WTD /Manager	Name of MD / WTD /Manager
		Jyotsna Poddar	N. Suresh Krishnan
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60.00	201.44
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	21.83
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify…	-	-

₹ in Lacs

Sl. No.	Particulars of Remuneration	Name of MD / WTD /Manager	Name of MD / WTD /Manager
5	Others, please specify Contribution to Provident fund, Superannuation Fund and gratuity premium under group gratuity policy	4.32	17.08
	Total (A)	64.32	240.35
	Ceiling as per the Act	Maximum remuneration that can be paid 10% net profit	

B. Remuneration to other Directors

₹ in Lacs

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	**Marco Wadia**	**D. B. Engineer**	**K. K. Gupta**	
	• Fee for attending board committee meetings • Commission • Others, please specify	4.35 - -	4.20 - -	3.60 - -	
	Total (1)	**4.35**	**4.20**	**3.60**	**12.15**
2	Other Non-Executive Directors	**Saroj Poddar**			
	• Fee for attending board committee meetings • Commission • Others, please specify	2.00 - -			
	Total (2)	**2.00**			**2.00**
	Total (B) = (1 + 2)				**14.15**
	Total Managerial Remuneration				**304.67**
	Overall Ceiling as per the Act	Maximum remuneration that can be paid 10% net profit			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

₹ in Lacs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	**CFO**
		Sachin Patil	Vijay Kathuria*
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	9.78
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0.21
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		

₹ in Lacs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	CFO
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others, specify…		
5	Others, please specify Contribution to Provident Fund, Superannuation fund and gratuity premium under group gratuity policy		0.66
	Total	NIL	10.65

* appointed CFO w.e.f 5th Feb,2016

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

Type		Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A	**COMPANY**					
	Penalty	NIL				
	Punishment					
	Compounding					
B	**DIRECTORS**					
	Penalty	NIL				
	Punishment					
	Compounding					
C	**OTHER OFFICERS IN DEFAULT**					
	Penalty	NIL				
	Punishment					
	Compounding					

ANNEXURE 'F' TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

FORM MR– 3

Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014.

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016.

To,
The Members,
Zuari Global Limited
Jai Kisaan Bhawan,
Zuarinagar ,Goa, 403726

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ZUARI GLOBAL LIMITED, (hereinafter called the "company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the ZUARI GLOBAL LIMITED'S books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 and according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed tereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

I. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

II. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

III. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

IV. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; .....Not applicable

V. The Securities and Exchange Board of India (Issue and Listing of Debt Securities), 2008; .....Not applicable

VI. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

VII. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ..... Not applicable

VIII. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ; .....Not applicable.

The other laws as may be applicable specifically to the Company are:-

A. Tax Legislations:

1. The Income tax Act, 1961;
2. Central Sales Tax Act, 1956 and Goa Value Added Tax Act, 2005;
3. Chapter V and VA of the Finance Act, 1994 (Service Tax).

B. Labour Laws:

1. Payment of Bonus Act, 1965;
2. Employees State Insurance Act, 1948, the Employees State Insurance (General Regulations, 1950, The Employees State Insurance (Central) Rules, 1950;

3. The Employees Exchange (Compulsory Notification of Vacancies) Act, 1959 and The Employment Exchange (Compulsory Notification of Vacancies) Rules 1960;
4. Employees Provident Fund and Miscellaneous Provisions Act, 1952;
5. Employees Pension Scheme, 1995;
6. The Payment of Gratuity Act 1972, The Goa Daman and Diu Payment of Gratuity Rules 1973, and the Payment of Gratuity (Central) Rules 1972;
7. The Goa Daman and Diu Labour Welfare Fund Act 1986 & The Goa Labour Welfare Fund Rules 1990;
8. Contract Labour (Regulations & Abolition) Act, 1970 and The Goa Daman and Diu Contract Labour (Regulations & Abolition) Rules, 1972;
9. Minimum Wages Act, 1948 with Goa Daman and Diu Minimum Wages Rules 1975;
10. The Maternity Benefit Act, 1961 and The Goa Daman and Diu Maternity Benefit Rules 1967;
11. Motor Transport Workers Act 1961;
12. Industrial Disputes Act, 1947 and The Industrial Disputes (Central) Rules 1957.

C. Other Legislations:
1. Essential Commodities Act, 1955;
2. Fertiliser (Control) Order, 1985 and fertilizer (Movement Control) Order 1973;
3. Trademarks Act, 1999.

I further report that, based on the information provided by the Company, its officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads / Company Secretary / Managing Director taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour laws and other legislations.

I further report that the Compliance by the Company of applicable Financial laws like Direct & Indirect tax laws, Service tax and others detailed under Tax Legislations, I have relied on the representations made by the Company, its Officers and Reports issued by the Statutory Auditors.

I have also examined compliance with the applicable clauses of the following:

(a) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Listing Agreements entered into by the Company with Stock Exchange(s);
(iii) Securities and Exchange Board of India (Listing Obligation and Disclosure requirements) Regulations 2015 (With effect from 01st December, 2015).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

C S Sadashiv V Shet
Practicing Company Secretary
FCS No. 2477
C P No. 2540

Date : May, 12, 2016
Place : Panaji- Goa

This report is to be read along with Annexure – a which forms an integral part of this report.

'Annexure – A ' (My report of even date is to be read with this Annexure.)

1. Maintaining the Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification of documents was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. This Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

C S Sadashiv V Shet
Practicing Company Secretary
FCS No. 2477
C P No. 2540

Date : May, 12, 2016
Place : Panaji- Goa

ANNEXURE 'G' TO THE DIRECTORS' REPORT

Format of reporting of Corporate Social Responsibility(CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

   Driven by our passion to make a difference to society, Adventz Group Companies are committed to upholding the highest standards of corporate social responsibility, and have continued its progress on community initiatives with renewed vigour and devotion.

   With the commencement of the Companies Act, 2013, the CSR activities of the Company were re-visited and re-aligned as per the CSR provisions contained in Companies Act, 2013 and rules made there under. Company's CSR projects and initiatives are guided by our CSR Policy, and reviewed closely by the CSR Committee institutionalized and adopted by the Board of Directors as per the "Section 135 of the Companies Act, 2013".

   As a responsible business corporation, our companies have built sustainable and effective CSR initiatives that are vital towards fulfilling critical societal need gaps in the communities we operate in. We also believe that we have a larger responsibility towards making a difference within our industry and also society at large.

   Weblink to CSR Policy :
   http://www.adventz.com/annualReports/CORPORATE%20SOCIAL%20RESPONSIBILITY%20POLICY%20_2_.pdf

2. **The Composition of the CSR Committee:**

   K.K. Gupta – Chairman

   Marco Wadia – Member

   N. Suresh Krishnan – Member

3. **Average net profit of the Company for last three financial years:**

   a) Average of profit (in Lacs) ₹ 3223.71

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):**

   a) 2% of Profit before tax (in Lacs) ₹ 64.47

5. **Details of CSR spent during the financial year:**

   a) Total amount to be spent for the financial year (in Lacs) ₹ 64.47

   b) Total amount spent during the financial year (in lac) ₹ 58.46

   c) Amount unspent, (in Lacs) ₹ 6.01

6. **Manner in which the amount spent during the financial year is detailed below:**

   The two percent of the average net profit of the last three financial years for the Company is ₹ 64.47 Lacs.

Sl. No	CSR Project or activity Identified	Sector in which the project is covered	Projects or programs 1. Local area or other 2. Specify the state and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub heads 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent : Direct or through imple-menting agency
1	Support to Primary Schools in Flood Affected Areas	Promoting Education	Udhampur, Jammu & Kashmir	15,06,071	1. Direct expenditure – 100 % 2. Overheads – Nil	₹ 15,06,071	Direct
2	Support to Oldage Homes	Promoting Oldage Homes	Maharashtra, Odisha, Karnataka	43,40,376	1. Direct expenditure – 100 % 2. Overheads – Nil	₹ 43,40,376	Direct

During the financial year 2015-16 the company responded positively to support fourteen primary schools and two orphanages located in flood affected area of district Udhampur (Jammu & Kashmir). The initiative was conducted in close coordination with the district administration, Education Department, and social welfare department. The support included the provisioning of school furniture which helped in restoring a better learning environment for pupils.

Additionally, to support the issue of aging and care for elderly, the company supported ten old age homes located in three states Maharashtra, Karnataka and Odisha with necessary furniture for the elderly, in close coordination and support from HelpAge India. The company will continue to build on such endeavors to empower the underprivileged through the collective efforts of our companies.

In addition, the group is also proud to have established the Adventz Foundation for reinforcing its commitment to inclusive growth and sustainable development. In order to maximize our social impact, our businesses are making our best efforts to combine resources and business strengths of individual companies for achieving specific social objectives.

The company has unspend amount of ₹ 6.01Lakh.The amount was unspent because of lack of an appropriate opportunity for a CSR activity. However the same is being carried forward and is planned to be spent with the budget allocated for the financial year to 2016-17,

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place : Gurgaon
Date : 13th May, 2016

N. Suresh Krishnan
Managing Director

K. K. Gupta
Chairman of CSR Committee

ANNEXURE 'H' TO THE DIRECTORS' REPORT

Statement of particulars as per Rule 5(1) of Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16:

Sr. No.	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1	S.K. Poddar – Chairman *	NIL
2	N. Suresh Krishnan- Managing Director	1:7.62
3	Jyotsna Poddar – Whole time Director	1:1
4	D.B. Engineer- (independent Director)*	NIL
5	Marco Wadia -(Independent Director)*	NIL
6	K.K. Gupta -(Independent Director)*	NIL

* Mr. S. K. Poddar - Chairman, Mr. Marco Wadia, Mr. D. B. Engineer and Mr. K. K. Gupta were paid sitting fees for attending the Meetings.

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, in the financial year;

Sr. No.	Name of the Director	Percentage increase in remuneration
1	S.K. Poddar – Chairman *	NIL
2	N. Suresh Krishnan- Managing Director	NIL
3	Jyotsna Poddar – Whole time Director#	NIL
4	D.B. Engineer- (independent Director)*	NIL
6	Marco Wadia -(Independent Director)*	NIL
7	K.K. Gupta -(Independent Director)*	NIL
8	H.C. Shah**	8%
9	K.G. Prabhu***	NIL
10.	Vijay Kathuria@	NIL
11.	Sachin Patil##	NIL

* Mr. S. K.Poddar - Chairman, Mr. Marco Wadia, Mr. D. B. Engineer and Mr. K.K. Gupta were paid sitting fees for attending the Meetings
\# There was no increase in Remuneration paid to Mrs Jyotsna Poddar, Whole time Director during the Financial Year 31st March, 2016.
** Ceases to be CFO w.e.f. 30th November, 2015
*** Resigned as Company Secretary w.e.f. 14th October, 2015
@ Appointed as CFO w.e.f. 5th February, 2016
Appointed as Asst. Company Secretary w.e.f. 5th February, 2016

(iii) The percentage increase in the median remuneration of employees in the financial year.
11 %

(iv) The number of permanent employees on the rolls of Company
There are 11 permanent employees on the rolls of the Company

(v) The explanation on the relationship between average increase in remuneration and Company performance.

Average increase in remuneration	Company performance
5.04 %	The Company has made a profit after tax of ₹ 2,358.14 Lacs for the year ended 31st March, 2016.

(vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company

Remuneration of Key Managerial Personnel	Performance of the Company for the year ended 31st March, 2016
₹ 251.00 Lacs	The Company has made a profit after tax of ₹ 2,358.14 Lacs for the year ended 31st March, 2016.

(vii) Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.

Sr. No.	Particular	As at 31st March, 2016		As at 31st March, 2015	
1	Market Capitalisation	BSE	₹ 2,633,838,651	BSE	₹ 2,782,210,606
		NSE	₹ 2,637,289,306	NSE	₹ 2,765,355,934
2	Price Earnings Ratio	BSE	11.17	BSE	10.64
		NSE	11.18	NSE	10.32

Increase or decrease in the market quotations of shares is not provided since the company had come with the last public officer in the year 1970 and the Company has gone through a Scheme of Arrangement and Demerger in the year 2012.

(viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

The average increase in remuneration to employees other than managerial personnel was 5.04%.

There was no increase in Remuneration paid to Whole Time Director during the Financial Year ended 31st March, 2016.

(ix) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company

₹ in Lacs

Sr.No.	Name	Remuneration of Managerial Personnel	Key Performance of the Company
1	N.Suresh Krishnan	₹ 240. 35	The Company has made a profit after tax of ₹ 2,358.14 Lacs for the year ended 31st March, 2016.
2	H. C. Shah*	₹ 25.04	
3	K. G. Prabhu**	Nil	
4	Vijay Kathuria@	₹ 10.65	
5	Sachin Patil#	Nil	

* Designated as key managerial personnel, upto 30th November, 2015.
** Designated as Key Managerial Personnel upto 14th October, 2015 and no remuneration is paid by the Company
@ Designated as Key Managerial Personnel, w.e.f. 5th February, 2016
\# Designated as Key Managerial Personnel w.e.f. 5th February, 2016 and no remuneration is paid by the Company

(x) The key parameters for any variable component of remuneration availed by the directors – None

(xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.

– N.A.

(xii) It is hereby affirmed that the remuneration is as per the Remuneration policy of the Company.

On behalf of the Board of Directors

Place : Gurgaon
Date : 13th May, 2016

S. K. Poddar
Chairman

ANNEXURE 'I' TO THE DIRECTORS' REPORT

Part -A

statement containing salient features of the financial statements.

(Persuant to provisio to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

₹ in Lacs

Sl. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment	Turnover	Profit before taxation	Tax Expenses/ (Credit)	Profit after taxation	Proposed Dividend	% of Share-holding
Indian Subsidiaries															
1	Zuari Infraworld India Ltd.	2015-16	INR	-	5,505.00	7,245.47	29,973.28	17,222.81	6,246.16	3,230.31	126.80	12.59	114.21	-	100.00%
2	Indian Furniture Products Ltd.	2015-16	INR	-	8,009.95	(7,997.43)	11,593.52	11,581.00	12.50	11,304.34	(1,111.17)	-	(1,111.17)	-	72.45%
	Soundaryaa IFPL Interiors Ltd. (Subsidiary of Indian Furniture Products Ltd.)	2015-16	INR	-	25.00	(234.59)	977.82	1,187.41	-	708.66	(141.88)	0.08	(141.96)	-	N.A
3	Simon India Limited	2015-16	INR	-	500.00	10,444.65	15,875.25	4,930.60	5,339.25	8,742.42	89.60	0.20	89.40	-	100.00%
4	Zuari Management Services Limited	2015-16	INR	-	5.00	587.96	1,892.89	1,299.93	1,630.26	269.99	(150.89)	-	(150.89)	-	100.00%
5	Zuari Investments Limited Subsidiaries of Zuari Investments Limited	2015-16	INR	-	3,744.58	(824.56)	14,009.51	11,089.49	12,006.91	675.80	2.75	-	2.75	-	100.00%
	a) Zuari Insurance Brokers Ltd.	2015-16	INR	-	275.00	(6.02)	281.84	12.87	75.00	231.38	8.42	1.76	6.67	-	N.A
	b) Zuari Commodity Trading Ltd.	2015-16	INR	-	160.00	(51.24)	146.46	37.71	-	31.10	(5.64)	-	(5.64)	-	N.A
	c) Gobind Sugar Mills Ltd.	2015-16	INR	-	12,880.00	(9,449.64)	60,538.96	57,108.60	14.23	31,869.56	(160.37)	(212.33)	51.96	-	N.A
6	"Zuari Sugar and Power Limited (formerly known as Zuari Financial Services Limited)"	2015-16	INR	-	1,490.00	6.77	4,651.92	3,155.15	3,280.00	222.71	(134.54)	-	(134.54)	-	100.00%
Foreign Subsidiaries															
1	Globex Ltd.	2015-16	AED	17.7703*	13.40	81.29	101.84	7.16	-	-	(1,594.98)	-	(1,594.98)	-	100.00%
2	Zuari Infra Middle East Ltd. (Subsidiary of Zuari Infraworld India Ltd.)	2015-16	AED	18.0375	1.80	50.46	8,665.34	8,613.08	26.52	667.76	45.60	-	45.60	-	N.A
3	SJM Elysium Properties LLC (Subsidiary of Zuari Infra Middle East Ltd.)	2015-16	AED	18.0375	54.11	(62.74)	4,733.69	4,742.31	-	-	(15.81)	-	(15.81)	-	N.A

Note 1:* AED converted into Indian Rupees at the Exchange rate 1 AED= INR 17.7703 as on date of liquidation of the Company (30.10.2015)
Note 2: Subsidiary which are yet to commence operations - Zuari Infra Middle East Ltd.
Note 3: Subsidiary which have been sold during the year-Nil
The foreign subsidiary, Globex Limited was liquidated during the year and thus consolidated upto date of liquidation i.e. 30th October 2015.

S. K. Poddar	**N. Suresh Krishnan**	**Marco Wadia**	**Vijay Kathuria**	**Sachin Patil**
Chairman	Managing Director	Director	Chief Financial Officer	Asst. Company Secretary

Place : Gurgoan
Date : 13th May, 2016

PART - B

Statement containing salient features of the financial statement of Joint Ventures
(Persuant to provisio to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

` in Lacs

Name of the Company	Joint Ventures	Associates
	Zuari Indian Oiltanking Pvt. Ltd.	Zuari Agro Chemicals Limited (Consolidated)
1. Latest audited Balance Sheet Date	31st March, 2016	31st March, 2016
2. Shares of Joint Ventures held by the Company on the year end		
No. (No. of Shares)	1,00,20,040	1,34,90,510
Amount of Investment in Joint Venture	1,002.00	2,145.92
Extend of holding %	50.00%	32.08%
3. Description of how there is significant influence	Based on the Percentage of Holding in the Joint Venture Company	Based on the Percentage of Holding in the Associate Company
4. Reason why the Joint venture is not consolidated	Not Applicable	Not Applicable
5. Networth attributable to Shareholding as per latest audited Balance Sheet	1,588.89	29,349.09
6. Profit/ (loss) for the year [Profit/(Loss) after Tax]	2.54	(9,100.84)
i. Considered in Consolidation	1.27	(2,919.55)
ii. Not Considered in Consolidation	1.27	(6,181.29)

Note 1 : Associates or Joint Ventures which are yet to commence operations - Nil
Note 2 : Associates or Joint Ventures which have been sold during the year - Nil

S. K. Poddar
Chairman

N. Suresh Krishnan
Managing Director

Marco Wadia
Director

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary

Place : Gurgoan
Date : 13th May, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of Zuari Global Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Zuari Global Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Basis for qualified opinion

We report that, as referred in Note 10(a)(ii), the Company is carrying investments of ₹ 6,944.09 Lacs in the equity share capital of Nagarjuna Oil Refinery Limited (NORL), whereof the market value at the year-end is ₹ 1085.36 Lacs. These shares were allotted to the Company consequent to demerger/ merger scheme of Nagarjuna Fertiliser and Chemicals Limited (NFCL). The Company further holds 32,267,741 equity shares in NFCL which are yet to be listed on the stock exchange pending receipt of permission from Securities Exchange Board of India. These equity shares in NFCL are carried at value of ₹ 2,115.39 Lacs. The Company has not made provision for diminution in the value of investment in NORL, in view of long term strategic investments in the said company, the appropriateness or otherwise of which we are unable to comment on including consequential adjustments /effects, if any, on the accompanying financial statements.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and except for the matter described in the basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) Except for the matter described in the basis for Qualified Opinion paragraph, 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   (d) Except for the possible effect of the matter described in the basis for Qualified Opinion paragraph, In our opinion, the aforesaid standalone 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) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

   (f) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

   (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.

   (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note No.25 (a) to the financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921

Place of Signature : New Delhi
Date: May 13, 2016

Annexure referred to in paragraph 'Report on Other Legal and Regulatory Requirements' of our report of even date

Re: Zuari Global Limited ('the Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year based on a phased programme of verifying all the assets over a period of two years, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on physical verification.

(c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company does not hold any immovable properties included in fixed assets and accordingly the clause is not applicable and hence not commented upon.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) (a) The Company has granted loans to four companies covered in the register maintained under Section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the loans not prejudicial to the Company's interest.

(b) In respect of loans granted to companies covered in the register maintained under Section 189 of the Companies Act, 2013, repayment of the principal amount is as stipulated and payment of interest has been regular except for loans granted by the Company to two subsidiaries, where payment of interest has not been regular.

(c) There is no amounts of loans granted to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013 which are outstanding for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, provisions of Section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.

(v) In respect of deposits accepted, in our opinion and according to the information and explanations given to us, directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013, and the rules framed there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

(vi) To the best of our knowledge and as explained, the Central government has not prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products/services of the Company.

(vii) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added taxes, cess and any other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, duty of customs, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Demand in respect of assessment proceedings.	137.91	2008-09	Income tax appellate tribunal
Income Tax Act, 1961	Demand in respect of assessment proceedings.	2046.75	2011-12	Income tax appellate tribunal (In process of filing appeal)
Income Tax Act, 1961	Demand in respect of short TDS deduction	63.84	2007-08 to 2012-13	Asst. Commissioner of Income Tax

(viii) The Company does not have any loan from financial institution or bank or government and did not have any debentures during the year.

(ix) According to the information and explanations given by the management and on an overall examination of the balance sheet, we report that monies raised by way of term loans were applied for the purposes for which those were raised. The Company has not raised money by way of initial public offer / further public offer and debt instruments.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud on or no fraud by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration
Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921

Place : New Delhi
Date : May 13, 2016

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE

STANDALONE FINANCIAL STATEMENTS OF ZUARI GLOBAL LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Zuari Global Limited ("the Company") as of March 31, 2016, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2016:

(a) The Company's internal financial controls over evaluation of provision for diminution in value of investments were not operating effectively which could potentially result in the Company not recognising provision for diminution in value of investments.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2016.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of Zuari Global Limited, which comprise the Balance Sheet as at March 31, 2016, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2016 standalone financial statements of Zuari Global Limited and this report affect our report dated May 13, 2016, which expressed an qualified opinion on those financial statements.

For S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921

Place: New Delhi
Date: May 13, 2016

Balance Sheet as at 31st March, 2016

₹ in Lacs

		Notes	31st March, 2016	31st March, 2015
I.	**EQUITY AND LIABILITIES**			
	Shareholders' funds			
(a)	Share capital	3	**2,944.11**	2,944.11
(b)	Reserves and surplus	4	**63,421.51**	61,417.71
			66,365.62	64,361.82
	Non-current liabilities			
(a)	Deferred tax liabilities (Net)	5	**37.65**	57.34
(b)	Long-term borrowings	6	**-**	8,000.00
(c)	Long-term provisions	8	**23.27**	42.70
			60.92	8,100.04
	Current liabilities			
(a)	Trade payables	7		
	- Total outstanding dues of micro enterprises and small enterprises		**-**	-
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		**131.72**	94.33
(b)	Other current liabilities	7	**20,071.74**	13,542.62
(c)	Short-term provisions	8	**784.10**	485.05
			20,987.56	14,122.00
	Total		**87,414.10**	86,583.86
II.	**ASSETS**			
	Non-current assets			
(a)	Fixed Assets	9	**211.62**	1,386.09
(b)	Non-current investments	10	**44,885.06**	39,196.26
(c)	Loans and advances	11	**3,662.94**	4,470.40
(d)	Other non-current assets	12	**9.83**	0.76
			48,769.45	45,053.51
	Current assets			
(a)	Current investments	13	**2,115.39**	4,350.51
(b)	Inventories	14	**21,544.37**	20,549.64
(c)	Trade receivables	15	**-**	22.72
(d)	Cash and bank balances	16	**120.83**	409.78
(e)	Loans and advances	11	**14,703.32**	15,942.41
(f)	Other current assets	12	**160.74**	255.29
			38,644.65	41,530.35
	Total		**87,414.10**	86,583.86

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of Board of Directors of Zuari Global Limited

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firms Regn. No.301003E/E300005

S. K. Poddar
Chairman
DIN : 00008654

N. Suresh Krishnan
Managing Director
DIN : 00021965

Marco Wadia
Director
DIN : 00244357

per Anil Gupta
Partner
Membership No: 87921

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
ACS : 31286

Place : New Delhi
Dated : May 13, 2016

Place : Gurgaon
Date : May 13, 2016

Statement of Profit and Loss for the year ended 31st March, 2016

₹ in Lacs

		Notes	31st March, 2016	31st March, 2015
I.	**Income**			
	(a) Revenue from operations	17	**-**	3,951.77
	(b) Other income	18	**4,139.75**	4,076.75
	Total Revenue		**4,139.75**	8,028.52
II.	**Expenses**			
	(a) Purchase of traded goods	19	**-**	3,708.18
	(b) (Increase) in stock in trade	20	**(994.73)**	(1,068.98)
	(c) Employee benefits expense	21	**504.11**	173.98
	(d) Other expenses	22	**399.11**	670.73
	(e) Depreciation and amortization expense	23	**21.61**	22.59
	(f) Finance costs	24	**880.04**	1,122.74
	(g) Exceptional items	25	**503.63**	-
		Total	**1,313.77**	4,629.24
III.	**Profit before tax (I-II)**		**2,825.98**	3,399.28
IV.	**Tax expenses**			
	(a) Current tax		**689.69**	684.89
	(b) MAT credit entitlement		**-**	(45.03)
	(c) Income tax adjustment for earlier years		**(202.16)**	48.48
	(d) Deferred tax charge / (credit)		**(19.69)**	32.67
	Total tax expense		**467.84**	721.01
	Profit for the year (III-IV)		**2,358.14**	2,678.27
	Earnings Per share	36		
	Basic			
	Earnings per equity share (nominal value of share ₹ 10/- (31st March 2015 - ₹10/-)		**₹ 8.01**	₹ 9.10
	Diluted			
	Earnings per equity share (nominal value of share ₹ 10/- (31st March 2015 - ₹10/-)		**₹ 8.01**	₹ 9.10

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firms Regn. No.301003E/E300005

per Anil Gupta
Partner
Membership No: 87921

Place : New Delhi
Dated : May 13, 2016

For and on behalf of Board of Directors of Zuari Global Limited

S. K. Poddar
Chairman
DIN : 00008654

N. Suresh Krishnan
Managing Director
DIN : 00021965

Marco Wadia
Director
DIN : 00244357

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
ACS : 31286

Place : Gurgaon
Date : May 13, 2016

Cash flow statement for the year ended 31st March, 2016

₹ in Lacs

	Particulars	Year ended 31st March, 2016	Year ended 31st March,2015
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Profit before tax	**2,825.98**	3,399.28
	Adjustment to reconcile profit before tax to net cash flows		
	Depreciation / amortisation	**21.61**	22.59
	Provision for doubtful debts and advances	**51.20**	-
	Profit on sale of investments	**(82.48)**	-
	Interest expense	**880.04**	1,121.05
	Interest (income)	**(2,515.97)**	(2,251.62)
	Dividend (income)	**(1,338.21)**	(1,471.21)
	Dimunition in the value of current investments	**586.11**	-
		(2,397.70)	(2,579.19)
	Operating profit before Working Capital Changes	**428.28**	820.09
	Movement in working capital :		
	(Increase) in inventories	**(994.73)**	(1,068.98)
	Decrease in trade receivables	**2.82**	4,657.22
	Decrease / (Increase) in other current assets	**0.00**	363.05
	(Increase) in loans and advances	**46.57**	(22.80)
	Increase / (decrease) in trade payables	**37.39**	(10,777.01)
	Increase / (decrease) in current liabilities	**30.72**	(1,050.19)
	Increase / (Decrease) in provisions	**96.34**	(138.61)
		(780.89)	(8,037.32)
	Cash (used) in Operations	**(352.61)**	(7,217.23)
	Direct taxes paid (net of refunds)	**(951.52)**	(1,133.76)
	Net Cash flow (used in) Operating Activities (A)	**(1,304.13)**	(8,350.99)
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Proceeds from current investments	**2,760.32**	19,282.72
	Purchase of current investments	**(4,260.32)**	(7,362.72)
	Purchase of non current investments	**(1,900.17)**	-
	Purchase of investments in subsidiaries and Joint ventures	**(1,000.00)**	(1,639.00)
	Proceeds from Sale of investments in subsidiaries and joint ventures	**95.88**	1,641.27
	Fixed deposits matured	**0.78**	1.00
	Interest received	**2,601.66**	2,579.25
	Dividends received on investments	**1,338.21**	1,471.21
	ICD / Loans given to bodies corporates	**(1,750.00)**	(6,825.00)
	ICD / Loans given to bodies corporates received back	**4,365.80**	3,506.29
	Net Cash flow from investing activities (B)	**2,252.16**	12,655.02

Cash flow statement for the year ended 31st March, 2016

₹ in Lacs

	Particulars	Year ended 31st March, 2016	Year ended 31st March,2015
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Repayment of Unclaimed Deposits	**(3.94)**	(6.67)
	Proceeds of short-term borrowings	**-**	(3,000.00)
	Interest paid	**(873.26)**	(1,220.95)
	Dividend paid on equity shares	**(298.85)**	(296.48)
	Tax on equity dividend paid	**(59.93)**	(50.03)
	Net Cash flow from/(used in) financing activities (C)	**(1,235.98)**	(4,574.13)
	Net (decrease) in cash and cash equivalents (A + B + C)	**(287.95)**	(270.10)
	Cash and cash equivalents at the beginning of the year	**407.78**	677.88
	Less : Transfer due to Demerger	**-**	-
	Cash and cash equivalents at the end of the year	**119.83**	407.78

Components of cash and cash equivalents	As at 31st March 2016	As at 31st March,2015
Cash on hand	**0.06**	2.57
Cheques/ drafts on hand	**0.87**	1.72
With banks- on current accounts	**87.25**	364.73
- unpaid dividend accounts*	**29.04**	33.46
- On Interest warrant accounts*	**2.61**	5.30
Total cash and cash equivalents (note 17)	**119.83**	407.78

Summary of significant accounting policies 2.1

Notes :

1) Previous year figures have been regrouped wherever necessary to confirm to current year classification.

2) *The Company can utilize these balances only towards settlement of the respective unpaid dividend, unpaid matured deposits and unpaid matured interest warrents.

3) Cash flow from operating activities for the year is after considering corporate social responsibility expenditure of ₹ 58.46 Lacs (31st March 2015 : Nil)

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firms Regn. No.301003E/E300005

per Anil Gupta
Partner
Membership No: 87921

Place : New Delhi
Dated : May 13, 2016

For and on behalf of Board of Directors of Zuari Global Limited

S. K. Poddar
Chairman
DIN : 00008654

N. Suresh Krishnan
Managing Director
DIN : 00021965

Marco Wadia
Director
DIN : 00244357

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
ACS : 31286

Place : Gurgaon
Date : May 13, 2016

Notes to Financial statements for the year ended 31st March, 2016

1. Corporate Information

The Company is a public Company domiciled in India. The Company is in the business of trading of pesticides and complex fertilisers. The Company caters to the demand of the farmers all over the country. The Company has acquired lands with the objective of developing the land.

2. Basis for preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention except for derivative financial instruments which have been measured at fair value. The accounting policies have been consistently applied by the Company and are consistent with those used in previous year.

2.1 Statement of Significant Accounting Policies

I. Basis of classification of Current and Non Current

Assets and Liabilities in the balance sheet have been classified as either current or non-current based upon the requirements of Schedule III notified under the Companies Act 2013.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

II. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (Indian GAAP) requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about the assumptions and estimates could result in the outcomes requiring material adjustments to the carrying amounts of assets and liabilities in future period.

III. Tangible assets

Fixed assets are stated at cost less accumulated depreciation/amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gains or losses from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

IV. Depreciation

Depreciation is provided using the Straight Line Method as per the useful lives of the fixed assets (other than machinery spares) as estimated by the management, which are equal to the rates prescribed under Schedule II of the Companies Act, 2013. Assets costing up to ₹ 5,000 are depreciated fully in the year of its acquisition. The useful life in this case is estimated as one year.

Notes to Financial statements for the year ended 31st March, 2016

V. Intangibles

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. Intangibles representing computer software are amortized using the Straight Line basis over their estimated useful economic lives of three years.

VI. Impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued plant, property and equipment, where the revaluation was taken to revaluation reserve. In this case, the impainnent is also recognized in the revaluation reserve up to the amount of any previous revaluation.

After impairment, depreciation is provided on the revised canying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the canying amount that would have been detennined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

VII. Investments

Investments that are readily realisable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of investments, the difference between its carrying amount and net disposal proceeds is charged to the Statement of profit & loss.

VIII. Investment Property

An investment in land, buildings or plant and machinery which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on building and plant and machinery component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management, which are equal to the rates

prescribed under Schedule II of the Companies Act, 2013.On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

IX. Inventories

Inventories are valued at the lower of Cost and Net Realisable Value.

The Cost is determined as follows:

a) Raw Materials and Packing Materials : Moving weighted average method

b) (i) Finished goods (manufactured): Material cost on moving weighted average method.

(ii) Traded goods: Cost is determined as per Moving weighted average method. Cost includes the cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

(iii) Land Inventory: Valued at lower of cost and net realisable value. Land inventory in respect of which right is granted to third parties for development is classified as current asset. Land which is held for future development is classified as non current asset.

Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

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

X. Retirement and other Employee Benefits

a) Provident Fund and Family Pension Fund

Retirement benefits in the form of Provident Fund is a defined benefit obligation and is provided for on the basis of actuarial valuation of projected unit credit method made at the end of each financial year. The difference between the actuarial valuation of the provident fund of employees at the year end and the balance of own managed fund is provided for as liability in the books in terms of the provisions under Employee Provident Fund and Miscellaneous Provisions Act, 1952.

