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3rd 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: Disclosure of the Impact of Audit Qualifications.

Dear Sir(s),

Pursuant to the SEBI circular issued vide CIR/CFD/CMD/56/2016 dated 27th May, 2016 for disclosure of the impact of the Audit Qualifications by the listed company, ***we hereby enclose 'Statement on Impact of Audit Qualifications - Standalone & Consolidated in Annexure I & II respectively, along with Annual Audited Financial Results for the year ended 31st March, 2015.***

Thanking you,

Yours faithfully,

For **ZUARI GLOBAL LIMITED**

Sachin Patil
Asst. Company Secretary

ANNEXURE I

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, 2015

[*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	8,028.52	Not Determinable
	2	Total Expenditure	4,629.24	
	3	Net Profit/(Loss)	3,399.28	
	4	Earnings Per Share	9.10	
	5	Total Assets	86,583.86	
	6	Total Liabilities	86,583.86	
	7	Net Worth	64,361.82	
	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. 1,205.64 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 effects, if any, 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 quantify 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 Company has invested in the Equity Shares of Nagarjuna Fertilisers and Chemicals Limited (NFCL). After the said investment, NFCL went through a Scheme of Arrangement and Amalgamation. The Company has received equity shares of Nagarjuna Oil Refinery Limited (NORL), pursuant to the Scheme of Arrangement and Amalgamation between Ikisan Limited, Kakinada Fertilizer Limited, NFCL and NORL. The equity shares of NORL are listed on the Stock Exchange whereas equity shares of NFCL are yet to be listed on the Stock Exchanges as the approval from SEBI is pending under Rule (19)(2)(b) of the Securities Contracts (Regulations) Act, 1956.
	(ii)	**If Management is unable to estimate the impact, reasons for the same:** Notes nos. 11(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	Mr.Narayanan Suresh Krishnan
	CFO	Mr. Vijay Kathuria
	Audit Committee Chairman	Mr. Marco wadia
	Statutory Auditor	For M/s. S. R. Batliboi & Co. LLP Mr. Anil Gupta
Place: Zuarinagar-Goa		
Date:30/09/2016		

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ANNEXURE II

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, 2015

[*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	55,511.74	
	2	Total Expenditure	57,393.39	
	3	Net Profit/(Loss)	(1,881.65)	
	4	Earnings Per Share	(8.91)	
	5	Total Assets	185,855.52	
	6	Total Liabilities	185,855.52	
	7	Net Worth	67,830.80	
	8	Any other financial item(s) (as felt appropriate by the management)		Not Determinable

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. 1,205.64 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 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 effects, if any, 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 quantify 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 has invested in the Equity Shares of Nagarjuna Fertilisers and Chemicals Limited (NFCL). After the said investment, NFCL went through a Scheme of Arrangement and Amalgamation. The Group has received equity shares of Nagarjuna Oil Refinery Limited (NORL), pursuant to the Scheme of Arrangement and Amalgamation between Ikisan Limited, Kakinada Fertilizer Limited, NFCL and NORL. The equity shares of NORL are listed on the Stock Exchange whereas equity shares of NFCL are yet to be listed on the Stock Exchanges as the approval from SEBI is pending under Rule (19)(2)(b) of the Securities Contracts (Regulations) Act, 1956.
	(ii)	**If Management is unable to estimate the impact, reasons for the same:** Notes nos. 11(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	Mr.Narayanan Suresh Krishnan
☐	CFO	Mr. Vijay Kathuria
☐	Audit Committee Chairman	Mr. Marco wadia
☐	Statutory Auditor	For M/s. S. R. Batliboi & Co. LLP Mr. Anil Gupta
Place: Zuarinagar- Goa		
Date:30/09/2016		

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ANNUAL REPORT
2014 – 2015

ZUARI GLOBAL LIMITED

DIRECTORS	:	Mr. Saroj Kumar Poddar, Chairman Mr. N. Suresh Krishnan, Managing Director (w.e.f. 1st April, 2015) Mr. D. B. Engineer Mr. J. N. Godbole (upto 21st Sept. 2014) Mrs. Jyotsna Poddar, Whole time Director Mr. K. K. Gupta Mr. Marco Wadia
COMPANY SECRETARY	:	Mr. K. G. Prabhu
BANKERS	:	State Bank of India HDFC Bank Limited
LEGAL ADVISERS	:	Khaitan & Co., Kolkata
AUDITORS	:	S. R. Batliboi & Co. LLP Chartered Accountants, Gurgaon
REGISTERED OFFICE	:	Jai Kisaan Bhawan Zuarinagar, Goa 403 726

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

To the Members,

1. Your Directors place before you the Forty-Seventh Annual Report of the Company together with Statement of Accounts for the accounting year ended 31st March, 2015.

2. Financial Results and Appropriation:

₹ in lacs

Particulars	Standalone		Consolidated	
	Current Year 2014-2015	Previous Year 2013-2014	**Current Year 2014-2015**	Previous Year 2013-2014
Profit for the year before depreciation and taxation	**3,421.87**	5,595.30	**(1,077.51)**	5,117.65
Less : Depreciation for the year	**22.59**	11 .81	**804.14**	821.04
Profit / (loss) before tax	**3,399.28**	5,583.49	**(1,881.65)**	4,296.61
Less : Provision for taxation – Current Tax	**684.89**	1,159.12	**1,080.07**	1,538.32
Tax adjustment relating to earlier year	**48.48**	2,009.84	**27.48**	2,004.11
Deferred Tax charge	**32.67**	(27.10)	**(11.38)**	(66.08)
MAT Credit Entitlement	**(45.03)**	(172.31)	**(17.38)**	(162.85)
Profit/(loss) after tax	**2,678.27**	2,613.94	**(2,960.44)**	983.11
Add : Share in profit/(losses) from Associates	**–**	–	**329.04**	(1,124.00)
Profit / (loss) for the year before Minority Interest	**–**	–	**(2,631.40)**	(140.89)
Less : Share of minority interest in profits/(losses)	**–**	–	**(6.42)**	(21.32)
Profit / (loss) for the year	**–**	–	**(2,624.98)**	(119.57)
Add : Balance of profit brought forward	**55,593.78**	53,824.28	**62,089.19**	63,053.20
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	**–**	–	**1,882.63**	–
Less : Transfer to general reserve	**100.00**	500.00	**100.00**	500.00
Proposed Dividend :	**294.41**	294.41	**294.41**	294.41
Tax on dividend (Including Surcharge)	**59.93**	50.03	**59.93**	50.03
Balance of profit carried forward	**57,817.71**	55,593.78	**60,772.43**	62,089.19
Earning Per Share (EPS)	**₹ 9.10**	₹ 8.88	**₹ (8.91)**	₹ (0.41)

The Company proposes to transfer a sum of ₹ 100.00 lacs to the general reserve. An amount of ₹ 57,817.71 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, 2015 was ₹ 3,951.77 lacs as compared to ₹ 16,982.15 lacs for the previous year.

The Profit before tax for the year ended 31st March, 2015 was ₹ 3,399.28 lacs as compared to ₹ 5,583.49 lacs for the year ending 31st March, 2014. The Profit after Tax stood at ₹ 2,678.27 lacs for the year ending 31st March, 2015 as compared to ₹ 2,613.94 lacs for the previous year ending 31st March, 2014.

The revenue from operations (Consolidated) for the year ended 31st March, 2015 was ₹ 53,453.68 lacs as compared to ₹ 65,055.76 lacs for the previous year.

The Consolidated Loss before tax for the year ended 31st March, 2015 was ₹ 1,881.65 lacs as compared to a profit of ₹ 4,296.61 lacs for the year ending 31st March, 2014. The Loss after Tax stood at ₹ 2,960.44 lacs for the year ending 31st March, 2015 as compared to profit of ₹ 983.11 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. 31, 32 & 33 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, 2015 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. The details of Material Related Party transactions as per Form AOC–2 is enclosed as **Annexure 'G'** to the Directors' Report. 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.

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.45 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 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 'I'** to this Report.

10. Risk Management:

The Risk Management Committee comprises two Independent Directors and one Non–Executive Director.

The objective of the 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.

During the year the Committee has met once on 10th February, 2015 and the attendance of the members at the meeting was as follows:–

Name of the member	Status	No. of meetings attended
D. B. Engineer	Chairman	1
Marco Wadia	Member	1
N. Suresh Krishnan	Member	1

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 the Companies Act, 2013 and Clause 49 of the Listing Agreement. 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 from time to time.

11. Vigil Mechanism / Whistle Blower Policy:

The Company in accordance with the provisions of Section 177(9) of the Companies Act, 2013 and Clause 49 of the Listing Agreement 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 safeguards 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 a Non–Executive Director.

Terms of Reference:

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.

During the year the Committee has met once on 29th October, 2014 and the attendance of the members at the meeting was as follows:–

Name of the member	Status	No. of meetings attended
N. Suresh Krishnan	Chairman	1
Marco Wadia	Member	1
K. K. Gupta*	Member	1

* Chairperson w.e.f. 15th May, 2015

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

The Company has not spent any amount towards Corporate Social Responsibility during the current financial year. However, the CSR Committee and the Board have identified and approved projects for CSR spending from the financial year 2015-16 onwards.

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 Clause 49 of the Listing Agreement.

Mrs. Jyotsna Poddar retires by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment.

Mr. J. N. Godbole resigned as Director of the Company w.e.f. 21st September, 2014. The Board places on record its appreciation and invaluable contribution by Mr. Godbole to the Company during his tenure as the Director of the Company.

Mr. K. K. Gupta was appointed as Additional Director w.e.f. 30th July, 2014 in the category of Independent Directors.

The Board of Directors on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the shareholders have appointed Mr. N. Suresh Krishnan as Managing Director and Key Managerial Personnel of the Company for a period of 3 years w.e.f. 1st April, 2015.

Mrs. Jyotsna Poddar, Whole Time Director (Key Managerial Personnel upto 31st March, 2015), Mr. H. C. Shah, General Manager, Finance & Accounts (CFO) and Mr. K. G. Prabhu, Company Secretary have been designated as Key Managerial Personnel in accordance with provisions of Section 203 (1) of the Companies Act, 2013.

A brief profile and details of other Directorships and committee memberships of Mrs. Jyotsna Poddar, Mr. K. K. Gupta and Mr. N. Suresh Krishnan, are given in the Report on Corporate Governance attached as **Annexure 'A'** to this report.

14. Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Nomination & Remuneration Committee and the Board of Directors have formulated a policy for performance evaluation of its own performance, of various Committees of the Board and the individual Directors.

The Board has carried out evaluation in accordance with the policy on performance evaluation.The manner and the details of the evaluation process has been included in the Report on Corporate Governance attached as **Annexure 'A'** to this report.

15. a. Board Meetings:

During the year under review, seven Board meetings were held on : 8th May, 2014, 11th July, 2014, 30th July, 2014, 29th September, 2014, 29th October, 2014, 10th February, 2015 and 10th March, 2015.

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. 34 deposits amounting to ₹ 6.65 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 ₹ 10.04 lacs towards unclaimed/unpaid deposits and interest thereon to 'The Investors Education and Protection Fund', pursuant to section 205(C) of the Companies Act, 1956 and rules made thereunder.

17. Debt Servicing:

Your Company has met all obligations towards repayment of principal and interest amount 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. The details pertaining to various demand notices from various statutory authorities are disclosed in Note No. 28(a) of financial statements under the heading – Contingent liabilities.

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. Corporate Governance:

Your Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement. The Report on Corporate Governance pursuant to Clause 49 of the Listing Agreement 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, Gurgaon, 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 2015-16.

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. There were no complaints 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. Changes in Capital :

During the financial year, in the AGM held on 1st September, 2014 there was alteration of clause V of the Memorandum of Association of the Company. The Authorised Share Capital of the Company is ₹ 135,75,00,000 (Rupees One hundred Thirty Five Crore and Seventy Five Lac Only) divided into

a) ₹ 115,00,00,000 (Rupees One Hundred Fifteen Crore) consisting of 11,50,00,000 (Eleven Crore Fifty Lacs) equity shares of ₹ 10/- each.

b) ₹ 20,75,00,000 (Rupees Twenty Crore Seventy Five Lacs) consisting of 20,75,000 (Twenty Lacs Seventy Five Thousand) Cumulative Redeemable Preference Shares of ₹ 100/- each.

26. 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 Annual Accounts of the Subsidiary Companies will also be available for inspection by any investor at the Registered Office of the Company and its Subsidiaries.

27. Subsidiaries:

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

a. Zuari Infraworld India Limited (ZIIL):

Zuari Infraworld India Limited, (ZIIL), a wholly owned subsidiary of your Company represents the group's foray into Real Estate Sector.

Projects under Execution

Zuari Garden City Project, Mysore:

Phase–I: The Company has completed Phase–I of the project consisting of 217 villas with the saleable area of 562,150 Sft. The registrations of units in favour of customers have started and handing-over of the villas has commenced.

Phase–II: During the year, the Company has started construction of Phase–II of residential development consisting of "464" Apartments ranging from 2BHK to 4BHK with the saleable area of 732,640 Sft. This phase is expected to be completed by Financial Year 2018.

Mayavan Project, Vrindavan, Mathura

During the year, the Company has invested 25% equity in Brajbhumi Nirmaan Pvt. Ltd for the development of "Mayavan Project" located at Vrindavan, Mathura, spread over 140 acres. The Company has also executed Development Management Agreement whereby it will manage preparation of Development Plan and Project Execution.

The construction of Phase–I of 36 Acres consisting of Villas in 23 Acres and Plotting in 13 Acres has commenced and 70% of the Plots have been sold out.

New Projects

Adventz Tower – Burj Khalifa Downtown Dubai

The Company has set up a wholly owned subsidiary i.e. Zuari Infra Middle East Limited (ZIMEL) in Jebel Ali Free Zone Authority. ZIMEL proposes to develop a residential project in Dubai, UAE in joint venture with Green Tree Property Management Co LLC, a group Company of DAS Holdings, Abu Dhabi.

The total Gross Floor Area is 444,740 Sft. It is proposed to develop a 70-storeyed residential development encompassing premium residences and retail establishments. The Project is expected to start construction in the Financial Year 2016.

b. Simon India Limited (SIL):

Simon India Limited (SIL), a wholly owned subsidiary of your Company completed following projects in 2014-15:

- 600 TPD Granulated SSP Fertilizer Project on EPC basis for Zuari Fertilisers and Chemicals Limited at Mahad.
- Modifications in Phosphoric Acid Storage Tanks No. 1 and 2 for Paradeep Phosphates Limited (PPL), Paradeep on EPC basis.
- Installation of new Storage Tank No. 3 for Phosphoric Acid for Paradeep on EPC basis.
- New Urea Scrubber plant for Waterleau for their end-client Pardis, Iran on EPCM basis.
- SIL continues to work on New Sulphuric Acid Plant of capacity 2000 TPD with captive power plant (23 MW) and heat recovery system with MECS USA, design for the existing Sulphuric Acid plants for Paradeep on EPC basis and New Chlor-Alkali Plant for KLJ-Qatar in Qatar on EPCM basis.

c. Indian Furniture Products Limited (IFPL):

Your Company holds 72.45 % share in IFPL.

IFPL and Style Spa Furniture Ltd, the erstwhile Furniture retail chain, were merged w.e.f. 1st April, 2014 integrating retail business with manufacturing and wholesale business.

Furniture industry across the country has been going through difficult times during the last 3 years though there was some hope of revival in the beginning of the year. 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 programmes etc. A total of 75 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.

Joint Venture with Soundaryaa IFPL Interiors Ltd.

IFPL has formed a Joint Venture Company with M/s. Soundaryaa IFPL Interiors Ltd., which is a highly reputed Company in commercial interiors business. It has executed several projects for many multinational companies in India. The Joint Venture Company is executing a project of M/s. Shell India Ltd. for ₹ 8,000 lacs.

d. Zuari Investments Limited (ZIL):

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

The Company is a member of both, National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE), for cash, derivative and currency segments and provides trading services. ZIL is also a depository participant with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and provides depository services. Besides being empanelled with Association of Mutual Fund of India (AMFI) for distribution of Mutual Fund products, the Company is also a dealer of OTC Exchange of India and a Category- II Registrar and Share Transfer Agent, 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 (ZIBL):

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.

ii) Zuari Commodity Trading Limited (ZCTL) :

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) and provides commodity trading services.

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. Its sugar mill at Aira Estate in Lakhimpur Kheri district, Uttar Pradesh, is equipped with the state-of-the-art technology to produce crystal sugar of the highest purity having a crushing capacity of 7,500 tonnes of sugarcane per day. Expansion plans of the Company includes setting up a 30 MW Co-Generation Power Plant, sugar refinery and modernization of plant to increase crushing to 10,000 tonnes of sugarcane per day.

e. 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 in the areas of human resource, internal audit, corporate communication, etc.

f. Zuari Financial Services Limited (ZFSL):

Zuari Financial Services Limited (ZFSL) was incorporated as a wholly owned subsidiary of Zuari Investments Limited. During the year, the 100% shareholding of ZFSL was transferred to Zuari Global Limited (ZGL). Consequently, ZFSL has become direct wholly owned subsidiary of ZGL.

g. Globex Ltd.:

Globex, an offshore subsidiary Company was established at Jebel Ali Free Zone on 9th August, 2009. Currently, Globex is engaged in general trading in fertilizers and commodities and advisory services.

28. Joint Ventures:

a. Zuari Indian Oiltanking Private Limited (ZIOTPL):

Zuari Indian Oiltanking Private Limited (ZIOTPL) formerly known as Zuari Indian Oiltanking Limited has a state-of-the art terminalling facility for 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 2014-15, the Oil Terminal has achieved a through out of 474399 KL.

b. Gulbarga Cement Limited (GCL):

During the year the Company has sold the entire 80,92,682 equity shares held in Gulbarga Cement Limited for a total consideration of ₹ 1,641.27 lacs. Gulbarga Cement Limited has ceased to be a joint venture with effect from 12th January, 2015.

29. 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 'J'** to this report.

30. 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.

31. Directors' comments on the Audit Report:

Your Company has invested in the Equity Shares of Nagarjuna Fertilisers and Chemicals Limited (NFCL). After the said investment, NFCL went through a Scheme of Arrangement and Amalgamation. The Company has received equity shares of Nagarjuna Oil Refinery Limited (NORL), pursuant to the Scheme of Arrangement and Amalgamation between Ikisan Limited, Kakinada Fertilizer Limited, NFCL and NORL.

The equity shares of NORL are listed on the Stock Exchange whereas equity shares of NFCL are yet to be listed on the Stock Exchanges as the approval from SEBI is pending under Rule (19)(2)(b) of the Securities Contracts (Regulations) Act, 1956.

32. 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 : 15th May, 2015

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, seven Board meetings were held on : 8th May, 2014, 11th July, 2014, 30th July, 2014, 29th September, 2014, 29th October, 2014, 10th February, 2015 and 10th March, 2015.

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 Other Companies*	
						Chairman	Member
S.K.Poddar	Promoter / Chairman	14	6	8,91,390@	No	1	0
N. Suresh Krishnan ***	NED	8	7	NIL	Yes	1	5
D.B. Engineer	NED / I	7	6	NIL	Yes	1	2
J.N. Godbole+	NED / I	N.A.	3	NIL	Yes	N.A.	N.A.
Jyotsna Poddar	Whole Time Director	10	3	4,71,621	No	N.A.	N.A.
Marco Wadia	NED / I	12	6	2,811	Yes	4	3
K.K. Gupta $	NED/I	2	4	NIL	N.A.	0	0

\# I-Independent, NED-Non-Executive Director
* Includes Audit Committee and Stakeholders Relationship Committee
** The number of directorships in other Public and Private Limited Companies
*** Appointed as Managing Director w.e.f. 1st April, 2015
\+ Ceased to be a Director w.e.f. 21st September, 2014
$ Appointed as Additional Director w.e.f. 30th July, 2014
@ Does not include 3595 shares purchased on 30th & 31st March, 2015 as the same were credited after 31st March 2015.

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

Mrs. Jyotsna Poddar retires by rotation and is eligible for re-appointment.

As per Clause 49 of the Listing Agreement, brief profile and information about the directors is given below:

Mrs. Jyotsna Poddar:

Mrs. Jyotsna Poddar, aged 65 years, is a Psychology Honors student from Loreto House, Kolkata.

Mrs. Poddar is a Whole Time Director of Zuari Global Limited and is also on the Board of various other Companies. A person with wide and diverse interests has been active in the management of sugar business of the Group.

Mrs. Poddar is an active social worker and she runs a private Trust – Jeewan Jyoti Medical Society, which provides free medical facilities to the economically disadvantaged and is actively involved with Adventz Foundation.

Names of the other Companies in which Mrs. Jyotsna Poddar is a Director as on 31st March, 2015 is given below:

Sr. No.	Name of the Company
1.	Lionel Edwards Limited
2.	Lionel India Limited
3.	Nilgiri Plantations Limited
4.	Ronson Traders Limited
5.	Sangha Shree Investment & Trading Co. Limited
6.	Syndak Teatech Limited
7.	Yashovardhan Investment & Trading Co. Limited
8.	Texmaco Infrastructure & Holdings Limited
9.	Abhishek Holdings Private Limted
10.	Adventz Homecare Private Limited

Mr. K.K. Gupta:

Mr. K.K. Gupta, aged 76, is a B.Sc. Engg. (Mech.) Graduate from Punjab University, India. He also holds an M.S. (Ind. Engg.) Degree from University of California, Berkeley, U.S.A.

He has vast corporate experience of 51 years.

He was Chairman & Managing Director of Singer India Limited, a subsidiary of The Singer Company, N.V., Managing Director of Gautier India Limited and Paradeep Phosphates Limited, Executive Chairman & CEO of Singer India Limited (Brand Trading India P Limited) and Senior Regional Vice President of Singer Asia Limited.

Names of the other Companies in which Mr. K.K. Gupta is a Director as on 31st March, 2015 is given below:

Sr. No.	Name of the Company
1.	Indian Furniture Products Limited
2.	Zuari Infraworld India Limited

Mr. N. Suresh Krishnan:

Mr. N. Suresh Krishnan, aged 50, assumed charge as the Managing Director of Zuari Global Limited w.e.f. 1st April, 2015. With 28 years of corporate experience in fertiliser, energy and cement sectors, Mr. Krishnan has been associated with the Adventz Group for over two decades and has been widely acknowledged for his leadership, vision and commitment. Before taking over his current role, he was the Managing Director of Zuari Agro Chemicals Limited since March, 2012. In his previous assignments, he served as the Managing Director of erstwhile Zuari Industries Limited (now Zuari Global Limited) since February, 2011. Other senior positions held by Mr. Suresh Krishnan earlier, include being the Chief Financial Officer of Zuari Industries Limited and Zuari Cement Limited.

His functional experience spans corporate finance, corporate strategy, projects planning, operations and business development. Over the years, he has been instrumental in financing of large greenfield projects in the domestic and international markets, forging and managing joint ventures and acquisitions and in executing turnaround strategies alongside day-to-day operations in the manufacturing sector. An alumnus of BITS (Pilani), Mr. Krishnan is on the Board of Directors of several Adventz group companies and joint ventures.

Names of the other Companies in which Mr. N. Suresh Krishnan is a Director as on 31st March, 2015 is given below:

Sr. No.	Name of the Company
1.	Zuari Maroc Phosphates Private Limited
2.	Indian Furniture Products Limited
3.	Zuari Infraworld India Limited
4.	Zuari Fertilisers and Chemicals Limited
5.	Gobind Sugar Mills Limited
6.	Zuari Agro Chemicals Limited
7.	Zuari Agri Sciences Limited
8.	Zuari Rotem Speciality Fertilizers Limited

4. Board Agenda:

The Board meetings are scheduled well in advance and the Board members are generally given notice at least 15 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. Performance evaluation of Independent Directors:

Pursuant to the provisions contained in Companies Act, 2013 and Clause 49 of the Listing Agreement, 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 Clause 49(II)(B)(7) of the Listing Agreement 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 Clause 49 (4) of Listing Agreement with Stock Exchanges has formulated of 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. Independent Directors Meeting :

During the financial year under review, the Meeting of the Independent Directors was held on 10th February, 2015, to discuss the following:

a) Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.

b) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.

c) Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

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 invitees include General Manager-Finance and Head of internal audit. The Company Secretary is the Secretary of the Committee. The Committee met 5 times during the financial year ended 31st March, 2015 on : 8th May, 2014, 11th July, 2014, 30th July, 2014, 29th October, 2014 and 10th February, 2015.

