

ZUARI INDUSTRIES LIMITED

The National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex
Bandra (East)
MUMBAI - 400 001

9th May, 2011

Dear Sir,

Sub:AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31st MARCH, 2011

In pursuance to Clause 41 of the Listing Agreement, we give herein below the Audited Financial Results for the year ended 31st March, 2011.

(Rs.in Crores except where otherwise stated)

Sl. No.	Particulars	Stand-alone Results		Consolidated Results	
		Audited		Audited	
		Year Ended		Year Ended	
		March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
1. (a)	Net Sales/Income from Operations	5522.83	4277.55	7598.79	6168.60
(b)	Other Operating Income	39.15	46.18	100.31	125.17
	Total	5561.98	4323.73	7699.10	6293.77
2.	Expenditure				
a.	(Increase) / decrease in stock in trade and work in progress	(215.40)	155.33	(278.75)	192.03
b.	Consumption of raw materials	2231.73	1951.03	3407.52	2908.15
c.	Purchase of traded goods	2515.65	1375.36	2861.60	1645.77
d.	Employees cost	79.47	75.86	147.71	130.55
e.	Depreciation	21.33	19.51	39.41	40.41
f.	Other expenditure	692.25	566.32	1094.27	1027.64
g.	Total Expenditure	5325.03	4143.41	7271.76	5944.55
3.	Profit from Operations before Other Income, Interest and Exceptional Items (1-2)	236.95	180.32	427.34	349.22
4.	Other Income	40.82	56.53	48.87	68.45
5.	Profit before Interest and Exceptional Items (3+4)	277.77	236.85	476.21	417.67
6.	Interest	38.32	17.21	92.16	56.47
7.	Profit after Interest but before Exceptional Items (5-6)	239.45	219.64	384.05	361.20
8.	Exceptional Items	-	-	-	-
9.	Profit (+) / (Loss) (-) from ordinary activities before tax (7+8)	239.45	219.64	384.05	361.20
10.	Tax expenses / (credit)	72.57	62.68	118.84	93.10
11.	Net Profit (+) / (Loss) (-) from Ordinary Activities after Tax (9-10)	166.88	156.96	265.21	268.10
12.	Extraordinary Item (net of tax expenses)	-	-	-	-
13.	Net Profit(+) / (Loss)(-) for the year (11-12)	166.88	156.96	265.21	268.10
14.	Share in accumulated Profit/(Loss) of Associates	-	-	(0.38)	0.72
15.	Profit after tax but before minority interest	166.88	156.96	264.82	268.82
16.	Share of minority interest	-	-	(17.31)	(15.21)
17.	Net Profit(+) / (Loss)(-) for the year (15+16)	166.88	156.96	247.52	253.61
18.	Paid-up Equity Share Capital (Face value Rs.10 per Share)	29.44	29.44	29.44	29.44
19.	Reserves excluding Revaluation Reserves	1190.95	1039.42	1562.17	1330.19
20.	Earning Per Share (EPS)				
a.	Basic and diluted EPS before Extraordinary items for the year (Rupees)	56.68	53.31	84.07	86.14
b.	Basic and diluted EPS after Extraordinary items for the year (Rupees)	56.68	53.31	84.07	86.14
21.	Public shareholding				
-	Number of Shares	19321231	19321231	19321231	19321231
-	Percentage of shareholding	65.63	65.63	65.63	65.63
22.	Promoters and promoter group share holding	10119373	10119373	10119373	10119373
a.	Pledged / Encumbered				
-	Number of Shares	2171767	1915000	2171767	1915000
-	Percentage of shares (as a % of the total share holding of promoter and promoter group)	21.46	18.92	21.46	18.92
-	Percentage of shares (as a % of the total share capital of the company)	7.38	6.50	7.38	6.50
b.	Non-Encumbered				
-	Number of Shares	7947606	8204373	7947606	8204373
-	Percentage of shares (as a % of the total share holding of promoter and promoter group)	78.54	81.08	78.54	81.08
-	Percentage of shares (as a % of the total share capital of the company)	27.00	27.87	27.00	27.87

REGISTERED OFFICE : JAIKISAAN BHAWAN, ZUARINAGAR, GOA - 403 726, INDIA.

TELEPHONE : (0832) 2592180, 2592181

FAX : (0832) Finance - 2555279, Operations - 2592343, Commercial - 2555462, HR&A - 2555835.