Retirement benefit in the form of pension fund and National Pension Scheme are defined contribution scheme. The Company has no obligation, other than the contribution payable to the pension fund. The Company recognizes contribution payable to the pension fund scheme as 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.

b) Gratuity

The Company operates one defined benefit plan for its employees viz. gratuity liability. The cost of providing benefit under this plan is determined on the basis of actuarial valuation at each year end. Actuarial valuation is carried out for each plan using the projected unit credit method. The Company has taken an insurance policy under the Group Gratuity Scheme with the Life Insurance Corporation of India (LIC) to cover the gratuity liability of the employees.

c) Leave Encashment

Accumulated leave which is expected to be utilized within the next twelve 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.

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 actuarial valuation using the projected unit credit method at the year end. The Company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Notes to Financial statements for the year ended 31st March, 2016

d) Superannuation and Contributory Pension Fund

Retirement benefit in the form of Superannuation Fund and Contributory Pension Fund are defined contribution schemes. The Company has no obligation, other than the contribution payable to the Superannuation Fund and Contributory Pension Fund to Life Insurance Corporation of India (LIC) against the insurance policy taken with them. The Company recognizes contribution payable to the Superannuation Fund and Contributory Pension Fund scheme as 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.

e) Actuarial gains/losses related to gratuity, long term compensated absence and provident fund in form of defined obligation plan are immediately taken to the statement of profit and loss and are not deferred.

f) Payments made / to be made under the Voluntary Retirement Scheme are charged to the statement of profit and loss immediately.

XI. Foreign currency translation

Foreign currency transactions and balances

a) 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.

b) 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.

c) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

d) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

XII. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods is recognised when the significant risk and rewards of ownership of the goods have passed to the customers. The Company collects sales taxes 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.

Claims receivable on account of interest from dealers on delayed payments and insurance claims are accounted for to the extent the Company is reasonably certain of their ultimate collection.

Other interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend is recognised when the shareholders' right to receive payment is established by the balance sheet date.

Revenue from sale of land and development rights is recognized upon transfer of all significant risks and rewards or ownership of such real estate/property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/agreements. Revenue from sale of land and development rights is only recognized when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.

Notes to Financial statements for the year ended 31st March, 2016

XIII. Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

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

XIV. Operating Leases

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

XV. Accounting for Taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has carry forward of unabsorbed depreciation and tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits. Unrecognised deferred tax assets of earlier years are re-assessed at each balance sheet date and recognised 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 realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the 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 realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

XVI. Provisions

A provision is recognised when an enterprise 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 are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

Notes to Financial statements for the year ended 31st March, 2016

XVII. Segment reporting policies

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 locations of customers.

Allocation of common costs:

Common allocable costs are allocated to each segment in proportion to the relative sales of each segment.

Unallocated items:

All the common income, expenses, assets and liabilities, which are not possible to be allocated to different segments, are treated as unallocated items.

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.

XVIII. Earnings per Share

Basic Earnings per Share is calculated by dividing the net profit or loss for the year attributable to the equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive Potential Equity Shares.

XIX. Derivative Instruments

In accordance with ICAI announcements, derivative contracts, other than foreign currency forward contracts covered under AS11, are marked to market on portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item,is charged to the statement of profit and loss. Net gain,if any after considering the offsetting effect of loss on the underlying hedged item, is ignored.

XX. Cash and Cash equivalents

Cash and cash equivalents in the cash flow statement comprises cash at bank and in hand and short term investments with an original maturity periods of three months or less.

XXI. Government grants and 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 expenses item, it is recognised 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.

XXII. 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.

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Notes to Financial statements for the year ended 31st March, 2016

3. Share Capital

₹ in Lacs

Particulars	31st March, 2016	31st March, 2015
Authorised :		
11,50,00,000(31st March 2015:: 11,50,00,000) Equity Shares of ₹ 10/- each	**11,500.00**	11,500.00
20,75,000 (31st March 2015:: 20,75,000) Redeemable Cumulative Preference shares of ₹ 100/- each	**2,075.00**	2,075.00
	13,575.00	13,575.00
Issued		
*2,94,48,655 (31st March 2015:: 2,94,48,655) Equity Shares of ₹ 10/- each fully paid-up	**2,944.87**	2,944.87
Subscribed and Paid-up		
2,94,40,604 (31st March 2015:: 2,94,40,604) Equity Shares of ₹ 10/- each fully paid-up	**2,944.06**	2,944.06
Add : 1,100 (31st March 2015::1,100) Forfeited Shares (amount paid-up) fully paid-up	**0.05**	0.05
Total	**2,944.11**	2,944.11

a. Reconciliation of Shares Outstanding at the beginning and end of the reporting year

Equity Shares	31st March 2016		31st March 2015	
	in Numbers	Rs In Lacs	in Numbers	Rs In Lacs
At the beginning of the year	**2,94,40,604**	**2,944.06**	2,94,40,604	2,944.06
Issued during the year	**-**	**-**	-	-
Outstanding at the end of the year	**2,94,40,604**	**2,944.06**	2,94,40,604	2,944.06

b. Terms/Rights attached to equity shares

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

The Company declares and pay dividends in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

For the year ended 31st March 2016, the amount of per share dividend recognised as distribution to equity share holders was ₹ 1/- (31st March 2015:: ₹ 1/-), subject to approval of shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of Share holders holding more than 5% of shares in the Company

Name of Shareholder	31st March 2016		31st March 2015	
	No. of Shares held	% Holding in Class	No. of Shares held	% Holding in Class
Globalware Trading and Holdings Limited	**70,12,000**	**23.82**	70,12,000	23.82
SIL Investment Limited	**32,08,000**	**10.90**	32,08,000	10.90

Notes to Financial statements for the year ended 31st March, 2016

Name of Shareholder	31st March 2016		31st March 2015	
	No. of Shares held	% Holding in Class	No. of Shares held	% Holding in Class
Texmaco Infrastructure and Holdings Limited	**27,57,941**	**9.37**	27,57,941	9.37
Adventz Finance Private Limited**	**16,87,512**	**5.73**	16,01,723	5.44
Reliance Capital Trustee Co Ltd A/c - Reliance Regular Savings Fund Equity Option	**16,00,000**	**5.43**	16,00,000	5.43

As per records of the Company, including its register of shareholders/member and other declarations received from shareholders regading beneficial interest, the above holding represents both legal and beneficial ownership of shares.

** During the previous year ended 31 March 2015, Adventz Investments and Holdings Limited had been merged with Adventz Finance Private Limited vide court order dated 2nd June 2014 and accordingly all shares held by Adventz Investments and Holdings Limited are now vested with Adventz Finance Private Limited.

* Refer note 40

4. Reserves and Surplus

₹ in Lacs

Particulars	31st March 2016	31st March 2015
General reserve		
Balance as per the last financial statements	**3,600.00**	3,500.00
Add: Amount transferred from surplus balance in the statement of profit and loss	**50.00**	100.00
Closing balance	**3,650.00**	3,600.00
Surplus in the statement of profit and loss		
Balance as per last financial statements	**57,817.71**	55,593.78
Net Profit for the year	**2,358.14**	2,678.27
Less : Appropriations		
Proposed final equity dividend of ₹ 1/- Per Equity Share (31st March 2015:: ₹ 1/-)	**294.41**	294.41
Tax on proposed equity dividend	**59.93**	59.93
Transfer to general reserve	**50.00**	100.00
Total appropriations	**404.34**	454.34
Net surplus in the statement of profit and loss	**59,771.51**	57,817.71
Total reserves and surplus	**63,421.51**	61,417.71

5. Deferred tax liabilities (Net)

₹ in Lacs

Particulars	31st March 2016	31st March 2015
Deferred tax liabilities		
Fixed assets Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	**75.45**	72.74
Income considered in the books but not in the income tax	**38.23**	49.54
Gross deferred tax liabilities	**113.68**	122.28
Deferred tax assets		
Expenses allowable in Income tax on payment basis and deposition of statutory dues	**76.03**	64.94
Gross deferred tax assets	**76.03**	64.94
Net deferred tax liabilities	**37.65**	57.34

Notes to Financial statements for the year ended 31st March, 2016

6. Long Term Borrowings

₹ in Lacs

Particulars	Non Current Portion		Current Maturities	
	31st March, 2016	**31st March, 2015**	31st March, 2016	31st March, 2015
Secured				
Loan from others 12.40% loan from Rabo India Finance Ltd. (Repayable after 3 years from date of availment i.e 25.03.2014)	**-**	**8,000.00**	8,000.00	-
Amount disclosed under the head "other current liabilities" (Refer Note 7)	**-**	**-**	(8,000.00)	-
Total	**-**	**8,000.00**	-	-

(i) The loan is secured by the first exclusive charge on specific immovable property (shown as inventories) of the Company.

(ii) The Company has undertaken that during the term of the loan, it shall continue to hold and it shall not enter into a transaction to encumber any of the following equity shares which are currently directly or indirectly held by it:
   a) 100% equity shares in the total equity share capital of Zuari Investment Limited (ZIL).
   b) 30% equity shares in the total equity share capital of Zuari Agro Chemicals Limited.
   c) 12% equity shares in the total equity share capital of Chambal Fertilisers and Chemicals Limited.
   d) 25% equity shares in the total equity share capital of Gobind Sugar Mills Ltd.

(iii) Promoter group shall continue to have management control of the Company and ZIL (Subsidiary company) and hold majority ownership (atleast 51% of the total equity share capital without any encumbrance) in the Company including the ability to appoint majority Directors of the Board of the Company and ZIL.

7. Trade Payables and other current liabilities

₹ in Lacs

Particulars	Current	
	31st March, 2016	31st March, 2015
Trade payables (refer note 38 for details of dues to Micro and Small Enterprises)	**131.72**	94.33
	131.72	94.33
Other Current Liabilities		
Current maturities of long term borrowings (Refer note 6)	**8,000.00**	-
Unclaimed statutory liabilities to be credited to Investor Education and Protection Fund as and when due		
Unclaimed deposits	**2.71**	6.65
Unclaimed dividends	**29.04**	33.46
Unclaimed Interest warrants	**2.61**	5.30
Unclaimed preference warrants	**5.79**	5.81
Interest accrued but not due on loans	**2.72**	2.72
Interest on Income Tax	**9.47**	-
Advances from dealers, customers and others	**35.90**	34.42
Statutory dues	**62.93**	33.99
Employee Benefit Payable	**0.57**	0.27
Advance towards Sale of Investments (Refer note 35)	**11,920.00**	13,420.00
	20,071.74	13,542.62
Total	**20,203.46**	13,636.95

Notes to Financial statements for the year ended 31st March, 2016

8. Provisions

₹ in Lacs

Particulars	Long-term		Short-term	
	31st March 2016	31st March 2015	**31st March 2016**	31st March 2015
Provision for employee benefits				
Gratuity (funded) (Refer Note No.37)	**-**	-	**18.77**	-
Provision for Voluntary Retirement Scheme	**23.27**	42.70	**18.67**	19.72
Leave encashment (unfunded)	**-**	-	**209.04**	62.88
	23.27	42.70	**246.48**	82.60
Others provisions				
Provision for current income tax (net of advance tax)	**-**	-	**183.28**	-
Provision for wealth tax	**-**	-	**-**	48.11
Provision for proposed equity dividend	**-**	-	**294.41**	294.41
Provision for tax on proposed equity dividend	**-**	-	**59.93**	59.93
	-	-	**537.62**	402.45
Total	**23.27**	42.70	**784.10**	485.05

9. Fixed Assets

₹ in Lacs

Particulars	Freehold Land	Buildings	Plant & machinery	Furniture & fixtures	Office equipment	Vehicles	Total
Cost							
As at 01.04.2014	**920.54**	**431.34**	**60.91**	**1.31**	**5.77**	**4.21**	**1,424.08**
Additions	-	-	-	-	-	71.70	71.70
Deductions	-	-	-	-	-	-	-
As at 31.03.2015	**920.54**	**431.34**	**60.91**	**1.31**	**5.77**	**75.91**	**1,495.78**
Additions	-	-	-	-	-	-	-
Deductions	-	-	-	-	-	-	-
Transfer to Investment property	920.54	266.96	60.91	-	-	-	1,248.41
As at 31.03.2016	**-**	**164.38**	**-**	**1.31**	**5.77**	**75.91**	**247.37**
Depreciation							
As at 01.04.2014	**-**	**34.84**	**49.73**	**0.65**	**0.85**	**0.97**	**87.04**
Charge for the year	-	10.15	2.44	0.04	1.02	8.95	22.60
Deductions	-	-	-	-	-	-	-
As at 31.03.2015	**-**	**44.99**	**52.17**	**0.69**	**1.87**	**9.92**	**109.64**
Charge for the year	-	9.08	2.66	0.04	0.83	9.00	21.61
Deductions	-	-	-	-	-	-	-

Notes to Financial statements for the year ended 31st March, 2016

₹ in Lacs

Particulars	Freehold Land	Buildings	Plant & machinery	Furniture & fixtures	Office equipment	Vehicles	Total
Transfer to Investment Property	-	40.57	54.83	-	-	-	95.40
As at 31.03.2016	**-**	**13.50**	**0.00**	**0.73**	**2.70**	**18.92**	**35.85**
Net block							
As at 31.03.2015	920.54	386.35	8.74	0.62	3.90	65.99	1,386.09
As at 31.03.2016	**-**	**150.88**	**-**	**0.58**	**3.07**	**57.09**	**211.62**

a) Buildings include buildings given on operating lease having gross block ₹ Nil (31st March 2015 :: ₹ 187.45 Lacs), depreciation charged for the year ₹ 3.02 Lacs (31st March 2015 :: ₹ 2.96 Lacs), accumulated depreciation ₹ Nil (31st March 2015 :: ₹ 24.71 Lacs), net book value ₹ Nil (31st March 2015 :: ₹ 162.74 Lacs)

10. Non-Current Investments

₹ in Lacs

Particulars	31st March, 2016	31st March, 2015
(a) Investment property (at cost less accumlated depreciation)		
Cost of land, building and plant and machinery given on operating lease	**1,248.41**	-
Less : Accumulated depreciation	**95.40**	-
Net Block	**1,153.01**	-
(b) Trade Investments (valued at cost, unless otherwise stated)		
Unquoted		
Investment in subsidiaries		
10,00,000 (31st March 2015:: Nil) 7% Redeemable Convertible Non Cumulative Preference Shares of ₹ 100/- each fully paid up of Indian Furniture Products Limited (Refer Note (b) below)	**1,000.00**	-
5,07,85,794 (31st March 2015:: 5,07,85,794) Equity Shares of ₹ 10/- each fully paid up of Indian Furniture Products Limited (Refer Note (b) below)	**5,103.34**	5,103.34
50,00,000 (31st March 2015:: 50,00,000) Equity Shares of ₹ 10/- each fully paid up of Simon India Limited	**350.01**	350.01
50,000 (31st March 2015:: 50,000) Equity Shares of ₹ 10/- each fully paid up of Zuari Management Services Limited	**5.00**	5.00
4,65,50,000 (31st March 2015:: 4,65,50,000) Equity Shares of ₹ 10/- each fully paid up of Zuari Infraworld India Limited	**5,482.82**	5,482.82
3,74,45,790 (31st March 2015:: 3,74,45,790) Equity Shares of ₹ 10/- each fully paid up of Zuari Investments Limited	**5,057.83**	5,057.83
Nil (31st March 2015:: 100) Equity Shares of AED 1000/- each fully paid up of Globex Limited (Refer note (c) below)	**-**	13.40
1,49,00,000 (31st March 2015:: 1,49,00,000) Equity Shares of ₹ 10/- each fully paid up of Zuari Sugar and Power Limited (formerly known as Zuari Financial Services Limited)	**1,639.00**	1,639.00
Investment in Joint Ventures		
1,00,20,000 (31st March 2015:: 1,00,20,000) Equity shares of ₹ 10/- each fully paid up of Zuari Indian Oil tanking Private Limited (formerly known as Zuari Indian Oil tanking Limited)	**1,002.00**	1,002.00

Notes to Financial statements for the year ended 31st March, 2016

₹ in Lacs

Particulars	31st March, 2016	31st March, 2015
Investment in Associate, quoted		
84,11,601 (31st March 2015:: 84,11,601) Equity Shares of ₹ 10/- each fully paid up of Zuari Agro Chemicals Limited	**841.16**	841.16
Non trade Investments (valued at cost, unless otherwise stated)		
Investment in equity shares		
Unquoted, Others		
72,000 (31st March 2015:: 72,000) Equity shares of ₹ 10/- each fully paid up of Indian Potash Limited	**3.60**	3.60
1,00,000 (31st March 2015:: 1,00,000) Equity shares of ₹ 10/- each fully paid up of Biotech Consortium of India Limited	**10.00**	10.00
2,58,250 (31st March 2015:: 2,58,250) Equity shares of ₹ 100/- each fully paid up of Lionel India Limited *	**258.90**	258.90
Quoted - Others		
5,90,15,360 (31st March 2015:: 5,90,15,360) Equity Shares of ₹ 10/- each fully paid up of Chambal Fertilisers and Chemicals Limited	**9,055.72**	9,055.72
2,13,07,712 (31st March 2015:: 1,53,07,712) Equity Shares of ₹ 1/- each fully paid up of Texmaco Infrastructure and Holdings limited	**5,258.41**	3,358.23
40,35,000 (31st March 2015:: 40,35,000) Equity Shares of ₹ 1/- each fully paid up of Texmaco Rail and Engineering Limited	**330.06**	330.06
2,93,34,310 (31st March 2015:: 2,93,34,310) Equity Shares of ₹ 1/- each fully paid up of Nagarjuna Oil Refinery Limited [Refer note (a) below]	**6,944.09**	6,944.09
22,22,222 (31st March 2015:: 22,22,222) Equity Shares of USD 0.01/- each fully paid up of Synthesis Energy System Inc [Refer Note 10 (d)] (net of provision towards dimunution in the value of investments)	**1,649.01**	-
	43,990.95	39,455.16
Less :*Dimunution in value of non trade, unquoted investments (Lionel India Limited)	**258.90**	258.90
	43,732.05	39,196.26
Total (a+b)	**44,885.06**	39,196.26
Aggregate Amount of Quoted Investments [(Market value ₹ 57,710.49 Lacs) (31st March 2015:: ₹ 71,706.81 Lacs)]	**24,078.45**	20,529.26
Aggregate Amount of Unquoted Investments	**19,653.60**	18,667.00
Value of Investment Property	**1,153.01**	-
Total	**44,885.06**	39,196.26

(a) (i) Pursuant to the Composite Scheme of Arrangement and Amalgamation among iKisan Limited, Kakinada Fertilisers Limited (KFL), Nagarjuna Fertilisers and Chemicals Limited (NFCL) and Nagarjuna Oil Refinery Limited (NORL), the Company had got one fully paid up equity share of Nagarjuna Oil Refinery Limited of ₹ 1/- each for every one equity share of ₹ 10/- held in NFCL and eleven equity shares in KFL of ₹ 1/- each for every ten equity shares of ₹ 10/- held in NFCL. The name of KFL has subsequent to merger on rights issue changed to NFCL. The cost of shares held in Nagarjuna Fertilisers and Chemicals Limited had been allocated in the ratio of 76.65% and 23.35% to the shares of Nagarjuna Oil Refinery Limited and Nagarjuna Fertilisers and Chemicals Limited. (formerly known as Kakinada Fertilisers Limited)

(ii) The Company's investment in Nagarjuna Oil Refinery Limited aggregated to ₹ 6,944.09 Lacs (31st March 2015:: ₹ 6,944.09 Lacs) (based on cost allocation as above in (i) and market value of this is ₹ 1,085.37 Lacs (31st

March 2015:: ₹ 1,205.64 Lacs). Hence, there is a diminution in the value of investment by ₹ 5,858.72 Lacs (31st March 2015:: ₹ 5,738.45 Lacs)

(iii) The shares of Nagarjuna Fertilisers and Chemicals Limited alloted to the Company, are not yet listed on stock exchange, pending receipt of persmission from Securities and Exchange Board of India.

(b) The Company has investment of ₹ 5,103.34 Lacs in the equity shares and ₹ 1,000 Lacs in redeemable convertible non-cumilative preference shares of one of its subsidiary company, Indian Furniture Products Limited. The Company has assured to provide continuous financial support. As per the latest audited financial statements of this subsidiary, it has accumulated losses which have resulted in erosion of substantial portion of its net worth.

(c) During the year, one of the subsidiary company, Globex Limited was put into liquidation vide resolution passed in the meeting of the parent shareholder company's representatives held on 30th October 2015. The Company has received entire amount of ₹ 13.40 Lacs towards refund of equity.

(d) The Company had entered into an agreement for sale of equity shares of Synthesis Energy System Inc aggregating to ₹ 2,235.12 Lacs to one of its subsidiary company, Simon India Limited (SIL) at a price to be determined, which shall not be lower than the book value. During the current year, the Company has signed termination of the earlier agreement with SIL hence the ₹ 1500 Lacs received as advance against these shares was refunded back to SIL.

11. Loans and Advances

₹ in Lacs

Particulars	Non Current		Current	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
Security deposits				
Unsecured, considered good	**0.24**	0.24	**-**	-
	0.24	0.24	**-**	-
Loans and advances to related parties (Refer Note 35)				
Unsecured, considered good	**673.00**	2,136.00	**14,694.79**	15,905.55
	673.00	2,136.00	**14,694.79**	15,905.55
Advances recoverable in Cash or Kind				
Unsecured, considered good	**-**	-	**3.10**	36.05
Unsecured, considered doubtful	**-**	-	**31.30**	-
	-	-	**34.40**	36.05
Less: Provision for doubtful advances			**31.30**	
	-	-	**3.10**	36.05
Other Loans and Advances				
Secured considered good				
Loans to employees	**8.40**	-	**4.80**	-
Unsecured considered good				
Loans to employees	**2.05**	2.19	**0.17**	0.17
Advance Income Tax (net of provision for income tax)	**2,979.25**	2,331.97	**-**	-
Prepaid expenses	**-**	-	**0.46**	0.64
	2,989.70	2,334.16	**5.43**	0.81
	3,662.94	4,470.40	**14,703.32**	15,942.41

Notes to Financial statements for the year ended 31st March, 2016

₹ in Lacs

Particulars	Non Current		Current	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
Loans to employees include				
Due from Managing Director of the Company	**8.40**	-	**4.80**	-
Due from officer of the Company	**-**	-	**-**	-

12. Other Assets:

₹ in Lacs

Particulars	Non Current		Current	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
Interest Accrued on Loans, Advances and Deposits				
- From related parties (Refer Note 35)	**-**	-	**-**	109.27
- Others	**-**	-	**160.74**	145.91
Interest Accrued on Loans to employees	**8.86**	0.01	**-**	0.11
	8.86	0.01	**160.74**	255.29
Non current bank balances(Refer Note 16)	**0.97**	0.75		-
	0.97	0.75	**-**	-
Total	**9.83**	0.76	**160.74**	255.29

Interest accrued on employees loan includes amount due from the Managing Director of the Company ₹ 8.76 Lacs as on 31st March 2016 (31st March 2015 ₹ Nil)

13. Current Investments

₹ in Lacs

Particulars	31st March 2016	31st March 2015
Unquoted		
Current portion of long-term investments (valued at cost)		
3,22,67,741 (31st March 2015 :: 3,22,67,741) Equity Shares of Re. 1/- each fully paid up of Nagarjuna Fertilisers and Chemicals Limited [Refer note 13 (a)]	**2115.39**	2,115.39
Quoted		
22,22,222 (31st March 2015:: 22,22,222) Equity Shares of USD 0.01/- each fully paid up of Synthesis Energy System Inc [Refer note 10 (d)]	**-**	2,235.12
Total	**2,115.39**	4,350.51
Aggregate Amount of Quoted Investments [(Market value ₹ Nil) (31st March 2015:: ₹ 1,445.14 Lacs)	**-**	2,235.12
Aggregate Amount of Unquoted Investments	**2,115.39**	2,115.39
Total	**2,115.39**	4,350.51

(a) The Company has entered into Memorandum of understanding with Zuari Agro Chemicals Limited (ZACL) for sale of 3,22,67,741 equity shares of Nagarjuna Fertilizers and Chemicals Limited (NFCL), for a consideration that shall not be less than the market value of the shares as and when the share of NFCL are listed on the stock Exchange or book value. Pending listing of the shares of NFCL on the stock Exchanges, ZACL has paid an advance of ₹ 11,920.00 Lacs to the Company, towards purchase of shares, which shall be adjusted thereafter from the total consideration amount at the time of the Sale / Transfer.

Notes to Financial statements for the year ended 31st March, 2016

14. Inventories (valued at lower of cost and net realisable value)

₹ in Lacs

Particulars	31st March 2016	31st March 2015
Stock in trade (land)*	**21,544.37**	20,549.64
Total	**21,544.37**	20,549.64

* Stock in trade (land) of ₹ 17,429.64 (31st March 2015 :: ₹ 17,429.64 Lacs) is pending to be registered in the Company's name.

15. Trade receivables

₹ in Lacs

Particulars	Current	
	31st March, 2016	31st March, 2015
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	-	22.72
Unsecured, considered doubtful	**19.90**	-
	19.90	22.72
Less: Provision for doubtful debts	**19.90**	-
(A)	-	22.72
Other receivables	-	-
(B)	-	-
Total	-	22.72

16. Cash and bank balances

₹ in Lacs

Particulars	Non Current		Current	
	31st March, 2016	31st March, 2015	31st March, 2016	31st March, 2015
Cash and cash equivalents				
a. Balances with banks				
- On Current accounts	-	-	**87.25**	364.73
- On Unpaid dividend accounts	-	-	**29.04**	33.46
- On Interest warrant accounts	-	-	**2.61**	5.30
b. Cash on hand	-	-	**0.06**	2.57
c. Cheques on hand	-	-	**0.87**	1.72
	-	-	**119.83**	407.78
Other bank balances				
Deposits with remaining maturity for more than 12 months (pledged with sales tax authorities)	**0.97**	0.75	-	-

Notes to Financial statements for the year ended 31st March, 2016

₹ in Lacs

Particulars	Non Current		Current	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
Deposits with remaining maturity for more than 3 months but less than 12 months	**-**	-	**1.00**	2.00
	0.97	0.75	**1.00**	2.00
Amount disclosed under non current assets (Refer Note.12)	**0.97**	0.75	**-**	-
Total	**-**	-	**120.83**	409.78

17. Revenue from operations

₹ in Lacs

Particulars	31st March 2016	31st March 2015
Revenue from operations		
Sale of products		
Traded products	-	3,951.77
Revenue from operations	-	3,951.77
Less: Excise duty	-	-
Revenue from operations	-	3,951.77
Details of products sold		
Traded products sold:		
MOP	-	3,973.75
Pesticides	-	(21.98)
	-	3,951.77
Total	-	3,951.77

18. Other income

₹ in Lacs

Particulars	31st March 2016	31st March 2015
Interest Income on		
Income tax refunds	**359.86**	-
Bank deposits	**0.32**	0.19
Intercorporate loans	**2,140.72**	1,964.08
Compensation towards land acquisition	**14.90**	145.76
Overdue debtors, employee loans etc.	**0.17**	141.59
Dividend Income on		
Current investments	**13.84**	62.72
Long-term investments	**1,324.37**	1,408.49

Notes to Financial statements for the year ended 31st March, 2016

₹ in Lacs

Particulars	31st March 2016	31st March 2015
Rent received	**222.94**	213.42
Foreign Exchange Variation (Net)	**5.03**	96.26
Excess provision written back	**40.64**	23.27
Miscellaneous income	**16.96**	20.97
Total	**4,139.75**	4,076.75

19. Details of purchase of traded products:

₹ in Lacs

Particulars	31st March 2016	31st March 2015
Traded Products purchase details		
Traded fertilisers:		
Pesticides	-	(31.36)
Muriate of potash	-	3,739.54
Total	-	3,708.18

20. (Increase) in inventories

₹ in Lacs

Particulars	31st March 2016	31st March 2015	(Increase)/decrease
Inventories at the end of the year			
Finished products	-	-	-
Traded products	-	-	-
Stock in trade (land)	**21,544.37**	20,549.64	994.72
Total	**21,544.37**	20,549.64	994.72
Inventories at the beginning of the year			
Finished products	-	1.30	(1.30)
Traded products	-	0.05	(0.05)
Stock in trade (land)	**20,549.64**	19,479.31	1,070.33
	20,549.64	19,480.66	1,068.98
Total	**(994.73)**	(1,068.98)	
Details of Inventory			
Finished Goods			
Pesticides		-	-
Stock in trade (land)		21,544.37	20,549.64
Total		21,544.37	20,549.64

Notes to Financial statements for the year ended 31st March, 2016

21. Employee benefit expense

₹ in Lacs

Particulars	31st March 2016	31st March 2015
Salaries, wages and bonus	**447.35**	142.26
Contribution to provident and other funds	**48.01**	21.64
Gratuity (Refer Note 35)	**-**	2.37
Staff welfare expenses	**8.75**	7.71
Total	**504.11**	173.98

22. Other expenses

₹ in Lacs

Particulars	31st March 2016	31st March 2015
Power, fuel and water	**0.07**	-
Outward freight and handling (including ₹ 5.21 Lacs relating to earlier year)	**5.21**	0.18
Rent	**3.12**	3.11
Rates and taxes	**4.84**	3.25
Insurance	**1.35**	0.68
Repairs and maintenance		
Others	**3.02**	0.35
Payment to auditor (Refer details below)	**36.80**	36.59
Cash rebate	**-**	20.63
Premium on forward exchange contract amortized	**-**	376.44
Consultancy charges	**124.30**	138.13
CSR Expenses	**58.46**	-
Provision for doubtful debts	**19.90**	-
Provision for doubtful advances	**31.30**	-
Miscellaneous expenses	**110.74**	91.37
Total	**399.11**	670.73

Payments to statutory auditors as

₹ in Lacs

Particulars	31st March 2016	31st March 2015
As statutory auditors		
Audit fees	**17.70**	17.30
Tax audit fee	**4.53**	5.19
Limited review	**5.65**	5.56
In other capacity		
Other services (Certification fees) etc.	**8.11**	8.04
Reimbursement of expenses	**0.82**	0.50
Total	**36.81**	36.59

Notes to Financial statements for the year ended 31st March, 2016

23. Depreciation and amortisation expense

₹ in Lacs

Particulars	31st March 2016	31st March 2015
Depreciation of tangible assets	**21.61**	22.59
Total	**21.61**	22.59

24. Finance costs

₹ in Lacs

Particulars	31st March, 2016	31st March, 2015
Interest expense [net of interest on income tax (₹ 114.68 Lacs) (31st March, 2015 ₹ 12.69 Lacs)	**880.04**	1,121.05
Bank charges	**-**	1.69
Total	**880.04**	1,122.74

25. Exceptional Items

₹ in Lacs

Particulars	31st March, 2016	31st March, 2015
Income		
Profit on disposal of non current investments	**82.48**	-
	82.48	-
Expenses		
Provision for dimunition in the value of current investments (Refer note 10 above)	**586.11**	-
	586.11	-
Total	**503.63**	-

26. Contingent liabilities

a) Contingent liabilities not provided for:

₹ in Lacs

	Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Demand Notices received from Income Tax Authorities*			
(i)	Demand in respect of Assessment Year 2007-2008 which has been decided in favour of the Company	**-**	254.47
(ii)	Demand in respect of assessment year 2011-12, for which the Company is in the process of filing appeal with ITAT.	**2,471.67**	1,718.77
(iii)	Demand in respect of Assessment year 2012-13 for which an appeal is pending with CIT (Appeals)	**1,452.63**	1,263.50
(iv)	Demand in respect of Wealth Tax for Assessment Years 2006-07 to 2010-11 for which the Company has filed appeals with Commissioner of Wealth Tax (Appeals). The Company has deposited ₹ 282.89 Lacs under protest balance amount adjusted against refund of Asst. year 2010-11	**565.78**	565.78

* Based on discussions with the solicitors/ favorable decisions in similar cases Company, the management believes that the Company had a good chance of success in above mentioned cases and hence, no provision there against was considered necessary.

Notes to Financial statements for the year ended 31st March, 2016

b. Corporate guarantees given in favour of banks / others on behalf of :

₹ in Lacs

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Simon India Limited	**5,000.00**	5,000.00
Indian Furniture Products Limited	**1,0696.00**	9,196.00
Gobind Sugar Mills Limited	**23,421.00**	27,000.00

c. The Company has given a letter of Comfort to Ratnakar Bank Limited for the purpose of facilitating the loans of ₹ 2,000.00 Lacs (31st March 2015:: ₹ 2,000 Lacs) taken by Gobind Sugar Mills Limited.

d. The Company has given as collateral the specific land (appearing under inventories) by way of first and paramount charge in favour of a bank for the credit facility availed by one of its subsidiary.

27. Value of imports calculated on CIF basis

₹ in Lacs

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Traded goods	**-**	3,739.54

28. Expenditure in foreign currency (Accrual Basis):

₹ in Lacs

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Travelling expenses	**8.90**	3.37

29. Earning in foreign currency (on accrual basis)

₹ in Lacs

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Corporate guarantee commission	**3.97**	-

30. Net dividend Remitted in Foreign Exchange

₹ in Lacs

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Period to which it relates	**1st April 2014 to 31 March 2015**	1st April 2013 to 31 March 2014
Number of non-resident shareholders to whom the dividend is remitted	**2**	2
Number of equity shares held on which dividend was due	**74,91,750**	74,91,750
Amount remitted (USD in Lacs)	**1.13**	1.24
Amount remitted (₹ in Lacs)	**74.92**	74.92

The above information pertains to those non-resident shareholders where direct remittances have been made by the Company.