Terms of Reference

The terms of reference and role of the Audit Committee was amended to cover the provisions of the amendment in Clause 49 of the Listing Agreement and includes among other things 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 auditor 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
D. B. Engineer	Chairman	4
Marco Wadia	Member	5
J. N. Godbole*	Member	3
N. Suresh Krishnan	Member	5
K. K. Gupta**	Member	1

* Resigned as member w.e.f. 21st September, 2014
** Appointed as member w.e.f. 29th October, 2014

b) Stakeholders' Relationship Committee :

Stakeholders' Relationship Committee comprises two Independent Directors and Managing Director. The Board has designated Mr. K. G. Prabhu, Company Secretary, as the Secretary to the Committee. The Committee met 6 times during the financial year ended 31st March, 2015 on : 30th May, 2014, 14th August, 2014, 1st September, 2014, 2nd December, 2014, 18th December, 2014 and 16th March, 2015.

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 50 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, 2015.

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

Name of the member	Status	No. of meetings attended
D. B. Engineer	Chairman	6
Marco Wadia	Member	6
N. Suresh Krishnan	Member	1

c) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises three Non-Executive Independent Directors. The Board has designated Mr. K.G. Prabhu, Company Secretary as the Secretary to the Committee. The Committee met 4 times during the financial year ended 31st March, 2015 on : 8th May, 2014, 30th July, 2014, 10th February, 2015 and 10th March, 2015.

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
D. B. Engineer	Chairman	4
Marco Wadia	Member	4
J. N. Godbole *	Member	2
K. K. Gupta**	Member	2

* Resigned as member w.e.f. 21st September, 2014
** Appointed as member w.e.f. 29th October, 2014

Details of remuneration to all the Directors for the year :

Payment of remuneration to the Whole Time Director is as approved by the Remuneration Committee, 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
Jyotsna Poddar	60.00	0.05	4.32

The term of the Whole Time Director is for a period of five years with effect from 1st April, 2012. The notice period for the termination of the appointment of the Whole Time 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 is 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, 2015 for attending the meetings of the Board and the Committees thereof is given below:

Sr. No.	Name of Director	Amount (₹)
1.	S. K. Poddar	1,67,500
2.	D. B. Engineer	2,95,000
3.	J. N. Godbole*	82,500
4.	Marco Wadia	3,10,000
5.	N. Suresh Krishnan	2,35,000
6.	K. K. Gupta**	1,67,500

* Resigned w.e.f. 21st September, 2014
** Appointed w.e.f. 30th July, 2014

d) Other Committees:

Apart from above, the Board has constituted other committees including a Committee for Banking and Finance. 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
2013-2014	Jai Kisaan Bhawan, Zuarinagar, Goa-403726	1-09-2014	11.00 a.m.	YES
2012-2013		25-09-2013	10.30 a.m.	YES
2011-2012		10-09-2012	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	
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
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
2011-12	10th September, 2012	Purchase of Equity shares of ₹ 1 each of Texmaco Infrastructure and Holdings Limited for an amount not exceeding ₹ 50 Crores	

2. Details of special resolution passed through Postal Ballot during the financial year 2014-15:

Date of Postal Ballot Notice	Details of the Resolutions passed	Result of the postal ballot
11th September, 2014	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 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
11th September, 2014	Consent of the Company pursuant to Section 13 of the Companies Act, 2013, accorded for alteration in Object Clause of Memorandum of Association of the Company	Special resolution is passed by Shareholders with majority
11th September, 2014	Consent of the Company u/s 186 of the Companies Act, 2013, accorded for increasing the limits to make loan(s) or investment(s) and to give guarantee(s) or to provide security(ies) in connection with a loan(s)	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 ₹ 46,998/– 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/adventz-investors-zgl.php***

The Company has complied with all mandatory requirements as stated in Clause 49 of the Listing Agreement.

13. Means of communication:

a. Half-yearly Unaudited Financial Results:

Unaudited financial results for the half-year ended 30th September, 2014 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 has a code of internal procedures and conduct for trading in securities of the Company. 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. The Company has revised and adopted a new Code in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the revised Code will be applicable from 15th May, 2015.

16. General Shareholders Information:

a. Annual General Meeting :

The Annual General Meeting will be held on 22nd September, 2015 at Jai Kisaan Bhawan, Zuarinagar, Goa-403726 at 10.00 A.M.

b. Financial calendar (Tentative)

Results for the quarter ended 30th June, 2015	– on or before 2nd week of August, 2015
Results for the half-year ended 30th September, 2015	– on or before 2nd week of November, 2015
Results for the quarter ended 31st December, 2015	– on or before 2nd week of February, 2016
Audited Annual Results 2015-16	– on or before 31st May, 2016

c. Date of book closure:

3rd August, 2015 to 10th August, 2015 (inclusive of both days).

d. Dividend payment date:

The Dividend payment date is on or after 26th September, 2015 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

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, 2014 to 31st March, 2015

Month	BSE		BSE Sensex	
	High	Low	High	Low
April, 2014	89.70	72.20	22939.31	22197.51
May, 2014	86.00	71.10	25375.63	22277.04
June, 2014	98.30	80.00	25725.12	24270.20
July, 2014	103.00	85.00	26300.17	24892.00
August, 2014	94.70	82.00	26674.38	25232.82
September, 2014	105.00	84.00	27354.99	26220.49
October, 2014	103.70	88.00	27894.32	25910.77
November, 2014	117.80	94.95	28822.37	27739.56
December, 2014	119.90	101.20	28809.64	26469.42
January, 2015	110.00	101.50	29844.16	26776.12
February, 2015	109.50	97.30	29560.32	28044.49
March, 2015	105.90	91.05	30024.74	27248.45

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

k. The Company maintains an exclusive email id, *investor_redressal@adventz.com* to redress the Investor's Grievances as required under Clause 47(f) of the Listing Agreement. 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, 2015 was as follows:

No. of shares	No. of shareholders	% of shareholders
Upto 500	32,982	96.71
501 – 1000	569	1.67
1001- 2000	270	0.79
2001 – 3000	72	0.21
3001 – 4000	44	0.13
4001 – 5000	30	0.09
5001 – 10000	60	0.18
10001 and above	77	0.23
Total	34,104	100.00

Shareholding Pattern as on 31st March, 2015 :

Category	No. of shares held	% shareholding
Promoters	1,90,94,817	64.86
Banks/Financial Institutions and Insurance Companies	23,68,760	8.05
Foreign Institutional Investors	10,67,758	3.63
Mutual Funds	16,00,100	5.44
NRIs/OCBs	91,521	0.31
Bodies Corporate	11,19,325	3.80
Public	40,97,380	13.92
TOTAL	**2,94,40,604**	**100.00**

m. Dematerialization of shares and liquidity:

29042670 equity shares (95.27%) have been dematerialized as on 31st March, 2015.

n. The address for correspondence is:

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

o. Non mandatory requirement:

The Company has complied with the following non mandatory requirements:

- 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, for the year ended on March 31st, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an 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, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

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

Place : Panjim
Date : 15th May, 2015

ANNEXURE 'C' TO THE DIRECTORS' REPORT

Declaration by the Managing Director

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, 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 2014-15.

N. Suresh Krishnan
Managing Director

Place : Gurgaon
Date : 15th May, 2015

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.

i) Global Outlook

The global economy in 2014 continued to grind on a slow momentum, recording a growth of 3.4% over the previous year, with marked growth divergences among major economies. While the United States continued to register a stronger growth, many advanced economies like Japan and the Euro zone worked out course corrections to negate the cumulative legacies of the past global financial crisis. Contrary to expectations, emerging markets and developing economies, especially the BRIC, also displayed mixed prospects. While the slump in global crude oil prices is expected to provide a window of opportunity for oil- importing countries like India and China, they could dampen the prospects for some large emerging market economies and oil-exporting countries. Overall global growth in 2015 will not gain much traction and is projected at 3.5 percent according to World Economic Outlook (WEO).

ii) Indian Economy

After a 3 year hiatus, the Indian economy displayed a sense of buoyancy, riding on the pro-growth agenda of the new government. The revival of growth gained momentum in 2014-15 with the sharp decline in crude oil prices, the funds flow from strong investor sentiment and the reform initiatives of the new government at the Centre with its thrust on consolidation and fiscal stability. Despite the lukewarm growth in foreign trade, the strong domestic demand kept the growth momentum on an upward trajectory. IMF and the World Bank have pegged an optimistic real GDP growth of 6.4% for India, for the year 2015, as against 5.6% in 2014.

A) New Initiatives

The Company, armed with its land bank, is enthusiastic about unlocking the tremendous opportunity available for the growth of realty and infrastructure in India and has set its sights on building up fast in a growing market.

The Company, through its wholly-owned subsidiary, Zuari Infraworld India Limited, is strengthening its pan-India presence, leveraging its real estate capabilities to execute integrated development projects in strategic locations. With an amply demonstrated success in execution of its current projects, the Company is best placed to capitalize on positive market conditions and aims to transform living experiences through uncompromising quality, architectural excellence and intelligent design.

B) 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:

a) Gobind Sugar Mills Limited (GSML)

Gobind Sugar Mills Limited (GSML) became an indirect subsidiary of your Company during the year in view of 51.27% of its equity share capital held by Zuari Investments Limited, a wholly-owned subsidiary of your company.

The sugar surplus is expected to be 0.620 million tonnes and after four years of statistical glut, world production and consumption are fairly balanced in 2014-15.

In 2014-15, the global sugar production is estimated to grow by 1.081 million tonnes to 172.083 million tonnes. This includes cane sugar production (80.6% of total sugar production) and beet sugar production. Despite lower production in Brazil, China and Thailand, the output is estimated to be high owing to better crops in Ukraine, India and European Union (EU). Global export supply is projected to be unchanged at 56.036 million tonnes as against 56.366 million tonnes estimated for 2013-14. World consumption is projected to rise by 1.84%, to 171.463 million tonnes. This includes a 4.889 million tonnes adjustment for unknown net trade.

Prices

The global sugar market continues to reel under price volatility. With surplus considerably decreasing from 4.7 metric tonnes in 2013-14 to 0.6 million tonnes in 2015-16, the bearish trend in sugar prices is likely to end in the next 1-2 years.

However, barring China, where prices rose by 10% due to fall in production and Russia where sugar prices rose sharply, by nearly 60%, during August-January, several countries experienced declining sugar prices in the domestic markets (during the six-month period ended January, 2015).

Indian Sugar industry

India is the world's second largest sugar producer after Brazil and the largest consumer of sugar as well. India is expected to continue its fifth year of continuous surplus output as a larger number of mills were engaged in crushing in 2014-15 (508 mills in 2014-15 as against 491 during last season). India is estimated to produce 27.5 million tonnes of sugar in the current sugar season as against 24.4 million tonnes last season. This is against a consumption demand of 24.7-24.8 million tonnes as per Indian Sugar Mills' Association (ISMA). Passing through this phase of surplus production, the industry is expected to carry forward over 9.5 million tonnes of stocks (7.5 million tonnes from the previous inventory of sugar stocks along with the surplus crop this year).

Problems faced by Sugar Industry

The health of the sugar industry in India worsened during the season 2014-15. The environment was not conducive for business, especially in the state of Uttar Pradesh. The industry continued to be severely impacted due to lack of alignment between sugarcane and sugar prices and witnessed a sharp fall in sugar realization due to panic and irrational selling by the sugar mills. The Central Government and the State Government of Maharashtra have offered fiscal incentives to the sugar mills to export sugar. However, the fall in international prices of sugar prevented significant exports from materializing. To address the issue of huge sugarcane arrears, Indian Sugar Mills Association (ISMA) and the Cooperative Mills have approached the Central Government to bail the industry out of this precarious situation. The industry has requested for creation of a strategic/ buffer stock of at least 3.5 million tons of sugar, restructuring loans of ₹ 36,000 crores and provision of interest-free loans to the industry to allow timely payment to the farmers. It is expected that the Central Government would take a decision soon.

The performance of the distilleries was also adversely affected due to restrictions imposed by the State Government on the movement of molasses and ethanol. Co-generation and supply of power continue to be under pressure. Furthermore, the delayed payments by the buyers of surplus power have also added to the financial crisis being faced by the industry.

The governments in Karnataka and Maharashtra have rationalised their cane pricing by adopting a model where cane prices are fixed after taking into consideration the prices of finished products. Uttar Pradesh has fixed high prices for cane which threaten the viability of sugar business in the state.

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 the global consumption.
- Demographics: As per the Census of India, India's growing population (estimated to reach 1.3 billion by 2020) is likely to consume more sugar in future. Sugar users such as soft drink manufacturers, bakeries, confectionery, 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.

Operations of the Unit

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

Particulars	Season 2014-2015	Season 2013-2014
Sugarcane crushed (lac Quintals)	76.28	67.56
Recovery (%)	9.33	9.27
Sugar produced (lac Quintals)	7.08	6.26
Crushing days	118	109

The Company is presently engaged in expanding the capacity of its plant from 7,500 TPD to 10,000 TPD.

b) Zauri Infraworld India Limited (ZIIL)

Real Estate Sector Overview

The prospects of India's real estate sector are closely linked with the state of the economy. The overall economy has weakened in the recent years with low GDP growth, fiscal deficit, current account deficit and with inflation being at unfavorable levels. This has impacted consumer and business sentiment adversely, affecting demand across residential, commercial and retail segments in the recent past.

Factors such as increased urbanization, rising disposable incomes, nuclear families, young working population and economic growth continue to act as strong drivers for growth in the housing sector.

The construction and real estate sector is the second largest employer in the country following agriculture. Since this sector provides significant stimulus for other sectors to grow, the development of the real estate and construction industry can be directly linked to the development of other industries like cement, steel, building materials etc.

Risks:

The real estate business is exposed to a number of risks such as inflation, high interest rates, high risk weight-age for loans to companies operating in the sector, time lag during the approval process while launching a project, high statutory levies, non-availability of skilled manpower, etc. These continue to remain as challenges being faced by the sector as a whole.

ZIIL is in the process of implementing a robust Risk Management Framework that sets out the tolerance for risk and monitors the exposure to implement appropriate measures in a timely and effective manner.

ZIIL is following the Asset Light Model for all its new projects by associating with the land owners for the development by way of joint venture or joint development models. This is to avoid blocking of high cost capital.

Opportunities:

Since the dawn of new government, there is a growing optimism among the real estate sector that can now hope for a new phase of growth, be it in the commercial or the residential segments. The macro environment is encouraging as the government has initiated several reforms such as announcement of REITs; relaxation in FDI norms; affordable housing getting priority under the Land Acquisition Act, 2015; housing for all by 2022; 100 Smart Cities etc., which shall improve the prospects of the sector in the long term.

In addition, the effective implementation of Real Estate Regulatory Framework will open up further opportunities for the organized real estate players like ZIIL.

The Company has identified the Development Management Consultancy as a new line of business in addition to the JV/JD model; the new projects where the land is owned by the group companies will be executed under this model. The Company will charge a fee for the services rendered.

The Company is also working on the development of promising concepts such as Elderly Living, Serviced Apartments on the land owned by the group companies, with an objective to have product diversification, growth and risk reduction.

c) Simon India Limited (SIL)

Investments in large capacity process plants in chemicals, hydrocarbons and fertilisers sectors in the near future are unlikely. However, investments will continue to be made in small capacity plants and in modernisation/ revamp of existing plants. The speed with which these projects are implemented will depend on new government policies regarding facilitation of new investments in these sectors.

In contrast, large investments are being made or have been planned to be made in near future mainly in hydrocarbon and fertilizer sectors in the various countries of MENA region.

Simon India Limited is well positioned to capitalise on these opportunities. With a broad spectrum of capability, expertise and an enviable track record, SIL is poised to bid for and execute projects in collaboration with large EPC contractors as a partner or subcontractor.

iii) 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.

iv) 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.

v) Material development in human resources

Overall, this year the focus remained on the implementation of initiatives rolled out by the Corporate, rather than on initiating anything new. Steps have been taken to inculcate a performance-oriented culture by focusing and laying more emphasis on the performance management system. Open communication has been encouraged so that the employees understand the objectives of the organization, and their needs also get taken care of in the process. Development of employees has been taken up through specialized training modules and programs that focus on soft skills. 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, 2015

[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	:	05–12–1967
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 Tel. No. 0832–2592509 ***Email : investor_redressal@adventz.com*** ***Website : www.adventz.com***
vi)	Whether listed Company	:	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any		

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

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:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Wholesale of fertilizers and agrochemical product	46692	100%

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 G 106, 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	100.00	2(87)
3	Zuari Management Services Limited Jai Kisaan Bhawan, Zuarinagar, Goa – 403726	U74900GA2006PLC004921	Subsidiary	100.00	2(87)

Sr. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
4	Zuari Infraworld India Limited Adventz Centre, 1st Floor, No. 28, Cubbon Road, Bangalore - 560001 Karnataka	U45309KA2007PLC043161	Subsidiary	100.00	2(87)
5	Globex Limited 409, City Tower 1 Shaikh Zayed Road, PO BOX 118767, Dubai, United Arab Emirates	NA	Subsidiary	100.00	2(87)
6	Zuari Investments Limited Jai Kisaan Bhawan, Zuarinagar, Goa – 403726	U65993GA1995PLC001942	Subsidiary	100.00	2(87)
7	Zuari Financial Services Limited Jai Kisaan Bhawan, Zuarinagar, Goa – 403726	U65100GA2008PLC007282	Subsidiary	100.00	2(87)
8	Zuari Agro Chemicals Limited Jai Kisaan Bhawan, Zuarinagar, Goa – 403726	L65910GA2009PLC006177	Associate	20.00	2(6)
9	Lionel India Limited 21, Old Court House Street, Kolokata, West Bengal - 700001	U52110WB1997PLC083860	Associate	24.57	2(6)
10	Zuari Indian Oiltanking Private Limited (formerly known as Zuari Indian Oiltanking Limited) NH-17, Bsancoale, Goa - 40372	U11202GA2000PTC002869	Joint Venture	50.00	2(6)
11	Gulbarga Cement Limited** Adventz Centre, #28, 2nd & 3rd Floor, Cubbon Road, Shivaji Nagar, Bangalore, Karnataka - 560001	U26941KA2007PLC054428	Joint Venture	10.09	2(6)
12	Gobind Sugar Mills Ltd * 9/1 R N Mukherjee Road, Kolkata West Bengal -700001	L15421WB1952PLC020577	Indirect Subsidiary	51.27	2(87)
13	Soundaryaa IFPL Interiors Limited * G 106, Sidco Industrial Estate Kakkalur, Tamil Nadu 602003	U36912TN2014PLC096859	Indirect Subsidiary	50.00	2(87)
14	Zuari Infra Middle East Limited * PO BOX No. 11429, Dubai, United Arab Emirates	N.A.	Indirect Subsidiary	100.00	2(87)
15	Zuari Insurance Brokers Limited* Jai Kisaan Bhawan, Zuarinagar, Goa – 403726	U66010GA2003PLC003185	Indirect Subsidiary	100.00	2(87)
16	Zuari Commodity Trading Limited* Zuari House, 2 Community Centre, Zamrudpur,Kailash Colony Extension, New Delhi-110048	U27205DL2008PLC180160	Indirect Subsidiary	100.00	2(87)

* Percentage of shares held indirectly by the Company.
** upto 12th January, 2015

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

i) Category-wise Share Holding

Category of Shareholder			No. of Shares held at the beginning of the year				No. of Shares held at the end of the year			
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
A	**Promoter**									
	1	Indian								
		a) Individual/ HUF	1530164	0	1530164	5.20	1530164	0	1530164	5.20
		b) Central Govt	–	–	–	–	–	–	–	–
		c) State Govt(s)	–	–	–	–	–	–	–	–
		d) Bodies Corporate	10072903	0	10072903	34.21	10072903	0	10072903	34.21
		e) Banks / FI	–	–	–	–	–	–	–	–
		f) Any other	–	–	–	–	–	–	–	–
	Sub–total (A) (1)		11603067	0	11603067	39.41	11603067	0	11603067	39.41
	2	Foreign								
		a) NRIs – Individuals	–	–	–	–	–	–	–	–
		b) Other – Individuals	–	–	–	–	–	–	–	–
		c) Bodies Corporate	7491750	0	7491750	25.45	7491750	0	7491750	25.45
		d) Banks / FI	–	–	–	–	–	–	–	–
		e) Any Other	–	–	–	–	–	–	–	–
	Sub–total (A) (2)		7491750	0	7491750	25.45	7491750	0	7491750	25.45
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)		19094817	0	19094817	64.86	19094817	0	19094817	64.86
B	**Public Shareholding**									
	1	Institutions								
		a) Mutual Funds	1600000	100	1600100	5.44	1600000	100	1600100	5.44
		b) Banks / FI	675	3165	3840	0.01	3087	2965	6052	0.02
		c) Central Govt	–	–	–	–	–	–	–	–
		d) State Govt(s)	–	–	–	–	–	–	–	–
		e) Venture Capital Funds	–	–	–	–	–	–	–	–
		f) Insurance Companies	2433094	250	2433344	8.27	2362458	250	2362708	8.03
		g) FIIs	1253851	400	1254251	4.26	1067358	400	1067758	3.63
		h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–
		i) Others (specify)	–	–	–	–	–	–	–	–
		Foreign Bank	217	0	217	0	217	0	217	0
	Sub–total (B)(1)		5287837	3915	5291752	17.97	5033120	3715	5036835	17.11
	2	Non–Institutions								
		a) Bodies Corporate	1299902	17185	1317087	4.47	1102365	16960	1119325	3.80
		i) Indian	–	–	–	–	–	–	–	–
		ii) Overseas	–	–	–	–	–	–	–	–
		b) Individuals	–	–	–	–	–	–	–	–

Category of Shareholder			No. of Shares held at the beginning of the year				No. of Shares held at the end of the year			
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares
		i) Individual shareholders holding nominal share capital upto ₹ 1 lac	2879183	374474	3253657	11.05	2600142	358782	2958924	10.05
		ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	293749	15190	308939	1.05	1081214	15190	1096404	3.72
		c) Others (specify)								
		i Clearing Members	82904	0	82904	0.28	42052	0	42052	0.14
		ii Non Resident Indians	78096	2837	80933	0.27	88017	2837	90854	0.31
		iii Overseas Bodies Corporate	0	450	450	–	0	450	450	–
		iv Trusts	10065	0	10065	0.03	943	0	943	0
	Sub–total (B)(2		4643899	410136	5054035	17.17	4914733	394219	5308952	18.03
	Total Public Shareholding (B)=(B)(1)+ (B)(2)		9931736	414051	10345787	35.14	9947853	397934	10345787	35.14
	TOTAL (A)+(B)		29026553	414051	29440604	100	29042670	397934	29440604	100
C	**Shares held by Custodian for GDRs & ADRs**		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)			**29026553**	**414051**	**29440604**	**100**	**29042670**	**397934**	**29440604**	**100**

ii) Shareholding of Promoters

Sr.No.	Shareholder's Name	Share holding 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 Trading & Holdings Ltd.	7012000	23.82	–	7012000	23.82	–	0
2	Texmaco Infrastructure & Holdings Ltd.	2757941	9.37	–	2757941	9.37	–	0
3	Adventz Investments & Holdings Limited*	1601723	5.44	–	–	–	–	(5.44)
4	Coltrane Corpn. Limited	479750	1.63	–	479750	1.63	–	0
5	Jeewan Jyoti Medical Society	138550	0.47	–	138550	0.47	–	0
6	Adventz Finance Private Limited*	85789	0.29	–	1687512	5.73	–	5.44
7	Duke Commerce Limited	301761	1.02	–	301761	1.02	–	0
8	Saroj Kumar Poddar	880933	2.99	–	880933**	2.99	–	0
9	Adventz Securities Enterprises Limited	98804	0.34	–	98804	0.34	–	0
10	Adventz Investment Co. Pvt. Ltd.	32500	0.11	–	32500	0.11	–	0
11	Ricon Commerce Limited	8100	0.03	–	8100	0.03	–	0
12	Jyotsna Poddar	471621	1.60	–	471621	1.60	–	0
13	New Eros Tradecom Limited	1196767	4.07	1196767	1196767	4.07	–	0

Sr.No.	Shareholder's Name	Share holding 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	
14	SIL Investments Limited	3208000	10.90	2975000	3208000	10.90	2070500	0
15	Pilani Investment & Ind. Corp. Ltd.	434000	1.47	–	434000	1.47	–	0
16	RTM Investment & Trading Co. Ltd.	110768	0.38	–	110768	0.38	–	0
17	SCM Investment & Trading Co. Ltd.	35000	0.12	–	35000	0.12	–	0
18	Ronson Traders Limited	63200	0.21	–	63200	0.21	–	0
19	Sarla Devi Birla	30000	0.10	–	30000	0.10	–	0
20	Saroj Kumar Poddar (HUF)	10457	0.04	–	10457	0.04	–	0
21	Akshay Poddar	137153	0.47	–	137153	0.47	–	0
	TOTAL	**19094817**	**64.86**	**4171767**	**19094817**	**64.86**	**2070500**	**0**

* Acquried by way of merger, pursuant to the scheme of Arrangement for Amalgamation of Adventz Investments & Holdings Limited and Adventz Securities Trading Private Limited with Adventz Finance Private Limited by High Court at Calcutta vide Order dated 2nd June, 2014.