STATEMENT OF ASSETS & LIABILITIES AS AT 31ST MARCH 2011

Rs. In Crores

Particulars	Stand-alone		Consolidated	
	Audited as at		Audited as at	
	31.03.2011	31.03.2010	31.03.2011	31.03.2010
SHAREHOLDERS' FUNDS:				
(a) Capital	29.44	29.44	29.44	29.44
(b) Reserve & Surplus	1190.95	1039.42	1562.17	1330.19
MINORITY INTEREST	-	-	84.11	74.43
LOAN FUNDS	971.94	1082.53	1600.84	1689.02
DEFERRED TAX LIABILITIES (NET)	4.50	0.13	8.70	4.03
TOTAL	2196.83	2151.52	3285.26	3127.11
GOODWILL			199.30	196.33
FIXED ASSETS	225.88	189.89	503.24	377.37
INVESTMENTS	520.88	1046.53	380.87	865.09
DEFERRED TAX ASSETS (NET)	-	-	10.99	17.52
CURRENT ASSETS, LOANS AND ADVANCES				
(a) Inventories	717.75	378.70	1075.80	656.02
(b) Sundry Debtors	764.73	618.28	1072.68	1021.27
(c) Cash & Bank Balances	286.64	56.92	677.46	249.81
(d) Other Current Assets	212.34	407.02	420.86	832.93
(e) Loans & Advances	263.36	130.25	89.43	111.03
Less: Current Liabilities and provisions				
(a) Liabilities	745.00	624.06	1007.59	1115.98
(b) Provisions	49.75	52.01	137.78	84.28
NET CURRENT ASSETS	1450.07	915.10	2190.86	1670.80
MISCELLANEOUS EXPENDITURE (NOT WRITTEN OFF OR ADJUSTED)	-	-	-	-
TOTAL	2196.83	2151.52	3285.26	3127.11

**Consolidated Segment wise Revenue, Results and Capital Employed for the year ended
31st March 2011**

		(Rs. in Crores)	
Sr. No.	Particulars	Year ended 31.03.2011	Year ended 31.03.2010
	Segment Revenue:		
1.	a. Fertilizer	7401.99	5920.25
	b. Engineering Services	159.97	267.66
	c. Others	185.35	110.88
	Total	7747.31	6298.79
	Less: Inter Segment Revenue	48.21	5.02
	Net Sales/Income from operations	7699.10	6293.77
	Segment Results before tax and interest:		
2.	a. Fertilizer	402.15	299.04
	b. Engineering Services	31.52	39.69
	c. Others	5.58	10.49
	Total	439.25	349.22
	Less: (i) Interest	92.16	56.47
	(ii) Other un-allocable expenditure (net)	(36.96)	(68.45)
	Profit Before Tax	384.05	361.20
3.	Capital Employed (Segment assets-Segment liabilities)		
	a. Fertilizer	2277.00	1692.02
	b. Engineering Services	(60.33)	(54.66)
	c. Others	147.21	138.71
	d. Unallocated	(772.27)	(416.44)
	Total	1591.61	1359.63

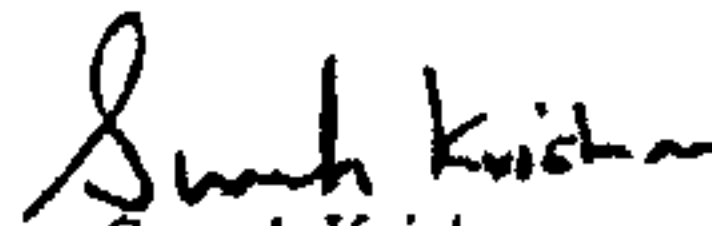
Notes:

1. The increase in net sales/income from operations is on account of higher volumes and also better price realizations. The increase in volumes came mainly from trading activities.
2. During the year, the subsidy on phosphatic and potassic fertilizers has been accounted for as per the "Nutrient Based Subsidy" policy announced by the Government of India with effect from 1st April, 2010.
3. Subsidy for Urea has been accounted based on Stage III parameters of the New Pricing Scheme and other adjustments as estimated in accordance with known policy parameters in this regard. The Stage III of New Pricing Scheme which was operational for the period 1st October, 2006 to 31st March, 2010 has been extended on provisional basis till further orders.
4. During the year, the Company has increased its share in Zuari Investment Limited from 83.33% to 100% with a view to focusing on the activities of Investments in the Group. Zuari Holding Limited has also become 100% subsidiary of Zuari Industries Limited.
5. The Board of Directors decided to withdraw the Scheme of Amalgamation Gobind Sugar Mills Limited (GSM) with the Company, which was pending for sanction before Hon'ble High Court of Bombay at Goa. The withdrawal was in view of change in the business / economic environment in relation to the Company's operation resulting from deregulation of the fertilizer sector and to focus on its core business.
6. The Company has appointed Mr. Suresh Krishnan as Managing Director w.e.f. 1st February, 2011 which is subject to approval of shareholders in ensuing Annual General Meeting.
7. Zuari Group has sold 50% of their holding in Fertilizer Companies Government of India Special Bonds in terms of guidelines issued by Government of India, Ministry of Chemicals & Fertilizers (Department of Fertilizers) (DOF), resulting into loss of Rs. 60.97 crores (including loss of Rs. 52.88 crores charged to profit and loss account in earlier years). As per the above guidelines, a part of the loss incurred by the Company would be compensated by Government of India, the same will be accounted for as and when mechanism for determination of such compensation is finalized by DOF.
8. Tax expense is after adjusting deferred tax charge/ (credit).
9. No investor complaints were pending at the beginning of the quarter and 59 (Fifty Nine) complaints were received and resolved during the quarter. No complaints were pending as on 31st March, 2011.
10. The Board of Directors has recommended an equity dividend of Rs.4.50 per share.
11. Previous year figures have been regrouped wherever necessary.

12. The above audited financial results have been recommended by the Audit Committee at its meeting held on 9th May, 2011 and approved by Board of Directors at its meeting held on 9th May, 2011.

For and on behalf of the Board of Directors

Date: 9th May, 2011
Place: Gurgaon


Suresh Krishnan
Managing Director