31. Managerial Remuneration

₹ in Lacs

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
Salary	**261.44**	60.00
Contribution to Provident and other funds	**34.00**	4.32
Perquisites	**9.23**	0.05
Total	**304.67**	64.37

32. Following are the details of loans and advances given to subsidiaries and associates in which directors are interested :

₹ in Lacs

Sr. No	Particulars	Name of the entity	Balance outstanding as on 31st March, 2016	Maximum amount outstanding during the year
1	Loans and advances in the nature of loans to subsidiaries and associates	Zuari Infraworld India Limited (Repayable within 1 to 2 years)	1,608.00 (2,108.00)	2,108.00 (3,208.00)
		Gulbarga Cements Limited	Nil (Nil)	Nil (2,406.30)
		Zuari Investments Limited (Repayable within 1 year)	9,381.00 (12,175.00)	12,425.00 (12,175.00)
		Zuari Management Services Limited (Repayable within 1 to 3 years)	1,191.00 (1,011.00)	1,191.00 (1,011.00)
		Zuari Sugar and Power Limited (formerly known as Zuari Financial Services Limited) (Repayable within 1 year)	3,148.20 (2,650.00)	3,638.00 (2,650.00)
2	Loans and advances in the nature of Loans where there is no repayment schedule or repayment is beyond seven years	-	Nil (NIL)	Nil (NIL)
3	Loans and advances in the nature of loans where there is no interest or interest is below Section 186 of the Companies Act.	-	Nil (NIL)	Nil (NIL)
4	Loans and advances in the nature of loans to firms / companies in which directors are interested	-	Nil (NIL)	Nil (NIL)
5	Investments by the loanees in the shares of the Company or any of its subsidiaries	-	Nil (NIL)	Nil (NIL)

Figures in ( ) represents previous year figures

Notes to Financial statements for the year ended 31st March, 2016

33. Information in respect of Joint Ventures:

₹ in Lacs

Sr. No	Particulars	Zuari Indian Oil Tanking Private Limited (formerly known as Zuari Indian Oil Tanking Limited) (Audited)		Gulbarga Cements Limited (Upto 12.01.2015) (Unaudited)	
1	Proportion of ownership interest	50% (Previous year 50%)		Nil* (Previous year Nil)	
2	Country of incorporation	India		India	
3	Accounting period ended	**31.03.16**	31.03.15	**31.03.16**	31.03.15
4	Assets	**2,501.54**	2,588.79	**-**	-
5	Liabilities	**912.65**	1,001.16	**-**	-
6	Revenue	**713.30**	593.88	**-**	21.02
7	Depreciation / Amortization	**141.59**	116.61	**-**	4.58
8	Other expenses	**570.80**	539.46	**-**	75.65
9	Exceptional items	**-**	-	**-**	-
10	Profit / (Loss) before tax	**0.91**	(62.19)	**-**	(59.21)
11	Contingent Liabilities	**113.49**	43.18	**-**	-
12	Capital Commitments	**4.37**	41.89	**-**	-

The above details represent proportionate amount of the Company's share in the Joint Ventures.

* Investments in Gulbarga Cements Limited were sold during the previous year.

34. Segmental Information

Primary Segment

The Company has disclosed business segment as primary segment. The segments have been identified and reported taking into account the nature of products and services, the differing risks and returns, the organisation structure and the internal reporting system. The identified reportable segments for the year under review are Fertilisers and land development. Fertiliser segment includes trading of fertilisers and pesticides. Land development segment includes acquiring lands with the objective of granting rights to other parties to develop the land under joint development agreement.

Secondary Segment – Geographical Segment.

The Company operates in India and therefore caters to the needs of the domestic market. Therefore, there are no reportable geographical segments.

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Notes to Financial statements for the year ended 31st March, 2016

Business segments :

₹ In Lacs

Particulars	Fertiliser		Land development		Total operations	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015	**31st March, 2016**	31st March, 2015
Revenue						
Sales (net)	**-**	3,951.77	**-**	-	**-**	3,951.77
Other income*	**285.57**	353.91	**-**	-	**285.57**	353.91
Total revenue	**285.57**	4,305.68	**-**	-	**285.57**	4,305.68
Results						
Segment results	**(1,225.37)**	(271.15)	**994.72**	1,070.33	**(230.65)**	799.18
Unallocated Corporate Income (net)	**-**	-	**-**	-	**3,936.66**	3,722.84
Less : Finance cost	**-**	-	**-**	-	**(880.04)**	(1,122.74)
Profit before tax	**(1,225.37)**	(271.15)	**994.72**	1,070.33	**2,825.97**	3,399.28
Tax expenses	**-**	-	**-**	-	**(467.84)**	(721.01)
Profit after tax	**(1,225.37)**	(271.15)	**994.72**	1,070.33	**2,358.13**	2,678.27
As at 31st March 2016						
Segment assets	**290.12**	385.61	**21,544.37**	20,549.64	**21,834.49**	20,935.25
Unallocated corporate assets	**-**	-	**-**	-	**65,579.61**	65,648.61
Total assets	**290.12**	385.61	**21,544.37**	20,549.64	**87,414.10**	86,583.86
Segment liabilities	**500.87**	288.31	**-**	-	**500.87**	288.31
Unallocated corporate liabilities	**-**	-	**-**	-	**20,547.60**	21,933.73
Total liabilities	**500.87**	288.31	**-**	-	**21,048.47**	22,222.04
Other segment information						
Capital expenditure:						
Tangible assets	**-**	-	**-**	-	**-**	-
Depreciation	**21.61**	22.60	**-**	-	**21.61**	22.60
Other non-cash expenses:						
Provision for doubtful debts and advances	**51.20**	-	**-**	-	**51.20**	-

* Total other income during the year is ₹ 4,222.23 Lacs (31st March, 2015 :: ₹ 4,076.75 Lacs).
Figures disclosed above exclude income earned by corporate office amounting to ₹ 3936.66 Lacs (31st March, 2015 :: ₹ 3,722.84 Lacs).

Notes to Financial statements for the year ended 31st March, 2016

35. Related Party disclosures under Accounting Standard – 18

a) The list of related parties as identified by the management are as under:

i) Subsidiaries of the Company:

1. Indian Furniture Products Limited
2. Soundaryaa IFPL Interiors Limited (subsidiary of Indian Furniture Products Limited w.e.f 04th December, 2014)
3. Simon India Limited
4. Zuari Management Services Limited
5. Zuari Infraworld India Limited
6. Zuari Infra Middle East Limited (subsidiary of Zuari Infraworld India Limited w.e.f 10th September, 2014)
7. SJM Elysium Properties LLC(subsidiary of Zuari Infra Middle East Limited w.e.f. 21st December, 2015)
8. Globex Limited (upto 30/10/2015, following resolution passed for liquidation)
9. Zuari Sugar and Power Limited (formerly known as Zuari Financial Services Limited) (w.e.f 15th January, 2015) (earlier subsidiary of Zuari Investment Limited)
10. Zuari Investments Limited
11. Zuari Insurance Brokers Limited – Subsidiary of Zuari Investments Limited
12. Zuari Commodity Trading Limited – Subsidiary of Zuari Investments Limited
13. Gobind Sugar Mills Limited (subsidiary of Zuari Investments Limited w.e.f 25th August, 2014)

ii) Joint Ventures of the Company:

1. Zuari Indian Oiltanking Private Limited (formerly known as Zuari Indian Oiltanking Limited)
2. Gulbarga Cement Limited (upto 12th January, 2015)
3. Brajbhumi Nirmaan Private Limited (Joint Venture of Zuari Infraworld India Limited (w.e.f 31st December, 2014)
4. Rosewood Agencies Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)
5. Neobeam Agents Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)
6. Mayapur Commercial Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)
7. Nexus Vintrade Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)
8. Bahubali Tradecomm Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)
9. Hopeful Sales Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)
10. Divine Realdev Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)
11. Kushal Infraproperty Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)
12. Beatle Agencies Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)
13. Suhana Properties Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)
14. Saket Mansions Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)
15. Murari Enclave Private Limited (100% subsidiary of Rosewood Agencies Private Limited) Ceased to be subsidiary w.e.f. 29th March, 2016

16. Damodar Enclave Private Limited (100% subsidiary of Neobeam Agents Private Limited) Ceased to be subsidiary w.e.f. 16th December, 2015
17. Natwar Enclave Private Limited (IOO% subsidiary of Mayapur Commercial Private Limited) Ceased to be a subsidiary w.e.f. 29th March, 2016
18. Banibihari Enclave Private Limited (100% subsidiary of Nexus Vintrade Private Limited) Ceased to be a subsidiary w.e.f. 29th March, 2016
19. Pranati Niketan Private Limited (Joint Venture of Zuari Infraworld India Limited (w.e.f. 31st December, 2014)
20. Darshan Nirmaan Private Limited (Joint Venture of Zuari Infraworld India Limited (w.e.f 31st December, 2014)

iii) Associates of the Company* :

1. Zuari Agro Chemicals Limited
2. Zuari Agri Science Limited (formerly known as Zuari Seeds Limited) – Subsidiary of Zuari Agro Chemicals Limited
3. Zuari Fertilisers and Chemicals Limited – Subsidiary of Zuari Agro Chemicals Limited
4. Zuari Speciality Fertiliser Limited (formerly known as Zuari Rotem Speciality Fertilizer Limited) – Joint Venture of Zuari Agro Chemicals Limited upto 08th December, 2015, thereafter as subsidiary of Zuari Agro Chemicals Limited
5. Zuari Maroc Phosphates Private Limited (formerly known as Zuari Maroc Phosphates Limited) – Joint Venture of Zuari Agro Chemicals Limited
6. Paradeep Phosphates Limited - Subsidiary of Zuari Maroc Phosphates Private Limited
7. Gobind Sugar Mills Limited – Associate of Zuari Investments Limited (upto 24/08/2014 and thereafter as subsidiary)
8. New Eros Tradecom Limited - Associate of Zuari Investments Limited (subsidiary of Gobind Sugar Mills Limited upto 22nd August, 2014)
9. MCA Phosphates Pte. Limited (Joint Venture of Zuari Agro Chemicals Ltd)

* The Company and its subsidiary company hold more than 20% of the voting power of bodies corporate. The Company has been legally advised that it does not have any "significant influence" in the said bodies corporate as defined in Accounting Standard 18 "Related Party Disclosures" and accordingly has not considered the above investees as related party under AS-18 for the above disclosure.

iv) Enterprises having significant influence

1. Globalware Trading and Holdings Limited

v) Key Management Personnel of the Company:

1. Mr. N Suresh Krishnan, Managing Director (w.e.f 01/04/2015)
2. Mrs.Jyotsna Poddar, Executive Director

vi) Relatives of Key Management Personnel of the Company:

1. Mr. S. K. Poddar (Chairman), Husband of Mrs.JyotsnaPoddar.

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Notes to Financial statements for the year ended 31st March, 2016

Related Party Disclosure Under Accounting Standard–18 For Zuari Global Limited

Following transactions were carried out with related parties in the ordinary course of business.

₹ in Lacs

Sl. No	Transaction details	Year ended 31st March, 2016						Year ended 31st March, 2015					
		Subsi-diaries	Joint Ventures	Asso-ciates	Enterprises having Significant Influence	Key manage-ment personnel	Relatives of KMP	Subsi-diaries	Joint Ventures	Asso-ciates	Enterprises having Significant Influence	Key manage-ment personnel	Relatives of KMP
1	**Payment made on their behalf for various expenses**												
	– Zuari Agri Sciences Limited*	–	–	**0.05**	–	–	–	–	–	–	–	–	–
	– Zuari Maroc Phosphates Private Limited**	–	–	–	–	–	–	–	–	0.01	–	–	–
	– Paradeep Phosphates Limited	–	–	**0.04**	–	–	–	–	–	0.08	–	–	–
	– Zuari Management Services Limited	**7.58**	–	–	–	–	–	–	–	–	–	–	–
	– Zuari Infraworld India Limited	**0.01**	–	–	–	–	–	2.00	–	–	–	–	–
	– Zuari Agro Chemicals Limited	–	–	**169.17**	–	–	–	–	–	7.50	–	–	–
	– Zuari Rotem Specialty Fertilisers Limited	–	–	–	–	–	–	–	–	0.03	–	–	–
	– Gulbarga Cements Ltd.	–	–	–	–	–	–	–	13.51	–	–	–	–
	– Gobind Sugar Mills Limited	**0.04**	–	–	–	–	–	–	–	–	–	–	–
	– Zuari Investment Limited	**28.69**	–	–	–	–	–	–	–	–	–	–	–
	– Indian Furniture Products Limited#	–	–	–	–	–	–	1.00	–	–	–	–	–
	– Simon India Limited	**2.00**	–	–	–	–	–	1.00	–	–	–	–	–
2	**Payment made on our behalf for various expenses**												
	– Zuari Agro Chemicals Limited	–	–	**4.12**	–	–	–	–	–	82.00	–	–	–
	– Zuari Investments Limited	**0.24**	–	–	–	–	–	–	–	–	–	–	–
3	**Equity contribution made**												
	– Zuari Sugar and Power Limited	–	–	–	–	–	–	1,364.00	–	–	–	–	–
4	**Purchase of Tangible Assets**												
	– Zuari Agro Chemicals limited	–	–	–	–	–	–	–	–	3.24	–	–	–
5	**Purchase of Investments**												
	– Zuari Investments Limited	–	–	–	–	–	–	275.00	–	–	–	–	–
	– Indian Furniture Products Limited#	**1,000.00**	–	–	–	–	–	–	–	–	–	–	–
6	**Service charges / Management Fees paid**												
	– Zuari Investments Limited	**0.01**	–	–	–	–	–	0.01	–	–	–	–	–
	– Zuari Management Services Limited	**24.09**	–	–	–	–	–	44.94	–	–	–	–	–

Notes to Financial statements for the year ended 31st March, 2016

₹ in Lacs

Sl. No	Transaction details	Year ended 31st March, 2016						Year ended 31st March, 2015					
		Subsi-diaries	Joint Ventures	Asso-ciates	Enterprises having Significant Influence	Key manage-ment personnel	Relatives of KMP	Subsi-diaries	Joint Ventures	Asso-ciates	Enterprises having Significant Influence	Key manage-ment personnel	Relatives of KMP
7	**Inter–corporate Deposits / loans / advances/ deposits given**												
	– Zuari Investments Limited	**310.00**	–	–	–	–	–	4,175.00	–	–	–	–	–
	– Zuari Sugar and Power Limited	**1,160.00**	–	–	–	–	–	2,650.00	–	–	–	–	–
	– Zuari Management Services Limited	**280.00**	–	–	–	–	–	–	–	–	–	–	–
8	**Purchase of goods**												
	– Indian Furniture Products Limited#	**58.46**	–	–	–	–	–	–	–	–	–	–	–
9	**Advance for sale of investments received**												
	– Zuari Agro Chemicals Limited	–	–	–	–	–	–	–	–	11,920.00	–	–	–
10	**Receipt – repayment of ICDs / loans / advances / deposits**												
	– Zuari Infraworld India Limited	**500.00**	–	–	–	–	–	1,100.00	–	–	–	–	–
	– Gulbarga Cement Limited	–	–	–	–	–	–	–	3,142.92	–	–	–	–
	– Zuari Sugar and Power Limited	**661.80**	–	–	–	–	–	–	–	–	–	–	–
	– Zuari Investments Limited	**3,104.00**	–	–	–	–	–	–	–	–	–	–	–
	– Zuari Management Services Limited	**100.00**	–	–	–	–	–	–	–	–	–	–	–
11	**Managerial remuneration**												
	– Mr. N. Suresh Krishnan	–	–	–	–	**240.35**	–	–	–	–	–	–	–
	– Mrs. Jyotsna Poddar	–	–	–	–	**64.32**	–	–	–	–	–	64.37	–
12	**Sale of goods (net of rebates)**												
	– Zuari Agro Chemicals limited	–	–	–	–	–	–	–	–	3,973.74	–	–	–
13	**Interest Income**												
	– Zuari Investments Limited	**1,439.49**	–	–	–	–	–	1,305.58	–	–	–	–	–
	– Zuari Sugar and Power Limited	**356.05**	–	–	–	–	–	1.89	–	–	–	–	–
	– Gulbarga Cement Limited	–	–	–	–	–	–	–	210.30	–	–	–	–
	– Zuari Infraworld India Limited	**226.63**	–	–	–	–	–	324.90	–	–	–	–	–
	– Zuari Management Services Limited	**118.55**	–	–	–	–	–	121.41	–	–	–	–	–
14	**Dividend Received**												
	– Zuari Agro Chemicals Limited	–	–	**168.23**	–	–	–	–	–	252.35	–	–	–
15	**Lease Rentals Received**												
	– Zuari Indian Oiltanking Private Limited***	–	**145.99**	–	–	–	–	–	139.04	–	–	–	–
	– Zuari Fertilisers and Chemicals Limited	–	–	**4.48**	–	–	–	–	–	4.20	–	–	–
	– Zuari Agro Chemicals Limited	–	–	**48.08**	–	–	–	–	–	44.73	–	–	–

Notes to Financial statements for the year ended 31st March, 2016

₹ in Lacs

Sl. No	Transaction details	Year ended 31st March, 2016						Year ended 31st March, 2015					
		Subsi-diaries	Joint Ventures	Asso-ciates	Enterprises having Significant Influence	Key manage-ment personnel	Relatives of KMP	Subsi-diaries	Joint Ventures	Asso-ciates	Enterprises having Significant Influence	Key manage-ment personnel	Relatives of KMP
16	**Corporate Guarantee issued**												
	– Gobind Sugar mills Limited	**13,421.00**	–	–	–	–	–	32,000.00	–	–	–	–	–
	– Indian Furniture Products Limited#	**1,500.00**	–	–	–	–	–	2,772.00	–	–	–	–	–
17	**Sitting fees Paid**												
	– S. K. Poddar	–	–	–	–	–	**2.27**	–	–	–	–	–	1.88
18	**Management Fees / service charges Received (including service tax)**												
	– Zuari Indian Oiltanking Private Limited***	–	**11.39**	–	–	–	–	–	11.24	–	–	–	–
	– Zuari Agri Sciences Limited*	–	–	–	–	–	–	–	–	9.96	–	–	–
19	**Corporate guarantee cancelled/ transferred**												
	– Simon India Limited	–	–	–	–	–	–	12,284.00	–	–	–	–	–
	– Gobind Sugar mills Limited	**17,000.00**	–	–	–	–	–	5,000.00	–	–	–	–	–
	– Zuari Agri Sciences Limited*	–	–	–	–	–	–	–	–	2,100.00	–	–	–
20	**Dividend Paid**												
	– Globalware Trading and Holdings Limited	–	–	–	**70.12**	–	–	–	–	–	70.12	–	–
	– New Eros Tradecom Limited	–	–	**11.97**	–	–	–	–	–	11.97	–	–	–
	– S. K. Poddar	–	–	–	–	–	**9.12**	–	–	–	–	–	8.81
	– Akshay Poddar	–	–	–	–	–	**1.37**	–	–	–	–	–	1.37
	– Jyotsna Poddar	–	–	–	–	**4.72**	–	–	–	–	–	4.72	–
21	**Brokerage paid**												
	– Zuari Investments Limited	**6.00**	–	–	–	–	–	–	–	–	–	–	–
22	**Advance against sale of investments repaid**												
	– Simon India Limited	**1,500.00**	–	–	–	–	–	–	–	–	–	–	–
23	**Guarantee Comission received**												
	– Zuari Infra Middle East	**3.97**	–	–	–	–	–	–	–	–	–	–	–

Style Spa Furniture Limited has been merged with Indian Furniture Products Limited w.e.f.01st April, 2014.

* The name of the company "Zuari Seeds Limited" has been changed to "Zuari Agri Sciences Limited" w.e.f.11th September, 2014.

** The name of the company "Zuari Maroc Phosphates Limited" has been changed to "Zuari Maroc Phosphates Private Limited" w.e.f.30th March, 2015.

*** The name of the company "Zuari Indian Oiltanking Limited" has been changed to "Zuari Indian Oiltanking Private Limited" w.e.f.15th April, 2015.

Notes to Financial statements for the year ended 31st March, 2016

Balance Outstanding For the year ended 31 March 2016 - Zuari Global Limited

₹ In Lacs

Sl. No.	Transaction details	Balance Outstanding as on March 31, 2016					Balance Outstanding as on March 31, 2015				
		Subsi–diaries	Joint Ventures	Asso-ciates	Key management personnel (KMP)	Relatives of KMP	Subsi-diaries	Joint Ventures	Asso-ciates	Key management personnel (KMP)	Relatives of KMP
1	**Loan / ICD Given**										
	– Zuari Infraworld India Limited	**1,608.00**	–	–	–	–	2,108.00	–	–	–	–
	– Zuari Investment Limited	**9,381.00**	–	–	–	–	12,175.00	–	–	–	–
	– Zuari Management Services Limited	**1,191.00**	–	–	–	–	1,011.00	–	–	–	–
	– Zuari Sugar and Power Limited	**3,148.20**	–	–	–	–	2,650.00	–	–	–	–
	– N Suresh Krishnan	–	–	–	**13.20**	–	–	–	–	–	–
2	**As Trade Payables**										
	– Zuari Management Services Limited	–	–	–	–	–	1.50	–	–	–	–
3	**Managerial Remunaration Payable**										
	– N Suresh Krishnan	–	–	–	**6.29**	–	–	–	–	–	–
4	**As Advances or deposits Recoverable / as Debtor**										
	– Paradeep Phosphates Limited	–	–	**0.08**	–	–	–	–	0.08	–	–
	– Zuari Agri Sciences Limited*	–	–	–	–	–	–	–	94.31	–	–
	– Zuari Investment Limited	**28.46**	–	–	–	–	–	–	–	–	–
	– Indian Furniture Products Ltd#	**1.00**	–	–	–	–	1.00	–	–	–	–
	– Zuari Management Services Limited	**5.58**	–	–	–	–	–	–	–	–	–
	– Zuari Fertilisers and Chemicals Limited	–	–	**0.34**	–	–	–	–	–	–	–
	– Zuari Rotem Speciality Fertilisers Limited	–	–	**0.16**	–	–	–	–	0.16	–	–
	– Zuari Infraworld India Limited	**0.01**	–	–	–	–	2.00	–	–	–	–
	– Zuari Infra Middle East	**3.97**	–	–	–	–	–	–	–	–	–
5	**Corporate Guarantee**										
	– Indian Furniture Products Limited#	**10,696.00**	–	–	–	–	9,196.00	–	–	–	–
	– Simon India Limited	**5,000.00**	–	–	–	–	5,000.00	–	–	–	–
	– Gobind Sugar Mills Limited	**23,421.00**	–	–	–	–	27,000.00	–	–	–	–
6	**Interest on ICD/Loan**										
	– Zuari Management Services Limited	–	–	–	–	–	109.27	–	–	–	–
	– N Suresh Krishnan	–	–	–	**8.76**	–	–	–	–	–	–
7	**Advance against sale of investments**										
	– Simon India Limited	–	–	–	–	–	1,500.00	–	–	–	–
	– Zuari Agro Chemicals Limited	–	–	**11,920.00**	–	–	–	–	11,920.00	–	–

Notes :

1. Zuari Investment Limited has undertaken that for the term loan of the Company of ₹ 8,000 Lacs obtained by the Company from Rabo India Finance Ltd., it shall continue to hold 25% equity shares in the total equity share capital of Gobind Sugar Mills Ltd during the term of the loan.
2. Zuari Management Services Limited has undertaken that for the term loan of the Company of ₹ 8,000 Lacs obtained by the Company from Rabo India Finance Ltd., it shall continue to hold 10% equity shares in the total equity share capital of Zuari Agro Chemicals Limited during the term of the loan.
3. The Company has given a letter of Comfort to Ratnakar Bank Limited for the purpose of facilitating the loans of ₹ 2,000.00 Lacs (31st March 2015 :: ₹ 2,000 Lacs) taken by Gobind Sugar Mills Limited.
4. The Company has given as collateral the specific land (appearing under inventories) by way of first and paramount charge in favour of a bank for the credit facility availed by Zuari infraworld India Limited aggregating to ₹ 17,677 Lacs

* The name of the company "Zuari Seeds Limited" has been changed to "Zuari Agri Sciences Limited" w.e.f.11th September, 2014.

** The name of the company "Zuari Maroc Phosphates Limited" has been changed to "Zuari Maroc Phosphates Private Limited" w.e.f.30th March, 2015.

*** The name of the company "Zuari Indian Oiltanking Limited" has been changed to "Zuari Indian Oiltanking Private Limited" w.e.f.15th April, 2015.

Notes to Financial statements for the year ended 31st March, 2016

36. Earnings Per Share (EPS):

₹ in Lacs

Particulars	Year Ended 31st March 2016	Year Ended 31st March 2015
Net profit for calculation of basic and diluted EPS (₹ in Lacs)	**2,358.14**	2,678.27
Weighted average number of equity shares in calculating earnings per share – Basic and Diluted	**29,440,604**	29,440,604
Earnings per share – Basic and diluted (in ₹)	**8.01**	9.10
Face value per share (in ₹)	**10**	10

37. Employee benefits:

(A) Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

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.

Statement of Profit and Loss

Net employee benefit expense (recognized in Employee Cost) for the year ended 31st March, 2016

₹ in Lacs

Particulars	2015 - 16	2014 - 15
Current service cost	**2.73**	8.34
Interest cost on benefit obligation	**6.20**	6.44
Past service cost(Vested Benefits)	**-**	-
Expected return on plan assets	**(5.04)**	(6.11)
Net actuarial (gain) / loss recognized in the year	**(10.81)**	(6.30)
Net benefit (income)/expense*	**(6.92)**	2.37
Actual return on plan assets	**4.49**	5.58

* Excluding ₹ 28.19 Lacs (Previous year ₹ Nil) for Gratuity receipt of employees transferred from other company.

Balance sheet

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

₹ in Lacs

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12
Defined benefit obligation	**67.03**	60.27	90.72	207.26	181.36
Fair value of plan assets	**48.26**	62.78	95.59	176.03	145.54
Plan asset/(liability)	**(18.77)**	2.51	4.87	(31.23)	(35.80)
Experience (gain)/loss on obligation	**(10.30)**	(8.64)	(12.69)	(24.43)	(60.46)
Experience gain/(loss) on plan assets	**(0.55)**	(0.53)	1.37	(2.57)	8.69

Notes to Financial statements for the year ended 31st March, 2016

Changes in the present value of the defined benefit obligation for the year ended 31st March, 2016 are as follows:

₹ in Lacs

Particulars	2015 - 16	2014 - 15
Opening defined benefit obligation	**60.27**	90.72
Acquisition Adjustment	**28.19**	-
Interest cost	**6.20**	6.44
Current service cost	**2.73**	8.34
Benefits paid	**(19.00)**	(18.58)
Transfer out		(19.81)
Actuarial (gain)/loss on obligation	**(11.36)**	(6.83)
Closing defined benefit obligation	**67.03**	60.27

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

₹ in Lacs

Particulars	2015 - 16	2014 - 15
Opening fair value of plan assets	**62.78**	95.59
Adjustment to Opening Balance	**-**	-
Expected return	**5.04**	6.11
Contributions by employer	**-**	-
Benefits paid	**(19.00)**	(18.58)
Past service cost (Transfer out)		(19.81)
Actuarial gains/(losses)	**(0.56)**	(0.53)
Closing fair value of plan assets	**48.26**	62.78

The Company expects to contribute ₹ 18.77 Lacs (Previous year ₹ Nil) towards gratuity during the year 2016-17.

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

Particulars	2015 - 16	2014 - 15
Investment with insurer (Life Insurance Corporation of India)	**100%**	100%

The overall expected rate of return is determined based on the market prices prevailing at that date, applicable to the period over which the obligation is to be settled. These rates are different from the actual rate of return during the current year.

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

Particulars	2015-16	2014-15
Discount Rate	**7.65%**	8.00%
Expected rate of return on assets	**8.75%**	8.00%
Increase in Compensation cost	**9.00% for first 2 years and 7.50% thereafter**	9.00%
Employee turnover	**0.50%**	0.50%

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.

Notes to Financial statements for the year ended 31st March, 2016

B. Provident Fund

The Company has set up Provident Fund Trust, which was managed by the Company as per the Guideline Note on implementing AS-15, Employee Benefits (revised 2005) issued by the Accounting Standard Board (ASB), provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. With the transfer of Fertiliser undertaking to ZuariAgro Chemicals Limited, on demerger with effect from 1st July, 2011, the Trust is being managed by ZuariAgro Chemicals Limited and there is surplus in the fund balance in the provident fund trust maintained by the said company.

₹ in Lacs

Particulars	2015 - 16	2014 - 15
Contribution to Provident Fund	**18.81**	10.95

C. Defined Contribution Plan

₹ in Lacs

Particulars	2015 - 16	2014 - 15
Contribution to Superannuation Fund	**13.61**	3.70
Contribution to Family Pension Fund	**1.59**	1.17
Contribution to New Pension Scheme	**8.87**	-
Contribution to Contributory Pension Fund	**5.13**	5.82
Total	**29.20**	10.69

38. Disclosure as per Section 22 of "The Micro, Small and Medium Enterprises Development Act, 2006".

₹ in Lacs

Sl. No.	Particulars	2015 - 16	2014 - 15
i)	The principal amount and the interest due thereon remaining unpaid to any supplier: - Principal amount - Interest thereon	**Nil** **Nil**	Nil Nil
ii)	the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day.	**Nil**	Nil
iii)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	**Nil**	Nil
iv)	the amount of interest accrued and remaining unpaid	**Nil**	Nil
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	**Nil**	Nil

39. a). The Company has obtained office premises, apartments and warehouses on operating leases for the period ranging from 0-2 years. In all the cases, the agreements are further renewable at the option of the Company. There is escalation clause in the respective lease agreements. All these leases are cancellable in nature. The total lease payments in respect of such leases recognized in the statement of profit and loss for the year are ₹ 3.12 Lacs (Previous year ₹ 3.11Lacs).

b). The Company has given buildings on operating lease for the period of three years. In all the cases, the agreements are further renewable at the option of the Company. All these leases are cancellable in nature. There is no escalation clause in the respective lease agreements. The total lease income received in respect of such leases recognized in the statement of profit and loss ₹ 31.44 Lacs (Previous year ₹ 29.41 Lacs).

40. Under instructions from the Special Court (Trial of Offences relating to Transactions in Securities) Act, 1992 and in respect of shareholders who could not exercise their rights in view of disputes, mistakes, discrepancy in holdings, etc., 8,051(previous year 8,051) Rights' Equity Shares entitlements have been kept in abeyance pursuant to Section 126 of the Companies Act, 2013.

41. Disclosure required under Section 186 (4) of the Companies Act 2013

a. Particulars of Loans given :

₹ in Lacs

Sr. No.	Name of the Loanee	Opening Balance	Loan Given	Loan Repaid	Outstanding Balance	Purpose
1	Zuari Infraworld India Ltd	2,108.00	-	500.00	1,608.00	General Business Purpose
2	Zuari Investments Ltd	12,175.00	310.00	3,104.00	9381.00	General Business Purpose
3	Zuari Management Service Ltd.	1,011.00	280.00	100.00	1,191.00	General Business Purpose
4	Zuari Sugar and Power Ltd (formerly known as Zuari Financial Services Ltd)	2,650.00	1,160.00	661.80	3,148.20	General Business Purpose

b. Particulars of Guarantee given :

₹ in Lacs

Sr. No.	Name of the Entity	Opening balance	Guarantee given	Guarantee discharged	Outstanding balance	Purpose
1	Indian Furniture Products Limited	9,196.00	1,500.00	-	10,696.00	General Business purpose / For working capital limit
2	Gobind Sugar Mills Ltd	27,000.00	13,421.00	17,000.00	23,421.00	General Business purpose
3	Simon India Ltd	5,000.00	-	-	5,000.00	General Business purpose

c. Particulars of Investments made during the year :

₹ in Lacs

Sr. No.	Name of the Investee	Investment Made	Purpose
1	Indian Furniture Products Ltd.	1,000.00	Strategic Investment
2	Texmaco Infrastructure and Holdings limited	1,900.17	Strategic Investment

42. Income Tax Appellate Tribunal has, during the current year issued favourable decisions for certain past years but issue related to Section 14A of the Income Tax Act, 1961 has been set-aside and assessing officer has been asked to do fresh adjudication. The Company is carrying the same amount of income tax provision (already deposited in an earlier year) including interest thereon, provided in an earlier year for those years. The Company is of the view that the amount of provision so made is adequate. Also, appeal effect order for the assessment year 2009-10, is not yet received from the department. Pending receipt of such order, interest on income tax refund has not been recognised as the amount is presently not reasonably determinable.

Notes to Financial statements for the year ended 31st March, 2016

43. In light of Section 135 of the Companies Act 2013, the Company has incurred ₹ 58.46 Lacs during the current year on Corporate Social Responsibility (CSR) against gross amount required to be spent ₹ 64.47 Lacs.