** Does not include 3595 shares purchased on 30th & 31st March, 2015 as the same were credited after 31st March 2015.

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

Sr. No.	Particulars	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
	At the beginning of the year	No Change in Promoters' Shareholding			
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year				

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

Sr. No.	Name of the shareholders	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	**Deutsche Securities Mauritius Limited**				
	At the beginning of the year	899027	3.05	–	–
	At the end of the year	–	–	**899027**	**3.05**
2	**Earthstone Holding (Two) Limited**				
	At the beginning of the year	0	0	–	–
	13th, March, 2015	198225	0.67	198225	0.67
	At the end of the year	–	–	**198225**	**0.67**

Sr. No.	Name of the shareholders	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
3	**General Insurance Corporation Of India**				
	At the beginning of the year	565922	1.92	–	–
	At the end of the year	–	–	**565922**	**1.92**
4	**Life Insurance Corporation of India**				
	At the beginning of the year	1350526	4.59	–	–
	At the end of the year	–	–	**1350526**	**4.59**
5	**Prayas Securities Pvt Ltd**				
	At the beginning of the year	116472	0.40	–	–
	At the end of the year	–	–	**116472**	**0.40**
6	**Reliance Capital Trustee Co Ltd A/C–Reliance Regular Savings Fund–Equity Option**				
	At the beginning of the year	1600000	5.43	–	–
	At the end of the year	–	–	**1600000**	**5.43**
7	**SICGIL India Limited**				
	At the beginning of the year	331200	1.13	–	–
	4th April, 2014	300	0.00	331500	1.13
	At the end of the year	–	–	**331500**	**1.13**
8	**Sparrow Asia Diversified Opportunities Fund**				
	At the beginning of the year	168291	0.57	–	–
	At the end of the year	–	–	**168291**	**0.57**
9	**The New India Assurance Company Limited**				
	At the beginning of the year	446010	1.51	–	–
	At the end of the year	–	–	**446010**	**1.51**
10	**The Punjab Produce And Trading Company Private limited**				
	At the beginning of the year	80000	0.27	–	–
	At the end of the year	–	–	**80000**	**0.27**
11	**Ajay Arjunlal Agarwal**				
	At the beginning of the year	65313	0.22	–	–
	11th April, 2014	5827	0.02	71140	0.24
	18th April, 2014	24470	0.08	95610	0.32
	25th April, 2014	3550	0.01	99110	0.33
	2nd May, 2014	1000	0.01	100110	0.34
	9th May, 2014	3474	0.01	103584	0.35
	16th May, 2014	4001	0.01	107585	0.36

Sr. No.	Name of the shareholders	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
	23rd May, 2014	2000	0.01	109585	0.37
	20th June, 2014	2000	0.01	111585	0.38
	22nd August, 2014	415	0.00	112000	0.38
	24th October, 2014	3000	0.01	115000	0.39
	21st November, 2014	1016	0.00	116016	0.39
	12th December, 2014	1500	0.01	117516	0.40
	2nd January, 2015	2000	0.01	119516	0.41
	16th January, 2015	1484	0.00	121000	0.41
	27th March, 2015	4526	0.02	125526	0.43
	31st March, 2015	4000	0.01	129526	0.44
	At the end of the year	**-**	**-**	**129526**	**0.44**

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the shareholders	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
Directors					
1	**Saroj Kumar Poddar**				
	At the beginning of the year	8,91,390	3.03	–	–
	At the end of the year	–	–	8,91,390*	3.03
2	**Jyotsna Poddar**				
	At the beginning of the year	4,71,621	1.60	–	–
	At the end of the year	–	–	4,71,621	1.60
3	**Marco Wadia**				
	At the beginning of the year	2,811	0.01	–	–
	At the end of the year	–	–	2,811	0.01
Key Managerial Personnel					
1	**H. C. Shah**				
	At the beginning of the year	367	–	–	–
	At the end of the year	–	–	367	–
2	**K. G. Prabhu**				
	At the beginning of the year	25	–	–	–
	At the end of the year	–	–	25	–

* Does not include 3595 shares purchased on 30th & 31st March, 2015 as the same were credited after 31st March 2015.

V INDEBTEDNESS

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

₹ in lacs

Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i	Principal Amount	8,000.00	3,000.00	13.32	11,013.32
ii	Interest due but not paid	–	–	9.08	9.08
iii	Interest accrued but not due	19.03	–	–	19.03
Total (i+ii+iii)		**8,019.03**	**3,000.00**	**22.40**	**11,041.43**
Change in Indebtedness during the financial year					
*** Addition**					
	Principal	–	5,600.00	–	5,600.00
	Interest	992.00	141.67	–	1,133.67
*** Reduction**					
	Principal	–	8,600.00	6.67	8,606.67
	Interest	1,008.31	141.67	3.78	1,153.75
Net Change		**(16.31)**	**(3,000.00)**	**(10.45)**	**(3,026.75)**
Indebtedness at the end of the financial year					
i	Principal Amount	8,000.00	–	6.65	8,006.65
ii	Interest due but not paid	–	–	5.30	5.30
iii	Interest accrued but not due	2.72	–	0	2.72
Total (i+ii+iii)		**8,002.72**	**–**	**11.95**	**8,014.67**

VI REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Amount in ₹

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager
		Jyotsna Poddar
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income–tax Act, 1961	60,00,000
	(b) Value of perquisites u/s 17(2) Income–tax Act, 1961	5,169
	(c) Profits in lieu of salary under section 17(3) Income–tax Act, 1961	–

Amount in ₹

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager
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"	4,32,000
Total (A)		64,37,169
Ceiling as per the Act		Maximum remuneration that can be paid 5 % net profit

B. Remuneration to other Directors

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount in ₹
1	**Independent Directors**	**Marco Wadia**	**J. N. Godbole**	**D. B. Engineer**	**K. K. Gupta**	
	• Fee for attending board committee meetings • Commission • Others, please specify	3,10,000 – –	82,500 – –	2,95,000 – –	1,67,500 – –	–
	Total (1)	**3,10,000**	**82,500**	**2,95,000**	**1,67,500**	**8,55,000**
2	**Other Non–Executive Directors**	**Saroj Poddar**	**N. Suresh Krishnan**	–	–	–
	• Fee for attending board committee meetings • Commission • Others, please specify	1,67,500 – –	2,35,000 – –	– – –	– – –	–
Total (2)		**1,67,500**	**2,35,000**			**4,02,500**
Total (B) = (1 + 2)		–	–	–	–	**12,57,500**
Total Managerial Remuneration		–	–	–	–	**64,37,169**
Overall Ceiling as per the Act						Maximum remuneration that can be paid 5 % net profit

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

Amount in ₹

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary	CFO
		K. G. Prabhu*	H. C. Shah
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income–tax Act, 1961	NIL	20,97,200
	(b) Value of perquisites u/s 17(2) Income–tax Act, 1961	–	1,34,400
	(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, specicy	–	–
5	Others, please specify Contribution to Provident Fund, Superannuation fund and gratuity premium under group gratuity policy	–	2,72,160
	Total	NIL	25,03,760

* Designated as Key Managerial Personnel and no remuneration is paid by the Company.

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, 2015.

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 Company'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, 2015, 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, 2015 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 thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (provisions of external commercial borrowing not applicable to the Company during the Audit period);

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

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

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

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

  (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the audit period)

  (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), 2008; (Not applicable to the Company during the audit period)

  (f) 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;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period), and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period).

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India (During the Audit Period, not notified under the Act and hence not applicable).

ii. The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has generally 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 period 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.

Majority decision is carried through while the dissenting members' views are captured and / or recorded as part of the minutes during the audit period.

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 there are no instances of:

(i) Public/Rights/Preferential issue of shares / debentures/sweat equity, etc.

(ii) Redemption / buy-back of securities

(iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013

(iv) Merger / amalgamation / reconstruction, etc.

(v) Foreign technical collaborations

Date : May, 14, 2015
Place : Panaji- Goa

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

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.

Date : May 14, 2015
Place : Panaji– Goa

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

ANNEXURE 'G' TO THE DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for diclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis :

There were no contracts /arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length basis during the year ended 31st March, 2015.

2. Details of contracts or arrangements or transactions at arm's length basis :

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Durations of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advance, if any
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Zuari Agro Chemicals Limited (ZACL). ZACL is an Associate of the Company	Sale of shares of Nagarjuna Fertilizers and Chemicals Limited	Not applicable	Proposal for sale of 3,22,67,741 shares of Nagarjuna Fertilizers and Chemicals Limited for a consideration that shall be at par with the market value or book value of investments whichever is higher	The proposal for sale will help unlocking the value held in investments. The shareholders had approved the proposal at the Annual General Meeting held on 1st September, 2014	11–07–2014	Not Applicable
Zuari Agro Chemicals Limited (ZACL). ZACL is an Associate of the Company	Sale of Muriate of Potash	Not applicable	Sale of 26700 MT of Muriate of Potash in Bulk amounting to ₹ 18634.53 PMT on High Sea Sale basis.	The transaction was in the ordinary course of business and in line with the main objects of the Company and was at arm's length.	30–07–2014	Not Applicable

Note : The threshold for materiality has been decided by the Board in accordance with the provisions of Section 188 read with Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014.

For and on behalf of the Board

S.K. Poddar
Chairman

Date: 15th May, 2015
Place: Gurgaon

ANNEXURE 'H' 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.

During the year 2015-16, our projects and initiatives will be 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".

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.

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. Furthermore, we have also responded positively to natural disasters and emergencies and provided necessary support for relief and reconstruction in states of Jammu & Kashmir and other states.

2. The Composition of the CSR Committee:

N. Suresh Krishnan	–	Chairman
Marco Wadia	–	Member
K. K. Gupta	–	Member

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

a) Average of profit (in lacs) ₹ 4,054.73

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

a) 2% of Profit before tax (in lacs) ₹ 81.09

5. Details of CSR spent during the financial year:

a) Total amount to be spent for the financial year (in lacs) ₹ 81.09

b) Amount unspent, (in lacs) ₹ 81.09

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 ₹ 81.09 lacs (Rupees Eighty One lacs, Nine Thousand Only). During the year 2014-15 the focus of Adventz Group Companies remained on developing meaningful CSR initiatives for 2015-16 for youth and under-privileged communities around its plant locations.

With the commencement of the Companies Act, 2013, the CSR activities of the Company had to be re-visited and re-aligned as per the CSR provisions contained in Companies Act, 2013 and rules made thereunder and hence the Company has not been able to meet the minimum spending requirements of 2% of the average net profits for the three preceding financial years. However, the Company will strive to spend the unspent amount in the financial year ending 31st March, 2016 in addition to the expenditures for activities in pipeline which are slated to be completed during 2015-16. The CSR interventions slated to be implemented during the year 2015-16 have been designed. The upcoming CSR interventions will be implemented in partnership with credible NGOs, and are carefully identified to address community issues related to livelihoods, healthcare and WASH (Water, Sanitation and Hygiene), and education.

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 : 15th May, 2015

N. Suresh Krishnan
Managing Director

K. K. Gupta
Chairman of CSR Committee

ANNEXURE 'I' 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 2014-15:

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- Director*	Nil
3	Mrs Jyotsana Poddar – Whole time Director	1: 12.75
4	D.B. Engineer-(Independent Director)*	Nil
5	J.N. Godbole -(Independent Director)**	Nil
6	Marco Wadia -(Independent Director)*	Nil
7	K.K. Gupta -(Independent Director)*	Nil

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

** Ceased to be a Director w.e.f. 21st September, 2014.

(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- Director*	Nil
3	Mrs Jyotsana Poddar – Whole time Director #	Nil
4	D.B. Engineer-(Independent Director)*	Nil
5	J.N. Godbole -(Independent Director)**	Nil
6	Marco Wadia -(Independent Director)*	Nil
7	K.K. Gupta -(Independent Director)*	Nil
8.	H.C. Shah	6.07%
9.	K. G. Prabhu	Nil

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

** Ceases to be Director w.e.f. 21st September, 2014.

\# There was no increase in Remuneration paid to Mrs Jyotsana Poddar, Whole time Director during the Financial Year 31st March, 2015.

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

15.31 %

(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 ₹ 2,678.27 lacs for the year ended 31st March,2015 .

(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, 2015
₹ 89,40,929	The Company has made a profit after tax of ₹ 2,678.27 lacs for the year ended 31st March, 2015.

(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, 2015		As at 31st March, 2014	
1	Market Capitalisation	**BSE**	**₹ 2,782,210,606**	BSE	₹ 2,224,994,574
		NSE	**₹ 2,765,355,934**	NSE	₹ 2,234,836,250
2	Price Earnings Ratio	**BSE**	**10.64**	BSE	8.30
		NSE	**10.32**	NSE	8.55

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 is only one Whole Time Director. There was no increase in Remuneration paid to Whole Time Director during the Financial Year ended 31st March, 2015.

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

Sr.No	Name	Remuneration of Managerial Personnel	Key Performance of the Company
1	Jyotsna Poddar	₹ 6,437,169	The Company has made a profit after tax of ₹ 2,678.27 lacs for the year ended 31st March, 2015 .
2	H. C. Shah	₹ 2,503,760	
3	K. G. Prabhu	Nil*	

* Designated has key managerial personnel, on the role of Zuari Agro Chemicals Limited.
* Designated as Key Managerial Personnel 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 : 15th May, 2015

S. K. Poddar
Chairman

ANNEXURE 'J' TO THE DIRECTORS' REPORT

PART - A

Statement containing salient features of the financial statement of Subsidiaries

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

₹ in lacs

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	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.	2014-15	INR	5,355.00	5,781.26	26,519.03	15,382.77	4,832.86	5,615.99	252.22	(27.74)	279.96	–	100.00%
2	Indian Furniture Products Ltd.	2014-15	INR	7,009.95	(6,886.26)	11,179.90	11,056.21	12.50	13,406.16	(1,358.48)	–	(1,358.48)	–	72.45%
	Soundaryaa IFPL Interiors Ltd. (w.e.f. 4th December, 2014) *(Subsidiary of Indian Furniture Products Ltd.)*	2014-15	INR	25.00	(92.63)	888.78	956.40	–	–	(92.36)	0.27	(92.63)	–	N.A.
3	Simon India Ltd.	2014-15	INR	500.00	10,358.90	18,413.16	7,554.27	1,010.47	17,693.57	1,266.14	385.23	880.91	–	100.00%
4	Zuari Management Services Ltd.	2014-15	INR	5.00	738.85	1,961.81	1,217.96	1,630.26	489.23	92.43	(11.70)	104.13	–	100.00%
5	Zuari Investments Ltd.	2014-15	INR	3,744.58	(827.31)	17,002.14	14,084.87	14,599.19	872.10	(1,447.05)	–	(1,447.05)	–	100.00%
	Subsidiaries of Zuari Investments Ltd													
	a) Zuari Insurance Brokers Ltd.	2014-15	INR	275.00	(12.69)	271.03	8.72	–	340.80	148.77	28.53	120.24	–	N.A.
	b) Zuari Commodity Trading Ltd.	2014-15	INR	150.00	(45.60)	163.32	58.92	–	34.22	2.08	–	2.08	–	N.A.
	c) Gobind Sugar Mills Ltd.	2014-15	INR	10,845.00	(9,506.60)	52,429.17	51,090.77	14.55	16,963.94	(2,744.97)	(633.39)	(2,111.58)	–	N.A.
6	Zuari Financial Services Ltd.	2014-15	INR	1,490.00	141.31	4,282.07	2,650.76	1,620.00	2.28	(8.37)	–	(8.37)	–	100.00%
Foreign Subsidiaries														
1	Globex India Ltd.	2014-15	AED	13.40	1,630.85	1,664.07	19.81	–	–	(17.33)	–	(17.33)	–	100.00%
2	Zuari Infra Middle East Ltd. (w.e.f. 10th September, 2014) *(Subsidary of Zuari Infraworld India Ltd.)*	2014–15	AED	1.70	4.18	4,202.14	4,196.26	–	377.26	4.08	–	4.08	–	N.A.

Note 1 : AED converted into Indian Rupees at the Exchange rate 1 AED = INR 17.0218
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

S. K. Poddar
Chairman

N. Suresh Krishnan
Managing Director

Marco Wadia
Director

H. C. Shah
General Manager
(Finance & Accounts)

K. G. Prabhu
Company Secretary

Place : Gurgaon
Date : 15th May, 2015

ANNEXURE 'J' TO THE DIRECTORS' REPORT

PART - B

Statement containing salient features of the financial statement of Joint Ventures & Associates
(Pursuant 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 Limited	Zuari Agro Chemicals Limited (Consolidated)
1. Latest audited Balance Sheet Date	31st March, 2015	31st March, 2015
2. Shares of Joint Ventures held by the Company on the year end		
Number of Shares	100,20,000	134,90,510
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	1,587.62	32,294.25
6. Profit/(Loss) for the year [Profit/(Loss) after Tax]	(92.14)	897.25
i. Considered in Consolidation	(46.07)	287.80
ii. Not Considered in Consolidation	(46.07)	609.45

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

S. K. Poddar	N. Suresh Krishnan	Marco Wadia	H. C. Shah	K. G. Prabhu
Chairman	Managing Director	Director	General Manager (Finance & Accounts)	Company Secretary

Place : Gurgaon
Date : 15th May, 2015

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, 2015, 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 but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. 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 11(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 ₹. 1,205.64 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 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 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, 2015, 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, 2015 ("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. Except for the matter described in the basis for Qualified Opinion paragraph, we have sought and 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 possible effect of 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, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, 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 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.28 (a), (d) and (e) 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 are slight delay in transferring immaterial 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

per Anil Gupta
Partner
Membership Number: 87921

Place : Gurgaon
Date : 15th May, 2015

Annexure referred to in paragraph under the heading "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.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

(iii) (a) The Company has granted loan to 4 companies covered in the register maintained under Section 189 of the Companies Act, 2013. In respect of loan granted, repayment of the principal amount is as stipulated and payment of interest has been regular except in case of a company where payment of interest is not regular.

(b) There is no overdue amount of loan granted to 4 companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013 except interest on loan to a company of ₹ 109.27 lacs, where reasonable steps have been taken by the Company for the recovery of the interest amount.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.

(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 specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Company.

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

(ii) 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, wealth-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.

(b) 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
Wealth Tax Act, 1957	Demand in respect of assessment proceedings	282.89	2006-07 to 2010-11	Commissioner of Wealth Tax (Appeals)
Income Tax Act, 1961	Demand in respect of assessment proceedings.	1517.97	2007-08 and 2012-13	Commissioner of Income tax (Appeals)
Income Tax Act, 1961	Demand in respect of assessment proceedings.	1275.01	2011-12	Dispute Redressal Panel

(c) According to the information and explanations given to us, there are slight delay in the immaterial amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

(viii) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the current and immediately preceding financial year.

(ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company did not have any outstanding debentures and loan from financial institutions during the year.

(x) According to the information and explanations given to us, the Company has given guarantee for loans taken by others from banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Company.

(xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

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

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

per Anil Gupta
Partner
Membership Number: 87921

Place : Gurgaon
Date : 15th May, 2015

Balance Sheet as at 31st March, 2015

₹ in lacs

		Notes	31st March, 2015	31st March, 2014
I.	**EQUITY AND LIABILITIES**			
	Shareholders funds			
(a)	Share capital	3	**2,944.11**	2,944.11
(b)	Reserves and surplus	4	**61,417.71**	59,093.78
			64,361.82	62,037.89
	Non-current liabilities			
(a)	Deferred tax liabilities (Net)	5	**57.34**	24.67
(b)	Long-term borrowings	6	**8,000.00**	8,000.00
(c)	Long-term provisions	8	**42.70**	62.42
			8,100.04	8,087.09
	Current liabilities			
(a)	Short-term borrowings	9	**-**	3,000.00
(b)	Trade payables	7	**94.33**	10,871.33
(c)	Other current liabilities	7	**13,542.62**	2,781.47
(d)	Short-term provisions	8	**485.05**	770.52
			14,122.00	17,423.32
	Total		**86,583.86**	87,548.30
II.	**ASSETS**			
	Non-current assets			
(a)	Fixed assets	10	**1,386.09**	1,336.98
(b)	Non-current investments	11	**39,196.26**	41,313.92
(c)	Loans and advances	12	**4,470.40**	11,795.22
(d)	Other non-current assets	13	**0.76**	549.19
			45,053.51	54,995.31
	Current assets			
(a)	Current investments	14	**4,350.51**	2,235.12
(b)	Inventories	15	**20,549.64**	19,480.67
(c)	Trade receivables	16	**22.72**	4,679.94
(d)	Cash and bank balances	17	**409.78**	680.88
(e)	Loans and advances	12	**15,942.41**	5,078.84
(f)	Other current assets	13	**255.29**	397.54
			41,530.35	32,552.99
	Total		**86,583.86**	87,548.30
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 the Board of Directors of Zuari Global Limited

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm's Regn. No.: 301003E

S. K. Poddar
Chairman

N. Suresh Krishnan
Managing Director

Marco Wadia
Director

per Anil Gupta
Partner
Membership No. : 87921

H. C. Shah
General Manager
Finance & Accounts

K. G. Prabhu
Company Secretary

Place : Gurgaon
Date : 15th May, 2015

Place : Gurgaon
Date : 15th May, 2015

Statement of Profit and Loss for the year ended 31st March, 2015

₹ in lacs

		Notes	31st March, 2015	31st March, 2014
I.	**Income**			
	(a) Revenue from operations	18	**3,951.77**	16,982.15
	(b) Other income	19	**4,076.75**	4,258.07
	Total Revenue		**8,028.52**	**21,240.22**
II.	**Expenses**			
	(a) Cost of raw materials consumed	20	**–**	17.84
	(b) Purchase of traded goods	21(a)	**3,708.18**	14,281.04
	(c) Land purchase cost	21(b)	**–**	19,479.31
	(d) (Increase) in inventories of finished goods and traded goods	22	**(1,068.98)**	(18,151.71)
	(e) Employee benefits expense	23	**173.98**	514.60
	(f) Other expenses	24	**670.73**	841.58
	(g) Depreciation and amortization expense	25	**22.59**	11.81
	(h) Finance costs	26	**1,122.74**	186.57
	(i) Exceptional items	27	**–**	(1,524.31)
	Total		**4,629.24**	15,656.73
III.	**Profit before tax (I-II)**		**3,399.28**	5,583.49
IV.	**Tax expenses**			
	(a) Current tax		**684.89**	1,159.12
	(b) MAT credit entitlement		**(45.03)**	(172.31)
	(c) Income tax adjustment for earlier years (Refer Note 43)		**48.48**	2,009.84
	(d) Deferred tax charge / (credit)		**32.67**	(27.10)
	Total tax expense		**721.01**	2,969.55
	Profit for the year (III-IV)		**2,678.27**	2,613.94
	Earnings Per share	39		
	Basic			
	Earnings per equity share [nominal value of share ₹ 10/– (31st March, 2014 – ₹ 10/–)]		**₹ 9.10**	₹ 8.88
	Diluted			
	Earnings per equity share [nominal value of share ₹ 10/– (31st March, 2014 – ₹ 10/–)]		**₹ 9.10**	₹ 8.88
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
Firm's Regn. No.: 301003E

per Anil Gupta
Partner
Membership No. : 87921

Place : Gurgaon
Date : 15th May, 2015

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

S. K. Poddar
Chairman

N. Suresh Krishnan
Managing Director

Marco Wadia
Director

H. C. Shah
General Manager
Finance & Accounts

K. G. Prabhu
Company Secretary

Place : Gurgaon
Date : 15th May, 2015

Cash Flow Statement for the year ended 31st March, 2015

₹ in lacs

	Particulars	Year ended 31st March,2015	Year ended 31st March,2014
A	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Profit before tax	**3,399.28**	5,583.49
	Adjustment to reconcile profit before tax to net cash flows		
	Depreciation / amortisation	**22.59**	11.81
	Loss on sale of investments	**–**	0.28
	Interest expense	**1,121.05**	117.61
	Interest (income)	**(2,251.62)**	(2,082.70)
	Dividend (income)	**(1,471.21)**	(1,524.16)
	Dimunition in the value of long term investments	**–**	258.90
	Exceptional Item – Interest on Income tax	**–**	1,116.68
	Exceptional Item – Profit on exchange of land	**–**	(3,000.00)
		(2,579.19)	(5,101.58)
	Operating profit before Working Capital Changes	**820.09**	481.91
	Movement in working capital :		
	(Increase) in inventories	**(1,068.98)**	(15,057.70)
	Decrease / (increase) in trade receivables	**4,657.22**	(1,886.73)
	Decrease / (Increase) in other current assets	**363.05**	(363.06)
	(Increase) in loans and advances	**(22.80)**	(1.08)
	Increase / (decrease) in trade payables	**(10,777.01)**	9,378.85
	Increase / (decrease) in current liabilities	**(1,050.19)**	883.20
	(Decrease) in provisions	**(138.61)**	(394.76)
		(8,037.32)	(7,441.28)
	Cash (used) in Operations	**(7,217.23)**	(6,959.37)
	Direct taxes paid (net of refunds)	**(1,133.76)**	(5,755.39)
	Net Cash flow (used in) Operating Activities (A)	**(8,350.99)**	(12,714.76)
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of fixed assets, including intangible assets, CWIP and capital advances	**–**	(71.64)
	Purchase of non–current investments	**–**	(2,263.93)
	Proceeds from current investments	**19,282.72**	24,561.29
	Purchase of current investments	**(7,362.72)**	(22,719.12)
	Purchase of investments in subsidiaries and Joint ventures **	**(1,639.00)**	(1,581.36)
	Proceeds from Sale of investments in subsidiaries and joint ventures	**1,641.27**	3,284.96
	Fixed deposits matured	**1.00**	2.00
	Interest received	**2,579.25**	1,892.29
	Dividends received on investments	**1,471.21**	1,524.16
	ICD / Loans given to bodies corporates	**(6,825.00)**	(3,017.00)
	ICD / Loans given to bodies corporates received back	**3,506.29**	1,501.00
	Net Cash flow from investing activities (B)	**12,655.02**	3,112.64

Cash Flow Statement for the year ended 31st March, 2015

₹ in lacs

	Particulars	Year ended 31st March,2015	Year ended 31st March,2014
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds of long–term borrowings	**–**	8,000.00
	Repayment of Unclaimed Deposits	**(6.67)**	(3.60)
	Proceeds of short–term borrowings	**–**	3,000.00
	Repayment of short–term borrowings	**(3,000.00)**	–
	Interest paid	**(1,220.95)**	(1,137.81)
	Dividend paid on equity shares	**(296.48)**	(588.80)
	Tax on equity dividend paid	**(50.03)**	(100.07)
	Net Cash flow from/(used in) financing activities (C)	**(4,574.13)**	9,169.73
	Net (decrease) in cash and cash equivalents (A + B + C)	**(270.10)**	(432.39)
	Cash and cash equivalents at the beginning of the year	**677.88**	1,110.27
	Cash and cash equivalents at the end of the year	**407.78**	677.88

₹ in lacs

Components of cash and cash equivalents	As at 31st March,2015	As at 31st March,2014
Cash on hand	**2.57**	0.30
Cheques / drafts on hand	**1.72**	3.86
With banks		
– on current accounts	**364.73**	629.11
– unpaid dividend accounts*	**33.46**	35.53
– On Interest warrant accounts*	**5.30**	9.08
Total cash and cash equivalents (note 17)	**407.78**	677.88

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) ** During the previous year Sale and purchase of investments in subsidiaries are non cash transactions as intercorporate deposits have been converted into equity aggregating to ₹ 1,650 lacs.

4) Profit on Exchange of land of ₹ Nil (31st March, 2014 :: ₹ 3,000 lacs) is considered as cash neutral for the purpose of cash flow.

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm's Regn. No.: 301003E

per Anil Gupta
Partner
Membership No. : 87921

Place : Gurgaon
Date : 15th May, 2015

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

S. K. Poddar
Chairman

N. Suresh Krishnan
Managing Director

Marco Wadia
Director

H. C. Shah
General Manager
Finance & Accounts

K. G. Prabhu
Company Secretary

Place : Gurgaon
Date : 15th May, 2015

Notes to Financial statements for the year ended 31st March, 2015

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. During the previous year, the Company has acquired lands with the objective of granting rights to other parties to develop the land under joint development agreement.

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, except for the change in accounting policy explained below.

2.1 Statement of Significant Accounting Policies

i. Change in accounting policy

A. Till the year ended 31st March,2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

a) Useful lives/ depreciation rates

Till the year ended 31st March,2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets. This change in accounting policy did not have any material impact on financial statements of the Company.

ii. 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 atleast 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.

iii. 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

Notes to Financial statements for the year ended 31st March, 2015

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.

iv. 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.

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.

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 & Loss for the period 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 & Loss when the asset is de-recognized.

v. 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.

vi. 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.

vii. Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-discount rate that reflects current market assessment of the time value of the money and rates specific to that asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

viii. 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.

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 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 is a 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. Actuarial gains and losses for the defined benefit plan are recognized in full in the period in which they occur in the Statement of Profit & Loss.

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.

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, provident fund and post employment health benefit in form of defined obligation plan are immediately taken to the Statement of Profit & Loss and are not deferred.

Notes to Financial statements for the year ended 31st March, 2015

f. Payments made / to be made under the Voluntary Retirement Scheme are charged to the Statement of Profit & 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 & 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.

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 period 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 & Loss on a straight line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit & Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit & 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 & 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 & 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.

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.

Notes to Financial statements for the year ended 31st March, 2015

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 & 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, 2015

3. Share Capital

₹ in lacs

Particulars	31st March,2015	31st March,2014
Authorised :		
11,50,00,000(31st March, 2014:: 3,57,50,000) Equity Shares of ₹ 10/– each	**11,500.00**	3,575.00
20,75,000 (31st March, 2014:: 1,00,00,000) Redeemable Cumulative Preference shares of ₹ 100/– each	**2,075.00**	10,000.00
	13,575.00	13,575.00
Issued		
*2,94,48,655 (31st March, 2014:: 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, 2014:: 2,94,40,604) Equity Shares of ₹ 10/– fully paid-up	**2,944.06**	2,944.06
Add : 1,100 (31st March, 2014::1100) 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, 2015		31st March, 2014	
	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 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, 2015, the amount of per share dividend recognised as distribution to equity shareholders was ₹ 1/– (31st March, 2014:: ₹ 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, 2015		31st March, 2014	
	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, 2015

Name of Shareholder	31st March, 2015		31st March, 2014	
	No. of Shares held	% Holding in Class	No. of Shares held	% Holding in Class
Texmaco Infrastructure & Holdings Limited	**27,57,941**	**9.37**	27,57,941	9.37
Adventz Finance Private Limited**	**16,01,723**	**5.44**	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.

** Adventz Investments and Holdings Limited has 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 44

4. Reserves and Surplus

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
General reserve		
Balance as per the last financial statements	**3,500.00**	3,000.00
Add: Amount transferred from surplus balance in the Statement of Profit & Loss	**100.00**	500.00
Closing balance	**3,600.00**	3,500.00
Surplus in the Statement of Profit & Loss		
Balance as per last financial statements	**55,593.78**	53,824.28
Net Profit for the year	**2,678.27**	2,613.94
Less : Appropriations		
Proposed final equity dividend of ₹1/– Per Equity Share (31st March, 2014:: ₹1/–)	**294.41**	294.41
Tax on proposed equity dividend	**59.93**	50.03
Transfer to general reserve	**100.00**	500.00
Total appropriations	**454.34**	844.44
Net surplus in the Statement of Profit & Loss	**57,817.71**	55,593.78
Total reserves and surplus	**61,417.71**	59,093.78

5. Deferred tax liabilities (Net)

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Deferred tax liabilities		
Fixed assets Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	**72.74**	67.74
Income considered in the books but not in the income tax	**49.54**	48.65
Gross deferred tax liabilities	**122.28**	116.39
Deferred tax assets		
Expenses allowable in Income tax on payment basis and deposition of statutory dues	**64.94**	91.72
Gross deferred tax assets	**64.94**	91.72
Net deferred tax liabilities	**57.34**	24.67

Notes to Financial statements for the year ended 31st March, 2015

6. Long Term Borrowings

₹ in lacs

Particulars	Non Current Portion		Current Maturities	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
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	–	–
	8,000.00	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) 10% equity shares in the total equity share capital of Gulbarga Cement Limited unless diluted by an increase in shareholding by other entities / shareholders. During the year, the Company has sold its share held in Gulbarga Cement Limited to an affiliate of Zuari Cement Limited and is in the process of discussion with Rabo India Finance Limited to prepay part of the loan out of the proceeds.

(b) 100% equity shares in the total equity share capital of Zuari Investments Limited (ZIL).

(c) 30% equity shares in the total equity share capital of Zuari Agro Chemicals Limited (ZACL).

(d) 12% equity shares in the total equity share capital of Chambal Fertilisers and Chemicals Limited (CFCL).

(e) 25% equity shares in the total equity share capital of Gobind Sugar Mills Ltd. (GSML).

(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, 2015	31st March, 2014
Trade payables (refer note 41 for details of dues to Micro and Small Enterprises)	**94.33**	10,871.33
	94.33	10,871.33
Other Current Liabilities		
Unclaimed statutory liabilities to be credited to Investor Education and Protection Fund as and when due		
Unclaimed deposits	**6.65**	13.32
Unclaimed dividends	**33.46**	35.53
Unclaimed Interest warrants	**5.30**	9.08
Unclaimed preference warrants	**5.81**	5.81
Interest accrued but not due on loans	**2.72**	19.03
Interest on Income Tax	–	79.82
Advances from dealers and others	**34.42**	240.07
Statutory dues	**33.99**	339.54

Notes to Financial statements for the year ended 31st March, 2015

₹ in lacs

Particulars	Current	
	31st March, 2015	31st March, 2014
Employee Benefit Payable	**0.27**	0.01
Advance towards Sale of Investments (Refer note 38)	**13,420.00**	1,500.00
Forward cover payable	**–**	539.26
	13,542.62	2,781.47
Total	**13,636.95**	13,652.80

8. Provisions

₹ in lacs

Particulars	Long-term		Short-term	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
Provision for employee benefits				
Provision for Voluntary Retirement Scheme	**42.70**	62.42	**19.72**	26.12
Leave encashment (unfunded)	**–**	–	**62.88**	111.52
	42.70	62.42	**82.60**	137.64
Others provisions				
Provision for current income tax (net of advance tax)	**–**	–	**–**	176.48
Provision for wealth tax	**–**	–	**48.11**	111.96
Provision for proposed equity dividend	**–**	–	**294.41**	294.41
Provision for tax on proposed equity dividend	**–**	–	**59.93**	50.03
	–	–	**402.45**	632.88
Total	**42.70**	62.42	**485.05**	770.52

9. Short term borrowings

₹ in lacs

Particulars	**31st March, 2015**	31st March, 2014
Unsecured		
a. Short term loan from bank 11.50% loan from HDFC Bank (Repaid within 30-60 days from the date of availment)	–	3,000.00
Total	–	3,000.00

10. Tangible assets

₹ in lacs

Particulars	Freehold Land	Buildings	Plant & machinery	Furniture & fixtures	Office equipment	Vehicles	Total
Cost							
As at 1st April, 2013	920.54	431.34	60.91	1.31	5.77	4.21	1,424.08
Additions	3,120.00	–	–	–	–	–	3,120.00
Deductions	–	–	–	–	–	–	–

Notes to Financial statements for the year ended 31st March, 2015

₹ in lacs

Particulars	Freehold Land	Buildings	Plant & machinery	Furniture & fixtures	Office equipment	Vehicles	Total
Transfer of land to stock in trade	3,120.00	–	–	–	–	–	3,120.00
As at 31st March, 2014	920.54	431.34	60.91	1.31	5.77	4.21	1,424.08
Additions						71.70	71.70
Deductions	–	–	–	–	–	–	–
As at 31st March, 2015	**920.54**	**431.34**	**60.91**	**1.31**	**5.77**	**75.91**	**1,495.78**
Depreciation							
As at 1st April, 2013	–	27.55	45.88	0.62	0.61	0.57	75.23
Charge for the year	–	7.29	3.85	0.03	0.24	0.40	11.81
Deductions	–	–	–	–	–	–	–
As at 31st March, 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 31st March, 2015	**–**	**44.99**	**52.17**	**0.69**	**1.87**	**9.92**	**109.64**
Net block							
As at 31st March, 2014	920.54	396.50	11.18	0.66	4.92	3.24	1,336.98
As at 31st March, 2015	**920.54**	**386.35**	**8.74**	**0.62**	**3.90**	**65.99**	**1,386.09**

(a) Buildings include buildings given on operating lease having gross block ₹ 187.45 lacs (31st March, 2014 :: ₹ 187.45 lacs), depreciation charged for the year ₹ 2.96 lacs (31st March, 2014 :: ₹ 3.06 lacs), accumulated depreciation ₹ 24.71 lacs (31st March, 2014 :: ₹ 21.75 lacs), net book value ₹ 162.74 lacs (31st March, 2014 :: ₹ 165.70 lacs)

(b) Freehold land of ₹ Nil (31st March, 2014:: ₹ 3,120.00 lacs) has been transferred to stock in trade (land).

11. Non-Current Investments

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Trade Investments (valued at cost, unless otherwise stated)		
Unquoted		
Investment in subsidiaries		
5,07,85,794 (31st March, 2014:: 4,65,00,080) Equity Shares of ₹ 10/– each fully paid up of Indian Furniture Products Limited (Refer Note (b) and (d) below)	**5,103.34**	4,650.01
50,00,000 (31st March, 2014:: 50,00,000) Equity Shares of ₹ 10/– each fully paid up of Simon India Limited	**350.01**	350.01
50,000 (31st March, 2014:: 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, 2014:: 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, 2014:: 3,74,45,790) Equity Shares of ₹ 10/– each fully paid up of Zuari Investments Limited	**5,057.83**	5,057.83
100 (31st March, 2014:: 100) Equity Shares of AED 1000/– each fully paid up of Globex Limited	**13.40**	13.40

Notes to Financial statements for the year ended 31st March, 2015

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Nil (31st March, 2014:: 40,00,000) Equity Shares of ₹ 10/– each fully paid up of Style SPA Furniture Limited (Refer Note (d) below)	–	453.33
1,49,00,000 (31st March, 2014:: Nil) Equity Shares of ₹ 10/– each fully paid up of Zuari Financial Services Limited (Refer Note (e) below)	**1,639.00**	–
Investment in Joint Ventures		
1,00,20,000 (31st March, 2014:: 1,00,20,000) Equity shares of ₹ 10/– each fully paid up of Zuari Indian Oiltanking Limited	**1,002.00**	1,002.00
Nil (31st March, 2014:: 80,92,682) Equity Shares of ₹ 10/– each fully paid up of Gulbarga Cement Limited [Refer note (c) (iii) below]	–	1,641.27
Investment in Associate, quoted		
84,11,601 (31st March, 2014:: 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, 2014:: 72,000) Equity shares of ₹ 10/– each fully paid up of Indian Potash Limited	**3.60**	3.60
1,00,000 (31st March, 2014:: 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, 2014:: 2,58,250) Equity shares of ₹ 100/– each fully paid up of Lionel India Limited *	**258.90**	258.90
Nil (31st March, 2014 :: 3,22,67,741) Equity Shares of ₹ 1/– each fully paid up of Nagarjuna Fertilisers and Chemicals Limited [Refer note (a) below]	–	2,115.39
Quoted – Others		
5,90,15,360 (31st March, 2014:: 5,90,15,360) Equity Shares of ₹ 10/– each fully paid up of Chambal Fertilisers and Chemicals Limited	**9,055.72**	9,055.72
1,53,07,712 (31st March, 2014:: 1,53,07,712) Equity Shares of ₹ 1/– each fully paid up of Texmaco Infrastructure and Holdings limited	**3,358.23**	3,358.23
40,35,000 (31st March, 2014:: 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, 2014:: 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
	39,455.16	41,572.82
Less: *Dimunution in value of non trade, unquoted investments (Lionel India Limited)	**258.90**	258.90
Total	**39,196.26**	41,313.92
Aggregate Amount of Quoted Investments [(Market value ₹ 71,706.81 lacs) (31st March, 2014:: ₹ 41,269.99 lacs)]	**20,529.26**	20,529.26
Aggregate Amount of Unquoted Investments	**18,667.00**	20,784.66
Total	**39,196.26**	41,313.92

(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, 2014:: ₹ 6,944.09 lacs) (based on cost allocation as above in (i)) and market value of this is ₹ 1,205.64 lacs (31st March, 2014:: ₹ 1,056.04 lacs) . Hence, there is a diminution in the value of investment by ₹ 5,738.45 lacs (31st March, 2014:: ₹ 5,888.05 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 invested a sum of ₹ 5,103.34 lacs (31st March, 2014:: ₹ 4,650.01 lacs) in the equity 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.

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 thereagainst.

(c) (i) During the previous year ended 31st March, 2014, the Company has converted intercorporate deposit of ₹ 650.00 lacs into 65 lac equity shares of ₹ 10 each given to its subsidiary Zuari Infraworld India Limited (formerly known as Adventz Infraworld India Limited).

(ii) During the previous year ended 31st March, 2014, the Company had converted intercorporate deposit of ₹ 1,000.00 lacs into 100 lacs equity shares of ₹ 10 each given to its subsidiary Indian Furniture Products Limited.

(iii) The Company has on December 18, 2014 terminated the Shareholders agreement with Zuari Cements Limited and has received ₹ 1641.27 lacs towards sale of equity shares held in Gulbarga Cement Limited from an affiliate of Zuari Cement Limited at book value.

(d) Pursuant to the Scheme of Amalgamation between Indian Furniture Products Limited (IFPL) and Style Spa Furniture Limited (SSFL), the Company has got fifteen fully paid equity shares of IFPL of ₹ 10/– each for every fourteen equity shares of ₹ 10/– held in SSFL.

(e) The Company has invested a sum of ₹ 275 lacs in the equity shares of Zuari Financial Services Limited acquired from Zuari Investment Limited (a wholly owned subsidiary of the Company). Consequently, ZFSL become wholly owned subsidiary of the Company. Further, on February 11, 2015, ZFSL has alloted 1240000 equity shares of ₹ 10/– each at a consideration of ₹ 11/– per share through Right issues.

12. Loans and Advances

₹ in lacs

Particulars	Non Current		Current	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
Capital advances				
Unsecured, considered good	–	71.70	–	–
	–	71.70	–	–
Security deposits				
Unsecured, considered good	**0.24**	0.24	–	–
	0.24	0.24	–	–
Loans and advances to related parties (Refer Note 38)				
Unsecured, considered good	**2,136.00**	9,656.30	**15,905.55**	5,071.26
	2,136.00	9,656.30	**15,905.55**	5,071.26

Notes to Financial statements for the year ended 31st March, 2015

₹ in lacs

Particulars	Non Current		Current	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
Advances recoverable in Cash or Kind				
Unsecured, considered good	–	–	**36.05**	6.19
	–	–	**36.05**	6.19
Other Loans and Advances				
Secured considered good				
Loans to employees	–	1.75	–	0.13
Unsecured considered good				
Loans to employees	**2.19**	2.19	**0.17**	0.67
Advance Income Tax (net of provision for income tax)	**2,331.97**	1,890.73	–	–
MAT credit entitlement	–	172.31	–	–
Prepaid expenses	–	–	**0.64**	0.59
	2,334.16	2,066.98	**0.81**	1.39
Total	**4,470.40**	11,795.22	**15,942.41**	5,078.84

(ii) Provision for Tax

₹ in lacs

Particulars	**31st March, 2015**		31st March, 2014	
Provision for Tax	–		1,159.12	
Less: MAT credit entitlement	–	–	172.31	986.81

13. Other Assets:

₹ in lacs

Particulars	Non Current		Current	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
Interest Accrued on Loans, Advances & Deposits				
– From related parties (Refer Note 38)	–	547.35	**109.27**	–
– Others	–	–	**145.91**	0.22
Interest Receivable from Customers	–	–	–	33.80
Interest Accrued on Loans to employees	**0.01**	1.09	**0.11**	0.46
Unamortised Premium on forward contracts*	–	–	–	363.06
	0.01	548.44	**255.29**	397.54
Non current bank balances(Refer Note 17)	**0.75**	0.75	–	–
	0.75	0.75	–	–
Total	**0.76**	549.19	**255.29**	397.54

* The Unamortised Foreign Exchange Premium on Outstanding Forward Exchange Contracts is being carried forward to be charged to the Statement of Profit & Loss of subsequent year

Notes to Financial statements for the year ended 31st March, 2015

14. Current Investments

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Unquoted		
Current portion of long-term investments (valued at cost)		
3,22,67,741 (31st March, 2014 :: Nil) Equity Shares of ₹ 1/– each fully paid up of Nagarjuna Fertilisers and Chemicals Limited [Refer note 14 (a)]	**2115.39**	–
Quoted		
22,22,222 (31st March, 2014:: 22,22,222) Equity Shares of USD 0.01/– each fully paid up of Synthesis Energy System Inc [Refer note 14 (b)]	**2,235.12**	2,235.12
Total	**4,350.51**	2,235.12
Aggregate Amount of Quoted Investments [(Market value ₹ 1,445.14 lacs) (31st March, 2014:: ₹ 2,609.63 lacs)]	**2,235.12**	2,235.12
Aggregate Amount of Unquoted Investments	**2,115.39**	–
Total	**4,350.51**	2,235.12

(a) The Company has entered into Memorandum of understanding with Zuari Agro Chemicals Limited (ZACL) for sale of 32267741 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 ₹ 119.20 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.