Sr. No.	Particulars	₹ In Lacs
a)	Gross amount required to be spent by the Company during the year	64.47
b)	Amount spent during the year on the following in cash :	
	Furniture donation	
	Schools in flood affected areas and orphanages in J&K	15.06
	Old-age Homes in Maharashtra	16.43
	Old-age Homes in Karnataka	15.04
	Old-age Homes in Odisha	11.93

44. Previous year's figures have been regrouped / reclassified, where necessary, to confirm to this year's classification.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firms Regn. No.301003E/E300005

per Anil Gupta
Partner
Membership No: 87921

Place : New Delhi
Dated : May 13, 2016

For and on behalf of Board of Directors of Zuari Global Limited

S. K. Poddar
Chairman
DIN : 00008654

N. Suresh Krishnan
Managing Director
DIN : 00021965

Marco Wadia
Director
DIN : 00244357

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
ACS : 31286

Place : Gurgaon
Date : May 13, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of ZUARI GLOBAL LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Zuari Global Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint controlled entities, comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

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 with the requirement 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 in accordance with 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 and Companies (Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 control 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 thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, 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 financial 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. An audit also includes evaluating the appropriateness of 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 paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for qualified opinion

We report that, as referred in Note 12, the Group is carrying investments of ₹ 6,944.09 Lacs in the equity share capital of Nagarjuna Oil Refinery Limited (NORL), whereof the market value at the year-end is ₹ 1085.36 Lacs. These shares were allotted to the Group consequent to demerger/merger scheme of Nagarjuna Fertiliser and Chemicals Limited (NFCL). The Group further holds 32,267,741 equity shares in NFCL which are yet to be listed on the stock exchange pending receipt of permission from Securities Exchange Board of India. These equity shares in NFCL are carried at value of ₹ 2,115.39 Lacs. The Group has not made provision for diminution in the value of investment in NORL, in view of long term strategic investments in the said company, the appropriateness or otherwise of which we are unable to comment on including consequential effects, if any, the accompanying financial statements.

Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid 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, of consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2016, of their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, to the extent applicable, we report that:
   (a) We have sought and except for the matter described in of the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

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

(c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;

(f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group's companies, its associates and jointly controlled companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;

(h) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India, refer to our separate report in "Annexure 1" to this report;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and jointly controlled entities – Refer Note 30 to the consolidated financial statements;

   ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and jointly controlled companies incorporated in India.

Other Matter

(a) The accompanying consolidated financial statements include total assets of Rs 110,062.89 Lacs as at March 31, 2016, and total revenues and net cash outflows of Rs 37,783.54 Lacs and Rs 2,313.40 Lacs for the year ended on that date, in respect of 11 subsidiaries and 18 joint ventures, which have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary 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 is based solely on the report of such other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, 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 and the financial statements and other financial information certified by the Management

For S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/ E300005

per Anil Gupta
Partner
Membership No.: 87921

Place: New Delhi
Date: May 13, 2016

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ZUARI GLOBAL LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Zuari Global Limited

In conjunction with our audit of the consolidated financial statements of Zuari Global Limited as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Zuari Global Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on the report issued by other auditors on internal financial controls system over financial reporting in case of subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, the following material weakness have been identified as at March 31, 2016:

a) The Holding Company's internal financial controls over evaluation of provision for diminution in value of investments were not operating effectively which could potentially result in the Holding Company not recognising provision for diminution in value of investments.;

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the holding company's annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Holding Company, its subsidiary companies, its associate companies and jointly controlled company's internal financial controls over financial reporting were operating effectively as of March 31, 2016.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to 9 subsidiary companies, 3 associate companies and 18 jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary, associate and jointly controlled companies incorporated in India.

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India as specified under section 143(10) of the Act, the consolidated financial statements of the Holding Company, which comprise the Consolidated Balance Sheet as at March 31, 2016, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated May 13, 2016 expressed an qualified opinion on those financial statements.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Anil Gupta
Partner
Membership Number: 87921

Place: New Delhi
Date: May 13, 2016

Consolidated Balance Sheet as at 31st March 2016

₹ in Lacs

	Notes	31st March, 2016	31st March, 2015
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	3	**2,944.11**	2,944.11
(b) Reserves and surplus	4	**67,150.58**	64,886.68
		70,094.70	67,830.79
Preference Shares (Held by other than Group)		**1,184.06**	7,532.56
Minority Interest	5	**-**	6.08
Non-current liabilities			
(a) Deferred tax liabilities (Net)	6	**263.86**	283.83
(b) Long term borrowings	7	**27,767.63**	31,399.86
(c) Trade payables	8	**470.77**	513.00
(d) Other long term liabilities	8	**106.05**	132.44
(e) Long-term provisions	9	**213.38**	268.54
		28,821.69	32,597.68
Current liabilities			
(a) Short-term borrowings	10	**35,428.13**	26,755.79
(b) Trade payables	8		
- Total outstanding dues of micro enterprises and small enterprises		**218.84**	321.03
- Total outstanding dues of creditors other than micro enterprises and small enterprises		**19,116.83**	22,544.51
(c) Other current liabilities	8	**36,968.61**	27,019.48
(d) Short-term provisions	9	**1,228.04**	1,247.61
		92,960.44	77,888.41
Total		**1,93,060.88**	1,85,855.52
II. ASSETS			
Goodwill (on consolidation)		**16,169.28**	16,110.60
Non-current assets			
(a) Fixed assets			
i. Tangible assets	11.1	**23,444.26**	8,947.72
ii. Intangible assets	11.2	**71.92**	96.38
iii. Capital work-in-progress		**14,216.68**	16,852.07
(b) Non-current investments	12	**34,332.81**	31,964.49
(c) Deferred tax assets (Net)	6	**77.09**	86.53
(d) Loans and advances	13	**6,303.24**	6,161.66
(e) Other non-current assets	14	**139.98**	246.92
		78,585.98	64,355.76
Current assets			
(a) Current investments	15	**4,372.63**	5,518.70
(b) Inventories	16	**59,367.36**	56,478.15
(c) Trade receivables	17	**10,103.51**	9,901.12
(d) Cash and bank balances	18	**7,777.77**	10,329.09
(e) Loans and advances	13	**12,019.56**	16,959.99
(f) Other current assets	14	**4,664.80**	6,202.11
		98,305.63	1,05,389.16
Total		**1,93,060.88**	1,85,855.52
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firms Regn. No.301003E/E300005

per Anil Gupta
Partner
Membership No: 87921

Place : New Delhi
Dated : 13th May, 2016

For and on behalf of Board of Directors of Zuari Global Limited

S. K. Poddar
Chairman
DIN : 00008654

N. Suresh Krishnan
Managing Director
DIN : 00021965

Marco Wadia
Director
DIN : 00244357

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
ACS : 31286

Place : Gurgaon
Date : 13th May, 2016

Consolidated Statement of Profit and Loss for the year ended 31st March, 2016

₹ in Lacs

		Notes	31st March, 2016	31st March, 2015
I.	**Income**			
	(a) Revenue from operations (gross)	19	**58,986.60**	53,453.68
	Less: Excise duty		**2,253.64**	1,385.35
	(b) Revenue from operations (net)		**56,732.96**	52,068.33
	(c) Other income	20	**3,757.58**	3,443.41
	Total revenue		**60,490.54**	55,511.74
II.	**Expenses**			
	(a) Cost of raw materials consumed	21	**21,726.14**	22,462.54
	(b) Purchase of traded goods	22	**2,777.50**	6,289.97
	(c) (Increase) in inventories of finished goods, work-in-progress and traded goods	23	**(2,848.91)**	(14,361.50)
	(d) Employee benefits expense	24	**7,356.52**	7,295.30
	(e) Depreciation and amortization expense	25	**944.65**	804.14
	(f) Finance costs	26	**4,526.82**	3,420.25
	(g) Other expenses	27	**28,246.86**	30,184.92
	(h) Exceptional items (net)	28	**(309.29)**	1,297.76
	Total		**62,420.29**	57,393.39
III.	**Loss before tax (I-II)**		**(1,929.75)**	(1,881.65)
IV.	**Tax expenses**			
	(a) Current income tax (including Minimum Alternative Tax)		**717.74**	1,080.07
	(b) MAT Credit Entitlement		**(23.07)**	(17.38)
	(c) Deferred tax (credit)		**(10.55)**	(11.38)
	(d) Income tax adjustment for earlier years		**(202.16)**	27.48
	Total tax expense		**481.96**	1,078.79
	Loss after Tax (III-IV)		**(2,411.71)**	(2,960.44)
	Add : Share in profits/(Losses) of Associates		**(2,902.71)**	329.04
	Loss for the year before minority interest		**(5,314.42)**	(2,631.40)
	Less : Share of minority interests in losses		**(6.08)**	(6.42)
	Loss for the year		**(5,308.34)**	(2,624.98)
	Basic			
	Earnings per equity share (nominal value of share ₹10/- (31st March 2015 - ₹ 10/-)	33	₹ **(18.03)**	₹ (8.91)
	Diluted			
	Earnings per equity share (nominal value of share ₹ 10/- (31st March 2015 - ₹ 10/-)		₹ **(18.03)**	₹ (8.91)
	Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firms Regn. No.301003E/E300005

per Anil Gupta
Partner
Membership No: 87921

Place : New Delhi
Dated : 13th May, 2016

For and on behalf of Board of Directors of Zuari Global Limited

S. K. Poddar
Chairman
DIN : 00008654

N. Suresh Krishnan
Managing Director
DIN : 00021965

Marco Wadia
Director
DIN : 00244357

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
ACS : 31286

Place : Gurgaon
Date : 13th May, 2016

Consolidated Cash flow statement for the year ended 31st March, 2016

₹ in Lacs

Sl. No.	Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Profit / (loss) before tax	**(1,929.75)**	(1,881.65)
	Add : Exceptional items (net) loss / (profit) in subsidiaries /Joint ventures (net)	**(309.29)**	1,297.76
	Profit before tax and Exceptional items	**(2,239.04)**	(583.88)
	Adjustment to reconcile profit before tax to net cash flows:-		
	Depreciation / amortisation	**976.04**	817.13
	Foreign Currency Translation Reserve	**132.38**	79.77
	Molasses & Alcohol Storage and Maintenance Reserve	**5.00**	3.14
	Excess provision / liabilities written back	**(758.81)**	(1,084.12)
	Loss / (Gain) on disposal of fixed assets sold / discarded (net)	**115.65**	36.16
	Provision for doubtful debts, loans, claims and advances	**166.80**	2.70
	Sundry balances written off	**27.58**	323.87
	Profit on sale of current Investments	**(41.30)**	(12.67)
	Interest expense	**6,456.00**	4,284.07
	Interest (income)	**(1,490.73)**	(1,021.39)
	Unrealized foreign exchange fluctuation (gain) / loss (net)	**16.44**	12.22
	Dividend (income)	**(1,420.87)**	(1,480.09)
		4,184.18	1,960.77
	Operating Profit/(loss) before Working Capital Changes	**1,945.14**	1,376.89
	Movement in working capital :		
	Decrease / (increase) in inventories	**1,137.50**	(14,156.68)
	(Increase) / Decrease in Trade Receivables	**(383.91)**	3,111.36
	Decrease / (Increase) in other current assets	**1,745.01**	2,134.40
	Decrease / (Increase) in loans and advances	**3,344.04**	(5,003.09)
	(Decrease) in trade payables, other liabilities	**(9,350.47)**	(14,482.22)
	(Decrease) in provisions	**(5.10)**	(7.51)
		(3,512.93)	(28,403.75)
	Cash generated from / (used) in Operations	**(1,567.79)**	(27,026.86)
	Direct taxes (paid) (net of refunds)	**(1,282.83)**	(1,742.38)
	Net Cash flow (used in) Operating Activities (A)	**(2,850.62)**	(28,769.24)
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets, including intangible assets, CWIP and capital advances	**(8,616.72)**	(9,994.43)
	Proceeds from Sale of fixed assets	**6.14**	72.80
	Purchases of non current investments	**(4,388.15)**	(77.86)
	Proceeds from sale of non current investments	**0.32**	485.74
	Purchases of current investments	**(1,290.63)**	(25,545.78)
	Proceeds from sale of current investments	**2,478.00**	38,378.01
	Purchase of investment in subsidiaries and joint ventures	**(26.52)**	(2,736.71)
	Proceeds from sale of investment in subsidiaries and joint ventures	**-**	1,641.25
	Investment of bank deposits (having original maturity of more than 3 months)	**2,724.80**	(4,610.18)
	Interest received	**1,274.99**	1,280.40
	Dividends received on investments	**1,690.68**	1,884.81
	Loans given to / (received back) from bodies corporates ICD / Loans given to bodies corporates received back	**1,460.00**	2,470.85
	Net Cash flow from / (used in) Investing Activities (B)	**(4,687.10)**	3,248.90

Consolidated Cash flow statement for the year ended 31st March, 2016

₹ in Lacs

Sl. No.	Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Preference shares	**400.00**	7,532.56
	Receipt of security premium	**1,350.00**	-
	Minority interest on acquisition	**-**	12.50
	Proceeds from long-term borrowings	**11,337.56**	24,779.42
	Repayment of long-term borrowings	**(5,265.13)**	(7,427.94)
	Proceeds from Buyers Credit	**1,102.83**	673.28
	Repayment of Buyers Credit	**(910.27)**	(955.10)
	Proceeds of short-term borrowings	**3,479.78**	4,122.94
	Proceeds of short-term borrowings repayable after three months	**5,000.00**	-
	Interest paid	**(8,575.99)**	(4,543.67)
	Dividend paid on equity shares	**(298.85)**	(296.48)
	Tax on equity dividend paid	**(59.93)**	(50.03)
	Net Cash flow from financing activities (C)	**7,559.99**	23,847.47
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	**22.27**	(1,672.87)
	Cash and cash equivalents at the beginning of the year	**3,523.71**	4,351.05
	Add : Net Cash of Other Group Companies on acquisition / (disposal)	**36.25**	845.53
	Cash and cash equivalents at the end of the year	**3,582.23**	3,523.71

₹ in Lacs

Components of cash and cash equivalents	As at 31st March 2016	As at 31st March 2015
Cash on hand	**54.84**	55.15
Cheques/ drafts on hand	**32.71**	95.87
With banks- on current account	**3,434.50**	3,233.88
on Saving Account	**0.03**	-
- on deposit account with original maturity less than three months	**28.50**	100.00
- unpaid dividend accounts*	**29.04**	33.46
- On Interest warrant accounts*	**2.61**	5.30
Other Bank Balances	**-**	0.05
Total Cash and Cash Equivalents (note 16)	**3,582.23**	3,523.71

Summary of significant accounting policies 2.1

Notes:

1. Previous Year figures have been regrouped wherever necessary to confirm to current year classification
2. * The Company can utilize these balances only toward settlement of the respective unpaid dividend, unpaid matured deposits and unpaid matured interest warrants.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firms Regn. No.301003E/E300005

per Anil Gupta
Partner
Membership No: 87921

Place : New Delhi
Dated : 13th May, 2016

For and on behalf of Board of Directors of Zuari Global Limited

S. K. Poddar
Chairman
DIN : 00008654

N. Suresh Krishnan
Managing Director
DIN : 00021965

Marco Wadia
Director
DIN : 00244357

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
ACS : 31286

Place : Gurgaon
Date : 13th May, 2016

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

1. Basis for preparation of accounts

The Consolidated Financial Statements relate to Zuari Global Limited (hereinafter referred to as the "Company") and its Subsidiary companies, (collectively hereinafter referred to as the "Zuari Group"), its associates and joint controlled entities. These financial statements have been prepared to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year except for the change in accounting policy explained below.

2.1 Statement of significant accounting policies

i. Change in accounting policy

a) In case of a joint venture, the Company has adopted component accounting as required under Schedule II to the Companies Act, 2013 from 1 April 2015. The Company was previously not identifying components of fixed assets separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of fixed assets.

Due to application of Schedule II to the Companies Act 2013, the Company has changed the manner of depreciation for its fixed assets. Now, the Company identifies and determines cost of each component / part of the asset separately. If the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset, these components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset. The Company has used transitional provisions of Schedule II to adjust the impact of component accounting arising on its first application. If a component has zero remaining useful life on the date of component accounting becoming effective, i.e., 1 April 2015, its carrying amount, after retaining any residual value, is charged to the opening balances of retained earnings. The carrying amount of other components, i.e., components whose remaining useful life is not Nil on 1 April 2015, is depreciated over their remaining useful lives.

Considering the applicability of Component accounting, the management has re-estimated useful lives and residual values the components of plant and machinery. Had the Company continued to use the earlier policy of depreciating plant and machinery, depreciation for the current year would have been lower by ₹ 46.56 Lacs (being proportionate share of Zuari Group) and loss before income tax for the current year would have been lower by ₹ 46.56 Lacs (being proportionate share of Zuari Group).

b) During the current year, the joint venture Company has upward revised the useful life of certain class of plant and machinery based on internal assessment and technical estimate. The Company believes that the useful life best represent the period over which the Company expects to use these assets. Had the Company continued to use the earlier life, depreciation for the current year would have been higher by ₹ 13.49 Lacs, loss before tax for the current year would have been higher by ₹ 13.49 Lacs.

ii) Classification of Current and Non-Current

Assets and liabilities in the balance sheet have been classified as either current or non-current based upon the requirements of Revised Schedule III notified under the Companies Act 2013.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Group's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

iii) Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about the assumptions and estimates could result in the outcomes requiring material adjustments to the carrying amounts of assets and liabilities in future periods.

iv) Principles of Consolidation

In the preparation of these Consolidated Financial Statements, investments in Subsidiaries, Associate Companies and Joint Venture entities have been accounted for in accordance with AS 21(Accounting for Consolidated Financial Statements), AS 23 (Accounting for Investments in Associates in Consolidated Financial Statements) and AS–27 (Financial Reporting of Interests in Joint Ventures) respectively notified under the Companies (Accounts) Rules, 2014. The Consolidated Financial Statements have been prepared on the following basis-

a) Subsidiary companies have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating all significant intra-group balances and intra-group transactions and also unrealized profits or losses.

b) Interests in the assets, liabilities, income and expenses of the Joint Ventures have been consolidated using proportionate consolidation method. For the purpose of proportionate consolidation, consolidated financial statements of the Joint Ventures and their subsidiaries have been used. Intra group balances, transactions and unrealized profits/losses have been eliminated to the extent of the Group's proportionate share.

c) The difference of the cost to the Company of its investment in Subsidiaries and Joint Ventures over its proportionate share in the equity of the investee company as at the date of acquisition of stake is recognized in the financial statements as Goodwill or Capital Reserve, as the case may be.

d) Minorities' interest in net profit of consolidated subsidiaries for the year has been identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Parent Company. Their share of net assets has been identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same have been accounted for by the holding company.

e) Investments in Associates have been accounted for using the equity method. The excess of cost of investment over the proportionate share in equity of the Associate as at the date of acquisition of stake has been identified as Goodwill and included in the carrying value of the Investment in the Associate. Similarly, the excess of proportionate share in equity of the associate over the cost of investment as at the date of acquisition of stake has been identified as Capital Reserve. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the Associate. However, the share of losses is accounted for only to the extent of the cost of investment. Subsequent profits of such Associates are not accounted for unless the accumulated losses (not accounted for by the Company) are recouped. Where the Associate has prepared and presented consolidated financial statements, such financial statements have been used for the purpose of equity accounting. In other cases, standalone financial statements of Associates have been used.

f) As far as possible, the consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's standalone financial statements. Differences in accounting policies have been disclosed separately.

g) The financial statements of the group entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company i.e. year ended March 31, 2016 except the foreign subsidiary, Globex Limited which had been liquidated during the year and thus consolidated upto date of liquidation i.e. 30th October 2015.

v) Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation / amortization and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Machinery spares which are specific to a particular item of fixed asset and whose use is expected to be irregular are capitalized as fixed assets.

The group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gain or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

vi) Depreciation

a) Depreciation on Fixed Assets (other than as stated in para (b) to (g) below) 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 II to the Companies Act, 2013. For this purpose, a major portion of the plant has been considered as continuous process plant for some of the companies.

b) Premium paid in a joint venture company on acquisition of Leasehold Land which is the cost of the Land is being amortized over the period of 30 years, the respective lease period.

c) Leasehold Improvements, in case of two subsidiaries, are being depreciated over the useful life or primary lease period, whichever is lower.

d) Machinery Spares are depreciated prospectively over the estimated remaining useful lives of the respective mother assets.

e) In case of one of the joint venture, depreciation on certain items of plant and machinery and building constructed on leased land are depreciated over unexpired period of lease and other fixed assets are depreciated as follows:

Name of the Asset	Useful lives (in years)
Other than factory buildings	3
Plant and Machinery	10 – 30

f) In case of a subsidiary company, following rate has been used to provide depreciation on its fixed asset.

Name of the Asset	Rate as per the useful lives (in years)
Office Equipment	
Telephone Equipment's	33.33

g) In case of a subsidiary company, depreciation on assets used for the projects has been considered as a part of construction and development cost.

Details about useful life of each category of assets are as follows

Name of the Assets	Useful Lives
Temporary Structure	Over a period of 5 years
Leasehold Improvements	Over the lease period of 11 years
Plant and Machinery	8 years
Furniture & Fittings	8 years

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

vii) Goodwill

Goodwill represents the difference between the Group's share in the net worth of the investee company and the cost of acquisition at each point of time of making the investment. For this purpose, the Group's share of net worth of the investee company is determined on the basis of the latest financial statements of that company available at the date of acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

viii) Intangibles

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following, initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangibles representing computer software are amortized using the Straight Line Method over their estimated useful lives of three years.

ix) Impairment

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued plant, property and equipment, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

x) Inventories

Inventories are valued at the lower of Cost and Net Realizable Value. The Cost for this purpose is determined as follows:

Raw Materials, Stores & Spares and Packing Materials: Moving weighted average method.

Work-in-process : Material cost on Moving weighted average method and appropriate manufacturing overheads based on normal operating capacity.

Finished goods (manufactured): Material cost on Moving weighted average Method and appropriate manufacturing overheads based on normal operating capacity including Excise Duty.

Traded goods : Cost is determined as per Moving weighted average method. Cost includes the cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Land Inventory : Valued at lower of cost and net realizable value. Land inventory in respect of which right is granted to third parties for development is classified as current asset. Land which is held for future development is classified as non-current asset.

Project work in progress : In respect of a subsidiary company engaged in the real estate construction, land under development and projects in progress are valued at lower of cost and net realizable value. Cost includes expenses, net of taxes recoverable and borrowing costs (to the extent considered as qualifying assets) specifically attributable to construction and development of property intended for sale. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated cost necessary to make the sale.

Power Banking : In respect of a subsidiary company, valued at lower of cost and net realizable value.

By products (including Press mud) and saleable scrap, whose cost is not identifiable, are valued at estimated net realizable value.

Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Custom duty on imported material in transit / lying in bonded warehouse is accounted for at the time of import / bonding of material.

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

xi) Investments

Investments that are readily realizable and intended to be held for not more than a year from the date of which such investments are made are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of investments, the difference between its carrying amount and net disposal proceeds is charged to the statement of profit and loss.

Investment property

An investment in land or buildings, which is not intended to be occupied substantially for use by, or in the operations of, the company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on building and plant and machinery component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management, which are equal to the rates prescribed under Schedule II of the Companies Act, 2013.On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

xii) Retirement and other Employee Benefits

a) Provident fund and family pension fund

Retirement benefits in the form of Provident Fund is a defined benefit obligation in the Parent Company and is provided for on the basis of actuarial valuation of projected unit credit method made at the end of each financial year. The difference between the actuarial valuation of the provident fund of employees at the year end and the balance of own managed fund is provided for as liability in the books in terms of the provisions under Employee Provident Fund and Miscellaneous Provisions Act, 1952.

b) Pension Fund

Family Pension Funds and National Pension Scheme are defined contribution schemes. The Group does not have any other obligation other than contribution made to the fund. The Group recognises contribution payable to the fund scheme as 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.

c) Gratuity

In respect of the Group, retirement benefit in the form of gratuity is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. The Parent Company, a joint venture company, one of the subsidiaries and one of the subsidiary of the subsidiary company have taken insurance policy under the group Gratuity scheme with the Life Insurance Corporation of India (LIC) to cover the gratuity liability of the employees.

d) Leave Encashment

Accumulated leave which is expected to be utilized within the next twelve months is treated as Short Term Employee benefit .The Group 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.

Accumulated leave expected to be carried forward beyond twelve months are treated as long term employee benefits for measurement purposes. Long term compensated absences are provided for based on actuarial valuation made at the end of each financial year. The actuarial valuation is done as per projected unit credit method. The Group presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer the settlement for 12 months after the reporting date. Where the Group has unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same has been presented as non-current liability.

e) Superannuation and Contributory Pension Fund

The Parent Company and some of subsidiaries within the Group and joint venture company have approved superannuation fund and contributory pension fund which are defined contribution schemes and the contributions paid to Life Insurance Corporation of India (LIC) against the insurance policy taken with them are charged to the Statement of Profit and Loss each year. These companies do not have any other obligation other than contributions paid to LIC. These companies recognize contribution payable to the fund scheme as 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.

f) Actuarial gains/losses related to gratuity, long term compensated absence and provident fund in form of defined obligation plan are immediately taken to the Statement of Profit and Loss and are not deferred.

g) Payments made / to be made under the Voluntary Retirement Scheme are charged to the Statement of Profit and Loss immediately.

xiii) Foreign Currency Translation

Foreign Currency transactions and balances

a) 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.

b) 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.

c) Exchange Differences:

Exchange differences arising on the settlement of monetary items or on reporting Group's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Exchange differences arising on a monetary item that, in substance, form part of the Group's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net investment, at which time they are recognized as income or as expenses.

d) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability:

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

e) Translation of Integral and Non – Integral Foreign Operation :

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the company itself.

In translating the financial statements of a non-integral foreign operation for incorporation in financial statements, the assets and liabilities, both monetary and non-monetary, of the non-integral foreign operation are translated at the closing rate; income and expense items of the non-integral foreign operation are translated at exchange rates at the dates of the transactions or weighted average monthly rates, where such rates approximate the exchange rate at the date of transaction and all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

xiv) Government Grants

Grants and subsidies from the government are recognized when there is a reasonable assurance that the grant or 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.

In respect of a one of the subsidiary company, government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.

xv) Leases

Where the Company is the lessee:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is lessor:

Leases in which the company (within the Zuari Group) does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

xvi) Accounting for taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company (within the Zuari Group), has carry forward of unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are re-assessed at each balance sheet date and recognized 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.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company (within the Zuari Group), writes-down the carrying amount of a deferred tax asset to the 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 future taxable income will be available.

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the company (within the Zuari Group) will pay normal income tax during the specified period. In the year in which the Minimum Alternate Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The company (within the Zuari Group) reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company (within the Zuari Group) will pay normal income tax during the specified period.

xvii) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

a) Revenue from sale of goods is recognized when the significant risk and rewards of ownership of the goods have passed to the customers. The Group collects sales taxes and value added taxes (VAT) on behalf of the Government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue. Excise Duty deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability assessed during the year.

b) Claims receivable on account of interest from dealers or delayed payments and insurance claims are accounted for to the extent the Group is reasonably certain of their ultimate collection.

c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

d) Dividend is recognized when the shareholders' right to receive payment is established by the balance sheet date.

e) Income from Engineering Service:

Revenue from fixed price construction services contracts is recognized by reference to the stage of completion of the project at the balance sheet date. The stage of completion of project is determined by the proportion that contract costs incurred for work performed upto the balance sheet date bear to the estimated total contract cost.

The cost incurred is measured by the jointly certified progress of work done by the company (within the Group) and its sub-contractors as at the end of the financial year, if the subcontractors/supplier has not raised bills on the company (within the Group) for the work completed by the subcontractor/supplier.

Income from engineering and other service contracts is recognized on accrual basis to the extent the services have been rendered and recoveries are reasonably certain.

Contract revenue earned in excess of billing has been reflected under other current assets and billing in excess of contract revenue has been reflected under current liabilities in the balance sheet.

f) In case of a joint venture company, revenue from Terminalling and Operation & Maintenance Services are recognized as per contractual terms on rendering the services.

g) Service Income is recognized as and when the service is performed using the percentage of completion method.

h) In case of a subsidiary company, Income from services rendered is recognized when completed or based on agreements with parties.

i) Revenue from sale of land and development rights is recognized upon transfer of all significant risks and rewards or ownership of such real estate/property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/agreements. Revenue from sale of land and development rights is only recognized when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.

Revenue is recognized in relation to the under construction units, to the extent it is probable that the economic benefits will flow to the company demonstrated by way of an Agreement for Sale (AFS) and when the buyer's investment is adequate enough to demonstrate a commitment to pay. Revenue from sale of residential properties is recognized on the percentage of completion method. Percentage of completion is determined on the basis of entire project costs incurred including the land costs, borrowing costs and construction and development costs to total estimated project cost, where the actual construction and development cost is 25 percent or more of the total estimated construction and development cost. Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for.

xviii) Borrowing costs

Borrowing costs includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

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

xix) Provisions

A provision is recognized when an enterprise 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 are not discounted to their present value and are determined based on best management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

In respect of a subsidiary of the Group engaged in the business of manufacturing and trading and sale of ready to assemble furniture, provisions for warranty related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty related costs is revised annually. The subsidiary gives warranty to products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Warranty provisions are made for expected future cash outflows and computed on total sales made during the year based on past experience. No reimbursements are expected.

xx) Earnings per Share

Basic Earnings per Share is calculated by dividing the net profit or loss for the year attributable to the equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive Potential Equity Shares.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

xxi) Derivative Instruments

In accordance with ICAI announcements, derivative contracts, other than foreign currency forward contracts covered under AS11, are marked to market on portfolio basis, and the net loss, if any, after considering the offsetting effect of gain on the underlying hedged item is charged to the Statement of Profit and Loss. Net gain, if any, after considering the offsetting effect of loss on the underlying hedged item is ignored.

xxii) Segment Reporting Policies

a) Identification of segments:

The Groups 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 Group operate.

b) Inter Segment Transfers:

The Group generally accounts for inter segment sales and transfers as if the sales or transfers were to third parties at current market prices.

c) 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.

d) Unallocated items:

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

e) Segment accounting policies:

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

xxiii) Cash and Cash Equivalents

Cash and cash equivalents in the cash flow statement comprises cash at bank and in hand and short term investments with original maturity periods of three months or less.

xxiv) 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 Group 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 Group does not recognize a contingent liability but discloses its existence in the financial statements.

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Consolidated notes to financial statements for the year ended 31 March 2016

3. Share Capital

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015
Authorised :		
11,50,00,000 (31st March, 2015::11,50,00,000) Equity Shares or ₹ 10/- Each	**11,500.00**	11,500.00
20,75,000 (31st March, 2015:: 20,75,000) Redeemable Cumulative Preference shares of ₹ 100/- each	**2,075.00**	2,075.00
	13,575.00	13,575.00
Issued		
*2,94,48,655 (31st March, 2015:: 2,94,48,655) Equity Shares of ₹ 10/- Each Fully paid	**2,944.87**	2,944.87
Subscribed and Paid-up		
2,94,40,604 (31st March, 2015:: 2,94,40,604) Equity Shares of ₹ 10/- Each Fully paid	**2,944.06**	2,944.06
Add: 1,100 (31st March, 2015:: 1,100) Forfeited Shares (amount paid up) fully paid up	**0.05**	0.05
Total	**2,944.11**	2,944.11

a. Reconciliation of Shares Outstanding at the beginning and end of the reporting year

Equity Shares	31st March, 2016		31st March, 2015	
	in Numbers	₹ in Lacs	in Numbers	₹ in Lacs
At the beginning of the year	**2,94,40,604**	**2,944.06**	2,94,40,604	2,944.06
Issued during the year	**-**	**-**	-	-
Outstanding at the end of the year	**2,94,40,604**	**2,944.06**	2,94,40,604	2,944.06

b. Terms/Rights Attached to equity Shares

The Parent Company has only one class of equity shares having a par value of ₹ 10/- per Share. Each share holder of equity shares is entitled to one vote per share. The Parent Company declares and pay dividends in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

During the year 31st March, 2016, the amount per share dividend recognised as distribution to equity shareholders was ₹ 1/- (31st March, 2015:: ₹ 1/-), subject to approval of shareholders

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of Shareholders holding more than 5% of shares in the Company

Name of Shareholder	31st March, 2016		As at 31 March 2015	
	No. of Shares held	% Holding in Class	No. of Shares held	% Holding in Class
Globalware Trading & Holdings Limited	**70,12,000**	**23.82**	70,12,000	23.82
SIL Investment Limited	**32,08,000**	**10.90**	32,08,000	10.90
Texmaco Infrastructure and Holdings Limited	**27,57,941**	**9.37**	27,57,941	9.37
Adventz Finance Private Limited**	**16,87,572**	**5.73**	16,01,723	5.44
Reliance Capital Trustee Co Ltd A/c - Reliance Regular Savings Fund Equity Option	**16,00,000**	**5.43**	16,00,000	5.43

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

As per records of the Parent Company, including its register of shareholders/member and other declarations received from shareholders regarding beneficial interest, the above holding represents both legal and beneficial ownership of shares.

** During the previous year ended 31 March 2015, Adventz Investments and Holdings Limited had been merged with Adventz Finance Private Limited vide court order dated 2nd June 2014 and accordingly all shares held by Adventz Investments and Holdings Limited are now vested with Adventz Finance Private Limited.