(b) 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 less than the book value. The Company has received an amount of ₹ 1,500 lacs as advance from SIL against sale of these shares.

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

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Finished goods	–	1.30
Traded goods	–	0.06
Stock in trade (land)*	**20,549.64**	19,479.31
Total	**20,549.64**	19,480.67

* Stock in trade (land) of ₹ 17,429.64 (31st March, 2014 :: ₹ 16,359.31 lacs) is pending to be registered in the Company's name.

16. Trade receivables

₹ in lacs

Particulars	Current	
	31st March, 2015	31st March, 2014
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	**22.72**	71.02
	22.72	71.02
Other receivables		
Unsecured, considered good	–	4,608.92
	–	4,608.92
Total	**22.72**	4,679.94

Notes to Financial statements for the year ended 31st March, 2015

17. Cash and bank balances

₹ in lacs

Particulars	Non Current		Current	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
Cash and cash equivalents				
a. Balances with banks				
– On Current accounts	–	–	**364.73**	629.11
– On Unpaid dividend accounts	–	–	**33.46**	35.53
– On Interest warrant accounts	–	–	**5.30**	9.08
b. Cash on hand	–	–	**2.57**	0.30
c. Cheques on hand		–	**1.72**	3.86
	–	–	**407.78**	677.88
Other bank balances				
Deposits with original maturity for more than 12 months (pledged with sales tax authorities)	**0.75**	0.75	–	–
Deposits with original maturity for more than 3 months but less than 12 months	–	–	**2.00**	3.00
	0.75	0.75	**2.00**	3.00
Amount disclosed under non current assets (Refer Note.13)	**0.75**	0.75	–	–
Total	–	–	**409.78**	680.88

18. Revenue from operations

₹ in lacs

Particulars	**31st March, 2015**	31st March, 2014
Revenue from operations		
Sale of products		
Finished products	–	52.10
Traded products	**3,951.77**	16,930.05
Revenue from operations	**3,951.77**	16,982.15
Details of products sold		
Finished products sold:		
Pesticides	–	52.10
	–	52.10
Traded products sold:		
MOP	**3,973.75**	10,362.63
Pesticides	**(21.98)**	6,567.42
	3,951.77	16,930.05
Total	**3,951.77**	16,982.15

Notes to Financial statements for the year ended 31st March, 2015

19. Other income

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Interest Income on		
Bank deposits	**0.19**	7.04
Intercorporate loans	**1,964.08**	1,975.09
Compensation towards land acquisition	**145.76**	–
Overdue debtors, employee loans etc.	**141.59**	157.73
	2,251.62	2,139.86
Less : Excess credit of interest taken in earlier years, now reversed	**–**	(57.16)
	2,251.62	2,082.70
Dividend Income on		
Current investments	**62.72**	92.91
Long-term investments	**1,408.49**	1,431.25
Rent received	**213.42**	206.78
Staff deployment and other supports	**–**	13.43
Foreign Exchange Variation (Net)	**96.26**	245.98
Excess provision written back	**23.27**	136.41
Miscellaneous income	**20.97**	48.61
Total	**4,076.75**	4,258.07

20. Cost of raw materials consumed:

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Inventory at the beginning of the year	–	17.84
Add : Purchases	–	–
Less : Inventory at the end of the year	–	–
Cost of raw materials consumed	–	17.84
Details of raw materials consumed		
Pesticides raw materials	–	17.84
Total	–	17.84

21 (a) Details of purchase of traded products:

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Traded Products purchase details		
Traded fertilisers:		
Pesticides	**(31.36)**	4,523.76
Muriate of potash	**3,739.54**	9,757.28
Total	**3,708.18**	14,281.04

Notes to Financial statements for the year ended 31st March, 2015

21 (b) Details of purchase of land:

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Land	–	19,479.31
Total	–	19,479.31

22 (Increase) in inventories

₹ in lacs

Particulars	31st March, 2015	31st March, 2014	(Increase)/decrease
Inventories at the end 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)
Total	**20,549.64**	19,480.66	(1,068.98)
Inventories at the beginning of the year			
Finished products	**1.30**	134.20	132.90
Traded products	**0.05**	1,194.75	1,194.70
Stock in trade (land)	**19,479.31**	–	(19,479.31)
	19,480.66	1,328.95	(18,151.71)
Total	**(1,068.98)**	(18,151.71)	
Details of Inventory			
Finished Goods			
Pesticides	–	1.30	
Traded Goods			
Pesticides	–	0.05	
Stock in trade (land)	**20,549.64**	19,479.31	

23. Employee benefit expense

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Salaries, wages and bonus	**142.26**	377.42
Contribution to provident and other funds	**21.64**	113.90
Gratuity (Refer Note 40)	**2.37**	–
Staff welfare expenses	**7.71**	23.28
Total	**173.98**	514.60

Notes to Financial statements for the year ended 31st March, 2015

24. Other expenses

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Consumption of packing materials	–	76.17
Power, fuel and water	–	3.04
Outward freight and handling	**0.18**	195.55
Rent	**3.11**	4.88
Rates and taxes	**3.25**	117.62
Insurance	**0.68**	8.90
Repairs and maintenance		
Others	**0.35**	4.15
Payment to auditor (Refer details below)	**36.59**	29.56
Cash rebate	**20.63**	10.73
Loss on sale of current investments	–	0.28
Advertising and sales promotion	–	5.23
Premium on forward exchange contract amortized	**376.44**	34.64
Consultancy charges	**138.13**	217.23
Miscellaneous expenses	**91.37**	133.60
Total	**670.73**	841.58

Payments to statutory auditors as

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
As statutory auditors		
Audit fees	**17.30**	17.30
Tax audit fee	**5.19**	3.71
Limited review	**5.56**	5.56
In other capacity		
Other services (Certification fees) etc.	**8.04**	2.08
Reimbursement of expenses	**0.50**	0.91
Total	**36.59**	29.56

25. Depreciation and amortisation expense

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Depreciation of tangible assets	**22.59**	11.81
Total	**22.59**	11.81

Notes to Financial statements for the year ended 31st March, 2015

26. Finance costs

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Interest expense [including interest on income tax (₹ 12.69 lacs) (31st March,2014 : ₹ 91.01 lacs)]	**1,121.05**	117.61
Bank charges	**1.69**	68.96
Total	**1,122.74**	186.57

27. Exceptional Items

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Income		
Profit on exchange of Freehold land	–	3,000.00
	–	3,000.00
Expenses		
Expenses on voluntary retirement scheme	–	100.11
Interest on Income tax	–	1,116.68
Provision for dimunition in the value of long term investments (Refer note 11 above)	–	258.90
	–	1,475.69
Total	–	1,524.31

28. Contingent liabilities

a) Contingent liabilities not provided for:

₹ in lacs

	Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Demand Notices received from Income Tax Authorities*			
i.	Demand in respect of Assessment Year 2007-2008 for which an appeal is pending with CIT (Appeals)	**254.47**	–
ii.	In respect of Assessment year 2011-12, certain adjustments have been proposed to be made to the transaction value by the tax authorities based on arm's length price of international transaction with associated enterprise and other adjustments. The Company is yet to receive final order. The amount of tax is excluding interest and penalty. The Company has filed application before Dispute Redressal Panel (DRP), which is pending.	**1,718.77**	–
iii.	Demand in respect of Assessment year 2012-13 for which an appeal is pending with CIT (Appeals)	**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.	**565.78**	565.78

* Based on discussions with the solicitors/ favorable decisions in similar cases, 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.

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

₹ in lacs

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Zuari Agri Sciences Limited (formerly known as Zuari Seeds Limited)	–	2,100.00
Simon India Limited	**5,000.00**	17,284.00
Indian Furniture Products Limited	**9,196.00**	6,424.00
Gobind Sugar Mills Limited	**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, 2014 :: ₹ 5,000 lacs) taken by Gobind Sugar Mills Limited.

d. The Company is involved in various litigations, the outcomes of which are considered probable, and in respect of which the Company has made aggregate provisions of ₹ 7,360.76 lacs as at March, 31, 2015.

e. The Company is involved in various litigations, the outcomes of which are considered remote by the Company, and in respect of which the Company has not made any provisions aggregating to ₹ 6,035.16 lacs as at March, 31, 2015.

29. Value of imports calculated on CIF basis

₹ in lacs

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Traded goods	**3,739.54**	9,757.28

30. Imported and indigenous raw materials consumption

₹ in lacs

Particulars	%	Year Ended 31st March, 2015	%	Year Ended 31st March, 2014
Indigenously obtained	–	–	100.00	17.84
Imported	–	–	–	–
Total	–	–	100.00	17.84

31. Expenditure in foreign currency (Accrual Basis):

₹ in lacs

Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Travelling expenses	**3.37**	4.37

32. Particulars of Foreign Currency Exposures:

i) Forward Contracts outstanding as at the Balance Sheet Date:

Details of derivatives	31st March, 2015	31st March, 2014	Purpose
Buy (Amount in USD)	–	1,65,60,000	To hedge the purchases of traded goods

ii) Unhedged foreign currency exposures as at the Balance Sheet date:

Particulars		31st March, 2015	31st March, 2014
Discount Receivable	USD	–	7,15,137
	INR (₹ in lacs)	–	428.47
	Exchange Rate	**1 USD = 62.5000 INR**	1 USD = 59.9150 INR

Notes to Financial statements for the year ended 31st March, 2015

33. Net dividend Remitted in Foreign Exchange

Year of Remittance (ending on)	**Year Ended 31st March, 2015**	Year Ended 31st March, 2014
Period to which it relates	**1st April, 2013 to 31 March, 2014**	1st April, 2012 to 31 March, 2013
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)	**1.24**	2.38
Amount remitted (₹ in lacs)	**74.92**	149.84

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

34. Managerial Remuneration

₹ in lacs

Particulars	**31st March, 2015**	31st March, 2014
Salary	**60.00**	156.05
Contribution to Provident and other funds	**4.32**	20.52
Perquisites	**0.05**	5.67
	64.37	182.24
Less: Recovery of Excess Remuneration*	**–**	113.95
Total	**64.37**	68.29

* For the financial year 2012-13, remuneration paid to erstwhile Executive Vice Chairman (EVC) was in excess of limits specified in Schedule XIII of The Companies Act, 1956. The application seeking approval from Central Government for payment of excess remuneration was rejected. Accordingly the Company has recovered ₹ 113.95 lacs paid to EVC in the previous year.

35. 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, 2015**	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)	**2,108.00 (3,208.00)**	3,208.00 (5,103.00)
		Gulbarga Cement Limited	**Nil (2,406.30)**	2,406.30 (2,406.30)
		Zuari Investments Limited (Repayable within 1 year)	**12,175.00 (8,000.00)**	12,175.00 (8,000.00)
		Zuari Management Services Limited (Repayable within 1 to 3 years)	**1,011.00 (1,011.00)**	1,011.00 (1,267.00)
		Zuari Financial Services Limited (Repayable within 1 year)	**2,650.00 (Nil)**	2,650.00 (Nil)
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.2013.	–	**Nil (Nil)**	Nil (Nil)

Notes to Financial statements for the year ended 31st March, 2015

₹ in lacs

Sr. No	Particulars	Name of the entity	Balance outstanding as on 31st March, 2015	Maximum amount outstanding during the year
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

36. Information in respect of Joint Ventures:

₹ in lacs

Sr. No	Particulars	Zuari Indian Oiltanking Limited (Audited)		MCA Phosphates Pte. Limited (Upto 27.03.2014) (Unaudited)		Gulbarga Cement Limited (Upto 12.01.2015) (Unaudited)	
1	Proportion of ownership interest	50% (Previous year 50%)		Nil* (Previous year Nil)		Nil** (Previous year 10.09%)	
2	Country of incorporation	India		Singapore		India	
3	Accounting period ended	**31st March, 2015**	31st March, 2014	**31st March, 2015**	31st March, 2014	**31st March, 2015**	31st March, 2014
4	Assets	**2,588.79**	2,812.01	**–**	–	**–**	4,743.26
5	Liabilities	**1,001.16**	1,110.23	**–**	–	**–**	1,397.73
6	Revenue	**593.88**	555.60	**–**	–	**21.02**	52.50
7	Depreciation / Amortization	**116.61**	145.05	**–**	–	**4.58**	4.77
8	Other expenses	**539.46**	551.64	**–**	15.77	**75.65**	435.76
9	Exceptional items	**–**	9.67	**–**	–	**–**	–
10	Profit / (Loss) before tax	**(62.19)**	(150.76)	**–**	(15.77)	**(59.21)**	(388.02)
11	Contingent Liabilities	**43.18**	9.67	**–**	–	**–**	–
12	Capital Commitments	**41.89**	15.01	**–**	–	**–**	1676.48

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

* Investments in MCA Phosphates Pte Limited have been sold, during the previous year.

** Investments in Gulbarga Cements Limited have been sold during the current year.

37. 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.

Notes to Financial statements for the year ended 31st March, 2015

Business segments :

₹ in lacs

Particulars	Fertiliser		Land development		Total operations	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014	**31st March, 2015**	31st March, 2014
Revenue						
Sales (net)	**3,951.77**	16,982.15	**–**	–	**3,951.77**	16,982.15
Other income*	**353.91**	651.21	**–**	–	**353.91**	651.21
Total revenue	**4,305.68**	17,633.36	**–**	–	**4,305.68**	17,633.36
Results						
Segment results	**(271.15)**	754.00	**1,070.33**	–	**799.18**	754.00
Unallocated Corporate Income (net)	**–**	–	**–**	–	**3,722.84**	5,016.06
Less : Finance cost	**–**	–	**–**	–	**(1,122.74)**	(186.57)
Profit before tax	**(271.15)**	754.00	**1,070.33**	–	**3,399.28**	5,583.49
Tax expenses	**–**	–	**–**	–	**(721.01)**	(2,969.55)
Profit after tax	**(271.15)**	754.00	**1,070.33**	–	**2,678.27**	2,613.94
As at 31st March, 2014						
Segment assets	**385.61**	5,252.54	**20,549.64**	19,479.31	**20,935.25**	24,731.85
Unallocated corporate assets	**–**	–	**–**	–	**65,648.61**	62,816.45
Total assets	**385.61**	5,252.54	**20,549.64**	19,479.31	**86,583.86**	87,548.30
Segment liabilities	**288.31**	12,190.26	**–**	–	**288.31**	12,190.26
Unallocated corporate liabilities	**–**	–	**–**	–	**21,933.73**	13,320.15
Total liabilities	**288.31**	12,190.26	**–**	–	**22,222.04**	25,510.41
Other segment information						
Capital expenditure:						
Tangible assets	**–**	71.70	**–**	–	**–**	71.70
Depreciation	**22.60**	11.81	**–**	–	**22.60**	11.81

* Total other income during the year is ₹ 4,076.75 lacs (31st March, 2014 :: ₹ 4,258.07 lacs). Figures disclosed above exclude income earned by corporate office amounting to ₹ 3,722.83 lacs (31st March, 2014 :: ₹ 3,606.86 lacs).

Notes to Financial statements for the year ended 31st March, 2015

38. 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 04/12/2014)
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 10/09/2014)
7. Globex Limited
8. Zuari Financial Services Limited (w.e.f 15/01/2015)(earlier subsidiary of Zuari Investments Limited)
9. Zuari Investments Limited
10. Zuari Insurance Brokers Limited – Subsidiary of Zuari Investments Limited
11. Zuari Commodity Trading Limited – Subsidiary of Zuari Investments Limited
12. Gobind Sugar Mills Limited (subsidiary of Zuari Investments Limited w.e.f 25/08/2014)

ii) Joint Ventures of the Company:

1. Zuari Indian Oiltanking Limited
2. Gulbarga Cement Limited (upto 12/01/2015)
3. MCA Phosphates Pte. Limited (upto 27/03/2014 and thereafter as associate)

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 Fertlisers and Chemicals Limited – Subsidiary of Zuari Agro Chemicals Limited
4. Zuari Rotem Speciality Fertilizer Limited – Joint Venture 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 (formerly known as Zuari Maroc Phosphates 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 31/08/2014)
9. MCA Phosphates Pte. Limited (Joint Venture of Zuari Agro Chemicals Limited)

* 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.

Notes to Financial statements for the year ended 31st March, 2015

iv) Enterprises having significant influence

1. Globalware Trading and Holdings Limited

v) Key Management Personnel of the Company:

1. Mrs. Jyotsna Poddar, Executive Director
2. Mr. H. S. Bawa, Executive Vice Chairman (upto 31/08/2013)

vi) Relatives of Key Management Personnel of the Company:

1. Mr. S. K. Poddar (Chairman), Husband of Mrs. Jyotsna Poddar.
2. Mr. Akshay Poddar, Son of Mrs. Jyotsna Poddar
3. Mrs. Veena Bawa, Wife of Mr. H. S. Bawa (upto 31/08/2013)
4. Mrs. Seema Behl, Daughter of Mr. H. S. Bawa (upto 31/08/2013)
5. Mrs. Meenakshi Bawa, Daughter of Mr. H. S. Bawa (upto 31/08/2013)

Notes to Financial statements for the year ended 31st March, 2015

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, 2015						Year ended 31st March, 2014					
		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*	–	–	–	–	–	–	–	–	0.04	–	–	–
	– Zuari Investments Ltd.	–	–	–	–	–	–	0.02	–	–	–	–	–
	– Zuari Maroc Phosphates Private Limited**	–	–	**0.01**	–	–	–	–	–	0.17	–	–	–
	– Paradeep Phosphates Limited	–	–	**0.08**	–	–	–	–	–	0.31	–	–	–
	– Zuari Infraworld India Limited	**2.00**	–	–	–	–	–	0.04	–	–	–	–	–
	– Zuari Agro Chemicals Limited	–	–	**7.50**	–	–	–	–	–	1.34	–	–	–
	– Zuari Rotem Specialty Fertilizers Limited	–	–	**0.03**	–	–	–	–	–	0.11	–	–	–
	– Gulbarga Cement Ltd.	–	**13.51**	–	–	–	–	–	–	–	–	–	–
	– Zuari Indian Oiltanking Limited***	–	–	–	–	–	–	–	0.07	–	–	–	–
	– Indian Furniture Products Limited	**1.00**	–	–	–	–	–	–	–	–	–	–	–
	– Simon India Limited	**1.00**	–	–	–	–	–	–	–	–	–	–	–
2	**Payment made on our behalf for various expenses**												
	– Zuari Agro Chemicals Limited	–	–	**82.00**	–	–	–	–	–	19.70	–	–	–
3	**Equity contribution made**												
	– MCA Phosphate Pte. Limited	–	–	–	–	–	–	–	1,231.36	–	–	–	–
	– Gulbarga Cement Limited	–	–	–	–	–	–	–	1,040.00	–	–	–	–
	– Indian Furniture Products Limited	–	–	–	–	–	–	350.00	–	–	–	–	–
	– Zuari Financial Services Limited	**1,364.00**	–	–	–	–	–	–	–	–	–	–	–
4	**Sale of Investments**												
	– Zuari Agro Chemicals Limited	–	–	–	–	–	–	–	–	10,184.96	–	–	–
5	**Purchase of Tangible Assets**												
	– Zuari Agro Chemicals limited	–	–	**3.24**	–	–	–	–	–	–		–	–
6	**Purchase of Investments**												
	– Zuari Investments Limited	**275.00**	–	–	–	–	–	1,223.93	–	–	–	–	–
7	**Service charges / Management Fees paid**												
	– Zuari Investments Limited	**0.01**	–	–	–	–	–	–	–	–	–	–	–
	– Zuari Agro Chemicals Limited	–	–	–	–	–	–	–	–	35.17	–	–	–
	– Zuari Management Services Limited	**44.94**	–	–	–	–	–	33.20	–	–	–	–	–
8	**Inter–corporate Deposits / loans / advances given**												
	– Zuari Investments Limited	**4,175.00**	–	–	–	–	–	1,750.00	–	–	–	–	–
	– Zuari Financial Services Limited	**2,650.00**	–	–	–	–	–	–	–	–	–	–	–
	– Zuari Management Services Limited	–	–	–	–	–	–	1,267.00	–	–	–	–	–

Notes to Financial statements for the year ended 31st March, 2015

₹ in lacs

Sl. No	Transaction details	Year ended 31st March, 2015						Year ended 31st March, 2014					
		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
9	**Purchase of stock in trade (land)**												
	– Zuari Agro Chemicals Limited	–	–	–	–	–	–	–	–	16,359.32	–	–	–
10	**Advance for sale of investments received**												
	– Zuari Agro Chemicals Limited	–	–	**11,920.00**	–	–	–	–	–	–	–	–	–
	– Simon India Limited	–	–	–	–	–	–	1,500.00	–	–	–	–	–
11	**Receipt – repayment of ICDs / loans / advances**												
	– Zuari Infraworld India Limited	**1,100.00**	–	–	–	–	–	1,245.00	–	–	–	–	–
	– Gulbarga Cement Limited	–	**3,142.92**	–	–	–	–	–	–	–	–	–	–
	– Zuari Management Services Limited	–	–	–	–	–	–	256.00	–	–	–	–	–
12	**Managerial remuneration**												
	– Mr. H.S.Bawa	–	–	–	–	–	–	–	–	–	–	117.15	–
	– Mrs. Jyotsna Poddar	–	–	–	–	**64.37**	–	–	–	–	–	65.10	–
13	**Sale of goods (net of rebates)**												
	– Zuari Agro Chemicals limited	–	–	**3,973.74**	–	–	–	–	–	10,362.63	–	–	–
14	**Interest Income**												
	– Indian Furniture Products Limited	–	–	–	–	–	–	125.82	–	–	–	–	–
	– Zuari Investments Limited	**1,305.58**	–	–	–	–	–	919.26	–	–	–	–	–
	– Zuari Financial Services Limited	**1.89**	–	–	–	–	–	–	–	–	–	–	–
	– Gulbarga Cement Limited	–	**210.30**	–	–	–	–	–	260.66	–	–	–	–
	– Zuari Infraworld India Limited	**324.90**	–	–	–	–	–	558.15	–	–	–	–	–
	– Zuari Management Services Limited	**121.41**	–	–	–	–	–	111.19	–	–	–	–	–
15	**Dividend Received**												
	– Zuari Agro Chemicals Limited	–	–	**252.35**	–	–	–	–	–	252.35	–	–	–
16	**Lease Rentals Received**												
	– Zuari Indian Oiltanking Limited***	–	**139.04**	–	–	–	–	–	132.42	–	–	–	–
	– Zuari Fertilisers and Chemicals Limited	–	–	**4.20**	–	–	–	–	–	4.00	–	–	–
	– Zuari Agro Chemicals Limited	–	–	**44.73**	–	–	–	–	–	44.17	–	–	–
17	**Corporate Guarantee issued**												
	– Gobind Sugar Mills Limited	**32,000.00**	–	–	–	–	–	–	–	–	–	–	–
	– Indian Furniture Products Limited	**2,772.00**	–	–	–	–	–	6,424.00	–	–	–	–	–