* Refer note no. 37

4. Reserves and Surplus

₹ In Lacs

	31st March, 2016	31st March, 2015
Securities Premium		
Balance as per last financial statements	**-**	1,882.63
Add: Received during the year (including ₹ 6748.50 Lacs received during the previous year, rectified now)	**8,098.50**	
Less: Transfer on account of divestment of stake	**-**	1,882.63
Closing balance	**8,098.5**	-
General Reserve		
Balance as per last financial statements	**3,839.91**	3,739.91
Add: Amount transferred from surplus balance in the statement of profit and loss	**50.00**	100.00
Closing balance	**3,889.91**	3,839.91
Surplus in the statement of profit and loss		
Balance as per last financial statements	**60,772.42**	62,089.19
Charged to Reserves due to implementation of Schedule II of the Companies Act 2013 (31st March, 2015:: net of deferred tax reversal of ₹ 33.63 Lacs)	**-**	(120.07)
Net (Loss) for the year	**(5,308.34)**	(2,624.98)
Add:Transfer of securities premium account	**-**	1,882.63
Less: Appropriations		
Proposed final equity dividend of ₹ 1 /- Per Equity Share (31st March, 2015:: ₹ 1 /-)	**294.41**	294.41
Tax on proposed equity dividend	**59.93**	59.93
Transfer to general reserve	**50.00**	100.00
Total appropriations	**404.34**	454.34
Net surplus in the statement of profit and loss	**55,059.73**	60,772.42
Molasses & Alcohol Storage and Maintenance Reserve		
Balance as per last financial statements	**3.14**	-
Add: Provided during the year	**5.00**	3.14
Closing balance	**8.14**	3.14
Foreign currency translation reserve		
Balance as per last financial statements	**271.21**	191.44
Exchange difference during the year on net investment in non - integral operations	**132.38**	79.77
Less: Transfer on account of divestment of stake	**(309.29)**	-
Closing balance	**94.30**	271.21
Total Reserves and Surplus	**67,150.58**	64,886.68

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

5. Minority Interest

₹ In Lacs

Particulars	31st March, 2016			31st March, 2015		
	Gobind Sugar Mills Limited	**Indian Furniture Products Limited**	**Soundaryaa IFPL Interiors Limited**	Gobind Sugar Mills Limited	Indian Furniture Products Limited	Soundaryaa IFPL Interiors Limited
% Share of Minority	**48.73%**	**14%**	**49.9996%**	48.73%	14%	49.9996%
Share in Equity	**155.94**	**977.80**	**12.50**	155.94	977.80	12.50
Securities premium	**-**	**7.44**	**-**	-	7.44	-
Share in the Reserves	**(155.94)**	**(985.24)**	**(12.50)**	(155.94)	(979.17)	(12.50)
Total	**-**	**-**	**-**	-	6.08	-

The minority interest represents for Gobind Sugar Mills Limited, Indian Furniture Products Limited and Soundaryaa IFPL Interiors Limited representing Zuari Group's proportionate share.

6. Deferred tax liabilities (Net)

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015
Deferred tax liabilities		
Fixed assets impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	**374.40**	407.16
Income considered in the books but not in income tax	**38.23**	49.54
Gross deferred tax liabilities	**412.63**	456.70
Deferred tax assets		
Unabsorbed depreciation	**59.57**	95.00
Unabsorbed business loss	**9.53**	10.80
Provision for warranties	**4.42**	2.50
Provision for doubtful debts	**6.79**	6.59
Other expenses allowable in income tax on payment basis and deposition of statutory dues	**145.55**	144.49
Gross deferred tax assets	**225.86**	259.39
Net deferred tax liabilities	**186.77**	197.31

(i) After netting off deferred tax assets in respect of some of the entities aggregating to ₹ 77.09 Lacs (31 March 2015:: Deferred tax assets of ₹ 86.53 Lacs)

(ii) The Group follows Accounting Standard (AS 22) "Accounting for Taxes on Income", as notified by Company Accounting Standards Rules, 2006. Due to losses, some of the subsidiary companies within the group have deferred tax asset with unabsorbed depreciation as a major component. However, deferred tax asset has been considered as Nil and has been recognised only to the extent of deferred tax liability since there is no convincing evidence which demonstrates virtual certainty of realization of such deferred tax asset in the near future, accordingly these companies have prudently decided not to recognize deferred tax asset on such timing differences.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

7. Long Term Borrowings

₹ In Lacs

Particulars	Non Current Portion		Current Maturities	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
Secured				
Indian rupee term loans from banks	**16,346.34**	10,636.69	**4,583.16**	1,900.67
Term Loan from Financial Institution	**6,878.16**	5,600.00	**393.84**	
Term loan under financial assistance scheme to Sugar units under SEFASU 2014 from Banks (Excise duty loan)	**1,574.38**	2,270.00	**695.62**	-
Working capital term loan from a bank	**218.75**	343.75	**125.00**	125.00
Loan from others	**-**	12,500.00	**8,000.00**	-
	25,017.63	31,350.44	**13,797.62**	2,025.67
Unsecured				
Deferred payments liabilities (Sales tax deferral scheme)	**-**	49.42	**49.42**	112.77
Loan from others	**2,750.00**	-	**-**	2,000.00
	2,750.00	49.42	**49.42**	2,112.77
Total	**27,767.63**	31,399.86	**13,847.04**	4,138.44
Less: Amount disclosed under the head Other Current Liabilities (Note No. 8)	**-**	-	**(13,847.04)**	(4,138.44)
Net Amount	**27,767.63**	31,399.86	**-**	-

1. Indian rupee term loans from banks

a. In respect of subsidiary company, Indian rupee loan of ₹ 10,059.49 Lacs (31st March, 2015::7,780.67 Lacs) (including current maturities ₹ 2925.00 Lacs (31st March, 2015:: 1,550.00 Lacs)) carries interest @ 13.25% (31st March, 2015:: 13.25%). The loan is taken from ICICI Bank Limited and is repayable in 48 monthly installments commencing from October 2014. The loan is secured by equitable mortgage of building constructed /to be constructed thereon in phase I & II, excluding sold out space and its proportionate share in land and hypothecation of receivables, pertaining to the phase I & II, both present and future.

b. In respect of joint venture of subsidiary company, Indian rupee loan of ₹ 467.14 Lacs (31st March, 2015::NIL) (being proportionate share of Zuari group) (including current maturities ₹ 276.00 Lacs (31st March, 2015:: NIL),being proportionate share of Zuari group) from Axis Bank carries interest @ 12.6 % (31st March, 2015:: NIL) and is repayable in 11 quarterly installments commencing from June 2016. The loan is secured by exclusive charge by way of equitable mortgage on project land (excluding plots already sold and land allocated to Mathura Vrindavan Development Authority for infrastructure development) and buildings constructed /to be constructed thereon. Further, it is secured by properties in the following subsidiaries:

i) Property bearing Khata No.8, Khasra No. 2238(min) & Khasra no. 2300 (min), Mauza Sakarai Bangar, Mathura having area 2.468 hectare owned by M/S Mayapur Commercial Private Limited (Wholly owned subsidiary company of the joint venture company)

ii) Property bearing Khata No.12, Khasra No. 2238(min) & Khasra no. 2300 (min), Mauza Sakarai Bangar, Mathura having area 4.937 hectare owned by M/S Neobeam Agents Private Limited (Wholly owned subsidiary company of the joint venture company)

iii) Property bearing Khata No.235, Khasra No. 2300(min) & Khata No.113, Khasra no. 2238 (min), Mauza Sakarai Bangar, Mathura having area 2.974 hectare owned by M/s Nexus Vintrade Private Limited (Wholly owned subsidiary company of the joint venture company)

iv) Property bearing Khata No.12, Khasra No. 2238(min) & Khasra no. 2300 (min), Mauza Sakarai Bangar, Mathura having area 4.937 hectare owned by M/S Rosewood Agencies Private Limited (Wholly owned subsidiary company of the joint venture company)

Also, it has exclusive charge by way of hypothecation of current assets (including receivables) pertaining to the project, both present and future.

Escrow and charge on customer advances/receivables/sale proceeds of the project units/promoters' contribution etc. by way of bipartite agreement between the borrower and escrow bank into designated account (escrow account).

c. In respect of a subsidiary company, Indian rupee term loan of ₹ 53.25 Lacs (31st March, 2015 :: ₹ 89.72 Lacs) [(including current maturities ₹ 36.00 Lacs (31st March, 2015 :: ₹ 36.00 Lacs)] is repayable in 48 equal instalments starting from April 2014 onwards. Term loan carries an interest @ 15.25% p.a. (31st March, 2015 :: 15.25% p.a.). The term loan from Axis Bank is secured against first charge on the movable fixed assets (Present) and to be purchased out of the term loan (other than funded by other bankers/institutions). The loan is also secured by hypothecation of entire current assets of the company both present and future.

d. In respect of a subsidiary company, Indian rupee term loan of ₹ 1,500.00 Lacs (31st March, 2015 :: NIL) [(including current maturities ₹ 93.75 Lacs (31st March, 2015 :: NIL)] is repayable in 48 equal instalments of ₹ 31.25 Lacs first installment is due from January 2017 (13 months from the drawdown date). Term loan carries interest @ 12.10% (31st March, 2015:: NIL).The term loan from ICICI Bank is secured against first paripassu charge on the immovable and movable fixed asset purchased. The second pari passu charge is secured by hypothecation of entire current assets (both present and future) of the Company

e. In respect of a subsidiary company, Indian rupee loan of ₹ 7,186.32 Lacs (31st March, 2015 :: ₹ 4663.00 Lacs) [(including current maturities ₹ 1252.00 Lacs (31st March, 2015:: ₹ 313.00 Lacs)] carries interest @ 3% plus base rate (31st March, 2015 :: 3%). The loan taken from State Bank of India, is secured by first mortgage / charge on entire fixed assets of the subsidiary company, situated at 62.318 acres of land at Aira Estate, Khamaria Pandit, Distt Lakhimpur Kheri, Uttar Pradesh and a new piece 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 and current assets, present and future of the subsidiary company, on pari pasu basis, with other term lenders. The aforesaid loan is repayable in 24 quarterly instalments commencing from 31st March, 2016. The 1st to 23rd quarterly instalments will be of ₹ 313 Lacs each and the 24th instalment will be of ₹ 301 Lacs.

f. In respect of subsidiary company, Motor car loan has been taken from ICICI bank Limited of Rs 2.30 Lacs (31st March, 2015 :: ₹ 3.97 Lacs) (including current maturities of ₹ 0.41 lac (31st March, 2015 :: ₹ 1.67 Lacs). The loan carries interest of 10% - 11.25% and is repayable in 60 months. The loan is secured by hypothecation of vehicle purchased out of loan.

g. In respect of a subsidiary company, Indian rupee loan of ₹ 1,661.00 Lacs (31st March, 2015 :: ₹ NIL [(including current maturities NIL (31st March, 2015 :: NIL)] carries interest @ 2.3% plus base rate (31st March, 2015::NIL). The loan is taken 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 piece 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 and current assets, present and future of the Company, on pari pasu basis with other term lenders. The aforesaid loan is repayable in 16 quarterly installments commencing from 1st October 2017 and carries interest @ 2.30% p.a above base rate.

2. Term Loan from Financial Institution

In respect of a subsidiary company, Term Loan of ₹ 7,272.00 Lacs (31st March, 2015 :: ₹ 5,600.00 Lacs) [(including current maturities ₹ 393.84 Lacs (31st March, 2015:: NIL)] from Indian Renewal Energy Development Agency Limited (IREDA) is secured by first mortgage / charge on entire fixed assets of the subsidiary company, situated at 62.318 acres of land at Aira Estate, Khamaria Pandit, Distt Lakhimpur Kheri, Uttar Pradesh and a new piece 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 subsidiary company, on pari pasu basis with other term lenders. Further, the loan is secured by 2nd pari-passu charge on current assets of the subsidiary company (excluding receivables from the power project on which there is a first pari-passu charge) along with other lenders.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

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.

3. Term Loan under financial assistance scheme to Sugar units under SEFASU 2014 from Banks (Excise duty loan)

In respect of a subsidiary company, Term Loans under Financial Assistance Scheme to Sugar Units under SEFASU 2014 from banks (Excise Duty Loan) of Rs 2,270.00 Lacs (31st March, 2015 :: Rs 2270.00 Lacs)) [(including current maturities ₹ 695.62 Lacs (31st March, 2015:: NIL)].

a) Loan under financial assistance scheme to Sugar Units under SEFASU 2014 of ₹ 1,099.00 Lacs (31st March, 2015 :: Rs 1,099.00 Lacs)) [(including current maturities ₹ 305.30 Lacs (31st March, 2015 :: NIL)] 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 residual assets of the subsidiary company. This charge is yet to be created.

b) Loan under financial assistance scheme to Sugar Units under SEFASU 2014 of ₹ 1,171.00 Lacs (31st March, 2015 :: Rs 1,171.00 Lacs)) [(including current maturities ₹ 390.32 Lakhs (31st March, 2015 :: NIL)] 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 Subsidiary company with other Working Capital Lenders. The said loan is repayable in 12 quarterly 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.

4. Working Capital Term Loan

In respect of a subsidiary company, Indian rupee Working capital term loan (WCTL) of ₹ 343.75 Lacs (31st March, 2015 :: ₹ 486.75 Lacs) [(including current maturities ₹ 125.00 Lacs (31st March, 2015 :: ₹ 125 Lacs)] is taken from Axis Bank and is repayable in 48 equal monthly installments of ₹ 10.40 Lacs starting from January 2015 onwards. The term loan carries interest @ 13.50% - 14% (31st March 2014 :: 13.50% - 14%). The WCLT is secured against paripasu first charge with Ratnakar Bank over the entire Current Assets of the company, both present and future, paripassu first charge over the movable fixed assets of the company (except which are specifically funded out of Axis Bank) and paripassu second charge over movable fixed assets of the company funded out of the term loan).

5. Loan from Others (Secured)

a. (i) In respect of Parent Company, term loan of ₹ 8,000.00 Lacs (31st March, 2015 :: ₹ 8,000.00 Lacs) [(including current maturities ₹ 8,000.00 Lacs (31st March, 2015 :: ₹ Nil)] from Rabo India Finance Ltd. is secured by the first exclusive charge on specific immovable property (shown as inventories) of the Parent Company.

(ii) The Parent Company has undertaken that during the term of the loan, it shall continue to hold and it shall not enter into a transaction to encumber any of the following equity shares which are currently directly or indirectly held by it:

a) 100% equity shares in the total equity share capital of Zuari Investment Limited.

b) 30% equity shares in the total equity share capital of Zuari Agro Chemicals Limited

c) 12% equity shares in the total equity share capital of Chambal Fertilisers and Chemicals Limited

d) 25% equity shares in the total equity share capital of Gobind Sugar Mills Ltd.

(iii) Promoter group shall continue to have management control of the Parent Company and Zuari Investment Ltd. (ZIL) (subsidiary company) and hold majority ownership (atleast 51% of the total equity share capital without any encumbrance) in the Parent Company including the ability to appoint majority directors of the board of the Parent Company and ZIL.

b. In respect of a subsidiary company, Term loan from a body corporate of ₹ NIL (31st March, 2015 :: ₹ 4,500.00 Lacs) (including current maturities of ₹ Nil) (31st March, 2015 :: ₹ Nil) from Aditya Birla Finance Limited was 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 was further secured by first pari-passu charge on all present and future current assets including book debts, operating cash flows and receivables of the subsidiary company. The said loan is fully repaid during the year.

6. Deferred payments liabilities

In respect of a subsidiary company, Deferred sales tax scheme is interest free and payable in 96 installments. Amount varies from month to month based on the actual liability, starting from May 2008.

7. Loan from Others (Unsecured)

(a) In respect of a subsidiary company, unsecured loan of ₹ 2,000.00 Lacs (31st March, 2015 :: ₹ 2,000.00 Lacs) [including current maturities of ₹ NIL (31st March, 2015 :: ₹ 2,000.00 Lacs)] from Adventz Finance Private Limited carries interest of 14% (31st March, 2015 :: 14%) repayable after 18 months from renewal.

(b) In respect of a joint venture of a subsidiary company, unsecured loan of ₹ 750.00 Lacs (31st March, 2015 :: NIL) [including current maturities of ₹ NIL (31st March, 2015 :: NIL)] from Barclays Investments & Loans India Limited carries interest of 10.5% (31st March, 2015 :: NIL) repayable after 15 months from March 2016 and is secured by guarantee of a shareholder of the joint venture of subsidiary company

8. Trade Payables and Other Liabilities

₹ In Lacs

Particulars	Non Current		Current	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
TRADE PAYABLES				
Total outstanding dues of micro enterprises and small enterprises (Refer Note No. 54 for details of dues to micro and small enterprises)	**-**	-	**218.84**	321.03
Total outstanding dues of creditors other than micro enterprises and small enterprises	**470.77**	513.00	**19,116.83**	22,544.51
	470.77	513.00	**19,335.67**	22,865.54
Other Liabilities				
Deposits - dealers & others	**-**	-	**599.12**	650.01
Current Maturities of long term borrowings	**-**	-	**13,847.04**	4,138.43
Unclaimed statutory liabilities as referred in Section 205(c) of the Companies Act 1956 to be credited to Investor Education and Protection Fund as and when due				
Unclaimed dividends	**-**	-	**29.04**	33.46
Unclaimed deposits	**-**	-	**2.71**	6.65
Unclaimed Interest warrants	**-**	-	**2.61**	5.30
Unclaimed preference warrants	**-**	-	**5.79**	5.81
Interest accrued and due on loans and deposits	**-**	-	**236.40**	444.52
Interest accrued but not due on loans and deposits	**-**	-	**61.44**	59.66
Interest on Income Tax	**-**	-	**9.47**	-
Employee related payables	**-**	-	**485.10**	450.83

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

₹ In Lacs

Particulars	Non Current		Current	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
Advances from dealers and others	**-**	-	**4,695.84**	7,068.97
Advance towards sale of investments	**-**	-	**11,920.00**	11,920.00
Payables towards capital goods	**-**	-	**3,279.59**	669.30
Forward cover payable	**-**	-	**0.49**	2.20
Rent equalisation	**106.05**	132.44	**-**	-
Statutory dues and other obligations	**-**	-	**1,662.16**	1,564.32
	106.05	132.44	**36,968.61**	27,019.48
Total	**576.82**	645.44	**56,304.28**	49,885.02

9. Provisions

₹ In Lacs

Particulars	Long-term		Short-term	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
Provision for employee benefits				
Gratuity (Refer note no. 48)	**190.11**	225.84	**40.50**	42.65
Provision for voluntary retirement scheme	**23.27**	42.70	**18.67**	19.72
Leave encashment	**-**	-	**584.54**	500.28
	213.38	268.54	**643.71**	562.65
Others provisions				
Provision for current income tax (net of advance tax)	**-**	-	**184.16**	-
Provision for wealth tax	**-**	-	**-**	48.11
Provision for proposed equity dividend	**-**	-	**294.41**	294.41
Provision for tax on proposed equity dividend	**-**	-	**59.93**	59.93
Provision for warranties	**-**	-	**45.83**	282.51
	-	-	**584.33**	684.96
Total	**213.38**	268.54	**1,228.04**	1,247.61
Provision for warranty (Period upto one year)*				
Balance at the beginning of the year	**-**	-	**282.51**	1,074.23
Add: Additions	**-**	-	**29.82**	188.54
Less : Utilisation	**-**	-	**12.71**	66.80
Less : Unutilised amounts reversed	**-**	-	**253.79**	913.46
Balance at the end of the year	**-**	-	**45.83**	282.51

* In respect of a subsidiary of the Group engaged in the business of manufacturing and trading and sale of ready to assemble furniture, provisions for warranty related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty related costs is revised annually. The company gives warranty to products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Warranty provisions are made for expected future cash outflows and computed on total sales made during the year based on past experience. No reimbursements are expected. In case of another subsidiary company, it has assessed the year end provision for expected claims/expenditure on construction contracts on the basis of the best estimate.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

10. Short term borrowings

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015
Secured		
Cash credit from banks	**15,627.64**	13,434.03
Buyers credit from banks	**308.87**	116.32
Term loan from banks	**7,164.49**	3,574.58
Loan from financial institution	**3,000.00**	-
	26,101.00	17,124.93
Unsecured		
Short term loan from bank	**5,000.00**	4,500.00
Term loans from others		
- Inter corporate Deposits	**4,327.13**	5,130.86
	9,327.13	9,630.86
Total	**35,428.13**	26,755.79

1. Cash Credit from Banks

a. In respect of a subsidiary, cash credit from bank of ₹ 2,073.54 Lacs (31st March, 2015 :: ₹ 2,129.66 Lacs) from Axis Bank is secured against pari passu first charge over the entire current assets both present and future and paripassu second charge over movable fixed assets of the company funded out of axis bank term loan. The cash credit is repayable on demand and carries interest @ 13.75% p.a. (31st March, 2015 :: 13.75% p.a.)

b. In respect of a subsidiary, cash credit from bank of ₹ 1,503.76 Lacs (31st March, 2015 :: ₹ 1,656.74 Lacs) from Ratnakar Bank is secured against pari passu first charge over entire current and fixed assets (except vehicle) both present and future. The cash credit is repayable on demand and carries interest @ 14% p.a. (31st March, 2015 :: 14% p.a.)

c. In respect of a subsidiary company, cash credit of ₹ 1,962.51 Lacs(31st March, 2015 ₹ 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.

d. In respect of a subsidiary company, cash credit of ₹ 4,119.29 Lacs (31st March, 2015 ₹ 4,046.24 Lacs) from District Cooperative Bank Ltd., Lakhimpur Kheri. As per the sanction letter, the said limit 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. (31st March, 2015 :: 11.75% p.a.) The said charge is yet to be created.

e. In respect of a subsidiary company, cash credit of ₹ 1,522.26 Lacs (31st March, 2015 ₹ 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 11.25% p.a.(31st March, 2015 :: 11.75% p.a.) The said charge is yet to be created.

f. In respect of a subsidiary company, cash credit of ₹ 1,079.00 Lacs(31st March, 2015 ₹ 2,000.00 Lacs) from Ratnakar Bank Ltd. is secured by first mortgage / charge of entire current assets, immovable and movable fixed assets ranking pari pasu with other lenders of the subsidiary company. Also, Zuari Agro and Chemicals Ltd. has provided letters of comfort for the said loan. The loan carries interest @ 13.75% p.a (31st March, 2015 :: 13.75% p.a.).

g. In respect of a subsidiary company, cash credit of ₹ 2,000.00 Lacs (31st March, 2015 NIL) Lacs from District Cooperative Bank Ltd., Pilibhit, as per the sanction letter is secured by pledge of some stock of finished goods and carries interest 11.25% p.a.(31st March, 2015:: NIL) The said charge is yet to be created.

h. In respect of a subsidiary company, cash credit of ₹ 1260.46 Lacs (31st March, 2015 NIL) Lacs from District Cooperative Bank Ltd., Shahjahanpur, as per the sanction letter is secured by pledge of some stock of finished goods and carries interest 11.25% p.a.(31st March, 2015 :: NIL) The said charge is yet to be created.

i. In respect of a subsidiary company, cash credit from Axis bank of ₹ 106.52 Lacs (31st March, 2015 :: ₹ 74.93 Lacs) is secured by equitable mortgage of building constructed/to be constructed thereon, excluding sold out space and its proportionate share in land and hypothecation of current assets (including receivables), pertaining to the extant project, both present and future. The cash credit is repayable on demand and carries interest @ 13.25% (31st March, 2015 :: NIL)

2. Buyers Credit from banks

A subsidiary company has taken buyers credit of ₹ 308.87 Lacs (31st March, 2015 :: 116.32 Lacs) for the import LC payment. Each BC will be payable to the buyers credit party with different agreed date along with interest. Buyers credit is secured against first paripasu charges on all current assets of the subsidiary company, both present and future. First paripasu charge on all movable fixed assets (except vehicles & movable fixed assets funded out of term Loan from Axis bank) of the subsidiary company, both present and future. First pari passu charge on land and factory building of the subsidiary company located at G-106, SIDCO Industrial estate, Kakkalur, Tiruvallur, Tamilnadu. Second paripasu charge on movable fixed assets funded out of term loan from Axis Bank Ltd. The Buyers credit carries a rate of interest between 1.00% to 2.13% p.a. (31st March, 2015 :: 0.943% to 2.456% p.a.) and is repayable over a tenure of 90 days (31st March, 2015 :: 66-120 days)

3. Term Loan from banks (Secured)

a. In respect of short term loan of NIL (31st March, 2015 :: ₹ 2,127.73 Lacs) availed by a subsidiary company, carried an interest rate of 13.25% p.a. (31st March, 2015 :: 13.25% p.a.). It was secured by SBLC provided by Bank of Bahrain & Kuwait, India.

b. In respect of short term loan of ₹ NIL (31st March, 2015 :: ₹ 1,446.85 Lacs) availed by a subsidiary company, carried an interest rate of NIL (31st March, 2015 :: 4.2346% p.a) was repaid during the year and It was availed in USD against the security of fixed deposit in INR.

c. In respect of Short term loan of ₹ 7164.49 Lacs (31st March, 2015:: NIL) availed by a subsidiary company, carries an interest rate of 4.235% p.a. (31st March, 2015 :: NIL). It is secured by SBLC provided by State Bank of India. This is further secured by pledge of units of mutual fund of ₹ 1500 Lacs by a subsidiary company and first and paramount charge on specific land provided by the Parent Company.

4. Loan from financial institution

In respect of short term loan of ₹ 3000.00 Lacs (31st March, 2015 :: NIL) from Indian Renewable Energy Development Agency Limited is availed by a subsidiary company, carries an interest rate of 12.70% (31st March, 2015 :: NIL.) and is repayable on or before end of two years from the date of 1st disbursement or upon release of SDF Loan, whichever is earlier.

5. Short Term Loan from bank (Unsecured)

(a) In respect of short term loan of ₹ 5000.00 Lacs (31st March, 2015 :: ₹ NIL) from Federal Bank Limited is availed by a subsidiary company, carries an interest rate of 12.00% (31st March, 2015 :: NIL.) and is repayable in three equal instalments i.e. ₹ 1,666.67 Lacs each to be repaid on 21st April, 2016, 21st July, 2016 and 21st October, 2016.

(b) In respect of short term loan of ₹ NIL (31st March, 2015 :: 4,500.00 Lacs) availed by the subsidiary company, carried an interest rate of NIL (31st March, 2015 :: 11.75% p.a.) and was repayable on 15th April, 2015 ₹ 1500.00 Lacs and balance ₹ 3000.00 Lacs on or before 30th April,2015. The same had been repaid during the year.

6. Term Loans from Others (unsecured)

(a) In respect of deposit from body corporate of ₹ 1,300.00 Lacs (31st March, 2015 :: ₹ 1,300.00 Lacs) availed by a subsidiary company from Texmaco Infrastructure & Holdings Limited, carries an interest rate of 16% p.a. (31st March, 2015 :: 16% p.a.) and repayable on demand.

(b) In respect of deposit from body corporate of ₹ 2,500.00 Lacs (31st March, 2015 :: ₹ 2,500.00 Lacs) availed by a subsidiary company from Adventz Investment & holdings Limited, carries an interest rate of 16% p.a. (31st March, 2015 :: 16% p.a.) and repayable on demand

(c) Deposits of ₹ 527.12 Lacs (31st March, 2015 :: ₹ 1,330.86 Lacs) availed by subsidiary companies, carries an interest rate of 13% p.a. - 17% p.a. (31st March, 2015 :: 13% p.a.- 17% p.a.) and are repayable on demand.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

11.1 Tangible assets

₹ in Lacs

Particulars	Freehold Land	Land (leasehold)	Leasehold Improve -ments	Buildings	Plant & machinery	Furniture & fixtures	Office equipment	Vehicles	Total
As at 31.03.2014	994.52	117.17	333.77	1,743.06	4,820.82	1,163.92	1,221.33	83.07	10,477.66
Additions	18.20	-	195.71	174.81	27.78	132.78	85.37	71.73	706.38
Deductions	7.55	-	153.25	11.44	9.63	142.47	89.36	29.94	443.64
Addition on account of acquisition	367.21	-	6.93	876.85	9,429.24	62.46	132.29	129.34	11,004.32
Transfer on account of Dilution in stake	-	-	-	-	73.37	0.52	0.56	-	74.45
As at 31.03.2015	**1,372.38**	**117.17**	**383.16**	**2,783.28**	**14,194.84**	**1,216.17**	**1,349.07**	**254.20**	**21,670.27**
Adjustment to Opening Balance	-	-	-	-	(1,382.64)	1,382.64	-	-	-
Additions	2.42	-	4.93	2,889.40	11,258.56	51.51	61.44	0.03	14,268.30
Borrowing Cost	-	-	-	477.41	1,910.31	0.45	1.12	-	2,389.29
Deductions	1.41	-	-	-	509.56	21.97	24.53	26.41	583.88
Transfer to Investment property	920.54	-	-	266.96	60.91	-	-	-	1,248.41
As at 31.03.2016	**452.85**	**117.17**	**388.09**	**5,883.13**	**25,410.60**	**2,628.80**	**1,387.10**	**227.82**	**36,495.57**
Depreciation									
As at 31.03.2014	**-**	**43.30**	**323.39**	**529.05**	**2,402.59**	**780.12**	**796.45**	**26.69**	**4,901.59**
Charge for the year	-	3.91	80.18	89.95	286.23	43.06	195.60	22.75	721.68
Deductions during the year	-	-	128.77	2.75	2.25	120.54	72.75	11.86	338.92
Charge on account of acquisition	-	-	2.43	385.90	6,676.30	48.40	102.71	75.73	7,291.47
Transfer on account of Dilution in stake	-	-	-	-	6.05	0.42	0.47	-	6.94
Charge adjusted from retained earnings	-	-	-	-	143.42	5.03	5.24	-	153.69
As at 31.03.2015	**-**	**47.21**	**277.23**	**1,002.15**	**9,500.24**	**755.65**	**1,026.78**	**113.31**	**12,722.57**
Adjustment to Opening Balance	-	-	-	-	(931.75)	931.75	-	-	-
Charge for the year	-	3.91	58.70	128.03	565.68	34.42	78.16	19.39	888.28
Deductions during the year	-	-	-	-	418.10	8.16	23.25	14.65	464.15
Transfer to Investment Property	-	-	-	40.57	54.83	-	-	-	95.40
As at 31.03.2016	**-**	**51.12**	**335.93**	**1,089.61**	**8,661.24**	**1,713.66**	**1,081.69**	**118.05**	**13,051.31**
Net block									
As at 31.03.2015	**1,372.38**	**69.96**	**105.93**	**1,781.13**	**4,694.60**	**460.52**	**322.29**	**140.89**	**8,947.70**
As at 31.03.2016	**452.85**	**66.05**	**52.16**	**4,793.52**	**16,749.36**	**915.14**	**305.40**	**109.77**	**23,444.26**

Notes :

1. In respect of Joint Venture leasehold land of ₹ 117.17 Lacs (Gross Block) Net Block ₹ 66.05 Lacs [Previous year ₹ 117.17 Lacs (Gross Block) Net Block ₹ 69.96 Lacs] being the proportionate share of Zuari Group is pending for registration in the name of company.
2. In respect of joint venture, Plant & Machinery includes ₹ 739.08 Lacs (Gross Block) (Net Block ₹ 364.15Lacs) [Previous year ₹ 699.80 Lacs (Gross Block) (Net Block ₹ 346.11 Lacs), being the proportionate share of Zuari Group representing pipelines laid on land for which Right of Way agreement is yet to be executed.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

3. Buildings include buildings given on operating lease having gross block ₹ Nil (31st March, 2015 :: ₹ 187.45 Lacs), depreciation charged for the year ₹ 3.02 Lacs (31st March, 2015 :: ₹ 2.96 Lacs), accumulated depreciation ₹ Nil (31st March, 2015 :: ₹ 24.71 Lacs), net book value ₹ Nil (31st March, 2015 :: ₹ 162.74 Lacs)

11.2 Intangible assets

₹ in Lacs

Particulars	Software	Total
Gross block		
As at 31.03.2014	**855.01**	**855.01**
Purchase	**55.01**	**55.01**
Deductions	**60.41**	**60.41**
Transfer on account of Dilution in stake	**0.36**	**0.36**
As at 31.03.2015	**849.25**	**849.25**
Purchase	**65.35**	**65.35**
Deductions	**12.12**	**12.12**
As at 31.03.2016	**902.48**	**902.48**
Amortization		
As at 31.03.2014	**713.92**	**713.92**
Charge for the year	**95.45**	**95.45**
Deductions	**56.17**	**56.17**
Transfer on account of Dilution in stake	**0.33**	**0.33**
As at 31.03.2015	**752.87**	**752.87**
Charge for the year	**87.76**	**87.76**
Deductions	**10.07**	**10.07**
As at 31.03.2016	**830.56**	**830.56**
Net block		
As at 31.03.2015	**96.38**	**96.38**
As at 31.03.2016	**71.92**	**71.92**

11.3 Pre-operative (pending allocation) (included under Capital Work in Progress)

₹ In lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Salaries, wages and bonus	**92.77**	28.85
Contribution to provident and other funds	**2.06**	2.06
Staff welfare expenses	**8.21**	0.15
Power, fuel and water	**526.89**	100.83
Rates and taxes	**17.63**	11.23
Insurance	**64.96**	44.05
Transmission line expenses *	**812.85**	812.85

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

₹ In lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Miscellaneous expenses	**453.86**	120.53
Interest	**3,100.25**	1,179.83
Other borrowing costs	**499.29**	328.35
Scrap Sales	**(34.45)**	(34.45)
	5,544.32	2,594.27
Less: Allocated to Fixed Assets	**(3,680.26)**	-
Closing Balance carried forward	**1,864.06**	2,594.27

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

12. Non-Current Investments (valued at cost less provision)

₹ In Lacs

Particulars	31st March, 2016		31st March, 2015	
Investment property (at cost less accumulated depreciation)				
Cost of land, building and plant and machinery given on operating lease	**1248.41**			
Less : Accumulated depreciation	**95.40**			
Net Block		**1,153.01**		-
Other than trade, Quoted				
6,16,20,147 (31st March, 2015:: 6,06,20,147) Equity Shares of ₹ 10 each fully Paid up of Chambal Fertilisers and Chemicals Limited		**10,623.21**		10,085.06
3,75,71,612 (31st March, 2015:: 3,75,71,612) Equity Shares of ₹ 1/- each fully paid up of Texmaco Infrastructure and Holdings limited		**2,477.61**		2,477.61
3,29,98,900 (31st March, 2015:: 3,29,98,900) Equity Shares of ₹ 1/- each fully Paid up of Texmaco Rail and Engineering Limited		**1,369.27**		1,369.27
2,93,34,310 (31st March, 2015:: 2,93,34,310) Equity Shares of ₹ 1/- each each fully paid up of Nagarjuna Oil Refinery Limited		**6,944.09**		6,944.09
22,22,222 (31st March, 2015:: 22,22,222) Equity Shares of USD 0.01/- each fully paid of Synthesis Energy System Inc.		**2,235.12**		2,235.12
1,80,240 (31st March, 2015:: 1,80,240) Equity Shares of ₹ 10/- each fully paid up of Premium Exchange & Finance Ltd		**5.59**		5.59
1,88,460 (31st March, 2015:: 1,88,460) Equity Shares of ₹ 10/- each fully paid up of Master Exchange & Finance Ltd.		**5.90**		5.90
24,700 (31st March, 2015:: 24,700) Equity Shares of ₹ 10/- each fully paid up of Duke Commerce Ltd.		**0.64**		0.64
14,000 (31st March, 2015:: 14,000) ₹ 10/- each fully paid up of Ess Dee Aluminium Ltd..		**81.71**		81.71

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

₹ In Lacs

Particulars	31st March, 2016		31st March, 2015	
Associate				
Other than trade, Quoted				
1,34,90,510 (31st March, 2015:: 1,34,90,510) Equity Shares of ₹ 10/- each fully paid up of Zuari Agro Chemicals Limited (including Capital Reserve of ₹ 902.72 Lacs)	**7,141.32**		7,258.24	
Less: Dividend received	**(269.81)**		(404.72)	
Less: Share of profit/ (loss) for the current year	**(2,919.55)**		287.80	
		3,951.96		7,141.32
Other than trade, Quoted (Mutual Funds)				
50,00,000 units (31st March, 2015 :: NIL) ICICI Prudential Fixed Maturity plan Series (77-1473 Days Plan C) of ₹ 10 each under lien for the SBLC facility from SBI		**500.00**		-
1,00,00,000 units (31st March, 2015:: NIL) ICICI Prudential Fixed Maturity plan of ₹ 10 each		**1,000.00**		-
50,00,000 units (31st March, 2015 :: NIL) ICICI Prudential Fixed Maturity plan Series (78-1156 Days Plan T)of ₹ 10 each		**500.00**		-
1,00,00,000 units (31st March, 2015:: NIL) SBI Debt Fund Series B-17(1100 Days) of ₹ 10 each under lien for the SBLC facility from SBI		**1,000.00**		-
85,00,000 units (31st March, 2015 :: NIL) SBI Debt Fund Series B-36(1131 Days of ₹ 10 each		**850.00**		-
Unquoted				
20,49,994 (31st March, 2015: 20,49,994) Equity Shares of ₹ 10/- each fully paid up of New Eros Tradecom Ltd. (including goodwill of ₹ 661.40 Lacs)	**1,601.35**		1,560.11	
Add: Share of profit for the current year	**16.84**		41.24	
		1,618.19		1,601.35
Others, Other than trade, Unquoted				
72,000 (31st March, 2015:: 72,000) Equity shares of ₹ 10/- each fully paid up of Indian Potash Limited		**3.60**		3.60
1,00,000 (31st March, 2015:: 1,00,000) Equity shares of ₹ 10/- each fully paid up of Biotech Consortium of India Limited		**10.00**		10.00
2,58,250 (31st March, 2015:: 2,58,250) Equity shares of ₹ 10/- each fully paid up of Lionel India Limited*		**258.90**		258.90
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**		1.00
10,45,000 (31 March 2015 ::10,45,000) Equity Shares of Omani Riyal 1 each fully paid-up in Simon Engineering and Partners LLC , Sultanate of OMAN*		**10.45**		10.45

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

₹ In Lacs

Particulars	31st March, 2016		31st March, 2015	
19,092 (31 March 2015:: 19,092) Equity shares of ₹ 100 each fully paidup Lionel Edwards Limited		**1.91**		1.91
Total		**33,449.15**		32,233.84
Less : Provision for diminution in the value of Investments *				
- Simon Engineering and Partners LLC)		**10.45**		10.45
- Lionel India Ltd.		**258.90**		258.90
Total Investment in Shares and Securities		**33,179.80**		31,964.49
TOTAL INVESTMENTS		**34,332.81**		31,964.49
Aggregate Amount of Quoted Investments		**27,695.10**		30,346.31
(Market value ₹ 1,03,526.58 Lacs, 31st March, 2015 :: ₹ 1,36,896.75 Lacs) Aggregate Amount of Quoted Investments in Mutual Funds (Fair value(net asset value) ₹ 3968.5 Lacs (31st March, 2015:: NIL))		**3,850.00**		-
Aggregate Amount of unquoted Investments		**1,634.70**		1,618.18
Value of Investment Property		**1,153.01**		-
Total		**34,332.81**		31,964.49

(a) (i) Pursuant to the Composite Scheme of Arrangement and Amalgamation among iKisan Limited, Kakinada Fertilisers Limited (KFL), Nagarjuna Fertilisers and Chemicals Limited (NFCL) and Nagarjuna Oil Refinery Limited (NORL), the Parent Company had got one fully paid up equity share of Nagarjuna Oil Refinery Limited of ₹ 1/- each for every one equity share of ₹ 10/- held in NFCL and eleven equity shares in KFL of ₹ 1/- each for every ten equity shares of ₹ 10/- cash held in NFCL. The name of KFL has subsequent to Merger on right issue changed to NFCL. The cost of shares held in Nagarjuna Fertilisers and Chemicals Limited had been allocated in the ratio of 76.65% and 23.35% to the shares of Nagarjuna Oil Refinery Limited and Nagarjuna Fertilisers and Chemicals Limited. (formerly known as Kakinada Fertilisers Limited)

(ii) The Parent Company's investment in Nagarjuna Oil Refinery Limited aggregated to ₹ 6,944.09 Lacs (31st March, 2015 :: ₹ 6,944.09 Lacs) (based on cost allocation as above in (i)) and market value of this is ₹ 1,085.37 Lacs (31st March, 2015 :: ₹ 1,205.64 Lacs) . Hence, there is a diminution in the value of investment by ₹ 5,858.72 Lacs (31st March, 2015 :: ₹ 5,738.45 Lacs)

(iii) The shares of Nagarjuna Fertilisers and Chemicals Limited allotted to the Parent Company are not yet listed on the stock exchange, pending receipt of permission from Securities and Exchange Board of India. These shares are carried at a value of ₹ 2115.00 Lacs. SEBI had applied to High Court of Mumbai to set aside the High Court's earlier order sanctioning the scheme of arrangement and amalgamation relating to IKisan and NFCL. An application had been filed by SEBI in the High Court of Bombay at Mumbai to recall/review the order dated June 17, 2011 and order dated July 22, 2011 of the High Court of Bombay at Mumbai. The matter had been heard by Hon'ble High Court of Bombay at Mumbai and dismissed the application filed by the SEBI on September 10,2015 with costs. SEBI at the hearing on February 29, 2016 informed the Hon'ble High Court of Bombay that vide letter February 4, 2016 addressed to Bombay Stock Exchange Ltd, SEBI has granted relaxation to the company completing compliances and satisfying certain conditions while at same time requesting the Court that SEBI would continue to maintain the appeal. NFCL is taking necessary steps to commence trading of equity shares at the earliest. This being long term investment, management is of the view that the diminution in the value of this investment is temporary in nature and hence no provision is required to be made there against.

(b) The Zuari Group's investment in Synthesis Energy System Inc. is ₹ 2235.12 Lacs (31st March, 2015 :: ₹ 2235.12 Lacs) and market value of investment is ₹ 1472.44 Lacs. Hence, there is a diminution in the value of investment by ₹ 762.68 Lacs. This being long term investments, management is of the view that the diminution in the value of this investment is temporary in nature and hence, no provision is required to be made there against as per Accounting Standard 13 "Accounting for Investment".

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

(c) The Zuari Group's investment in Ess Dee Aluminium Limited is ₹ 81.71 Lacs (31st March, 2015:: ₹ 81.71 Lacs) and market value of investment is ₹ 14.67 Lacs. Hence, there is a diminution in the value of investment by ₹ 67.04 Lacs. This being long term investments, management is of the view that the diminution in the value of this investment is temporary in nature and hence, no provision is required to be made there against as per Accounting Standard 13 "Accounting for Investment".

13. Loans and Advances

₹ In Lacs

Particulars	Non Current		Current	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
Capital advances				
Unsecured, considered good	**82.16**	1,022.25	**-**	-
	82.16	1,022.25	**-**	-
Security deposits				
Unsecured, considered good	**1,560.13**	1,749.52	**87.47**	132.84
	1,560.13	1,749.52	**87.47**	132.84
Loans and advances to related parties (Refer note No. 52)				
Unsecured, considered good	**-**	-	**3.79**	94.55
	-	-	**3.79**	94.55
Advances recoverable in cash or kind				
Unsecured, considered good	**1,003.26**	640.58	**5,358.63**	7,506.34
Unsecured, considered good to related parties	**-**	-	**-**	1,570.26
Unsecured, considered doubtful	**10.78**	10.85	**31.30**	-
	1,014.04	651.43	**5,389.93**	9,076.60
Less: provision for doubtful	**10.78**	10.85	**31.30**	-
	1,003.26	640.58	**5,358.63**	9,076.60
Inter corporate deposit				
Unsecured, considered good	**-**	-	**1,140.00**	2,600.00
Unsecured, considered doubtful	**-**	-	**1,125.00**	1,125.00
	-	-	**2,265.00**	3,725.00
Less: provision for doubtful	**-**	-	**1,125.00**	1,125.00
	-	-	**1,140.00**	2,600.00
Other Loans and Advances				
Secured				
Loans to employees considered good	**8.40**	-	**10.53**	7.39
Loans to employees considered doubtful	**0.35**	0.35		
				-
	8.75	0.35	**10.53**	7.39
Less: provision for doubtful	**0.35**	0.35	**-**	-
	8.40	0.00	**10.53**	7.39

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

₹ In Lacs

Particulars	Non Current		Current	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
Unsecured, considered good except where other wise stated.				
Loans to employees	**6.12**	13.42	**1.06**	12.36
MAT credit entitlement	**50.72**	27.65	**-**	-
Prepaid expenses	**-**	0.05	**325.87**	181.61
Balances with Customs, Port Trust and Excise Authorities	**8.59**	-	**2,388.35**	1,489.22
Cane subsidy receivable	**-**	-	**1,435.64**	2,172.95
Claim receivable(considered doubtful)	**0.59**	0.59	**-**	-
Advance payment of income tax (net of provision for income tax)	**3,583.85**	2,708.19	**1,268.22**	1,192.48
	3,649.87	2,749.90	**5,419.14**	5,048.62
Less: Provision for doubtful advances	**0.59**	0.59	**-**	-
	3,649.28	2,749.31	**5,419.14**	5,048.62
Total	**6,303.24**	6,161.66	**12,019.56**	16,959.99
Loans to employees include				
Due from Managing Director of the Parent Company	**8.40**	-	**4.80**	-

(i) A subsidiary company and a joint venture has till date recognised ₹ 50.72 Lacs (31st March, 2015 :: ₹ 27.65 Lacs) as Minimum Alternate Tax (MAT) credit entitlement which represents that portion of the MAT Liability, the credit of which would be available based on the provision of Section 115JAA of the Income Tax Act, 1961. The management based on the future profitability projections and also profit earned during the year is confident that there would be sufficient taxable profits in future which will enable these Companies to utilize the above MAT credit entitlement.

14. Other Assets

₹ In Lacs

Particulars	Non Current		Current	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
Interest accrued on Loans, Advances and Deposits				
- From others	**10.03**	10.79	**566.65**	358.89
Interest accrued on loans to employees	**8.86**	0.01	**-**	0.11
Unbilled revenue	**-**	-	**4,085.13**	5,803.75
Unamortised Premium on forward contracts*	**-**	-	**0.89**	3.24
Capital asset held for sale (Previous Year -Net of provision ₹ 5 Lacs against book value)	**-**	-	**-**	34.47
Others	**-**	0.06	**12.13**	1.65
Total	**18.89**	10.86	**4,664.80**	6,202.11
Non current bank balances (note 18)	**121.09**	236.06	**-**	-

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

₹ In Lacs

Particulars	Non Current		Current	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
	121.09	236.06	**-**	-
Total	**139.98**	246.92	**4,664.80**	6,202.11

* The Unamortised Foreign Exchange Premium on Outstanding Forward Exchange Contracts is being carried forward to be charged to the statement of Profit and Loss of subsequent year.

* Interest accrued on employees loan includes amount due from the Managing Director of the Parent Company ₹ 8.76 Lacs as on 31st March, 2016 (31st March, 2015:: NIL)

15. Current Investments

₹ In Lacs

Particulars	**31st March, 2016**	31st March, 2015
Unquoted		
6,60,000 (31st March, 2015:: 6,60,000) - 6 % Non cumulative, Preference shares of Adventz Investments Company Pvt Ltd of ₹ 100 each fully paidup. [Redeemable on 30.09.2016 (Previous Year 30.09.2015)]	**660.00**	660.00
3,22,67,741 (31st March, 2015 :: 3,22,67,741) Equity Shares of ₹ 1/- each fully paid up of Nagarjuna Fertilisers and Chemicals Limited[Refer note 15(a)]	**2,115.39**	2,115.39
Investments in Mutual Funds		
Quoted Mutual Funds (Valued at lower of cost and fair value		
50,650.416 units (31st March, 2015:: 20,056.33) of the Face Value of ₹ 1000/- each in Reliance Liquid Fund-Treasury Plan-Institutional Option-Daily Dividend Option	**774.31**	306.61
300,377.029 units (31st March, 2015:: NIL)of the Face Value of ₹ 100 ICICI Prudential Liquid Fund Regular - Daily Dividend Re-investment	**300.57**	-
51,666.027 units (31st March, 2015:: NIL) of the Face Value of ₹ 1000 Tata Money Market Fund Regular Plan - Daily Dividend	**517.44**	-
491.444 units of the Face Value of ₹ 1000 (Previous Year NIL) Tata Money Market Fund Direct Plan - Daily Dividend	**4.92**	-
NIL (31st March, 2015::45,50,294.404 units) of face value of ₹ 10 /- each in IDFC-Money Manager Fund -Treasury Plan- Daily Dividend Option	**-**	1,000.00
NIL (31st March, 2015:: 1,42,53,222.092 units) of face value of ₹ 10 /- each in Kotak Mutual Fund-Daily Dividend Option	**-**	1,436.70
Total	**4,372.63**	5,518.70
Book Value of Quoted Investments	**-**	-
Book Value of Unquoted Investments	**2,775.39**	2,775.39
Book Value of Quoted investments in the units of Mutual Funds	**1,597.24**	2,743.31
[Fair value (Net asset value) ₹ 1597.35 Lacs (31st March, 2015:: ₹ 2752.92 Lacs)]		
Total	**4,372.63**	5,518.70

(a) The Parent Company had entered into Memorandum of understanding with Zuari Agro Chemicals Limited (ZACL) for sale of 3,22,67,741 equity shares of Nagarjuna Fertilizers and Chemicals Limited (NFCL), for a consideration that shall not be less than the market value of the shares as and when the share of NFCL are listed on the stock Exchange or book value. Pending listing of the shares of NFCL on the stock Exchanges, ZACL has paid an advance of ₹ 11,920.00 Lacs to the Parent Company, towards purchase of shares, which shall be adjusted thereafter from the total consideration amount at the time of the sale / transfer.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

16. Inventories (valued at lower of cost and net realisable value)

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015
Raw materials	**611.78**	637.63
Packing materials	**7.45**	10.08
Work-in-progress	**496.35**	398.98
Project-in-progress	**19,231.55**	10,108.74
Finished products	**13,719.28**	20,682.86
Traded products	**2,001.23**	2,310.59
Stock in trade (land)	**21,544.37**	20,549.64
Power banking	**41.88**	-
Pressmud (Valued at estimated realisable value)	**27.47**	-
By-Products (Valued at estimated realisable value)	**1,069.89**	1,254.71
Scrap (Valued at estimated realisable value)	**40.00**	20.50
Stores and spares	**576.11**	504.41
Total	**59,367.36**	56,478.15

* Stock in trade (land) of Rs 18,424.37 Lacs (31st March, 2015 ::₹ 17,429.64 Lacs) is pending to be registered in the Parent Company's name.

17. Trade receivables

₹ In Lacs

Particulars	Current	
	31st March, 2016	31st March, 2015
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	**7.26**	7.26
Unsecured, considered good	**1,249.78**	1,563.04
Unsecured, considered doubtful	**216.12**	80.62
	1,473.16	1,650.92
Less : Provision for doubtful debts	**216.12**	80.62
(A)	**1,257.04**	1,570.30
Other receivables		
Secured, considered good	**66.25**	67.40
Unsecured, considered good	**8,780.22**	8,263.43
(B)	**8,846.47**	8,330.82
Total	**10,103.51**	9,901.12

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

18. Cash and bank balances

₹ In Lacs

Particulars	Non Current		Current	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
Cash and cash equivalents				
a. Balances with banks				
- On current accounts	**-**	-	**3,434.50**	3,233.93
- On savings accounts	**-**	-	**0.03**	-
- On deposits accounts with original maturity less than three months	**-**	-	**28.50**	100.00
- On unpaid dividend account	**-**	-	**29.04**	33.46
- On interest warrant accounts	**-**	-	**2.61**	5.30
b. Cheques on hand	**-**	-	**32.71**	95.87
c. Cash on hand	**-**	-	**54.84**	55.15
	-	-	**3,582.23**	3,523.71
Other bank balances				
Deposits with remaining maturity for more than 12 months	**121.09**	235.76	**-**	-
Deposits with remaining maturity for less than 12 months	**-**	-	**4,053.51**	6,708.96
Post office deposit	**-**	-	**0.02**	-
Margin money deposits	**-**	0.30	**142.02**	96.41
Total	**121.09**	236.06	**4,195.55**	6,805.37
Amount disclosed under non current assets	**(121.09)**	(236.06)	**-**	-
Total	**-**	-	**7,777.77**	10,329.09

(i) In respect of a subsidiary company, margin money deposits with carrying amount of ₹ 142.02 Lacs (31st March, 2015:: ₹ 96.41 Lacs) are subject to first charge to secure the subsidiary company's letter of credit facility.

(ii) Deposit accounts include pledged deposit of ₹ 26.10 Lacs (31st March, 2015:: ₹ 576.30 Lacs) with banks and government departments

19. Revenue from operations

₹ In Lacs

Particulars	**31st March, 2016**	31st March, 2015
Revenue from operations		
Sale of products		
Finished products	**36,733.97**	16,888.09
Traded products	**4,393.57**	9,729.77

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015
Real estate	**2,585.32**	5,640.99
Power Sale	**1,890.50**	
Terminalling Services (net of service tax)	**679.74**	537.15
Sale of Engineering Supplies and other Services (net of service tax)	**10,580.17**	19,320.85
By products	**1,722.34**	1,302.38
Other operating revenues		
Pressmud sales	**2.01**	-
Scrap sales	**398.98**	34.46
Revenue from operations (gross)	**58,986.60**	53,453.68
Less: Excise duty	**2,253.64**	1,385.35
Revenue from operations (net)	**56,732.96**	52,068.33

Excise duty on sales amounting to ₹ 2253.64 Lacs (31st March, 2015:: ₹ 1385.35 Lacs) has been reduced from sales in statement of profit and loss and excise duty on increase / decrease in stock amounting to ₹ 151.86 Lacs (31st March, 2015:: (₹ 540.30 Lacs)) has been considered as (income)/expense in the financial statements.

20. Other income

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015
Interest Income on		
Income tax refunds	**413.19**	8.31
Interest submission from UP Govt. & MNRE	**128.71**	-
Bank deposits	**636.74**	286.79
Loans, etc	**205.75**	259.60
Compensation towards land acquisition	**14.90**	145.76
Overdue debtors, employee loans etc.	**91.43**	320.92
Dividend Income on		
Current investments	**118.15**	185.85
Long-term investments	**1,302.72**	1,294.24
Profit on disposal of current Investments	**41.30**	12.67
Rent received	**158.43**	152.81
Subsidy on cane purchase	**-**	409.11
Export subsidy	**65.10**	-
Excess provisions and liabilities written back	**505.02**	170.66
Service income - staff deployment and other support	**-**	67.39
Miscellaneous income	**76.13**	129.29
	3,757.58	3,443.41

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

21. Cost of raw materials consumed:

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015
Inventory at the beginning of the year	**637.64**	795.00
Add : Transfer on acquisition of subsidiary	**-**	3.26
Add : Purchases	**22,059.85**	22,301.91
Less: Internal generated bagasse transferred to pre-operative expense (pending allocation) under power and fuel	**(359.57)**	-
Less: Inventory at the end of the year	**(611.78)**	(637.63)
Cost of raw materials consumed	**21,726.14**	22,462.54

22. Details of purchase of traded products:

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015
Traded products purchase details		
MOP	**-**	3,739.55
DAP	**610.89**	(1.14)
Pesticides	**-**	(31.36)
Furniture and accessories	**2,166.61**	2,582.92
Total	**2,777.50**	6,289.97

23. (Increase) in inventories

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015	(Increase) / decrease of 2016
Inventories at the end of the year			
Finished products	**13,719.28**	20,682.86	**6,963.58**
Pressmud	**27.47**	-	**(27.47)**
Traded products	**2,001.23**	2,310.59	**309.36**
Project work-in-progress	**19,231.55**	10,108.74	**(9,122.81)**
Work-in-progress	**496.35**	398.98	**(97.37)**
By Products	**1,069.89**	1,254.71	**184.82**
Power banking	**41.88**	-	**(41.88)**
Scrap (Valued at Estimated Realisable Value)	**40.00**	20.50	**(19.50)**
Stock in trade (land)	**21,544.37**	20,549.64	**(994.73)**
	58,172.02	55,326.03	**(2,845.99)**
Inventories at the beginning of the year			
Finished products	**20,682.87**	1,804.33	**(18,878.54)**

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015	(Increase) / decrease of 2016
Traded products	**2,310.59**	2,270.98	**(39.61)**
Project work-in-progress	**10,108.74**	6,431.96	**(3,676.78)**
Work-in-progress	**398.98**	4.49	**(394.49)**
Stock in trade (securities)	**1,254.71**	-	**(1,254.71)**
Stock in trade (land)	**20,549.64**	19,479.31	**(1,070.33)**
Scrap	**20.50**	13.68	**(6.82)**
Less: Transferred to Other Current Asset	**(2.92)**	-	**2.92**
Add: Stock transferred on account of acquisition of subsidiary and joint venture			
Finished products	**-**	8,530.88	**8,530.88**
By Products	**-**	251.94	**251.94**
Traded products	**-**	338.90	**338.90**
Project Work-in-progress	**-**	1,750.62	**1,750.62**
Work-in-progress	**-**	87.44	**87.44**
	55,323.11	40,964.53	**(14,358.58)**
Total	**(2,848.91)**	(14,361.50)	

24. Employee benefits expense

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015
Salaries, wages and bonus	**6,628.99**	6,639.27
Contribution to provident and other funds	**384.07**	303.90
Gratuity (Refer note no. 48)	**94.98**	58.46
Staff welfare expenses	**248.49**	293.69
Total	**7,356.52**	7,295.30

25. Depreciation and amortisation expense

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015
Depreciation of tangible assets	**888.28**	721.68
Amortization of intangible assets	**87.76**	95.45
	976.04	817.13
Less: Transferred to project expenses	**(31.39)**	(12.99)
Total	**944.65**	804.14

Note : One of the subsidiary company has grouped its depreciation on construction & development projects of ₹ 31.39 Lacs (31st March, 2015:: ₹ 12.99 Lacs) under project expenses. (Refer note 27 below)

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

26. Finance costs

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015
Interest expense [including interest on Income Tax (₹ 114.68 Lacs) (31st March, 2015:: ₹ 12.69 Lacs)]	**4,184.42**	3,183.91
Bank charges	**342.40**	236.34
Total	**4,526.82**	3,420.25

27. Other expenses

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015
Consumption of packing materials	**553.99**	579.10
Stores and spares consumed	**430.57**	458.95
Power, fuel and water	**562.30**	521.87
Consumption of Bagasse and rice husk	**239.91**	-
Outward freight and handling	**1,247.55**	1,125.56
Project expenses (Refer details below)	**16,963.58**	19,717.14
Rent	**1,811.77**	2,124.04
Lease rentals	**8.58**	9.07
Rates and taxes	**246.26**	211.78
Insurance	**145.41**	151.73
Repairs and maintenance		
Buildings	**17.54**	88.80
Plant & machinery	**623.75**	419.74
Others	**450.47**	540.40
Legal and consultancy charges	**1,991.51**	590.75
Payment to auditor (Refer details below)	**106.41**	89.25
Cash rebate	**-**	20.63
Commission expenses	**141.83**	284.31
Advertisement and sales promotion	**443.61**	959.40
Sundry balances written off	**27.58**	323.87
Excise duty on increase of inventory	**151.86**	540.30
Exchange fluctuation variation (net)	**22.88**	214.26
Donations	**1.22**	2.37
Loss on disposal of fixed assets (net)	**115.65**	36.16
Provision for doubtful debts, loans, claims and advances	**166.80**	2.70
Liquidation Expense	**3.19**	-
Miscellaneous expenses	**1,772.64**	1,172.76
Total	**28,246.86**	30,184.92

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015
Payment to the auditors as		
As auditor		
Audit fee	**67.19**	54.10
Tax audit fee	**12.43**	11.45
Limited review	**8.65**	7.76
In other capacity		
Other services (certification fees)	**12.39**	13.43
Reimbursement of expenses	**5.76**	2.50
Total	**106.41**	89.25
Project expenses		
Architect fees	**305.64**	337.85
Land development	**801.95**	770.54
Civil work	**4,797.88**	2,958.03
Project supplies	**1,978.10**	9,943.84
Travelling and conveyance	**191.49**	107.00
Consultation/ sub-contracting fee	**5,206.33**	3,789.93
Processing Fees paid to bank	**582.21**	
Legal and professional fees	**69.48**	54.14
Insurance	**4.36**	-
Bank charges	**62.42**	35.06
Site office expenses	**199.86**	74.81
Rent	**6.00**	5.10
Printing, stationery and communication	**10.03**	25.81
Rates and taxes	**173.31**	474.04
Warranties	**15.51**	180.45
Project staff cost	**311.31**	456.50
Interest expenses	**2,271.58**	1,100.16
Depreciation	**31.39**	12.99
Miscellaneous expenses	**198.53**	310.07
	17,217.37	20,636.31
Less : Reversal of provision made towards warranty in earlier years	**253.79**	913.46
Less : Transfer on account of recovery	**-**	5.70
Total	**16,963.58**	19,717.14

28. Exceptional Items (net)

₹ In Lacs

Particulars	31st March, 2016	31st March, 2015
Income		
Profit on liquidation of subsidiary	**(309.29)**	-
Expenses		
Loss on divestment of stake in joint venture (net)	**-**	1,297.76
Total	**(309.29)**	1,297.76

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

29. List of Subsidiaries, Joint Ventures and Associates considered for Consolidation:

a. Following Subsidiaries have been consolidated on line by line basis:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as at 31st March, 2016	Proportion of Ownership Interest as at 31st March, 2015
Indian Furniture Products Limited (IFPL) consolidated including its subsidiaries (Refer Note (i) below)	India	**86.05%**	86.05%
Simon India Limited (Refer note (ii) below)	India	**100.00%**	100.00%
Zuari Management Services Limited	India	**100.00%**	100.00%
Zuari Infraworld India Limited consolidated including its subsidiaries and joint ventures(Refer note (iii) below)	India	**100.00%**	100.00%
Zuari Investments Limited consolidated including its subsidiaries and associates. (Refer Note (iv) below)	India	**100.00%**	100.00%
Globex Ltd (Refer Note (v) and (vi) below)	UAE	**-**	100.00%
Zuari Sugar and Power Limited	India	**100.00%**	100.00%

b. Following Joint Ventures have been consolidated on proportionate basis:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as at 31st March, 2016	Proportion of Ownership Interest as at 31st March, 2015
Zuari Indian Oil tanking Private Limited	India	**50.00%**	50.00%
Gulbarga Cement Limited (Refer Note (vii) below)	India	**-**	-

c. Investments in following Associates have been accounted for on equity basis:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as at 31st March, 2016	Proportion of Ownership Interest as at 31st March, 2015
Zuari Agro Chemicals Limited Consolidated (including subsidiaries and Joint Ventures) (Refer note (viii) below)	India	**32.08%**	32.08%
Gobind Sugar Mills Limited (including a subsidiary) (As associate of Zuari Investments Limited up to 24th August, 2014 (25%) and thereafter as subsidiary of Zuari Investments Limited (51.27%)) (Refer note (iv) below)	India	**-**	-
New Eros Tradecom Limited	India	**45.05%**	45.05%

i) Consolidated including its subsidiary –Soundaryaa IFPL Interiors Limited 100% (w.e.f 4th December 2014)

ii) The subsidiary company had 49% interest in the assets, liabilities, expenses and output of Simon Engineering & Partners LLC, incorporated in Sultanate of Oman (JV Company) which is involved in Engineering, Construction & Procurement Services. The subsidiary company is of the opinion that they have no control on the said JV Company and hence JV Company has not been consolidated as required under Accounting Standard 27 - Financial Reporting of Interests in Joint Ventures as notified by Companies Accounting Standards Rules, 2014. However, the subsidiary company had created a provision for diminution in the value of investment in the share capital of the JV company of ₹ 10.45 Lacs and provision against amount receivable of ₹ 20.53 Lacs (31st March, 2015 ₹ 18.58 Lacs) from JV company against the invoices raised by the subsidiary company in the financial statements.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

iii) Consolidated including its subsidiary and joint ventures –

a) Following subsidiary has been consolidated on line by line basis:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as at 31st March, 2016	Proportion of Ownership Interest as at 31st March, 2015
Zuari Infra Middle East Limited (based on consolidated financial statement of its subsidiaries)	UAE	**100.00%**	100.00%

b) Following Joint Ventures have been consolidated on proportionate basis:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as at 31st March, 2016	Proportion of Ownership Interest as at 31st March, 2015
Braj bhumi Nirmaan Private Limited (based on consolidated financial statement of its subsidiaries)	India	**25%**	25%
Pranati Niketan Private Limited	India	**25%**	25%
Darshan Nirmaan Private Limited	India	**25%**	25%

c) The information relating to the subsidiary of Zuari Infra Middle East Limited is given below

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as at 31st March, 2016	Proportion of Ownership Interest as at 31st March, 2015
SJM Elysium Properties LLC	UAE	**100.00%**	100.00%

Note : Shareholding includes 51% held by a nominee shareholder as per the Shareholders Agreement dated 18/08/2014 effective from 21/12/2015 (on finalization of project structuring). As per this agreement, the Group has complete management. Hence, this company has been considered as a subsidiary with 100% interest and accordingly consolidated. The paid up share capital corresponding to the 51% interest has been included under other current liabilities.

d) The information relating to the subsidiaries of Braj Bhumi Nirmaan Private Limited are given below:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as at 31st March, 2016	Proportion of Ownership Interest as at 31st March, 2015
Rosewood Agencies Private Limited	India	**100.00%**	100.00%
Neobeam Agents Private Limited	India	**100.00%**	100.00%
Mayapur Commercial Private Limited	India	**100.00%**	100.00%
Nexus Vintrade Private Limited	India	**100.00%**	100.00%
Bahubali Tradecomm Private Limited	India	**100.00%**	100.00%
Hopeful Sales Private Limited	India	**100.00%**	100.00%
Divine Realdev Private Limited	India	**100.00%**	100.00%
Kushal Infraproperty Private Limited	India	**100.00%**	100.00%
Beatle Agencies Private Limited	India	**100.00%**	100.00%
Suhana Properties Private Limited	India	**100.00%**	100.00%
Saket Mansions Private Limited	India	**100.00%**	100.00%

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

Murari Enclave Private Limited (100% subsidiary of Rosewood Agencies Private Limited) Ceased to be subsidiary w.e.f 29/03/16	India	**Nil**	100.00%
Damodar Enclave Private Limited (100% subsidiary of Neobeam Agents Private Limited) Ceased to be subsidiary w.e.f 16/12/15	India	**Nil**	100.00%
Natwar Enclave Private Limited (100% subsidiary of Mayapur Commercial Private Limited) Ceased to be a subsidiary w.e.f 29/03/16	India	**Nil**	100.00%
Banibihari Enclave Private Limited (100% subsidiary of Nexus Vintrade Private Limited) Ceased to be a subsidiary w.e.f 29/3/16	India	**Nil**	100.00%

iv) Consolidated including its subsidiaries – Zuari Insurance Brokers Limited (100%), - Zuari Commodity Trading Limited (100%) - Zuari Financial Services Limited (100%) upto14th January 2015 and thereafter as wholly owned subsidiary of the Parent Company, Gobind Sugar Mills Limited (51.27%) (w.e.f. 25th August 2014)[during the previous year, Zuari Investments Limited, a wholly owned subsidiary of Parent Company, has acquired additional stake of 26.27% of equity shares in Gobind Sugar Mills Limited (total holding 51.27% as on March 31, 2016), consequent to which Zauri Investments Limited has become holding company of Gobind Sugar Mills Limited] and Associates- Equity Method being adopted for New Eros Tradecom Limited (45.05%).

v) The subsidiary company has been liquidated during the year.

vi) During the year, the foreign subsidiary of the Group, Globex Limited has been liquidated. The effect on increase / (decrease) in assets and liabilities are as follows.