Notes to Financial statements for the year ended 31st March, 2015

₹ in lacs

Sl. No	Transaction details	Year ended 31st March, 2015						Year ended 31st March, 2014					
		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
18	**Sitting fees Paid**												
	– S. K. Poddar	–	–	–	–	–	**1.88**	–	–	–	–	–	0.68
	– Akshay Poddar	–	–	–	–	–	–	–	–	–	–	–	0.15
19	**Management Fees / service charges Received (including service tax)**												
	– Zuari Indian Oiltanking Limited***	–	**11.24**	–	–	–	–	–	11.24	–	–	–	–
	– Zuari Agro Chemicals Limited	–	–	–	–	–	–	–	–	15.08	–	–	–
	– Zuari Agri Sciences Limited*	–	–	**9.96**	–	–	–	–	–	43.38	–	–	–
20	**Corporate guarantee cancelled**												
	– Indian Furniture Products Limited	–	–	–	–	–	–	5,575.00	–	–	–	–	–
	– Simon India Limited	**12,284.00**	–	–	–	–	–	–	–	–	–	–	–
	– Gobind Sugar mills Limited	**5,000**	–	–	–	–	–	–	–	–	–	–	–
	– Zuari Agri Sciences Limited	–	–	**2,100**	–	–	–	–	–	–	–	–	–
21	**ICD's coverted to equity**												
	– Indian Furniture Products Limited	–	–	–	–	–	–	1,000.00	–	–	–	–	–
	– Zuari Infraworld India Limited	–	–	–	–	–	–	650.00	–	–	–	–	–
22	**Dividend Paid**												
	– Globalware Trading and Holdings Limited	–	–	–	**70.12**	–	–	–	–	–	140.24	–	–
	– New Eros Tradecom Limited	–	–	**11.97**	–	–	–	–	–	23.94	–	–	–
23	**Recovery of Excess Remuneration**												
	– Mr.H.S.Bawa	–	–	–	–	–	–	–	–	–	–	113.95	–

Style Spa Furniture Limited has been merged with Indian Furniture Products Limited w.e.f.1st 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, 2015

Balance Outstanding For the year ended 31 March, 2015 - Zuari Global Limited

₹ in lacs

		Balance Outstanding as on March, 31 ,2015					Balance Outstanding as on March, 31, 2014				
Sl. No	**Transaction details**	**Subsi-diaries**	**Joint Ventures**	**Associates**	**Key manage-ment personnel (KMP)**	**Relatives of KMP**	Subsi-diaries	Joint Ventures	Associates	Key manage-ment personnel (KMP)	Relatives of KMP
1	**Loan/ ICD Given**										
	– Zuari Infraworld India Limited	**2,108.00**	–	–	–	–	3,208.00	–	–	–	–
	– Gulbarga Cement Limited	–	–	–	–	–	–	2,406.30	–	–	–
	– Zuari Investments Limited	**12,175.00**	–	–	–	–	8,000.00	–	–	–	–
	– Zuari Management Services Limited	**1,011.00**	–	–	–	–	1,011.00	–	–	–	–
	– Zuari Financial Services Limited	**2,650.00**	–	–	–	–	–	–	–	–	–
2	**As Trade Payables**										
	– Zuari Management Services Limited	**1.50**	–	–	–	–	–	–	–	–	–
3	**As Trade Receivables**										
	– Zuari Agro Chemicals Limited	–	–	–	–	–	–	–	3,937.91	–	–
4	**As Advances Recoverable / as Debtor**										
	– Paradeep Phosphates Limited	–	–	**0.08**	–	–	–	–	15.62	–	–
	– Zuari Agri Sciences Limited*	–	–	**94.31**	–	–	–	–	85.34	–	–
	– Indian Furniture Products Limited	**1.00**	–	–	–	–	–	–	–	–	–
	– Zuari Fertilisers and Chemicals Limited	–	–	–	–	–	–	–	0.30	–	–
	– Zuari Indian Oiltanking Limited***	–	–	–	–	–	–	0.85	–	–	–
	– Zuari Rotem Speciality Fertilizers Limited	–	–	**0.16**	–	–	–	–	0.13	–	–
	– Zuari Infraworld India Limited	**2.00**	–	–	–	–	–	–	–	–	–
5	**Corporate Guarantee**										
	– Indian Furniture Products Limited	**9,196.00**	–	–	–	–	6,424.00	–	–	–	–
	– Zuari Agri Sciences Limited*	–	–	–	–	–	–	–	2,100.00	–	–
	– Simon India Limited	**5,000.00**	–	–	–	–	17,284.00	–	–	–	–
	– Gobind Sugar Mills Limited	**27,000.00**	–	–	–	–	–	–	–	–	–
6	**Interest on ICD/Loan**										
	– Gulbarga Cement Limited		–	–	–	–	–	547.35	–	–	–
	– Zuari Management Services Limited	**109.27**	–	–	–	–	–	–	–	–	–
7	**Advance against sale of investments**										
	– Simon India Limited	**1,500.00**	–	–	–	–	1,500.00	–	–	–	–
	– Zuari Agro Chemicals Limited	–	–	**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 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 lacs (31st March, 2014 :: ₹ 5,000 lacs) taken by Gobind Sugar Mills Limited.

\# Style Spa Furniture Limited has been merged with Indian Furniture Products Limited w.e.f.1st 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, 2015

39. Earnings Per Share (EPS):

Particulars	Year ended 31st March, 2015	Year ended 31st March, 2014
Net profit for calculation of basic and diluted EPS (₹ in lacs)	**2,678.27**	2,613.94
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 ₹)	**9.10**	8.88
Face value per share (in ₹)	**10**	10

40. 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 & 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, 2015

₹ in lacs

Particulars	2014 – 15	2013 – 14
Current Service Cost	**8.34**	12.75
Interest cost on benefit obligation	**6.44**	11.58
Past service cost(Vested Benefits)	**–**	–
Expected return on plan assets	**(6.11)**	(11.64)
Net actuarial (gain)/loss recognized in the year	**(6.30)**	(17.22)
Net benefit (income)/expense	**2.37**	(4.53)
Actual return on plan assets	**5.58**	13.02

Balance Sheet

Details of provision for gratuity benefits as at 31st March, 2015:

₹ in lacs

Particulars	2014–15	2013–14	2012–13	2011–12	2010 – 11
Defined benefit obligation	**60.27**	90.72	207.26	181.36	2,318.06
Fair value of plan assets	**62.78**	95.59	176.03	145.54	2,310.11
Plan asset / (liability)	**2.51**	4.87	(31.23)	(35.80)	(7.94)
Experience (gain)/loss on obligation	**(8.64)**	(12.69)	(24.43)	(60.46)	(619.86)
Experience gain/(loss) on plan assets	**(0.53)**	1.37	(2.57)	8.69	(11.57)

Notes to Financial statements for the year ended 31st March, 2015

Changes in the present value of the defined benefit obligation for the year ended 31st March, 2015 are as follows:

₹ in lacs

Particulars	2014 – 15	2013 – 14
Opening defined benefit obligation	**90.72**	207.26
Interest cost	**6.44**	11.58
Current service cost	**8.34**	12.75
Benefits paid	**(18.58)**	(84.98)
Transfer out	**(19.82)**	(40.05)
Actuarial (gain)/loss on obligation	**(6.83)**	(15.84)
Closing defined benefit obligation	**60.27**	90.72

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

₹ in lacs

Particulars	2014 –15	2013 –14
Opening fair value of plan assets	**95.59**	176.03
Adjustment to Opening Balance	**–**	–
Expected return	**6.11**	11.64
Contributions by employer	**–**	31.58
Benefits paid	**(18.58)**	(84.98)
Past service cost (Transfer out)	**(19.81)**	(40.05)
Actuarial gains/(losses)	**(0.53)**	1.37
Closing fair value of plan assets	**62.78**	95.59

The Company expects to contribute ₹ Nil (Previous year ₹ Nil) towards gratuity during the year 2015-16.

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

Particulars	2014–15	2013–14
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	2014–15	2013–14
Discount Rate	**8.00%**	9.00%
Expected rate of return on assets	**8.00%**	9.00%
Increase in Compensation cost	**9.00%**	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.

(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 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 trust maintained by the said Company.

₹ in lacs

Particulars	2014 – 15	2013 – 14
Contribution to Provident Fund	**10.95**	51.93

Defined Contribution Plan

₹ in lacs

Particulars	2014 – 15	2013 – 14
Contribution to Superannuation Fund	**3.70**	52.36
Contribution to Family pension fund	**1.17**	1.57
Contribution to Contributory pension fund	**5.82**	8.04
Total	**10.69**	61.97

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

₹ in lacs

S.No.	Particulars	2014 – 15	2013 – 14
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

42. 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 & Loss for the year are ₹ 3.11 lacs(Previous year ₹ 4.88 lacs).

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 & Loss for the year is ₹ 29.41 lacs (Previous year ₹ 29.41 lacs).

43. Under Section 133A of the Income Tax Act, 1961 the Income Tax department carried out a survey at the Company's premises in February, 2014. Pursuant to the discussions during the survey, the Company agreed to pay additional amount towards income tax demands, which has been paid during the last quarter of that year. The Company has subsequently filed an application with the Commissioner of Income Tax (Appeals) and has obtained a partial relief vide order dated April 22, 2014 issued by the Commissioner of Income Tax (Appeals). The short provision for income tax of ₹ 2,799.45 lacs and interest of ₹ 1,116.68 lacs in respect of earlier years, consequent to the additional tax claim, had been appropriately accounted for under exceptional items by the Company in the previous year.

Notes to Financial statements for the year ended 31st March, 2015

44. 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.

45. 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 Limited	3,208.00	–	1,100.00	2,108.00	General Business Purpose
2	Zuari Investments Limited	8,000.00	4,175.00	–	12,175.00	General Business Purpose
3	Zuari Management Service Limited	1,011.00	–	–	1,011.00	General Business Purpose
4	Zuari Financial Services Limited	–	2,650.00	–	2,650.00	General Business Purpose
5	Gulbarga Cements Limited	2,406.30	–	2,406.30	–	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	6,424.00	2,772.00	–	9,196.00	General Business Purpose / For working capital limit
2	Gobind Sugar Mills Limited	–	32,000.00	5,000.00	27,000.00	General Business Purpose
3	Simon India Limited	17,284.00	–	12,284.00	5,000.00	General Business Purpose
4	Zuari Agri Sciences Limited	2,100.00	–	2,100.00	–	General Business Purpose

c. Particulars of Investments made during the year: ₹ in lacs

Sr.No.	Name of the Investee	Investment Made	Outstanding Balance	Purpose
1	Zuari Financial Services Limited	1,639.00	1,639.00	Strategic Investment

46. In light of Section 135 of Companies Act, 2013, the Company has incurred ₹ Nil during the current year on Corporate Social Responsibility (CSR) against gross amount required to be spent ₹ 81.09 lacs.

47. 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
Firm's Regn. No.: 301003E

per Anil Gupta
Partner
Membership No. : 87921

Place : Gurgaon
Date : 15th May, 2015

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

S. K. Poddar
Chairman

N. Suresh Krishnan
Managing Director

Marco Wadia
Director

H. C. Shah
General Manager
Finance & Accounts

K. G. Prabhu
Company Secretary

Place : Gurgaon
Date : 15th May, 2015

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 the consolidated Balance Sheet as at 31st March, 2015, 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. 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 but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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(a)(ii), 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 ₹ 1,205.64 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 the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2015, its loss, 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, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding Company, its subsidiaries, associate companies and jointly controlled entities incorporated in India, to whom the Order applies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, to the extent applicable, we report that:

   a. Except for the matter described in the basis for Qualified Opinion paragraph, we have sought and 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 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 possible effect of the matter described in the basis for Qualified Opinion paragraph, 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, 2015 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, 2015 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 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(a), (c) and (d) to the consolidated financial statements;

      ii. The Group, its associates and jointly controlled entities did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There were slight delays in transferring immaterial 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 Matters

a. The accompanying consolidated financial statements include total assets of ₹ 53,344.51 lacs as at March 31, 2015, and total revenues and net cash outflows of ₹ 7,972.35 lacs and ₹ 5019.85 lacs for the year ended on that date, in respect of nine subsidiaries and three 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.

b. The accompanying consolidated financial statements include total assets of Rs Nil as at March 31, 2015, and total revenues and net cash outflows of ₹ 21.01 lacs and ₹ 639.45 lacs for the year ended on that date, in respect of a jointly controlled entity, which have not been audited, which unaudited financial statements and other unaudited financial information have been furnished to us. Our opinion, in so far as it relates amounts and disclosures included in respect of jointly controlled entity 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 jointly controlled entity, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

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

per Anil Gupta
Partner
Membership Number: 87921

Place : Gurgaon
Date : 15th May, 2015

Annexure referred to in paragraph under the heading "Report on other Legal and Regulatory requirements" of our report of even date

The Group, comprising Zuari Global Limited ('Holding Company') and its subsidiaries, joint controlled entity and associates incorporated in India and to whom the provisions of the Order apply (together referred to as "the Covered entities" in this report)

Re: Zuari Global Limited (the Company)

(i) (a) The Holding Company and covered entities of the Group have maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Holding Company and covered entities of the Group have a plan of verifying the fixed assets in a phased manner and the fixed assets have been physically verified by the management during the year as per such plan. In our opinion, the frequency of verification is reasonable having regard to the size of the Group and the nature of its assets. As informed, no material discrepancies were noticed on such verification.

(ii) (a) The management of the Holding Company and the Covered entities of the Group have conducted physical verification of inventory at reasonable intervals during the year. In respect of a associate of the Group, management has conducted the physical verification of the Inventory at the year end. As reported by the other auditors who audited the financial statements / financial information of the other covered entity of the Group, the frequency of verification is reasonable. In respect of certain Covered entities of the Group, it does not carry inventories of nature covered by Accounting Standard-2, hence, Clause (ii)(a), (b) and (c) of the order are not applicable. Inventories lying with outside parties have been confirmed by them as at year end.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Holding Company and the Covered entities of the Group and the nature of their business.

(c) The Holding Company and the Covered entities of the Group are maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

(iii) (a) According to the information and explanations given to us and as reported by the other auditors who audited the financial statements / financial information of certain entities of the Group, the Holding Company and certain Covered entities of the Group have not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under the Section 189 of the Companies Act, 2013. Accordingly provisions of clause (iii) (a) and (b) are not applicable to the Covered entities of the Group and hence not commented upon. However, one of the Covered entity of the Group has granted loan to a firm covered in the register maintained under Section 189 of the Companies Act, 2013. In respect of that loan, the payment of interest has been regular and the repayment of the principal amount is as stipulated.

(b) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us and as reported by the other auditors who audited the financial statements / financial information of certain entities of the Group having regard to the explanations that some of the items purchased are of unique and specialised nature and suitable alternative sources for obtaining comparable quotations are not readily available, there are adequate internal control system commensurate with the size of the Holding Company and the Covered entities of the Group and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Holding Company and the covered entities of the Group in respect of these areas.

(v) In respect of deposits accepted by the Holding Company, 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, Reserve Bank of India or any Court or any other Tribunal. The covered entities of the Group have not accepted any deposits from the public.

(vi) To the best of our knowledge and as explained and as reported by the other auditors who audited the financial statements / financial information of certain covered entities of the Group, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products/services of the Holding Company and the Covered entities of the Group except in case of two subsidiaries and three associates where we/other auditors have broadly reviewed the books of account to the extent applicable and relevant, pursuant to the rules made by the Central Government for

the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. The detailed examination of the same have not been made by us and the other auditor.

(vii) (a) The Holding Company and the Covered entities of the Group are generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it, however there is a slight delay in case of three of the Covered entities of the Group. In case of a Covered entity, undisputed statutory dues pertaining to sales tax and value added tax have not generally been regularly deposited with the appropriate authorities though the delays in deposit have not been serious. The provisions relating to employees' state insurance are not applicable to one subsidiary and one associate of the Group.

(b) According to the information and explanations given to us and as reported by the other auditors who audited the financial statements / financial information of certain covered entities of the Group, no undisputed amount payable in respect provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it were outstanding at the year end, for a period of more than six months from the date they became payable for the Covered entities of the Group except in case of a joint controlled entity where an amount of ₹ 24.75 lacs will be paid as and when assessed.

(c) According to the records of the Holding Company and as reported by the other auditors who audited the financial statements / financial information of certain covered entities of the Group, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Wealth Tax Act, 1957	Demand in respect of assessment proceedings	282.89	2006-07 to 2010-11	Commissioner of Wealth Tax (Appeals)
Income Tax Act, 1961	Demand in respect of assessment proceedings	1,517.97	2007-08 and 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Demand in respect of assessment proceedings	1,275.01	2011-12	Dispute Redressal Panel
Income Tax Act, 1961	Tax Demand	17.38	Assessment Year 2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Tax Demand	33.36	Assessment Year 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Tax Demand	28.00	Assessment Year 2012-13	Commissioner of Income Tax (Appeals)
Service Tax Law, Finance Act, 1994	Service Tax Demand (Show Cause Notice)	86.02	Financial Year 2008-09, 2009-10, 2010-11, 2011-12	Commissioner of Service Tax (Appeals)
West Bengal Sales Tax Act, 1941	Sales Tax	19.70	2003-04	West Bengal Appellate and Revision Board
West Bengal Sales Tax Act, 1941	Value added Tax	7.40*	2006-07	Joint Commissioner (Appeals)
Finance Act, 1994	Service Tax	90.00**	2005-07	CESTAT
Finance Act, 1994	Service Tax	2.00	2004-11	Commissioner (Appeals)
Finance Act, 1994	Service Tax	29.10	2007-08	CESTAT
West Bengal Sales Tax Act, 1941	Sales Tax	59.00	2004-05	Joint Commissioner (Appeals)

Name of the statute	Nature of dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Uttar Pradesh Sales Tax Act, 1948	Sales Tax	2.70***	2012-13	Additional Commissioner (Appeals)
West Bengal Sales Tax Act, 1941	Sales Tax	3.60	2001-02	Deputy Commissioner (Appeals)
West Bengal Sales Tax Act, 1941	Sales Tax	7.60	2003-04	Revision Board
West Bengal Sales Tax Act, 1941	Sales Tax	3.90	2009-10	Commercial Tax Appellate Authority
Kerala VAT Act, 2003	Sales Tax	16.90****	2009-11	Deputy Commissioner (Appeals)
Central Excise Act, 1944	Disallowance of CENVAT Credit on input goods and services and Duty Demand on Sale of scrap and storage loss of molasses	19.91	2007-08 to 2012-13	Commissioner Appeal, Lucknow
Central Excise Act, 1944	Disallowance of CENVAT Credit on input goods	2.69	2000-01, 2003-04 and 2005-06	High Court Bench, Lucknow
Central Excise Act, 1944	Disallowance of CENVAT Credit	1.35	1983-84	High Court, Kolkata
Central Excise Act, 1944	Disallowance of CENVAT Credit on input goods and services and Duty Demand on Sale of Bagasse and scrap sales	67.79	2004-05, 2006-07 to 2011-12	CESTAT, New Delhi
Central Sales Tax Act, 1956	Interest demand on CST on ex-UP sale	2.52	2003-04	Additional Commissioner, Sitapur
Tax on Entry of Goods Act, 2000	Entry tax on free sugar sale	1.19	2001-02	Tribunal Court, Lucknow
UP Trade Tax Act, 1948	Trade tax	0.09	2006-07 and 2007-08	Tribunal Court, Lucknow
Service Tax Act	Service tax liability	60.75	2006-07 to 2012-13	CESTAT
Central Sales Tax Act	Demand for non submission of "F form"	38.61	2010-11 to 2012-13	Commercial Tax Department
Rajasthan Value Added Tax Act, 2003	Excess input credit availed	7.16	2011-12	Commercial Tax Department
Customs Act, 1962	Demand for differential custom duty	147.27	24.03.2011 to 02.12.2011 01.04.2001 to 28.02.2006 2002-03 to 2003-04 2006-07 to 2008-09	CESTAT
Customs Act, 1962	Demand for differential custom duty	21.61	2006-07 to 2008-09	Commissioner of Customs Appeals

Name of the statute	Nature of dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax demand	497.39	2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax Demand	19,907.51	2009-10 and 2010-11	CIT(Appeals), Bhubaneswar
Central Sales Tax Act, 1956	CST Demand on Branch Transfers	1350.48	2005-2006	Tribunal/Appellate Authority, Odisha
Central Sales Tax Act, 1956	CST Demand on Branch Transfers	0.39	2003-2004	Joint commissioner, Sales Tax Appeal
Orissa Sales Tax Act, 1947	OST Demand on Form issue	0.43	2000-01	Tribunal/Appellate Authority, Odisha
Odisha Entry tax Act, 1999	Entry Tax Demand on Custom Duty component of imported goods	18.57	2002-2003 & 2005-2006	Appellate Authority, Odisha
Odisha Entry tax Act, 1999	Entry Tax Demand on imported materials and Custom Duty component of imported materials	1610.30	2007-2014	Supreme Court of India / Appellate Authority, Odisha
Odisha Entry tax Act, 1999	Entry Tax Demand on sale of fertilizer, consumption of raw materials & import of stores and spares	1.03	2003-2004	Appellate Authority, Odisha
Uttar Pradesh Trade Tax Act, 1948	Sales Tax Demand on NPK 10:26:26	14.52	2007-2008	Tribunal Commercial Tax, Lucknow

* Amount includes deposit made under protest - ₹ 7.40 lacs
** Amount includes deposit made under protest - ₹ 21.20 lacs
*** Amount includes deposit made under protest - ₹ 2.70 lacs
**** Amount includes deposit made under protest - ₹ 4.70 lacs

(d) According to the information and explanations given to us, there are slight delay in the immaterial amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder. Based on the reports of other auditors who audited the financial statements of the Covered entities of the Group, there is no such requirement of transfer of amounts to the Investor Education and Protection Fund.

(viii) The Holding Company and certain covered entities of the Group have no accumulated losses at the end of the financial year and have not incurred cash losses in the current and immediately preceding financial year, except in case of joint controlled entity and an associate that has incurred cash losses in the immediately preceding financial year and a subsidiary which has incurred cash losses in both the current and immediately preceding financial year.

In case of two of the subsidiaries the accumulated losses at the end of the financial year are less than fifty per cent of the net worth and the entities have not incurred cash loss in the current and immediately preceding financial year.

In case of two of the subsidiaries and two associates, accumulated losses at the end of the financial year are more than fifty percent of its net worth and they have incurred cash loss in the current financial year and in the immediately preceding financial year.

(ix) Based on our audit procedures and as per the information and explanations given by the management and as reported by the other auditors who audited the financial statements / financial information of certain covered entities of the Group, we are of the opinion that the Covered entities of the Group have not defaulted in repayment of dues to a financial institution and banks. The Covered entities of the Group did not have any outstanding debentures during the year.

(x) According to the information and explanations given to us the Holding Company and the Covered entities of the Group have not given any guarantee for loans taken by others from bank or financial institutions. However, according to the information given to us, one of the subsidiary has given guarantee for loans taken by others from banks, the terms and conditions whereof,

in our opinion, are not prima-facie prejudicial to the interest of the entity. Also, one of the associate of the Group has given guarantee for loans taken by entities' dealers from banks, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the entity.

(xi) Based on information and explanations given to us by the management of the Holding Company and the reports of other auditors who audited the financial statements/ financial information of Covered entities of the Group, term loans were applied for the purpose for which the loans were obtained though funds which were not required for immediate utilisation have been invested in fixed deposits with bank. The maximum amount of such unutilised funds invested during the year was ₹ 4,000 lacs out of which ₹ 3,500 lacs was outstanding at the end of the year in respect of the associate of the Group.

(xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and as per the information and explanations given by the management and reports of the other auditors who audited the financial statements / financial information of other Covered entities of the group, which we have relied upon, we report that no fraud on or by the Holding Company and the Covered entities of the Group have been noticed or reported during the year except in case of a subsidiary where there have been seven instances of fraud in the nature of misappropriation of funds and inventory aggregating to ₹ 58.28 lacs. The said subsidiary has dismissed the employees and withheld their terminal benefits amounting to ₹ 8.05 lacs. Investigations are in progress, pending which the subsidiary has made a provision for the balance amount of ₹ 50.23 lacs.

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

per Anil Gupta
Partner
Membership Number: 87921

Place of Signature : Gurgaon.
Date : 15th May, 2015

Consolidated Balance Sheet as at 31st March, 2015

₹ in lacs

	Notes	31st March, 2015	31st March, 2014
I. EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	3	**2,944.11**	2,944.11
(b) Reserves and surplus	4	**64,886.69**	67,903.17
		67,830.80	70,847.28
Preference Shares (Held by other than Group)		**7,532.56**	–
Minority Interest	5	**6.08**	–
Non–current liabilities			
(a) Deferred tax liabilities (Net)	6	**283.84**	300.66
(b) Long term borrowings	7	**31,399.86**	12,144.88
(c) Trade payables	8	**513.00**	500.88
(d) Other long term liabilities	8	**132.44**	285.39
(e) Long–term provisions	9	**268.54**	174.72
		32,597.68	13,406.53
Current liabilities			
(a) Short–term borrowings	10	**26,755.79**	9,424.65
(b) Trade payables	8	**22,865.54**	23,830.14
(c) Other current liabilities	8	**27,019.46**	13,769.30
(d) Short–term provisions	9	**1,247.61**	2,390.20
		77,888.40	49,414.29
Total		**1,85,855.52**	1,33,668.10
II. ASSETS			
Goodwill (on consolidation)		**16,110.60**	2,146.90
Non–current assets			
(a) Fixed assets			
i. Tangible assets	11.1	**8,947.70**	5,576.07
ii. Intangible assets	11.2	**96.38**	141.09
iii. Capital work–in–progress		**16,852.07**	1,108.51
(b) Non–current investments	12	**31,964.49**	42,721.14
(c) Deferred tax assets (Net)	6	**86.53**	58.24
(d) Loans and advances	13	**6,134.01**	9,601.20
(e) Other non–current assets	14	**246.92**	617.44
		64,328.10	59,823.69
Current assets			
(a) Current investments	15	**5,518.70**	4,305.20
(b) Inventories	16	**56,478.15**	30,965.56
(c) Trade receivables	17	**9,901.12**	13,220.48
(d) Cash and bank balances	18	**10,329.09**	6,899.03
(e) Loans and advances	13	**16,987.65**	8,221.06
(f) Other current assets	14	**6,202.11**	8,086.18
		1,05,416.82	71,697.51
Total		**1,85,855.52**	1,33,668.10

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
Firm's Regn. No.: 301003E

per Anil Gupta
Partner
Membership No. : 87921

Place : Gurgaon
Date : 15th May, 2015

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

S. K. Poddar
Chairman

N. Suresh Krishnan
Managing Director

Marco Wadia
Director

H. C. Shah
General Manager
Finance & Accounts

K. G. Prabhu
Company Secretary

Place : Gurgaon
Date : 15th May, 2015

Consolidated Statement of Profit and Loss for the year ended 31st March, 2015

₹ in lacs

	Notes	31st March, 2015	31st March, 2014
I. Income			
(a) Revenue from operations (gross)	19	**53,453.68**	65,055.76
Less: Excise duty		**1,385.35**	815.31
(b) Revenue from operations (net)		**52,068.33**	64,240.45
(c) Other income	20	**3,443.41**	3,432.39
Total revenue		**55,511.74**	67,672.84
II. Expenses			
(a) Cost of raw materials consumed	21	**22,462.54**	3,529.01
(b) Purchase of traded goods	22 (a)	**6,289.97**	18,890.34
(c) Land purchase cost	22 (b)	**–**	19,479.31
(d) (Increase) in inventories of finished goods, work–in–progress and traded goods	23	**(14,361.50)**	(17,077.01)
(e) Employee benefits expense	24	**7,349.44**	6,344.46
(f) Depreciation and amortization expense	25	**804.14**	821.04
(g) Finance costs	26	**3,414.84**	1,103.55
(h) Other expenses	27	**30,136.20**	33,005.01
(i) Exceptional items (net)	28	**1,297.76**	(2,719.48)
Total		**57,393.39**	63,376.23
III. Profit/(loss)before tax (I–II)		**(1,881.65)**	**4,296.61**
IV. Tax expenses			
(a) Current income tax (including Minimum Alternative Tax)		**1,080.07**	1,538.32
(b) Income tax adjustment for earlier years (Refer note no. 38 below)		**27.48**	2,004.11
(c) Deferred tax (credit)		**(11.38)**	(66.08)
(d) MAT Credit Entitlement		**(17.38)**	(162.85)
Total tax expense		**1,078.79**	3,313.50
Profit/(Loss) after Tax (III–IV)		**(2,960.44)**	983.11
Add: Share in profits/(Losses) of Associates		**329.04**	(1,124.00)
Loss for the year before minority interest		**(2,631.40)**	(140.89)
Less: Share of minority interests in losses		**(6.42)**	(21.32)
Loss for the year		**(2,624.98)**	(119.57)
Basic Earnings per equity share [nominal value of share ₹ 10/– (31st March, 2014 – ₹ 10/–)]	33	**₹ (8.91)**	₹ (0.41)
Diluted Earnings per equity share [nominal value of share ₹ 10/– (31st March, 2014 – ₹ 10/–)]		**₹ (8.91)**	₹ (0.41)
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
Firm's Regn. No.: 301003E

per Anil Gupta
Partner
Membership No. : 87921

Place : Gurgaon
Date : 15th May, 2015

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

S. K. Poddar
Chairman

N. Suresh Krishnan
Managing Director

Marco Wadia
Director

H. C. Shah
General Manager
Finance & Accounts

K. G. Prabhu
Company Secretary

Place : Gurgaon
Date : 15th May, 2015

Consolidated Cash flow statement for the year ended 31st March, 2015

₹ in lacs

Sl. No.	Particulars	Year ended 31st March, 2015	Year ended 31st March, 2014
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Profit / (loss) before tax	**(1,881.65)**	4,296.61
	Add: Exceptional items (net) loss/(profit) in subsidiaries/ Joint ventures (net)	**1,297.76**	(2,829.26)
	Profit before tax and Exceptional items	**(583.89)**	1,467.35
	Adjustment to reconcile profit before tax to net cash flows:–		
	Depreciation / amortisation	**817.13**	828.78
	Foreign Currency Translation Reserve	**79.77**	168.63
	Molasses & Alcohol Storage and Maintenance Reserve	**3.14**	–
	Excess provision / liabilities written back	**(1,084.12)**	(619.12)
	Loss / (Gain) on disposal of fixed assets (net)	**36.16**	(13.87)
	Provision for doubtful debts, loans, claims and advances	**2.70**	25.06
	Profit on sale of current Investments	**(12.67)**	(33.25)
	Loss on sale of non current Investments	**–**	165.28
	Interest expense	**4,284.07**	1,222.05
	Interest (income)	**(1,021.39)**	(711.02)
	Unrealized foreign exchange fluctuation (gain) / loss (net)	**12.22**	(118.10)
	Dividend (income)	**(1,480.09)**	(1,895.84)
		1,636.92	(981.40)
	Operating Profit/(loss) before Working Capital Changes	**1,053.03**	485.95
	Movement in working capital :		
	(increase) in inventories	**(14,156.69)**	(13,867.65)
	Decrease / (Increase) in Trade Receivables	**3,329.14**	(4,425.97)
	Decrease / (Increase) in other current assets	**2,134.40**	(6,654.22)
	(Increase) in loans and advances	**(4,897.00)**	(2,802.00)
	Increase / (Decrease) in trade payables, other liabilities	**(14,482.23)**	18,401.13
	(Decrease) in provisions	**(7.51)**	(576.19)
		(28,079.89)	(9,924.90)
	Cash generated from / (used) in Operations	**(27,026.86)**	(9,438.95)
	Direct taxes (paid) (net of refunds)	**(1,742.38)**	(6,330.16)
	Net Cash flow (used in) Operating Activities (A)	**(28,769.24)**	(15,769.11)
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Purchase of fixed assets, including intangible assets, CWIP and capital advances	**(9,994.43)**	(505.65)
	Proceeds from Sale of fixed assets	**72.80**	204.59
	Purchases of non current investments	**(77.86)**	(6,310.05)
	Proceeds from sale of non current investments	**485.74**	941.22
	Purchases of current investments	**(25,545.78)**	(39,024.71)
	Proceeds from sale of current investments	**38,378.01**	43,049.55
	Purchase of investment in subsidiaries and joint ventures	**(2,736.71)**	(1,244.46)
	Proceeds from sale of investment in subsidiaries and joint ventures	**1,641.25**	2,560.78
	Investment of bank deposits (having original maturity of more than 3 months)	**(4,610.18)**	(433.67)
	Interest received	**1,280.40**	472.56
	Dividends received on investments	**1,884.81**	2,274.36
	Loans given to / (received back) from bodies corporates	**2,470.85**	(714.53)
	Net Cash flow from Investing Activities (B)	**3,248.90**	1,269.99

Consolidated Cash flow statement for the year ended 31st March, 2015

₹ in lacs

Sl. No.	Particulars	Year ended 31st March, 2015	Year ended 31st March, 2014
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Proceeds from Preference shares	**7,532.56**	–
	Proceeds of share capital from minority in subsidiary	**12.50**	–
	Proceeds from long–term borrowings	**24,779.42**	11,148.28
	Repayment of long–term borrowings	**(7,427.94)**	(1,553.35)
	Proceeds from Buyers Credit	**673.28**	1,214.18
	Repayment of Buyers Credit	**(955.10)**	(816.04)
	Proceeds / (repayment) of short–term borrowings	**4,122.94**	5,731.80
	Interest paid	**(4,543.67)**	(2,309.11)
	Dividend paid on equity shares	**(296.48)**	(588.80)
	Receipt of security premium	**–**	824.13
	Tax on equity dividend paid	**(50.03)**	(100.06)
	Net Cash flow from financing activities (C)	**23,847.48**	13,551.03
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(1,672.86)**	(948.09)
	Cash and cash equivalents at the beginning of the year	**4,351.05**	5,306.00
	Add : Net Cash of Other Group Companies on acquisition / disposal	**845.53**	–
	Less : Transfer due to Divestment of stake in joint ventures	**–**	(6.86)
	Cash and cash equivalents at the end of the year	**3,523.72**	4,351.05

₹ in lacs

Components of cash and cash equivalents	As at 31st March, 2015	As at 31st March, 2014
Cash on hand	**55.15**	104.31
Cheques/ drafts on hand	**95.87**	207.30
With banks		
– on current account	**3,233.88**	3,290.27
– on deposit account with original maturity less than three months	**100.00**	704.56
– unpaid dividend accounts*	**33.46**	35.53
– On Interest warrant accounts*	**5.30**	9.08
Other Bank Balances	**0.06**	–
Total cash and cash equivalents (note 18)	**3,523.72**	4,351.05

Notes:

1. Previous Year figures have been regrouped whereever 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.
3. Sale and purchase of investments in subsidiaries are non–cash transactions as intercorporate deposits have been converted into equity and further equity shares have been issued towards redemption of preference shares aggregate to ₹ Nil lacs (Previous Year ₹ 1650.00 lacs.)

As per our report of even date

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm's Regn. No.: 301003E

per Anil Gupta
Partner
Membership No. : 87921

Place : Gurgaon
Date : 8th May, 2015

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

S. K. Poddar
Chairman

N. Suresh Krishnan
Managing Director

Marco Wadia
Director

H. C. Shah
General Manager
Finance & Accounts

K. G. Prabhu
Company Secretary

Place : Gurgaon
Date : 8th May, 2015

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

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"). 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) Rule 2014. The financial statements have been prepared under the historical cost conventionon an 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. Till the year ended 31st March, 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

a) Useful lives/ depreciation rates

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re–estimated useful lives –and residual values of all its fixed assets. As per the transitional provision, three subsidiary companies and one of the joint venture Company of the Group has adjusted ₹120.07 lacs (Previous year ₹ Nil) [net of deferred tax of ₹ 33.63 lacs (previous year ₹ Nil)] with the opening balance of retained earnings. Had the Group continued to follow the earlier useful life, the depreciation expense for the year ended 31st March, 2015 would have been higher by ₹ 143.43 lacs (previous year ₹ Nil), loss before tax would have been higher by ₹ 143.43 lacs for the year ended 31st March,, 2015 (previous year ₹ Nil)

b) Depreciation on assets costing less than ₹ 5,000/–

In respect of three subsidiary companies of the Group, till the year ended 31st March, 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, these said companies were charging 100% depreciation on assets costing less than ₹ 5,000/– in the year of purchase. However, Schedule II to the Companies Act 2013, applicable from the current year, does not recognize such practice. Hence, to comply with the requirement of Schedule II to the Companies Act, 2013, these three subsidiary companies of the Group have changed their accounting policy for depreciation of assets costing less than ₹ 5,000/–. As per the revised policy, the said companies are depreciating such assets over their useful life as assessed by the management. These companies have decided to apply the revised accounting policy prospectively from accounting periods commencing on or after 1st April, 2014.

The change in accounting for depreciation of assets costing less than ₹ 5,000/– in respect of these companies did not have any material impact on financial statements of the Group for the current year.

II. 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 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.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

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.

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 (Accounting Standards) Rules, 2014" (as amended). The Consolidated Financial Statements have been prepared on the following basis–

i) 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.

ii) 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.

iii) 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.

iv) 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 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.

v) 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.

vi) 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.

vii) 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 31st March, 2015.

V. Tangible 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.

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.

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

i) Depreciation on Fixed Assets (other than as stated in para (ii) to (vi) 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 (except in case of one of the joint venture Company, certain items of plant and machinery and building constructed on leased land are depreciated over unexpired period of lease).For this purpose, a major portion of the plant has been considered as continuous process plant for some of the companies.

ii) Premium paid 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.

iii) Leasehold Improvements are being depreciated over the respective lease periods.

iv) Machinery Spares are depreciated prospectively over the estimated remaining useful lives of the respective mother assets.

v) In case of a subsidiary Company, pre–fabricated structures (included under Buildings) are amortised over a period of 5 years.

vi) In case of one of a subsidiary, the management has re–estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II. Depreciation on fixed assets is calculated on a straight–line basis using the rates arrived at based on the useful lives estimated by the management. The subsidiary Company has used the following rates to provide depreciation on its fixed assets (0.13% of total net block of tangible fixed assets as at 31st March, 2015 and 1.00% of the total depreciation charge for the Group for the year ended 31st March, 2015) :

Name of the Asset	Rate as per the useful lives
Office Equipment	
Telephone Equipments	33.33
Furniture and Fittings	
Carpets	10
Others	10

vii) In case of a subsidiary Company, depreciation on assets used for the projects has been considered as a part of construction and development cost.

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 makingnecessary 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.

Expenditure incurred on development of new products as covered under Accounting standard 26 for which future economic benefits will flow over a period of time is amortized, over the estimated useful life of the asset or 5 years whichever is earlier, from the time the new product starts providing economic benefits.

In case of one of the subsidiary Company, Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred. The subsidiary Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash–generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

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

IX. Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre–discount rate that reflects current market assessment of the time value of money and rates specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the assets over the remaining useful life.

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 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.

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, 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.

Stock in trade (Securities): On specific identification basis and are valued as lower of cost and market value.

By products and saleable scraps, 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 realisable 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.

XII. Retirement and other Employee Benefits

i) 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.

Retirement benefits in the form of Provident Fundin other Group companies and Pension Funds are defined contribution schemes. The Group has no obligation, other than the contribution payable to the Provident Fund and the Pension Fund. The Group recognizes contribution payable to the Provident Fund and the Pension Fund schemes as expenditure, when an employee renders the related service. If the contribution payable to the schemes 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.

ii) 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 (except in case of two subsidiaries of a subsidiary Company, where the number of employees were below 50, and it is provided for on actual basis(1.37 % of the total gratuity expenses for the year ended 31st March, 2015).The Parent Company, a joint venture Company and 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.

iii) 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.

iv) Superannuation and Contributory Pension Fund

The Parent Company and some of the other companies within the Group 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.

v) 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.

vi) 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

i) 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.

ii) 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.

iii) 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.

iv) 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.

v) 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 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

In case of the Parent Company and a subsidiary, 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 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.

i) 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.

ii) 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.

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

iv) Dividend is recognized when the shareholders' right to receive payment is established by the Balance Sheet date.

v) 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 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.

vi) In case of a Joint Venture Company, revenue from Terminalling and Operation & Maintenance Services are recognized as per contractual terms on rendering the services.

vii) Service Income is recognized as and when the service is performed using the percentage of completion method.

viii) 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. In accordance with the Guidance Note on Accounting for Real Estate Transactions (Revised 2012) issued by the Institute of Chartered Accountants of India (the "ICAI") the Revenue from sale of residential properties is recognised 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.

In case of a one of the subsidiary Company, as the project execution is in early stages, no revenue has been recognised, cost of work certified has been considered as construction work–in–progress in line with AS–7.

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 give 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.

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

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.

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.

Allocation of common costs:

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

Unallocated items:

Includes general corporate income and expense items which are not allocated to any business segment

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.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

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.

XXV. Amalgamation Accounting

The Group treats an amalgamation in the nature of merger if it satisfies all of the following criteria:

1. All the assets and liabilities of the transferor become, after amalgamation, the assets and liabilities of the transferee Company.
2. Shareholders holding not less than 90% of the face value of the equity shares of the transferor Company (other than the equity shares already held therein, immediately before the amalgamation, by the transferee Company or its subsidiaries or their nominees) become equity shareholders of the transferee Company.
3. The consideration for amalgamation receivable by those equity shareholders of the transferor Company who agree to become shareholders of the transferee Company is discharged by the transferee Company wholly by the issue of equity shares, except that cash may be paid in respect of any fractional shares.
4. The business of the transferor Company is intended to be carried on, after the amalgamation, by the transferee Company.
5. The transferee Company does not intend to make any adjustment to the book values of the assets and liabilities of the transferor Company, except to ensure uniformity of accounting policies.

All other amalgamations are in the nature of purchase.

The Group accounts for all amalgamations in the nature of merger using the pooling of interest method. The application of this method requires the Group to recognize any non–cash element of the consideration at fair value. The Group recognized assets, liabilities and reserves, whether capital or revenue, of the transferor Company at their existing carrying amounts and in the same form as at the date of amalgamation. The balance in the Statement of Profit and Loss of the transferor Company is transferred to the general reserve. The difference between the amount recorded as share capital issued, plus any additional consideration in the form of cash or other assets, and the amount of share capital of the transferor Company is adjusted in reserves.

An amalgamation in the nature of purchase is accounted for using the purchase method. The cost of an acquisition/ amalgamation is measured as the aggregate of the consideration transferred, measured at fair value. Other aspects of accounting are as below:

1. The assets and liabilities of the transferor Company are recognized at their fair values at the date of amalgamation. The reserves whether capital or revenue, of the transferor Company except statutory reserves, are not recognized.
2. Any excess consideration over the value of the net assets of the transferor Company acquired is recognized as goodwill. If the amount of the consideration is lower than the value of the net assets acquired, the difference is treated as capital reserve.

The goodwill arising on amalgamation is amortized to the Statement of Profit and Loss on a systematic basis over its useful life not exceeding five years.

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Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

3. Share Capital

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Authorised :		
11,50,00,000 (31st March, 2014:: 3,57,50,000) Equity Shares of ₹ 10/– Each	**11,500.00**	3,575.00
20,75,000 (31st March, 2014:: 1,00,00,000) Redeemable Cumulative Preference shares of ₹ 100/– each	**2,075.00**	10,000.00
	13,575.00	13,575.00
Issued		
*2,94,48,655 (31st March, 2014:: 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, 2014:: 2,94,40,604) Equity Shares of ₹ 10/– Each Fully paid	**2,944.06**	2,944.06
Add: 1,100 (31st March, 2014:: 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, 2015		31st March, 2014	
	in Numbers	₹ in lacs	in Numbers	₹ in lacs
At the beginning of the year	**294,40,604**	**2,944.06**	294,40,604	2,944.06
Issued during the year	–	–	–	–
Outstanding at the end of the year	**294,40,604**	**2,944.06**	294,40,604	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.

During the year 31st March, 2015, the amount per share dividend recognised as distribution to equity shareholders was ₹ 1/– (31st March, 2014:: ₹ 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.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

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

Name of Shareholder	As at 31 March, 2015		As at 31 March, 2014	
	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**	**16,01,723**	**5.44**	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.

** Adventz Investments and Holdings Limited has 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. 36

4. Reserves and Surplus

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Securities Premium		
Balance as per last financial statements	**1,882.63**	1,058.50
Add : Received during the year	**–**	824.13
Less : Transfer on Account of Divestment of Stake	**1,882.63**	–
Closing balance	**–**	1,882.63
General Reserve		
Balance as per last financial statements	**3,739.91**	3,239.91
Add : Amount transferred from surplus balance in the Statement of Profit and Loss	**100.00**	500.00
Closing balance	**3,839.91**	3,739.91
Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	**62,089.19**	63,053.20
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)**	–
Net Profit / (Loss) for the year	**(2,624.98)**	(119.57)
Add :Transfer of securities premium account	**1,882.63**	–
Less : Appropriations		
Proposed final equity dividend of ₹ 1/– Per Equity Share (31st March, 2014:: ₹ 1/–)	**294.41**	294.41
Tax on proposed equity dividend	**59.93**	50.03
Transfer to general reserve	**100.00**	500.00
Total appropriations	**454.34**	844.44
Net surplus in the Statement of Profit and Loss	**60,772.43**	62,089.19
Molasses & Alcohol Storage and Maintenance Reserve		
Balance as per last financial statements	**–**	–

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Add : Provided during the year/period	**3.14**	–
Closing balance	**3.14**	–
Foreign currency translation reserve		
Balance as per last financial statements	**191.44**	(183.13)
Exchange difference during the year on net investment in non – integral operations	**79.77**	168.63
Less : Transfer on account of divestment of stake	**–**	205.94
Closing balance	**271.21**	191.44
Total Reserves and Surplus	**64,886.69**	67,903.17

5. Minority Interest

₹ in lacs

Particulars	31st March, 2015			31st March, 2014
	Gobind Sugar Mills Limited	Indian Furniture Products Limited	Soundaryaa IFPL Interiors Limited	Style Spa Furniture Limited
% Share of Minority	**48.73%**	**14%**	**49.9996%**	41.43%
Share in Equity	**155.94**	**977.80**	**12.50**	912.61
Securities premium	**–**	**7.44**	**–**	22.10
Share in the Reserves	**(155.94)**	**(979.16)**	**(12.50)**	(934.71)
Total	**–**	**6.08**	**–**	–

The minority interest represents for Indian Furniture Products Limited, Gobind Sugar Mills Limited and Soundaryaa IFPL Interiors Limited representing Zuari Group's proportionate share.

6. Deferred tax liabilities (Net)

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Deferred tax liabilities		
Fixed assets Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	**407.16**	413.36
Income considered in the books but not in income tax	**49.54**	48.65
Gross deferred tax liabilities	**456.70**	462.01
Deferred tax assets		
Expenses allowable in Income Tax on payment basis and deposition of Statutory dues		
Unabsorbed depreciation	**95.00**	39.66
Unabsorbed business loss	**10.80**	9.88
Provision for warranties	**2.50**	–
Provision for doubtful debts	**6.59**	6.32
Other expenses allowable in income tax on payment basis and deposition of statutory dues	**144.50**	163.73
Gross deferred tax assets	**259.39**	219.59
Net deferred tax liabilities	**197.31**	242.42

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

(i) After netting off deferred tax assets in respect of some of the entities aggregating to ₹ 86.53 lacs (31 March, 2014:: Deferred tax assets of ₹ 58.24 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.