₹ In Lacs

Company Name	Nature	Assets	Liabilities
Globex limited	Subsidiary	94.68	-

vii) The Parent Company had on 18th December 2014 terminated the Shareholders Agreement with Zuari Cements Limited consequent to which Gulbarga Cement Limited ceased to be joint venture of the Parent Company w.e.f. January 12th, 2015.

viii) Consolidated including its subsidiaries – Zuari Agri Sciences Limited, Zuari Fertilisers and Chemicals Limited (including its 52% subsidiary Mangalore Chemicals and Fertilizers Limited w.e.f. 18th May 2015); Zuari Speciality Fertilisers Limited (100%)(formerly known as Zuari Rotem Speciality Fertilisers Limited became 100% subsidiary w.e.f. 9th Dec 2015, earlier the entity was a 50% joint venture) Joint Ventures – Zuari Maroc Phosphates Private Limited) (50%) including its 80.45% subsidiary Paradeep Phosphates Limited, MCA Phosphates Pte Limited (30%) including its associate Fosfatos del Pacifico S.A.

30. (a) Contingent Liabilities (Not Provided For):

₹ in Lacs

Particulars				As at 31st March, 2016		As at 31st March, 2015	
				Zuari & its Subsidiaries	***Joint Ventures**	Zuari & its Subsidiaries	*Joint Ventures
I.	**Demands / Claims from Government Authorities ****						
	A	**Demands from Excise/ Service Tax Authorities**					
		i	Pending case before the Customs Excise and Service Tax Apellate Tribunal relating to the period 2005-07 towards service tax under the Finance Act, 1994 (Amount includes deposits under protest ₹ 21.25 Lacs)	**90.00**	**-**	90.00	-
		ii	Pending case before the Commissioner (Appeals) relating to the period 2004-11 towards service tax under the Finance Act, 1994	**2.03**	**-**	2.03	-

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

₹ in Lacs

Particulars				As at 31st March, 2016		As at 31st March, 2015	
				Zuari & its Subsidiaries	***Joint Ventures**	Zuari & its Subsidiaries	*Joint Ventures
		iii	Pending case before the Customs Excise and Service Tax Apellate Tribunal relating to the period 2007-08 towards service tax under the Finance Act, 1994	**29.10**	**-**	29.10	-
		iv	Service Tax Demand for Financial year 2008-09, 2009-10, 2010-11, 2011-12	**86.02**	**-**	86.02	-
		v	Demand/ Audit Objections raised by Central Excise department but disputed by joint venture	**-**	**70.31**	-	-
		vi	Excise duty & service tax demand in respect of a subsidiary company	**183.14**	**-**	390.82	-
	B	**Demands from Sales Tax/ Other Authorities**					
		i	Pending case before the Joint Commissioner (Appeals) relating to the period 2004-05 under the West Bengal Sales tax Act, 1941	**59.03**	**-**	59.03	-
		ii	Pending case before the Deputy Commissioner (Appeals) relating to the period 2001-02 under the West Bengal Sales tax Act, 1941	**3.56**	**-**	3.56	-
		iii	Pending case before the Revision Board relating to the period 2003-04 under the West Bengal Sales tax Act, 1941	**7.63**	**-**	7.63	-
		iv	Pending case before the Commercial Tax Appellate Authority relating to the period 2009-10 under the West Bengal Sales tax Act, 1941	**3.94**	**-**	3.94	-
		v	Pending case before the Additional Commissioner (Appeals) relating to the period 2012-13 under the Uttar Pradesh Sales tax Act, 1948 (Amount deposited under protest ₹ 2.74 Lacs)	**2.74**	**-**	2.74	-
		vi	Pending case before the West Bengal Appellate and Revision Board relating to the period 2003-04 under the West Bengal Sales tax Act, 1941	**19.77**	**-**	19.77	-
		vii	Pending case before the Joint Commissioner (Appeals) relating to the period 2006-07 under the West Bengal Sales tax Act, 1941(includes deposits made under protest ₹ 7.45Lacs)	**7.45**	**-**	7.45	-
		viii	Pending case before Deputy Commissioner (Appeals) relating to the period 2009-10 under the Kerala VAT Act, 2003 (Includes amount paid under protest ₹ 3.92 Lacs)	**13.70**	**-**	13.70	-
		ix	Pending case before Deputy Commissioner (Appeals) relating to the period 2010-11 under the Kerala VAT Act, 2003 (Includes amount paid under protest ₹ 0.81 lac)	**3.24**	**-**	3.24	-
		x	Orissa Value Added Tax, 2004 for Financial Year 2009 to 2014	**101.98**	**-**	-	-
		xi	Sales & entry Tax demand in respect of a subsidiary	**3.79**	**-**	4.42	-
II	**Taxation matters****						
	i		Income tax demand for Assessment Year 2011-12 in respect of a subsidiary company.	**422.66**	**-**	422.66	-

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

₹ in Lacs

Particulars			As at 31st March, 2016		As at 31st March, 2015	
			Zuari & its Subsidiaries	*Joint Ventures	Zuari & its Subsidiaries	*Joint Ventures
	ii	Income tax demand for Assessment Year 2010-11 in respect of a subsidiary company.	**17.38**	-	17.38	-
	iii	Demand in respect of Wealth Tax for Assessment Years 2006-07 to 2010-11 for which the Parent Company has filed appeals with Commissioner of Wealth Tax (Appeals). The Parent Company has deposited ₹ 282.89 Lacs under protest balance amount adjusted against refund of Asst. year 2010-11.	**565.78**	-	565.78	-
	iv	Demand in respect of Assessment Year 2007-2008 which has been decided in favour of the Parent Company.	-	-	254.47	-
	v	Demand in respect of Assessment Year 2012-2013 for which an appeal is pending with CIT (Appeals)	**1.452.63**	-	1,263.50	-
	vi	Demand in respect of assessment year 2011-12, for which the Company is in the process of filing appeal with ITAT.	**2,471.67**	-	1,718.77	-
	vii	Income tax demand for the Assessment year 2006-07, raised by the income tax authority but disputed by the joint venture. The joint venture has deposited said amount to the income tax authority	-	**2.04**	-	2.04
	viii	Income tax demand for Assessment Year 2013-14 in respect of a subsidiary company	**29.93**	-	-	-
	ix	Income tax demand for Assessment Year 2012-13 in respect of a subsidiary company	**27.18**	-	27.18	-
	x	Income tax demand for Assessment Year 2009-10 in respect of a subsidiary company	**2.99**	-	2.99	-
	xi	Income tax demand in respect of a subsidiary company	**107.15**	-	-	-
III	**Other claims against the Company not acknowledged as debts**		**8.79**	**33.52*** **	4.31	33.52***
IV	**Aggregate amount of guarantees issued by the banks to various Government Authorities and Others (secured by fixed deposit receipt of ₹ 7.00 Lacs (31st March, 2015 ₹ 7.00 Lacs) pledged with the bank as security)**		-	**7.62**	-	7.62
V	**Estimated amount of contracts remaining to be executed on capital account not provided for**		**5433.49**	**4.37**	8,783.83	41.89
VI	**Arrears of Dividend on Cumulative Preference Shares in case of subsidiary company**		**67.58**	-	12.72	-

* Figures given in respect of Joint ventures represent proportionate share of Zuari Group in the contingent liabilities of these joint ventures.

** Based on discussions with solicitors / favorable decisions in similar cases/legal opinions taken by the respective entities, the management of the respective entities believes that there is a good chance of success in above mentioned cases and hence, no provision there against is considered necessary.

*** The Joint Venture has filed counter claim of ₹ 74.02 Lacs (being proportionate share of the Zuari group) against the supplier.

(b) During the year 2011, there was a fire incident to the multiproduct pipeline of the Joint Venture company. The National Highway Authority of India was carrying out work of widening of Highway near Mangor Hill Area. During the excavation of road the contractor engaged by NHAI negligently punctured the multiproduct pipeline of the Joint Venture Company; this later on led to huge fire and destruction of property. Case is going on in the court of the Judicial Magistrate First

class, at Vasco, Goa. Cross examination of all accused employees is completed and cross examination of witnesses has also been done. Matter is pending for re-examination of witnesses.

(c) In case of a subsidiary company, one of the contractor has filed a legal case against the company for recovery of dues aggregating to ₹ 153 Lacs, which the company is disputing. The company has filed counter claims aggregating to ₹ 272 Lacs. The matter is pending with the Arbitrator and the company is hopeful of favorable decision.

31. Contingent Liabilities of Associates*:

₹ In Lacs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Demand/claims from Government authorities	**5,285.75**	4,383.07
Other claims against the Company not acknowledged as debts	**2,287.14**	1,447.85
Aggregate amount of guarantees issued by the banks to various Government Authorities and Others	**5,200.81**	5,878.34
Estimated amount of contracts remaining to be executed on capital account (not provided for)	**5,665.46**	6,923.66
Corporate Guarantee provided to Banks for the loans financed by the Banks to the dealers in case of default	**1,604.00**	1,162.75

* Being share of Zuari Group in the associate companies.

32. Goodwill appearing in the financial statements denotes the goodwill in respect of subsidiaries acquired by the parent company and the proportionate share of the Group in the goodwill appearing in the consolidated financial statements as per details given below. Such goodwill has been tested for impairment using the cash flow projections, which are based on most recent financial budgets/ forecasts approved by the management.

₹ In Lacs

Company	2015-16	2014-15
Zuari Investments Limited	**970.93**	970.93
Zuari Infraworld India Limited	**829.36**	829.36
Braj bhumi Nirmaan Private Limited	**1,602.96**	1,602.96
SJM Elysium Properties LLC	**58.75**	-
Pranati Niketan Private Limited	**0.36**	0.36
Darshan Nirman Private Limited	**0.36**	0.36
Gobind Sugar Mills Limited	**12,368.62**	12,368.62
Indian Furniture products Limited	**338.01**	338.01
Total	**16169.35**	16,110.60

33. Earnings Per Share (EPS):

₹ In Lacs

Particulars	Year ended at 31st March, 2016	Year ended at 31st March, 2015
(Loss)after taxation as per Statement of Profit and Loss (Rs in Lacs)	**(5,308.34)**	(2,624.98)
Number of shares used in computing earnings per share – Basic and Diluted	**2,94,40,604**	2,94,40,604
Earnings per share - Basic and diluted (in Rupees)	**(18.03)**	(8.91)
Face value per share (in Rupees)	**10.00**	10.00

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

34. In respect of subsidiary of a subsidiary company, it has entered into Power Purchase Agreement (PPA) with Madhyanchal Vidyut Vitran Nigam Limited on 14 March 2014. As per PPA, the commissioning of the plant was scheduled in financial year 2014-2015, and tariff rate was to be determined as per UPERC Regulation for financial year 2014-2015 and onward shall be applicable. However, there was a delay on commissioning of plant due to non-availability of connectivity with grid. The delay is not attributable to the subsidiary company. The subsidiary company has commissioned its Power generating plant on 15 December 2015 and has considered FY 2015-2016 as year of commissioning and has considered tariff for billing as per UPERC CRE Regulation, 2014. The rate per unit of electricity accounted for by the subsidiary company is ₹ 5.90 per unit, whereas as per PPA the rate would have been ₹ 5.75 per unit. The management is confident of realizing the differential amount of ₹ 57.71 Lacs on 3.85 crore units.

35. A Joint venture company, during the year, paid Panchayat tax amounting to ₹ 92.79 Lacs (proportionate share of Zuari group) against which provision of ₹ 22.00 Lacs (proportionate share of Zuari group) was existing. Accordingly, a sum of ₹ 70.79 Lacs(proportionate share of Zuari group) towards additional Panchayat tax for earlier years, determined during the year, has been charged to the Statement of Profit and loss for the current year.

36. In case of one of the subsidiary company, as at March 31, 2016, the subsidiary company's accumulated consolidated losses of ₹ 8219.52 Lacs has completely eroded the shareholders' funds of ₹ 8009.94 Lacs. Management believes that its business plans for the future are profitable and would strengthen the financial position of the company in the coming years. The subsidiary company continues to focus its immediate efforts on developing a healthy sales order pipeline and also effectively managing liquidity and financing requirements. Accordingly, the financial statements of subsidiary company have been prepared on a going concern assumption and do not include any adjustments relating to the recoverability and classification of carrying amounts of assets and the amount of liabilities that might result should the subsidiary company be unable to continue as a going concern.

37. Under instructions from the Special Court (Trial of Offences relating to Transactions in Securities) Act, 1992 and in respect of shareholders who could not exercise their rights in view of disputes, mistakes, discrepancy in holdings, etc., 8,051 (previous year 8,051) Rights' Equity Shares entitlements have been kept in abeyance pursuant to Section 126 of the Companies Act, 2013.

38. In case of a subsidiary company, in accordance with Section 203 of the Companies Act, 2013, a Public limited Company (not being a Listed Company) having paid up capital of ₹ 10 crore or more, is required to appoint key managerial personnel, which also includes a Company Secretary. The existing company secretary of the subsidiary company had resigned on October 28, 2015. However, subsequent to resignation, the subsidiary company is still in the process of appointing a Company secretary on a whole time basis.

39. In case of Parent Company, Income Tax Appellate Tribunal has, during the current year issued favourable decisions for certain past years but issue related to Section 14A of the Income Tax Act, 1961 has been set-aside and assessing officer has been asked to do fresh adjudication. The Parent Company is carrying the same amount of income tax provision (already deposited in an earlier year) including interest thereon, provided in an earlier year for those years. The Parent Company is of the view that the amount of provision so made is adequate. Also, appeal effect order for the assessment year 2009-10, is not yet received from the department. Pending receipt of such order, interest on income tax refund has not been recognised as the amount is presently not reasonably determinable.

40. In case of a subsidiary company, the Company has only one class of non-convertible preference share issued at a face value of ₹ 10 per share with a premium of Rs 90 per share, carrying coupon rate of 8.5% per annum which are cumulative in nature. Each holder of preference shares is entitled to one vote per share on resolutions placed before the company which directly affect the rights attached to the preference share. Date of redemption is 31st March 2020 & redeemable at a price band of Rs 125-150 per share.

41. Particulars of Foreign Currency Exposures:

Forward Contracts outstanding as at the Balance Sheet Date (for the parent company, its subsidiaries and joint ventures):

Details of derivatives	31st March, 2016	31st March, 2015	Purpose
Sell (Amount in USD)	**72,000**	1,25,000	To hedge the trade receivables
Sell (Amount in USD)	**2,48,000**	-	To hedge the forecasted trade receivables of export services

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

Unhedged foreign currency exposures as at the Balance Sheet Date (for the parent company and its subsidiaries) :

Nature of Exposure	Foreign currency involved	Outstanding amount in foreign currency	
		31st March, 2016	31st March, 2015
Trade Payables	USD	**2,40,508**	9,18,039
	₹ (In Lacs)	**159.35**	576.49
Buyers Credit	USD	**4,66,184**	1,85,834
	₹ (In Lacs)	**308.87**	116.32
Trade Payables	EURO	**45,996**	-
	₹ (In Lacs)	**34.68**	-
Trade Receivable	AED	**75,08,017**	28,43,999
	₹ (In Lacs)	**1,283.53**	481.05
Trade Receivables	USD	**3,89,000**	5,16,013
	₹ (In Lacs)	**256.41**	322.51
Advances from Customers	USD	**1,56,000**	55,419
	₹ (In Lacs)	**103.83**	34.64
Balances with banks on current accounts	USD	**-**	14,251
	₹ (In Lacs)	**-**	8.91
Balances with banks on current accounts	AED	**-**	11,95,758
	₹ (In Lacs)	**-**	203.46
Balances with banks on current accounts	SAR	**3,47,000**	-
	₹ (In Lacs)	**60.99**	-
Claims Receivables	AED	**-**	10,32,571
	₹ (In Lacs)	**-**	175.69
Inter Corporate Deposit	AED	**3,60,000**	3,60,000
	₹ (In Lacs)	**60.92**	61.25
Short term Loans from Banks	AED	**-**	2,10,00,000
	₹ (In Lacs)	**-**	3,574.58

42. Operating Leases:

(a) In case of subsidiary companies, certain vehicles and office premises are obtained on operating leases. These leases have an average life ranging between3 years to 11 years and renewable at the option of the subsidiary company. There are no restrictions imposed by the lease arrangements. There are no subleases.

₹ in Lacs

	Particulars	2015-16	2014-15
i	Lease payments for the year	**1,528.09**	1,938.23
ii	Payable for a period not later than one year	**1,319.52**	1,423.78
iii	Payable for a period later than one year and not later than 5 years	**3,999.94**	5,445.45
iv	Payable for the period later than 5 years	**1,014.28**	1,435.27

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

(b) Parent Company and subsidiary companies have obtained office premises, apartments and warehouses on operating leases. The agreements are further renewable at the option of the companies. There is escalation clause in the respective lease agreements. These leases are cancellable in nature. The total lease payments in respect of such leases recognized in the statement of profit and loss for the year are ₹ 130.63 Lacs (31 March, 2015:₹ 93.30 Lacs).

(c) In respect of a joint venture company, they are obligated under cancellable lease for the office space and lease rental in case of right of way charges and way leave charges. The total rental expense under cancellable lease amounted to ₹ 55.22 Lacs (31st March, 2015 : ₹ 45.06 Lacs) (being proportionate share of the Group).

(d) In case of joint venture of a subsidiary company, joint venture has obtained office premises on operating leases. The agreements are further renewable at the option of the joint venture of the subsidiary company. These leases are cancellable in nature. The total lease payments in respect of such leases recognized in the statement of profit and loss under project expenses for the year are ₹ 6.00 Lacs (being proportionate share of the Group) (31st March, 2015 ₹ 5.10 Lacs)

(e) The Parent Company has given buildings on operating lease for the period of three years. In all the cases, the agreements are further renewable at the option of the Parent Company. All these leases are cancellable in nature. There is no escalation clause in the respective lease agreements. The total lease income received in respect of such leases recognized in the statement of profit and loss for the year is ₹ 31.44 Lacs (31 March 2015:₹ 29.41 Lacs).

(f) In respect of joint venture of a subsidiary company, joint venture has given office premises on operating lease for the period of three years. In all the cases, the agreements are further renewable at the option of the joint venture of the subsidiary company. All these leases are cancellable in nature. There is no escalation clause in the respective lease agreements. The total lease income received in respect of such leases recognized in the statement of profit and loss for the year is NIL (31st March, 2015 ₹ 0.42 lac) (being proportionate share of the Group).

(g) In respect of subsidiary of a subsidiary company, certain office premises, godowns, cane purchasing centre etc. are held on operating leases. 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. The total lease payments made for the year are ₹ 97.83 Lacs (31st March, 2015:: ₹ 47.45 Lacs).

43. In respect of joint venture of a subsidiary company, during the previous year , Mathura Vrindavan Development Authority (MVDA) had charged fee of ₹ 130.48 Lacs (being proportionate share of the Group) on the Brajbhumi Nirman Private Limited and its wholly owned subsidiaries to obtain the approval of the project. On 31-3-2015, the company had paid ₹ 15.48 Lacs (being proportionate share of the Group) and during the current year, it has paid ₹ 115.00 Lacs (being proportionate share of the Group) and obtained the approval of the project.

44. In case of a subsidiary, Advances recoverable in cash or kind :

(a) Includes ₹ 118.42 Lacs (31st March, 2015- ₹ 195.94 Lacs) on account of brokerage and sales commission paid to an agency for services, on gross sale consideration receivable from customers. As per the agreement, in the event of non-completion of sale transaction, such commission is refundable by the agency. The commission paid is charged to the statement of profit and loss as and when revenue is recognized.

(b) Under the Development Management Agreement, the Agency is entitled to a percentage of income calculated in the manner specified under the agreement. The subsidiary has made advance payments aggregating to ₹ 639.61 Lacs till 31 March 2016 (31st March, 2015- ₹ 639.61 Lacs). The amount will be adjusted in the year when the agency becomes entitled to share of income or will be recovered as per the agreement.

45. In case of a subsidiary of a subsidiary company, in accordance with notification and refund order issued by State Government of Uttar Pradesh, has during the previous 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 ₹ 409.11 Lacs is included under other income in previous year.

46. In case of a subsidiary of a subsidiary company, the Government of Uttar Pradesh has announced subsidy for Sugar industry for the sugar season 2015-2016 linked to average selling price of sugar and by-products during the period 1 October 2015 to 31 May 2016. During the year, the subsidiary company has recognized such subsidy amounting to ₹ 1,435.64 Lacs, based on the present and expected likely average price. The subsidiary 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.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

47. In respect of a subsidiary company engaged in engineering and contracting sector, disclosures relating to Project revenue recognized as per Accounting Standard - 7 on Construction Contracts* are as under:

₹ In Lacs

Sl. No	Particulars	As at 31st March, 2016	As at 31st March, 2015
1.	Contract revenue recognized as revenue in the year (Clause 38(a))	**8,753.53**	17,693.57
2.	Aggregate Amount of cost incurred and recognized profits up to the reporting date on contract under progress (Clause 39 (a))	**39,397.31**	31,536.07
3.	Amount of advance received on contract under progress and outstanding at year end (Clause 39(b))	**1,053.75**	2,853.03
4.	Amount of retentions on contract under progress (Clause 39(c))	**3,034.77**	2,459.75
5.	Gross amount due from customers for contract work as an asset (Clause 41(a))	**1,527.59**	3,243.97
6.	Gross amount due to customers for contract work as a liability (Clause 41(b))	**-**	-
7.	Method used to determine project revenue during the year	**Refer Note No. 2.1 xvii (e)**	
8.	Method used to determine the stage of completion of projects in progress	**Refer Note No. 2.1 xvii (e)**	

* Excluding engineering and other monthly service contracts.

48. Employee Benefits

(i) The Group has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

In respect of the parent company, one of the subsidiary company, one subsidiary of a subsidiary company and a joint venture, the scheme is funded with an insurance company in the form of a qualifying insurance policy.

In respect of other entities of the Group, the defined benefit gratuity plan is unfunded.

The current year disclosures in the following tables summarize the components of the net gratuity expense recognized in the consolidated Statement of Profit and loss for the Group.

Statement of Profit and Loss

Net employee benefit expense (recognized in Employee Cost) for the year ended March 31, 2016:

₹ in Lacs

Particulars	Gratuity			
	Funded		Unfunded	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
Current service cost	**50.36**	46.58	**34.54**	36.51
Adjustment to opening balance	**(0.83)**	-	**-**	-
Interest cost on benefit obligation	**40.96**	28.49	**18.72**	21.34
Expected return on plan assets	**(43.32)**	(28.23)	**-**	-
Net actuarial (gain) / loss recognized in the year	**7.28**	(17.85)	**(29.98)**	(29.18)
Net benefit expense*	**54.45**	28.99	**23.28**	28.67
Actual return on plan assets	**16.67**	26.71	**-**	-

* Net of ₹ 17.25 Lacs in respect of Parent Company, a subsidiary company and a joint venture entity, which is included under note no. 20 other income as liabilities/excess provision written back.

In case of a Subsidiary Company, actuarial valuation had been done on standalone basis while its two subsidiaries have computed provision on actual computation basis amounting to NIL (Previous Year ₹ 0.80 Lacs)

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

Balance sheet

Details of Provision for gratuity benefit as at March 31, 2016

₹ in Lacs

Particulars	Gratuity									
	Funded					Unfunded				
	31st March, 2016	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012	**31st March, 2016**	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012
Present value of defined benefit obligation	**498.32**	495.14	217.11	315.91	283.39	**211.29**	261.40	247.48	231.77	183.66
Fair value of plan assets	**480.62**	540.66	207.13	264.98	228.85	**-**	-	-	-	-
Plan assets/ (liability)*	**(17.68)**	45.51	(9.98)	(50.93)	(54.52)	**(211.29)**	(261.40)	(247.48)	(231.77)	(183.66)
Experience gain/(loss) on obligation	**(1.10)**	(17.10)	(4.33)	(25.70)	(60.46)	**-**	-	-	-	-
Experience gain/(loss) on plan assets	**2.00**	(1.45)	4.38	(1.76)	-	**-**	-	-	-	-

* Including ₹ 1.64 Lacs (31st March, 2015: 49.51 Lacs) gratuity over funded (Parent Company NIL (31st March, 2015: ₹ 2.50 Lacs) & in respect of subsidiaries ₹ 1.64 Lacs (31st March, 2015: ₹ 47.01 Lacs)) which is recognized under the head loans and advances.

Excluding NIL (31st March, 2015:: ₹ 3.10 Lacs) in respect of subsidiaries of a subsidiary company which had computed provision on actual computation basis.

Changes in the present value of the defined benefit obligation for the year ended March 31, 2016 are as follows:

₹ in Lacs

Particulars	Gratuity			
	Funded		Unfunded	
	31st March, 2016	31st March, 2015	**31st March, 2016**	31st March, 2015
Opening defined benefit obligation	**495.14**	217.11	**261.40**	247.48
Transfer on acquisition of stake in subsidiaries		289.76		-
Transfer in / (out)	**28.17**	-	**(34.40)**	-
Adjustment to opening balance		-	**3.09**	10.55
Interest cost	**40.96**	28.49	**18.72**	21.34
Current service cost	**50.36**	46.58	**34.54**	36.51
Benefits paid	**(123.09)**	(47.87)	**(42.07)**	(25.30)
Service Cost (Transfer out of Parent Company)	**-**	(19.81)	**-**	-
Actuarial (gains) / losses on obligation	**6.77**	(19.12)	**(29.98)**	(29.18)
Closing defined benefit obligation	**498.32**	495.14	**211.29**	261.40

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

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

₹ in Lacs

Particulars	Gratuity (Funded)	
	31st March, 2016	31st March, 2015
Opening fair value of plan assets	**540.66**	207.13
Transfer on acquisition of stake in subsidiaries	**-**	328.39
Adjustment to opening balance	**0.82**	-
Expected return	**43.32**	28.23
Contributions by employer	**19.43**	45.86
Benefits paid	**(123.09)**	(47.87)
Service cost (Transfer out of parent company)	**-**	(19.81)
Actuarial gains/(losses)	**(0.51)**	(1.27)
Closing fair value of plan assets	**480.62**	540.66

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

	Gratuity 2015-16	Gratuity 2014-15
Investment with insurer (Life Insurance Corporation of India)	**100%**	100%

a. The Parent Company expects to contribute ₹ 18.77 Lacs (31st March, 2015 ₹ Nil) towards gratuity during the year 2016-17.

b. One of the subsidiary company expects to contribute ₹ 25 Lacs (31st March, 2015 Nil) towards gratuity during the year 2016-17

c. One of the joint venture company expects to contribute ₹ 1.09 Lacs (31st March, 2015 ₹ 1.29 lac) towards gratuity during the year 2016-17

The overall expected rate of return is determined based on the market prices prevailing at that date, applicable to the period over which the obligation is to be settled. These rates are different from the actual rate of return during the current year.

The principal assumptions used in determining gratuity liability are shown below:

Particulars	**2015-16**	2014-15
Discount Rate	**7.46%-8.00%**	8.00%
Expected rate of return on plan assets	**8.00%-8.50%**	8.00%-8.50%
Increase in Compensation cost	**8.00%-10.00%**	8.00%-10.00%
Employee turnover	**0.50%-16.00%**	0.50%-16.00%

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.

(ii) Provident Fund

The Parent Company has set up Provident Fund Trust, which was managed by the Company as per the Guideline Note on implementing AS-15, Employee Benefits (revised 2005) issued by the Accounting Standard Board (ASB), provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. With the transfer of Fertiliser undertaking to Zuari Agro Chemicals Limited, on demerger with effect from 1st July, 2011, the Trust is being managed by Zuari Agro Chemicals Limited and there is surplus in the fund balance in the provident fund maintained by the said company.

₹ in Lacs

Particulars	**2015-16**	2014-15
Contribution to Provident Fund	**18.81**	10.95

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

(iii) Details of Defined Contribution Plan in respect of the Group:

₹ in Lacs

Particulars	2015-16	2014-15
Contribution to Provident Fund	**261.94**	173.37
Contribution to Superannuation Fund	**25.26**	23.45
Contribution to Family Pension Scheme	**1.59**	46.80
Contribution to New Pension Scheme	**30.29**	2.35
Contribution to Contributory pension fund	**46.18**	46.98
Total	**365.26**	292.95

49. In case of investment in subsidiaries, the excess of the share of minority interest in accumulated losses over net worth as at 31st March, 2016, aggregating to ₹ 4749.60 Lacs has been borne by the majority and has been included in the consolidated financial statement as at 31st March, 2016 (31st March, 2015 ₹ 4510.44 Lacs) in respect of subsidiary.

50. In respect of a joint venture company, it has provided for right of way charges aggregating to ₹ 429.96 Lacs (being the proportionate share of the Zuari Group) (including ₹ 392.17 Lacs provided upto 31st March, 2015) (being the proportionate share of the Zuari Group) payable to Public Works Department, Government of Goa, on the basis of expected settlement as the agreement for the same is in the process of finalization.

51. Segment Reporting

i) Identification of Segments

***Primary Segment -**

The Zuari Group has disclosed Business Segment as the Primary Segment. Segments have been identified and reported taking into account the nature of products and services, the differing risks and returns, the organization structure and the internal reporting system. The identified reportable segments for the year under review are Fertilizer, Engineering services, Furniture, Real Estate, Investment services, Sugar and others. Fertilizer Segment includes manufacturing of and trading in fertilizers, seeds and pesticides. Engineering services segment includes technology, basic engineering, detailed engineering, Project Management, Procurement and Construction services in the Engineering and Contracting sector. Furniture segment includes manufacturing, sale and trading of furniture products. Real Estate segment includes development of real estates. Investment services is for providing capital market related services. Others Segment include provision of Terminalling services and other immaterial.

***Secondary Segment –**

Geographical Segment. The Zuari Group mainly caters to the needs of the domestic market. The export turnover is not significant in the context of total turnover. Hence there are no reportable geographical segments

ii) Unallocated items

All common incomes, expenses, assets and liabilities, which cannot be allocated to different segments, are treated as unallocated items.

iii) Financial information about business segments for the year ended March 31, 2016 is presented below:

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Financial information about business segments for the year ended 31st March, 2016

₹ In Lacs

Particulars	Fertilizer		Engineering		Furniture		Real Estate		Sugar		Power		Investment Services		Other Operations		Total	
	2015-16	2014-15	**2015-16**	2014-15	**2015-16**	2014-15	**2015-16**	2014-15	**2015-16**	2014-15	**2015-16**	2014-15	**2015-16**	2014-15	**2015-16**	2014-15	**2015-16**	2014-15
External Sales/ Income	**280.54**	4,570.98	**8,805.99**	17,876.60	**11,852.92**	13,441.82	**2,585.32**	5,641.76	**32,156.62**	9,312.62	**4,098.18**	-	**873.46**	1,216.07	**945.96**	1,056.74	**61,598.99**	53,116.59
Inter-Segment Sales / Income	**73.94**	(66.87)	**-**	-	**82.96**	-	**-**	-	**2,288.24**	-	**1,538.75**	-	**41.96**	(18.57)	**35.50**	(33.56)	**4,061.35**	(119.00)
Segment Revenue	**206.60**	4,504.11	**8,805.99**	17,876.60	**11,769.96**	13,441.82	**2,585.32**	5,641.76	**29,868.38**	9,312.62	**2,559.43**	-	**831.50**	1,197.50	**910.46**	1,023.17	**57,537.64**	52,997.58
Segment Results	**(874.01)**	(292.70)	**(387.62)**	934.22	**(406.43)**	(142.54)	**1,114.38**	1,494.67	**(1,338.02)**	(1,328.30)	**1,147.37**	-	**135.99**	(41.40)	**(29.19)**	58.32	**(637.54)**	682.26
Segment Assets	**(814.33)**	1,912.25	**7,038.91**	11,756.37	**10,408.04**	10,383.55	**51,685.41**	41,889.06	**34,734.22**	40,399.49	**19,922.66**	-	**2,661.14**	5,168.12	**2,719.70**	3,360.08	**1,28,355.74**	1,14,868.93
Segment Liabilities	**445.10**	274.40	**4,823.29**	7,472.48	**5,744.56**	5,783.02	**4,674.10**	14,675.49	**11,147.07**	15,614.57	**2,647.81**	-	**976.17**	635.13	**733.31**	757.09	**31,191.41**	45,212.18
Capital Expenditure (Net of transfer on account of dilution in stake)	**-**	-	**60.55**	57.41	**15.52**	199.66	**55.12**	109.88	**10,638.80**	10,401.79	**2,260.22**	-	**6.00**	5.72	**111.10**	124.38	**13,147.31**	10,898.84
Depreciation and Amortization	**21.61**	22.59	**88.61**	88.69	**263.03**	329.71	**9.31**	39.19	**212.08**	142.76	**185.29**	-	**18.88**	39.18	**145.84**	142.01	**944.65**	804.13
Provision for Doubtful Debts & Advances	**51.20**	-	**1.14**	0.80	**108.25**	-	**-**	0.00	**0.45**	-	**-**	-	**5.76**	1.89	**-**	-	**166.80**	2.70

Reconcilation of Repotable Segments with the Financial statements

₹ In Lacs

Particulars	Revenues		Results - Net profit		Assets		Liabilities	
	2015-16	2014-15	**2015-16**	2014-15	**2015-16**	2014-15	**2015-16**	2014-15
Total of reportable segments	**57,537.64**	52,997.58	**(637.54)**	682.26	**1,28,355.74**	1,14,868.93	**31,191.41**	45,212.18
Add/(Less) Corporate unallocated	**2,952.90**	2,514.16	**1,434.59**	1,132.72	**59,725.26**	66,971.76	**91,326.76**	72,474.53
Minority Interest (share of Loss)	**-**	-	**6.08**	6.42	**-**	-	**-**	6.08
Share in profit of Associate	**-**	-	**(2,902.71)**	329.04	**-**	-	**-**	-
Inter segment elimination	**-**	-	**-**	-	**-**	-	**-**	-
Finance Cost	**-**	-	**(4,526.82)**	(3,420.26)	**-**	-	**-**	-
Exceptional Items	**-**	-	**309.29**	(1,297.76)	**-**	-	**-**	-
Interest Income	**-**	-	**1,490.73**	1,021.39	**-**	-	**-**	-
Taxes	**-**	-	**(492.51)**	(1,090.17)	**4,902.79**	3,928.31	**184.16**	48.11
Deferred Taxes	**-**	-	**10.55**	11.38	**77.09**	86.53	**263.86**	283.83
AS PER SEGMENT	**60,490.54**	55,511.74	**(5,308.34)**	(2,624.98)	**1,93,060.88**	1,85,855.52	**1,22,966.19**	1,18,024.73
AS PER FINANCIAL STATEMENTS	**60,490.54**	55,511.74	**(5,308.34)**	(2,624.98)	**1,93,060.88**	1,85,855.52	**1,22,966.19**	1,18,024.73

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

52. The Parent Company and a subsidiary company hold more than 20% of the voting power of bodies corporate. These Companies have been legally advised that they do not have any "Significant Influence'' in the said bodies corporate as defined in Accounting Standard '18' "Related Party Disclosures'' and accordingly, have not considered the above investees as related parties under Accounting Standard 18 "Related Party Disclosures" and has not consolidated the accounts of the above as "Associate'' under Accounting Standard 23 "Accounting for Investment in Associates in Consolidated Financial Statements".

53. Related party disclosures under Accounting Standard – 18, Related Party Disclosures

a. The list of Related Parties as identified by the management is as under:

(i) Joint ventures of the Group

a) Zuari Indian Oil tanking Private Limited

b) Gulbarga Cement Limited (upto 12th January, 2015)

c) Brajbhumi Nirmaan Private Limited (Joint Venture of Zuari Infraworld India Limited w.e.f. 31" December, 2014)

d) Rosewood Agencies Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)

e) Neobeam Agents Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)

f) Mayapur Commercial Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)

g) Nexus Vintrade Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)

h) Bahubali Tradecomm Private Limited (Subsidiary of Braj bhumi NirmaanPrivate Limited)

i) Hopeful Sales Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)

j) Divine Realdev Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)

k) Kushal Infraproperty Private Limited (Subsidiary of Braj bhumi Nirmaan Private Limited)

l) Beatle Agencies Private Limited(Subsidiary of Braj bhumi Nirmaan Private Limited)

m) Suhana Properties Private Limited(Subsidiary of Braj bhumi Nirmaan Private Limited)

n) Saket Mansions Private Limited(Subsidiary of Braj bhumi Nirmaan Private Limited)

0) Murari Enclave Private Limited (100% subsidiary of Rosewood Agencies Private Limited) Ceased to be subsidiary w.e.f. 29th March, 2016

p) Damodar Enclave Private Limited (100% subsidiary of Neobeam Agents Private Limited) Ceased to be subsidiary w.e.f. 16th December, 2015

q) Natwar Enclave Private Limited (100% subsidiary of Mayapur Commercial Private Limited) Ceased to be a subsidiary w.e.f. 29th March, 2016

r) Banibihari Enclave Private Limited (100% subsidiary of Nexus Vintrade Private Limited) Ceased to be a subsidiary w.e.f. 29th March, 2016

s) Pranati Niketan Private Limited (Joint Venture of Zuari Infraworld India Limited w.e.f. 31st December, 2014)

t) Darshan Nirmaan Private Limited (Joint Venture of Zuari Infraworld India Limited w.e.f. 31st December, 2014)

u) Simon Engineering and Partners, LLC (Joint Venture of Simon India Limited)

(ii) Associates of the Group and their subsidiaries

(1) Zuari Agro Chemicals Limited

(2) Zuari Agri Science Limited– Subsidiary of Zuari Agro Chemicals Limited

(3) Zuari Fertilisers and Chemicals Limited – Subsidiary of Zuari Agro Chemicals Limited

(4) Zuari Speciality Fertiliser Limited -Joint Venture of Zuari Agro Chemicals Limited upto 09/12/2015, thereafter as subsidiary of Zuari Agro Chemicals Limited

(5) Zuari Maroc Phosphates Private Limited - Joint Venture of Zuari Agro Chemicals Limited

(6) Paradeep Phosphates Limited- Subsidiary of Zuari Maroc Phosphates Private Limited

(7) Gobind Sugar Mills Limited – Associate of Zuari Investments Limited (upto 22/08/2014 and thereafter as subsidiary)

(8) New Eros Tradecom Limited-Associate of Zuari Investments Limited (subsidiary of Gobind Sugar Mills Limited upto 22/08/2014)

(9) MCA Phosphates Pte. Limited (Joint Venture of Zuari Agro Chemicals Limited)

(10) Globalware Trading and Holdings Limited

(iii) Key Management Personnel of the Zuari Group

1. Mr. N Suresh Krishnan, Managing Director (w.e.f 01/04/2015)
2. Mrs. Jyotsna Poddar, Executive Director
3. Mr. S.S. Nandurdikar, Managing Director of Simon India Limited(upto 30/06/2015)
4. Mr. Vijay Kathuria, Whole Time Director of Zuari Investments Limited.
5. Mr. Alok Banerjee (CEO of Zuari Infraworld India Limited)
6. Mr. P.K Gandhi (Whole Time Director of Indian Furniture Products Limited w.e.f. 03/09/2014)
7. Mr. Akshay Tandon (Business Head, Zuari Investments Limited).
8. Mr. R.S. Raghavan (Managing Director of Gobind Sugar Mills Limited)
9. Mr. Ashok Grover (Executive Director of Simon India Limited w.e.f. 01/07/2015)
10. Mr. Devender Kumar Jairath (Whole Time Director of Indian Furniture Products Limited from 26/04/2013 to 02/09/2014)

(iv) Relatives of key Management Personnel of the Zuari Group

1 Mr. S. K. Poddar (Chairman) (Husband of Mrs. JyotsnaPoddar)

2 Mr. Akshay Poddar (Son of Mrs. Jyotsna Poddar)

3 Mrs. Kavita Kathuria (Wife of Mr. Vijay Kathuria)

4 Ms. Puja Poddar

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

(v) Other Venturers in respect of JV Entities

1 IOT Infrastructure and Energy Services Limited

2 IOT Design and Engineering Limited
(subsidiary of IOT Infrastructure and Energy Services Limited)

3 IOT Anwesha Engineering and Construction Limited
(subsidiary of IOT Infrastructure and Energy Services Limited)

4 Zuari Cements Limited (upto 12/01/2015)

5 Italcementi S.p.A. (upto 12/01/2015)

6 CTG S.p.A (Affiliate of Italcementi S.p.A.) (upto 12/01/2015)

7 Compagnie Pour I' Investissement Financier EnInde (CIFI)
(Affiliate of Italcementi S.p.A.) (upto 12/01/2015)

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Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

b. Related party disclosures under Accounting Standard – 18

Following transactions were carried out with related parties in the ordinary course of business

₹ in Lacs

Sl. No	Transaction details	2015–16							2014–15						
		Joint Ventures	Joint Venturers	Asso–ciates	Entities having Significant Influence	Key manage–ment personnel (KMP)	Relatives of Key Manage–ment Personnel	Total	Joint Ventures	Joint Venturers	Asso–ciates	Entities having Significant Influence	Key manage–ment personnel (KMP)	Relatives of Key Manage–ment Personnel	Total
1	**Payment made on their behalf**														
	- Zuari Maroc Phosphates Private Limited	-	-	-	-	-	-	-	-	-	0.01	-	-	-	0.01
	- Paradeep Phosphates Limited	-	-	**0.04**	-	-	-	**0.04**	-	-	33.86	-	-	-	33.86
	- IOT Infrastructure and Energy Services Limited	-	**11.54**	-	-	-	-	**11.54**	-	11.83	-	-	-	-	11.83
	- Zuari Speciality Fertilisers Ltd	-	-	-	-	-	-	-	-	-	0.03	-	-	-	0.03
	- Zuari Agri Sciences Limited	-	-	**0.05**	-	-	-	**0.05**	-	-	-	-	-	-	-
	- Zuari Agro Chemicals Limited	-	-	**169.17**	-	-	-	**169.17**	-	-	7.50	-	-	-	7.50
	- Gulbarga Cements Limited	-	-	-	-	-	-	-	12.15	-	-	-	-	-	12.15
	- Brajbhumi Nirmaan Private Limited	-	-	-	-	-	-	-	0.58	-	-	-	-	-	0.58
	- Zuari Fertilisers and Chemicals Limited	-	-	-	-	-	-	-	-	-	1,632.38	-	-	-	1,632.38
2	**Payment made on our behalf**														-
	- IOT Infrastructure and Energy Services Limited	-	-	-	-	-	-	-	-	1.19	-	-	-	-	1.19
	- Paradeep Phosphate Limited	-	-	**0.24**	-	-	-	**0.24**	-	-	0.22	-	-	-	0.22
	- Zuari Fertilisers amd Chemicals Limited	-	-	-	-	-	-	-	-	-	0.08	-	-	-	0.08
	- Zuari Agro Chemicals Limited	-	-	**1.24**	-	-	-	**1.24**	-	-	90.36	-	-	-	90.36
3	**Advance received**														-
	- Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	-	-	700.00	-	-	-	700.00
4	**Advance for sale of Investment**														-
	- Zuari Agro Chemicals Limited	-	-	-	-	-	-	-	-	-	11,920.00	-	-	-	11,920.00
5	**Purchase of Fixed assets**							-							-
	- IOT Anwesha Engineering and Construction Limited	-	**10.16**	-	-	-	-	**10.16**	-	38.94	-	-	-	-	38.94
	- Zuari Agro Chemicals Limited	-	-		-	-	-	-	-	-	3.24	-	-	-	3.24
6	**Managerial remuneration**														-
	- Mrs. Jyotsna Poddar	-	-	-	-	**64.32**	-	**64.32**	-	-	-	-	64.37	-	64.37
	- Mr. S. S. Nandurdikar	-	-	-	-	**15.00**	-	**15.00**	-	-	-	-	66.19	-	66.19
	- Mr. Devender Kumar Jairath	-	-	-	-	-	-	-	-	-	-	-	54.10	-	54.10
	- Mr. Vijay kathuria	-	-	-	-	**50.73**	-	**50.73**	-	-	-	-	52.33	-	52.33
	- Mrs. Kavita Kathuria	-	-	-	-	-	-	-	-	-	-	-	-	0.01	0.01
	- Mr. Alok Bannerji	-	-	-	-	**89.46**	-	**89.46**	-	-	-	-	82.10	-	82.10
	- Mr. Ashok Grover	-	-	-	-	**61.15**	-	**61.15**	-	-	-	-	-	-	
	- Mr. N. Suresh Krishnan	-	-	-	-	**241.15**	-	**241.15**	-	-	-	-	-	-	

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

₹ in Lacs

Sl. No	Transaction details	2015–16							2014–15						
		Joint Ventures	Joint Venturers	Asso–ciates	Entities having Significant Influence	Key manage–ment personnel (KMP)	Relatives of Key Manage–ment Personnel	Total	Joint Ventures	Joint Venturers	Asso–ciates	Entities having Significant Influence	Key manage–ment personnel (KMP)	Relatives of Key Manage–ment Personnel	Total
7	**Management Fees Paid**														-
	- IOT Infrastructure and Energy Services Limited	-	17.09	-	-	-	-	17.09	-	16.86	-	-	-	-	16.86
8	**Service Charges/Management Fees**														-
	- Zuari Indian Oiltanking Private Limited	5.70	-	-	-	-	-	5.70	5.62	-	-	-	-	-	5.62
	- Zuari Agri Sciences Limited	-	-	-	-	-	-	-	-	-	9.96	-	-	-	9.96
	- New Eros Tradecom Limited	-	-	0.01	-	-	-	0.01	-	-	0.99	-	-	-	0.99
	- Brajbhumi Nirmaan Private Limited	135.00	-	-	-	-	-	135.00	11.25	-	-	-	-	-	11.25
	- IOT Infrastructure and Energy Services Limited	-	0.08	-	-	-	-	0.08	-	-	-	-	-	-	
9	**Dividend paid**														-
	- New Eros Tradecom Limited	-	-	11.97	-	-	-	11.97	-	-	11.97	-	-	-	11.97
	- Globalware Trading and Holdings Limited	-	-	-	70.12	-	-	70.12	-	-	-	70.12	-	-	70.12
	- Jyotsna Poddar	-	-	-	-	4.72	-	4.72	-	-	-	-	4.72	-	4.72
	- S. K. Poddar	-	-	-	-	-	9.12	9.12	-	-	-	-	-	8.81	8.81
	- Akshay Poddar	-	-	-	-	-	1.37	1.37	-	-	-	-	-	1.37	1.37
10	**Reimbursement of employee compensation received**														-
	- Brajbhumi Nirmaan Private Limited	47.86	-	-	-	-	-	47.86	2.64	-	-	-	-	-	2.64
11	**ICD converted into equity**														-
	- Brajbhumi Nirmaan Private Limited	-	-	-	-	-	-	-	9.38	-	-	-	-	-	9.38
12	**Lease rentals received**														-
	- Zuari Indian Oiltanking Private Limited	73.00	-	-	-	-	-	73.00	69.52	-	-	-	-	-	69.52
	- Zuari Fertilisers and Chemicals Limited	-	-	4.48	-	-	-	4.48	-	-	4.20	-	-	-	4.20
	- Zuari Agro Chemicals Limited	-	-	48.08	-	-	-	48.08	-	-	44.73	-	-	-	44.73
13	**Sale of finished goods, Engineering Services and Projects**														
	- Zuari Agro Chemicals Limited	-	-	141.42	-	-	-	141.42	-	-	4,034.55	-	-	-	4,034.55
	- Zuari Fertilisers And Chemicals Limited	-	-	592.11	-	-	-	592.11	-	-	1,530.70	-	-	-	1,530.70
	- Paradeep Phosphates Limited	-	-	4.24	-	-	-	4.24	-	-	19,091.22	-	-	-	19,091.22
	- Gobind Sugar Mills Limited	-	-	-	-	-	-	-	-	-	31.00	-	-	-	31.00
14	**Inter-Corporate Deposits/Loans Given, but received back**														-
	- Gulbarga Cement Ltd	-	-	-	-	-	-	-	2,825.80	-	-	-	-	-	2,825.80
15	**Sitting Fee Paid**														-
	- Mr.S.K.Poddar	-	-	-	-	-	2.27	2.27	-	-	-	-	-	1.88	1.88

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

₹ in Lacs

Sl. No	Transaction details	2015–16							2014–15						
		Joint Ventures	Joint Venturers	Asso–ciates	Entities having Significant Influence	Key manage–ment personnel (KMP)	Relatives of Key Manage–ment Personnel	Total	Joint Ventures	Joint Venturers	Asso–ciates	Entities having Significant Influence	Key manage–ment personnel (KMP)	Relatives of Key Manage–ment Personnel	Total
16	**Interest income on Loan/ICD**														-
	- Gulbarga Cement Ltd	-	-	-	-	-	-	-	161.37	-	-	-	-	-	161.37
	- Zuari Cement Limited	-	-	-	-	-	-	-	-	378.02	-	-	-	-	378.02
	- Brajbhumi Nirmaan Private Limited	-	-	-	-	-	-	-	0.30	-	-	-	-	-	0.30
17	**Subscription to Equity/Preference Share Capital (including premium)**														-
	- Brajbhumi Nirmaan Private Limited	-	-	-	-	-	-	-	149.63	-	-	-	-	-	149.63
	- Pranati Niketan Private Limited	-	-	-	-	-	-	-	0.06	-	-	-	-	-	0.06
	- Darshan Nirmaan Private Limited	-	-	-	-	-	-	-	0.06	-	-	-	-	-	0.06
	- Mr.S.K.Poddar	-	-	-	-	-	**1,500.00**	**1,500.00**	-	-	-	-	-	7,000.00	7,000.00
	- New Eros Tradecom Limited	-	-	**250.00**	-	-	-	**250.00**	-	-	-	-	-	-	-
18	**Corporate guarantee cancelled**														-
	- Zuari Agri Sciences Limited	-	-	-	-	-	-	-	-	-	2,100.00	-	-	-	2,100.00
19	**Loan taken during the year**														
	- Mr.S.K.Poddar	-	-	-	-	-	-	-	-	-	-	-	-	6.25	6.25
	- Saroj Poddar Foundation	-	-	-	-	-	-	-	-	-	-	-	-	16.25	16.25
20	**Sale of fixed asset**														-
	- Mr. S.S. Nandurdikar	-	-	-	-	**2.64**	-	**2.64**	-	-	-	-	-	-	-
21	**Provision for doubtful debts**														
	- Simon Engineering and Partners, LLC	**1.14**	-	-	-	-	-	**1.14**	0.80	-	-	-	-	-	0.80
22	**Doubtful Advances written off**														
	- Zuari Fertilisers and Chemicals Limited	-	-	**528.58**	-	-	-	**528.58**	-	-	-	-	-	-	-
23	**Interest Paid**														
	- Zuari Agro Chemicals Limited	-	-	**94.37**	-	-	-	**94.37**	-	-	-	-	-	-	-
24	**Purchase of Finished Goods**														
	- Zuari Agro Chemicals Limited	-	-	**594.92**	-	-	-	**594.92**	-	-	-	-	-	-	-

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

Balance Outstanding at the year ended 31st March, 2016

₹ in Lacs

Sl. No	Transaction details	2015–16						2014–15					
		Joint Ventures	Joint Venturers	Asso–ciates	Key manage–ment personnel (KMP)	Relatives of Key Manage–ment Personnel	Total	Joint Ventures	Joint Venturers	Asso–ciates	Key manage–ment personnel (KMP)	Relatives of Key Manage–ment Personnel	Total
1	**As Debtors**												
	- Paradeep Phosphates Limited	-	-	-	-	-	-		-	6,640.83	-	-	6,640.83
	- Zuari Fertilisers and Chemicals Limited	-	-	-	-	-	-		-	496.86	-	-	496.86
	- New Eros Tradecom Limited	-	-	0.01	-	-	0.01		-	1.51	-	-	1.51
	- Simon Engineering and Partners, LLC	20.53	-	-	-	-	20.53	19.39	-	-	-	-	19.39
2	**Loans and Advances receivable**												
	- Zuari Agri Sciences Limited	-	-	-	-	-	-		-	94.31	-	-	94.31
	- Zuari Agro Chemicals Limited	-	-	29.16	-	-	29.16						
	- Paradeep Phosphates Limited	-	-	0.08	-	-	0.08		-	3.77	-	-	3.77
	- Zuari Speciality Fertilisers Limited	-	-	0.16	-	-	0.16		-	0.16	-	-	0.16
	- Zuari Fertilisers and Chemicals Limited	-	-	0.34	-	-	0.34		-	1,566.57	-	-	1,566.57
	- Damodar Enclave Private Limited	1.08	-	-	-	-	1.08		-	-	-	-	-
	- Murari Enclave Private Limited	0.1	-	-	-	-	0.10		-	-	-	-	-
	- Natwar Enclave Private Limited	0.95	-	-	-	-	0.95		-	-	-	-	-
	- Banibihari Enclave Private Limited	1.09	-	-	-	-	1.09		-	-	-	-	-
	- Mr. N. Suresh Krishnan	-	-	-	13.20	-	13.20		-	-	-	-	-
3	**As Creditor**												-
	- IOT Infrastructure and Energy Services Limited	-	2.32	-	-	-	2.32		0.10	-	-	-	0.10
	- IOT Design and Engineering Limited	-	2.91	-	-	-	2.91		2.91	-	-	-	2.91
	- IOT Anwesha Engineering and Construction Limited	-	0.56	-	-	-	0.56		7.14	-	-	-	7.14
	- Zuari Agro Chemicals Limited	-	-	944.69	-	-	944.69		-	303.67	-	-	303.67
	- Mr. Vijay Kathuria	-	-	-	-	-	-		-	-	14.40	-	14.40
4	**Other Payables**												-
	- Paradeep Phosphates Limited	-	-	0.23	-	-	0.23		-	2,614.18	-	-	2,614.18
	- Zuari Fertilisers and Chemicals Limited	-	-	0.04	-	-	0.04		-	204.52	-	-	204.52
	- Zuari Agro Chemicals Limited	-	-	700.00	-	-	700.00		-	700.29	-	-	700.29
	- Mr.S.K.Poddar	-	-	-	-	-	-		-	-	-	6.25	6.25
5	**Advance against sale of investment**												-
	- Zuari Agro Chemicals Limited	-	-	11,920.00	-	-	11,920.00		-	11,920.00	-	-	11,920.00
6	**Remuneration Payable**												-
	- Mr. Ashok Grover	-	-	-	10.44	-	10.44		-	-	-	-	-
	- Mr. N. Suresh Krishnan	-	-	-	0.29	-	0.29		-	-	-	-	-
7	**Provision for doubtful debts**												
	- Simon Engineering and Partners, LLC	20.53	-	-	-	-	20.53	19.39	-	-	-	-	19.39
8	**Provision for diminution in the value of investment**												
	- Simon Engineering and Partners, LLC	10.45	-	-	-	-	10.45	10.45	-	-	-	-	10.45
9	**Preference Share Capital**												
	- Mr. S. K. Poddar	-	-	-	-	865.97	865.97	-	-	-	-	715.97	715.97
	- New Eros Tradecom Limited	-	-	-	-	250.00	250.00	-	-	-	-	-	-
	- Ms. Puja Poddar					11.00	11.00					11.00	11.00
10	**Interest on Loan**												-
	- Mr. N. Suresh Krishnan	-	-	-	8.76	-	8.76		-	-	-	-	-
	- Zuari Agro Chemicals Limited			94.37			94.37						

* Mr. S. K. Poddar, being a shareholder of a joint venture of a subsidiary company, has guaranted a loan taken by Brajbhumi Nirmaan Private Limited from Barclays Investments & Loans India Limited during the year.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

54. Details of the Zuari Group's share in Joint Ventures included in the Consolidated Financial Statements are as follows :

₹ in Lacs

	Particulars	As at 31st March, 2016	As at 31st March, 2015
I.	**EQUITY AND LIABILITIES**		
	Reserves and surplus	**1091.71**	1094.35
	Share application money pending allotment	**-**	-
	Non-current liabilities		
	Deferred tax liabilities (Net)	**225.87**	226.23
	Trade payables	**1044.71**	205.95
	Current liabilities		
	Short Term Borrowings	**233.65**	941.43
	Trade payables	**628.38**	550.51
	Other current liabilities	**648.02**	361.25
	Short-term provisions	**5.80**	5.02
	Total	**3878.15**	3384.74
II.	**ASSETS**		
	Non-current assets		
	Tangible assets	**1716.76**	1666.34
	Intangible assets	**3.98**	4.02
	Capital work-in-progress	**4.32**	70.76
	Non-Current investments	**-**	-
	Long-term loans and advances	**85.64**	68.65
	Other non-current assets	**8.51**	7.91
	Current assets		
	Current investments	**-**	-
	Inventories	**2790.72**	2220.84
	Trade receivables	**106.97**	61.90
	Cash and bank balances	**528.94**	627.14
	Short-term loans and advances	**417.95**	395.07
	Other current assets	**13.48**	20.91
	Total	**5678.27**	5143.54

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

₹ in Lacs

	Particulars	As at 31st March, 2016	As at 31st March, 2015
I	**Income**		
	Revenue from operations (gross)	**679.74**	537.15
	Less: excise duty	**-**	-
	Revenue from operations (net)	**679.74**	537.15
	Other income	**34.81**	78.16
	Total Revenue (I)	**714.55**	615.31
II	**Expenditure**		
	Employee benefit expense	**86.92**	78.76
	Other Expenses	**420.20**	397.11
	Depreciation and amortization expense	**143.68**	122.53
	Finance costs	**0.03**	77.40
	Total Expenses (II)	**650.83**	675.80
III	**Profit/ (loss) before tax (I-II)**	**63.72**	(60.49)
	Tax expenses		
	Current income tax	**0.17**	-
	Deferred tax	**(0.50)**	(16.81)
	MAT Credit Entitlement	**(0.17)**	-
IV	**Total tax expense**	**(0.50)**	(16.81)
V	**Profit/(Loss) After Tax (III-IV)**	**64.22**	(43.68)
VI	**Share of Minority in Profits**	**-**	-
VII	**Share in Losses of associates**	**-**	-
VIII	**Profit/(Loss) for the Year (V-VI-VII)**	**64.22**	(43.68)

55. Disclosure as per Section 22 of "The Micro, Small and Medium Enterprises Development Act, 2006".

₹ in Lacs

	Particulars	2015-16	2014-15
i)	The principal amount and the interest due thereon remaining unpaid to any supplier:		
	- Principal amount	**218.19**	320.63
	- Interest thereon	**0.65**	0.40
ii)	The amount of interest paid by the buyer in terms of section 18, along with the amounts of the payment made to the supplier beyond the appointed day.	**7.20**	6.92
iii)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	**0.54**	0.27

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

₹ in Lacs

	Particulars	2015-16	2014-15
iv)	the amount of interest accrued and remaining unpaid	**0.65**	0.40
v)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	**0.40**	1.96

56. Figures pertaining to the subsidiaries, joint ventures and associate companies have been reclassified wherever considered necessary to bring them in line with the Company's financial statements. Figures reported with respect to the joint ventures represent the Group's proportionate share only.

57. Disclosure required under Schedule III of the Companies Act, 2013

Sl. No.	Name of the Entity	Net Assets, i.e., total assets minus total liabilities as at 31st March 2016		Share in Profit or Loss for the year ended 31st March 2016		Net Assets, i.e., total assets minus total liabilities as at 31st March 2015		Share in Profit or Loss for the year ended 31st March 2015	
		As % of consolidated net assets	Amount (₹ in Lacs)	As % of consolidated profit or loss	Amount (₹ in Lacs)	As % of consolidated net assets	Amount (₹ in Lacs)	As % of consolidated profit or loss	Amount (₹ in Lacs)
1	**Parent**								
	Zuari Global Limited	**95.19**	**66,719.96**	**(44.42)**	**2,358.14**	94.89	64,361.79	(102.03)	2,678.24
2	**Indian Subsidiaries**								
	Indian Furniture Products Limited	**0.02**	**12.51**	**20.93**	**(1,111.17)**	0.18	123.69	51.75	(1,358.48)
	Soundaryaa IFPL Interiors Limited	**(0.30)**	**(209.59)**	**2.67**	**(141.96)**	(0.10)	(67.63)	3.53	(92.63)
	Simon India Limited	**15.61**	**10,944.65**	**(1.68)**	**89.33**	16.01	10,858.89	(33.56)	880.91
	Zuari Management Services Limited	**0.85**	**592.96**	**2.84**	**(150.89)**	1.10	743.85	(3.97)	104.13
	Zuari Infraworld India Limited	**18.19**	**12,750.47**	**(2.15)**	**114.21**	16.42	11,136.26	(10.67)	279.96
	Zuari Sugar and Power Limited (Formerly known as Zuari Financial Services Limited)	**2.14**	**1,496.77**	**2.53**	**(134.54)**	2.40	1,631.31	(0.66)	17.31
	Zuari Investments Limited	**4.17**	**2,920.02**	**(0.05)**	**2.75**	4.30	2,917.27	55.13	(1,447.05)
	Zuari Insurance Brokers Limited	**0.38**	**268.98**	**(0.13)**	**6.67**	0.39	262.31	(4.58)	120.24
	Zuari Commodity Trading Limited	**0.16**	**108.76**	**0.11**	**(5.64)**	0.15	104.40	(0.08)	2.08
	Gobind Sugar Mills Limited	**4.89**	**3,430.36**	**(0.98)**	**51.96**	1.97	1,338.40	75.69	(1,986.89)
2	**Foreign Subsidiaries**								
	Globex Limited	**-**	**-**	**30.05**	**(1,594.98)**	2.42	1,644.25	0.66	(17.33)
	Zuari Infra Middle East Limited	**0.07**	**52.29**	**(0.87)**	**46.02**	0.01	6.24	(0.17)	4.51
	SJM Elysium Properties LLC	**(0.01)**	**(8.66)**	**0.07**	**(3.98)**	-	-	-	-
3	**Minority Interests in subsidiaries**								
	Indian Furniture Products Limited	**-**	**-**	**(0.11)**	**6.08**	(0.01)	(6.08)	(0.24)	6.42
4	**Indian Joint Venture**								
	Zuari Indian Oil Tanking Private Limited (formerly known as Zuari Indian Oil Tanking Limited)	**2.27**	**1,588.89**	**(0.02)**	**1.25**	2.34	1,587.62	1.76	(46.07)
	Gulbarga Cements Limited (upto 12/01/2015)	**-**	**-**	**-**	**-**	-	-	(6.83)	179.17
	Braj bhumi Nirmaan Private Limited	**1.76**	**1,232.66**	**(0.13)**	**7.04**	1.83	1,239.70	(0.24)	6.19

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2015–16

Sl. No.	Name of the Entity	Net Assets, i.e., total assets minus total liabilities as at 31st March 2016		Share in Profit or Loss for the year ended 31st March 2016		Net Assets, i.e., total assets minus total liabilities as at 31st March 2015		Share in Profit or Loss for the year ended 31st March 2015	
		As % of consolidated net assets	Amount (₹ in Lacs)	As % of consolidated profit or loss	Amount (₹ in Lacs)	As % of consolidated net assets	Amount (₹ in Lacs)	As % of consolidated profit or loss	Amount (₹ in Lacs)
	Pranati Niketan Private Limited	**(0.00)**	**(0.25)**	**0.00**	**(0.09)**	(0.00)	(0.16)	0.00	(0.09)
	Darshan Nirmaan Private Limited	**(0.00)**	**(0.24)**	**0.00**	**(0.08)**	(0.00)	(0.16)	0.00	(0.09)
5	**Subsidiaries of Joint Venture**								
	Rosewood Agencies Private Limited	**(0.00)**	**(1.05)**	**0.00**	**(0.09)**	(0.00)	(0.96)	0.00	(0.11)
	Bahubali Tradecomm Private Limited	**(0.00)**	**(0.50)**	**0.00**	**(0.07)**	(0.00)	(0.43)	0.00	(0.08)
	Hopeful Sales Private Limited	**(0.00)**	**(0.47)**	**0.00**	**(0.08)**	(0.00)	(0.39)	0.00	(0.08)
	Divine Realdev Private Limited	**(0.00)**	**(0.46)**	**0.00**	**(0.08)**	(0.00)	(0.38)	0.00	(0.10)
	Kushal Infraproperty Private Limited	**(0.00)**	**(0.42)**	**0.00**	**(0.08)**	(0.00)	(0.34)	0.00	(0.09)
	Suhana Properties Private Limited	**(0.00)**	**(0.26)**	**0.00**	**(0.08)**	(0.00)	(0.18)	0.00	(0.08)
	Saket Mansions Private Limited	**(0.00)**	**(0.25)**	**0.00**	**(0.08)**	(0.00)	(0.17)	0.00	(0.09)
	Murari Enclave Private Limited	**-**		**-**		(0.00)	(0.11)	0.01	(0.35)
	Damodar Enclave Private Limited	**-**		**-**		(0.00)	(0.14)	0.01	(0.36)
	Natwar Enclave Private Limited	**-**		**-**		(0.00)	(0.10)	0.01	(0.35)
	Banibihari Enclave Private Limited	**-**		**-**		(0.00)	(0.10)	0.01	(0.35)
	Neobeam Agents Private Limited	**(0.00)**	**(0.87)**	**0.00**	**(0.09)**	(0.00)	(0.78)	0.00	(0.11)
	Mayapur Commercial Private Limited	**(0.00)**	**(0.78)**	**0.00**	**(0.09)**	(0.00)	(0.69)	0.00	(0.08)
	Nexus Vintrade Private Limited	**0.00**	**1.63**	**0.00**	**(0.09)**	0.00	1.71	0.01	(0.16)
	Beatle Agencies Private Limited	**(0.00)**	**(0.31)**	**0.00**	**(0.09)**	(0.00)	(0.23)	0.00	(0.09)
6	**Associates**								
	Zuari Agro Chemicals Limited	**-**	**-**	**55.00**	**(2,919.55)**	-	-	(10.96)	287.80
	New Eros Tradecom Ltd	**-**	**-**	**(0.32)**	**16.84**	-	-	(1.57)	41.24
7	**Eliminations and adjustments due to consolidation**	**(45.37)**	**(31,802.09)**	**36.64**	**(1,944.83)**	(44.30)	(30,047.86)	86.94	(2,282.10)
	Total	**100.00**	**70,094.70**	**100.00**	**(5,308.34)**	100.00	67,830.80	100.00	(2,624.98)

58. Previous year figures have been regrouped / recasted wherever necessary to confirm to this year's classification.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firms Regn. No.301003E/E300005

per Anil Gupta
Partner
Membership No: 87921

Place : New Delhi
Dated : 13th May, 2016

For and on behalf of Board of Directors of Zuari Global Limited

S. K. Poddar
Chairman
DIN : 00008654

N. Suresh Krishnan
Managing Director
DIN : 00021965

Marco Wadia
Director
DIN : 00244357

Vijay Kathuria
Chief Financial Officer

Sachin Patil
Asst. Company Secretary
ACS : 31286

Place : Gurgaon
Date : 13th May, 2016