7. Long Term Borrowings

₹ in lacs

Particulars	Non Current Portion		Current Maturities	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
Secured				
Indian rupee term loan from banks	**10,634.39**	2,973.09	**1,899.00**	1,069.27
Loan under financial assistance scheme to Sugar units under SEFASU 2014 from Banks (Excise duty loan)	**2,270.00**	–	**–**	–
Working capital term loan from banks	**343.75**	318.75	**125.00**	31.25
Loan from others	**18,102.30**	8,000.00	**1.67**	–
	31,350.44	11,291.84	**2,025.67**	1,100.52
Unsecured				
Deferred payments liabilities (Sales tax deferral scheme)	**49.42**	162.19	**112.77**	140.65
Loan from others	**–**	–	**2,000.00**	–
Loan from related parties	**–**	690.85	**–**	–
	49.42	853.04	**2,112.77**	140.65
Total	**31,399.86**	12,144.88	**4,138.43**	1,241.17
Less : Amount disclosed under the head Other Current Liabilities (Note No.8)	**–**	–	**(4,138.43)**	(1,241.17)
Net Amount	**31,399.86**	12,144.88	**–**	–

1. Indian rupee term loan from banks

   a. In respect of subsidiary Company, Indian rupee loan of ₹ Nil (31st March, 2014:: ₹ 2,223.17 lacs) [(including current maturities ₹ Nil) (31st March, 2014:: ₹ 879.00 lacs)] carried interest @ Nil (31st March, 2014:: 13.35%) from Axis Bank. The loan was repayable in 20 monthly installments commencing from March, 2014. The loan was 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 loan was foreclosed during the year and outstanding balance was takenover by ICICI Bank Limited.

   b. In respect of subsidiary Company, Indian rupee loan of ₹ Nil (31st March, 2014:: ₹ 1,609.04 lacs) carried interest @ Nil (31st March, 2014:: 13.35%) from Axis Bank. The loan was repayable in quarterly installments commencing from December 2015. The loan was 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 loan was foreclosed during the year and outstanding balance was takenover by ICICI Bank Limited.

   c. In respect of subsidiary Company, Indian rupee loan of ₹ 7,780.67 lacs (31st March, 2014:: Nil) (including current maturities ₹ 1550.00 lacs (31st March, 2014:: Nil)) carries interest @ 13.25% (31st March, 2014::

Nil). The loan 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.

d. In respect of subsidiary Company, Indian rupee loan of ₹ Nil (31st March, 2014:: ₹ 87.05 lacs) [(including current maturities ₹ Nil (31st March, 2014:: ₹ 67.17 lacs)] carried interest @ Nil (31st March, 2014:: @ 13% to 15.25% p.a.). The loan was repayable in 48 equal monthly installments of ₹ 9.26 lacs each along with interest, from the date of loan, viz. 22nd March, 2011 after morotarium period of six months. The loan was secured by first charge on the movable fixed assets of the subsidiary Company. The loan was also secured by hypothecation of inventory and trade receivables of the subsidiary Company.

e. In respect of subsidiary Company, Indian rupee term loan of ₹ 89.72 lacs (31st March, 2014:: ₹ 123.10 lacs) [(including current maturities ₹ 36.00 lacs) (31st March, 2014:: ₹ 123.10 lacs)] is repayable in 48 equal installments starting from April 2012 onwards. Term loan carries interest @ 13.50% – 13.75% (31st March, 2014:: 13.50% – 13.75% p.a.). The term loan is secured by first charge on the immovable and movable fixed assets purchased and constructed under the Term loan. The loan is also secured by hypothecation of entire inventory and trade receivables of the subsidiary Company.

f. In respect of subsidiary Company, Indian rupee loan of ₹ 4,663.00 lacs (31st March, 2014:: ₹ Nil) [(including current maturities ₹ 313.00 lacs (31st March, 2014:: ₹ Nil)] carries interest @ 3% plus base rate (31st March, 2014:: 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 peice of land of 27.045 acres at Village Allipur, Paragana Dhauraha, District Kheri, Uttar Pradesh together with building, moveable and immovable machinery and other fixed and current assets, present and future of the Company, on pari pasu basis with other term lenders.

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

2. Working capital term loan from banks

In respect of subsidiary Company, Indian rupee Working capital term loan (WCTL) of ₹ 468.75 lacs (31st March, 2014:: ₹ 350.00 lacs) [(including current maturities ₹ 125.00 lacs (31st March, 2014:: ₹ 31.25 lacs)] 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 by paripasu first charge with Ratnakar bank over the entire Current Assets of the said Company, both present and future, first charge over the movable fixed assets of the said Company funded out of Indian rupee term loan (Second Paripassu charge will be ceded to secure Working Capital Limit).

3. Loan from others

a. (i) In respect of Parent Company, term loan of ₹ 8,000.00 lacs (31st March, 2014:: ₹ 8,000.00 lacs) [(including current maturities ₹ Nil (31st March, 2014:: ₹ Nil)] from Rabo India Finance Ltd. is to be 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) 10% equity shares in the total equity share capital of Gulbarga Cement Limited unless diluted by an increase in shareholding by other entities / shareholders. During the year, the Company has sold its share held in Gulbarga Cement Limited to an affiliate of Zuari Cement Limited and is in the process of discussion with Rabo India Finance Limited to prepay part of the loan out of the proceeds.

b) 100% equity shares in the total equity share capital of Zuari Investment Limited.

c) 30% equity shares in the total equity share capital of Zuari Agro Chemicals Limited

d) 12% equity shares in the total equity share capital of Chambal Fertilisers and Chemicals Limited

e) 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 Investments 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 subsidiary Company, Term Loan of ₹ 5,600.00 lacs (31st March, 2014 :: ₹ Nil) from Indian Renewal Energy Development Agency Limited (IREDA) is secured by first mortgage / charge on entire fixed assets of the Company, situated at 62.318 acres of land at Aira Estate, Khamaria Pandit, Distt Lakhimpur Kheri, Uttar Pradesh and a new peice of land of 27.045 acres at Village Allipur, Paragana Dhauraha, District Kheri, Uttar Pradesh together with building, moveable and immovable machinery and other fixed assets, present and future of the Company, on pari pasu basis with other term lenders. Further, the loan is secured by 2nd pari–passu charge on current assets of the Company (excluding receivables from the power project on which there is a first pari–passu charge) along with other lenders.

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.

c. In respect of subsidiary Company, Motor car loan has been taken from ICICI bank of ₹ 3.97 lacs (31st March, 2014 :: ₹ Nil) (including current maturities of ₹ 1.67 lacs (31st March, 2014 :: ₹ Nil). The loan carries interest of 10% – 11.25% and is repayable in 60 months.

d. In respect of subsidiary Company, Term loan from a body corporate of ₹ 4,500 lacs (31st March, 2014 :: ₹ Nil) (including current maturities of ₹ Nil) (31st March, 2014 :: ₹ Nil) from Aditya Birla Finance Limited is secured by first mortgage / charge on all movable and immovable fixed assets including but not limited to land, buildings, plant and machinery, assignments of all project contracts, agreements etc present and future on first pari–passu basis. This loan is further secured by first pari–passu charge on all present and future current assets including book debts, operating cash flows and receivables of the Company. The said loan is repayable in 24 equal quarterly installments after a moratorium of upto 2 years. Further, the Company cannot prepay the loan amount (partially or fully, except scheduled repayment) before a period of 30 months from the date of first disbursement. The said loan carries interest rate of 3.00% p.a plus base rate of State bank of India.

e. In respect of subsidiary Company, unsecured loan of ₹ 2,000.00 lacs (31st March, 2014 :: ₹ Nil) (including current maturities of ₹ 2,000.00 lacs) from Adventz Finance Private Limited carries interest of 14% (31st March, 2014 :: Nil) repayable after 18 months.

4. In respect of a subsidiary, 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.

5. Loan from related parties was in respect of a joint venture Company which was repayable in 12 installments at the end of each quarter, commencing from the date of expiry of 60 months from the loan agreement date of 8th September, 2011. The loan carried interest of 11%. The loan was repaid during the current year.

6. In respect of subsidiary Company, Term Loans under Financial Assistance Scheme to Sugar Units under SEFASU 2014 from banks (Excise Duty Loan) of ₹ 2,270.00 lacs (31st March, 2014 :: ₹ Nil)

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

b) Loan under financial assistance scheme to Sugar Units under SEFASU 2014 of ₹ 1,171 lacs from State Bank of India is secured by pari passu first charge basis on the hypothecated current assets, both present and future and pari passu second charge basis on the moveable fixed assets of the Company with other Working Capital Lenders. The said loan is repayable in 12 quartely installments starting from 30th June, 2016 and carries 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.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

8. Trade Payables and Other Current Liabilities

₹ in lacs

Particulars	Non Current		Current	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
Trade payables (Refer Note No. 54 for details of dues to Micro and Small Enterprises)	**513.00**	500.88	**22,865.54**	23,830.14
	513.00	500.88	**22,865.54**	23,830.14
Other Current Liabilities				
Deposits – dealers & others	–	–	**650.01**	514.87
Deposits – employees	–	–	–	9.25
Current Maturities of Long Term Borrowings	–	–	**4,138.43**	1,241.17
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	–	–	**33.46**	35.53
Unclaimed deposits	–	–	**6.65**	13.32
Unclaimed Interest warrants	–	–	**5.30**	9.08
Unclaimed preference warrants	–	–	**5.81**	5.81
Interest accrued and due on loans and deposits	–	–	**444.52**	5.78
Interest accrued but not due on loans and deposits	–	156.88	**59.66**	62.17
Interest on Income Tax	–	–	–	79.82
Employee related payables	–	–	**450.83**	322.12
Advances from dealers and others	–	–	**7,068.97**	9,725.70
Advance towards sale of investments	–	–	**11,920.00**	–
Payables towards capital goods	–	–	**669.30**	239.77
Forward cover payable	–	–	**2.20**	578.79
Rent equalisation	**132.44**	128.51	–	–
Statutory dues and other obligations	–	–	**1,564.32**	926.12
	132.44	285.39	**27,019.46**	13,769.30
Total	**645.44**	786.27	**49,885.00**	37,599.44

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

9. Provisions

₹ in lacs

Particulars	Long–term		Short–term	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
Provision for employee benefits				
Gratuity (Refer note no. 47)	**225.84**	112.30	**42.65**	147.45
Provision for Voluntary Retirement Scheme	**42.70**	62.42	**19.72**	26.13
Leave Encashment	–	–	**500.28**	509.50
	268.54	174.72	**562.65**	683.08
Others provisions				
Provision for current income tax (net of advance tax)	–	–	–	176.49
Provision for wealth tax	–	–	**48.11**	111.96
Provision for proposed equity dividend	–	–	**294.41**	294.41
Provision for tax on proposed equity dividend	–	–	**59.93**	50.03
Provision for warranties	–	–	**282.51**	1,074.23
	–	–	**684.96**	1,707.12
Total	**268.54**	174.72	**1,247.61**	2,390.20
Provision for warranty (Period upto one year)*				
Balance at the beginning of the year	–	–	**1,074.23**	1,420.56
Add : Additions	–	–	**188.54**	99.02
Less : Utilisation	–	–	**66.80**	228.48
Less : Unutilised amounts reversed	–	–	**913.46**	216.87
Balance at the end of the year	–	–	**282.51**	1,074.23

* In respect of the subsidiaries 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 the subsidiary Company, it has assessed the year end provision for expected claims/ expenditure on construction contracts on the basis of the best estimate.

10. Short term borrowings

₹ in lacs

Particulars	**31st March, 2015**	31st March, 2014
Secured		
Cash credit from banks	**13,434.03**	4,026.51
Buyers credit from banks	**116.32**	398.14
Term Loan from Banks	**3,574.58**	–
	17,124.93	4,424.65
Unsecured		
Short term loan from bank	**4,500.00**	3,000.00

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Term Loans from Others		
– Inter corporate Deposits	**5,108.36**	2,000.00
– Others	**22.50**	–
	9,630.86	5,000.00
Total	**26,755.79**	9,424.65

1. Cash Credit from Banks

   a. In respect of a subsidiary, cash credit from bank of ₹ 3,786.40 lacs (31st March, 2014:: ₹ 3,439.81 lacs) is secured against security on stocks, book debts and fixed assets as collateral. The cash credit is repayable on demand and carries interest @ 13.75% p.a. (31st March, 2014:: 13.75% p.a.)

   b. In respect of a subsidiary Company, cash credit from bank of ₹ Nil (31st March, 2014:: ₹ 486.66 lacs) is secured by hypothecation of inventory and trade receivable of the subsidiary Company. The cash credit is repayable on demand and carries interest @ Nil. (31st March, 2014:: 13.25% p.a.).

   c. In respect of a subsidiary Company, cash credit from bank of ₹ 74.93 lacs (31st March, 2014:: ₹ 100.04 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 @ Nil (31st March, 2014:: 13.35%)

   d. In respect of a subsidiary Company, Cash Credit of ₹ 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.

   e. In respect of a subsidiary Company, Cash Credit of ₹ 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. The said charge is yet to be created.

   f. In respect of a subsidiary Company, Cash Credit of ₹ 1,572.43 lacs from District Cooperative Bank Ltd., Barabanki, as per the sanction letter is secured by pledge of some stock of finished goods and carries interest 11.75% p.a. The said charge is yet to be created.

   g. In respect of a subsidiary Company, Cash Credit of ₹ 2,000 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 Company. Also, Zuari Agro and Chemicals Ltd. and the Parent Company. have provided letters of comfort for the said loan. The loan carries interest @ 13.75% p.a.

2. The buyers credit carries a rate of interest between 0.943% to 2.456 % p.a. and it is repayable over a tenor of 66–120 days. It is secured by paripasu first charge with Ratnakar bank over the entire stocks and book debts of the subsidiary Company, both present and future and first charge over the movable fixed assets of the subsidiary Company other than those funded out of the term loan.

3. In respect of Short term loan of ₹ Nil (31st March, 2014:: ₹ 3000.00 lacs) availed by the parent Company, carries an interest rate of Nil (31st March, 2014:: 11.50% p.a.) and was repayable on 30th day ₹ 500 lacs, on 45th day ₹ 1,200.00 lacs and on 60th day ₹ 1,300.00 lacs from the availment date i.e. 24th March, 2014. The same has been repaid during the year.

4. In respect of Short term loan of ₹ 4,500.00 lacs (31st March, 2014:: Nil) availed by the subsidiary Company, carries an interest rate of 11.75% p.a. (31st March, 2014:: Nil) and is repayable on 15th April,2015 ₹ 1500.00 lacs and balance ₹ 3000.00 lacs on or before 30th April,2015.

5. In respect of Short term loan of ₹ 2,127.73 lacs (31st March, 2014:: Nil) availed by subsidiary Company, carries an interest rate of 13.25% p.a. (31st March, 2014:: Nil). It is secured by SBLC provided by Bank of Bahrain & Kuwait, India.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

6. In respect of Short term loan of ₹ 1,446.85 lacs (31st March, 2014:: Nil) availed by subsidiary Company, carries an interest rate of 4.2346% p.a. (31st March, 2014:: Nil). It is availed in USD against the security of fixed deposit in INR.

7. In respect of loan from body corporate of ₹ 64.36 lacs (31st March, 2014:: Nil) availed by subsidiary Company from New Eros Tradecom Limited, carries an interest rate of 10.5% p.a. (31st March, 2014:: Nil) and repayable on demand.

8. In respect of loan from body corporate of ₹ 1,300.00 lacs (31st March, 2014:: Nil) availed by subsidiary Company from Texmaco Infrastructure & Holdings Limited, carries an interest rate of 16% p.a. (31st March, 2014:: Nil) and repayable on demand.

9. In respect of loan from body corporate of ₹ 2,500.00 lacs (31st March, 2014:: Nil) availed by subsidiary Company from Adventz Investment & Holdings Limited, carries an interest rate of 16% p.a. (31st March, 2014:: Nil) and repayable on demand.

10. Deposits (including inter corporate deposits of ₹ 1,244.00 lacs) of ₹ 1,266.50 lacs (31st March, 2014:: ₹ 2,000.00 lacs) availed by subsidiary companies, carries an interest rate of 13% p.a. - 17% p.a. (31st March, 2014:: 16% p.a.) and is repayable on demand.

11.1 Tangible assets

₹ in lacs

Particulars	Freehold Land	Land (leasehold)	Leasehold Improvements	Buildings	Plant & machinery	Furniture & fixtures	Office equipment	Vehicles	Total
Cost									
As at 01.04.2013	994.52	117.17	310.46	1,822.19	4,777.77	1,132.22	1,197.05	117.03	10,468.41
Additions	3,120.00	–	23.84	–	221.46	85.52	110.33	–	3,561.15
Deductions	–	–	0.53	79.13	63.10	53.02	85.26	33.96	315.00
Transfer on account of Dilution in stake	–	–	–	–	115.31	0.80	0.79	–	116.90
Transfer to stock in trade	3,120.00	–	–	–	–	–	–	–	3,120.00
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**
Depreciation									
As at 01.04.2013	–	39.39	233.49	489.72	2,171.49	720.07	756.68	32.68	4,443.52
Charge for the year	–	3.91	90.43	55.16	313.13	110.71	117.35	8.71	699.40
Deductions during the year	–	–	0.53	15.83	79.54	50.05	76.85	14.70	237.50
Transfer on account of Dilution in stake	–	–	–	–	2.49	0.61	0.73	–	3.83
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

₹ in lacs

Particulars	Freehold Land	Land (leasehold)	Leasehold Improvements	Buildings	Plant & machinery	Furniture & fixtures	Office equipment	Vehicles	Total
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**
Net block									
As at 31.03.2014	994.52	73.87	10.38	1,214.01	2,418.23	383.80	424.88	56.38	5,576.07
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**

Notes :

1. In respect of Joint Venture leasehold land of ₹ 117.17 lacs (Gross Block) Net Block ₹ 69.96 lacs [Previous year ₹117.17 lacs (Gross Block) Net Block ₹ 73.87 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 ₹ 699.80 lacs (Gross Block) (Net Block ₹ 346.11 lacs) [Previous year ₹ 699.80 lacs (Gross Block) (Net Block ₹ 365.85 lacs), being the proportionate share of Zuari Group representing pipelines laid on land for which Right of Way agreement is yet to be executed.
3. In respect of joint venture, buildings of ₹ 261.23 lacs (Gross Block) (Net Block ₹ 164.97 lacs) [Previous year ₹ 261.23 lacs (Gross Block) (Net Block ₹ 174.61 lacs] being the proportionate share of Zuari Group and plant and machinery valuing ₹ 2,065.73 lacs (Gross Block) (Net Block ₹ 1,053.10 lacs) [Previous year ₹ 2,043.25 lacs (Gross Block) (Net Block ₹ 1,200.13 lacs), being the proportionate share of Zuari Group, have been constructed / erected on leasehold land and rented land.
4. Buildings include building given on operating lease having gross block ₹ 187.45 lacs (31st March, 2014 :: ₹ 187.45 lacs), depreciation charged for the year ₹ 2.96 lacs (31st March, 2014 :: ₹ 3.06 lacs), accumulated depreciation ₹ 24.71 lacs (31st March, 2014 :: ₹ 21.75 lacs), net book value ₹ 162.74 lacs (31st March, 2014 :: ₹ 165.70 lacs)
5. Freehold land of ₹ Nil (31st March, 2014 :: ₹ 3,120.00 lacs) has been transferred to stock in trade (land).

11.2 Intangible assets

₹ in lacs

Particulars	Software	Total
Gross block		
As at 01.04.2013	775.76	775.76
Purchase	79.82	79.82
Deductions	–	–
Transfer on account of Dilution in stake	0.57	0.57
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**
Amortization		
As at 01.04.2013	584.96	584.96

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

₹ in lacs

Particulars	Software	Total
Charge for the year	129.38	129.38
Deductions	–	–
Transfer on account of Dilution in stake	0.42	0.42
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**
Net block		
As at 31.03.2014	141.09	141.09
As at 31.03.2015	**96.38**	**96.38**

11.3 Pre–operative (pending allocation) (included under Capital Work in Progress)

₹ in lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Opening Balance brought forward	–	–
Salaries, wages and bonus	**28.85**	–
Contribution to provident and other funds	**2.06**	–
Staff welfare expenses	**0.15**	–
Power, fuel and water	**100.83**	–
Rates and taxes	**11.23**	–
Insurance	**44.05**	–
Transmission line expenses *	**812.85**	–
Miscellaneous expenses	**120.52**	–
Interest	**1,179.83**	–
Other borrowing costs	**328.35**	–
Scrap Sales	**(34.45)**	–
	2,594.27	–
Less: Allocated to Fixed Assets	–	–
Closing Balance carried forward	**2,594.27**	–

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

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

12. Non–Current Investments (valued at cost less provision)

₹ in lacs

Particulars	31st March, 2015		31st March, 2014	
Other than trade, Quoted				
6,06,20,147 (31st March, 2014:: 6,14,48,200) Equity Shares of ₹ 10 each fully Paid up of Chambal Fertilisers and Chemicals Limited		**10,085.06**		10,570.80
3,75,71,612 (31st March, 2014:: 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, 2014:: 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, 2014:: 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, 2014:: 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, 2014:: Nil) Equity Shares of ₹ 10/– each fully paid up of Premium Exchange & Finance Ltd		**5.59**		–
1,88,460 (31st March, 2014:: Nil) Equity Shares of ₹ 10/– each fully paid up of Master Exchange & Finance Ltd.		**5.90**		–
24,700 (31st March, 2014:: Nil) Equity Shares of ₹ 10/– each fully paid up of Duke Commerce Limited		**0.64**		–
14,000 (31st March, 2014:: Nil) Equity Shares of ₹ 10/– each fully paid up of Ess Dee Aluminium Limited		**81.71**		–
Associate				
Other than trade, Quoted				
1,34,90,510 (31st March, 2014:: 1,34,90,510) Equity Shares of ₹ 10/– each fully paid up of Zuari Agro Chemicals Limited (including Capital Reserve of ₹ 902.72 lacs)	**7,258.24**		8,620.92	
Less : Dividend received	**(404.72)**		(378.52)	
Less : Share of profit/ (loss) for the current year	**287.80**		(984.16)	
		7,141.32		7,258.24
Unquoted				
20,49,994 (31st March, 2014: 20,49,994) Equity Shares of ₹ 10/– each fully paid up of New Eros Tradecom Limited (including goodwill of ₹ 661.40 lacs)	**1,560.11**		1,553.88	
Add: Share of profit for the current year	**41.24**		6.23	
		1,601.35		1,560.11
Others, Other than trade, Unquoted				
72,000 (31st March, 2014:: 72,000) Equity shares of ₹ 10/– each fully paid up of Indian Potash Limited		**3.60**		3.60
1,00,000 (31st March, 2014:: 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, 2014:: 2,58,250) Equity shares of ₹ 10/– each fully paid up of Lionel India Limited*		**258.90**		258.90
Nil (31st March, 2014:: 1,50,00,000) 7% Non Convertible Redeemable Preference Shares 1st Series, of ₹ 10/– each fully paid up of Gobind Sugar Mills Limited, redeemable in one single lot after expiry of the 12th Year from the date of allotment		–		1,500.00

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

₹ in lacs

Particulars	31st March, 2015		31st March, 2014	
Nil (31st March, 2014:: 50,00,000) 7% Non Convertible Redeemable Preference Shares 2nd Series, of ₹ 10/– each fully paid up of Gobind Sugar Mills Limited, redeemable in one single lot after expiry of the 12th Year from the date of allotment		–		500.00
Nil (31st March, 2014:: 3,30,00,000) 7% Non Convertible Redeemable Preference Shares 3rd Series, of ₹ 10/– each fully paid up of Gobind Sugar Mills Limited, redeemable in one single lot after expiry of the 12th Year from the date of allotment		–		3,300.00
Nil (31st March, 2014:: 35,00,000) 7% Non Convertible Redeemable Preference Shares 4th Series, of ₹ 10/– each fully paid up of Gobind Sugar Mills Limited, redeemable in one single lot after expiry of the 12th Year from the date of allotment		–		350.00
Nil (31st March, 2014:: 35,00,000) 7% Non Convertible Redeemable Preference Shares 5th Series, of ₹ 10/– each fully paid up of Gobind Sugar Mills Limited, redeemable in one single lot after expiry of the 12th Year from the date of allotment		–		350.00
Nil (31st March, 2014:: 1,00,00,000) 7% Non Convertible Redeemable Preference Shares 6th Series, of ₹ 10/– each fully paid up of Gobind Sugar Mills Limited, redeemable in one single lot after expiry of the 12th Year from the date of allotment		–		1,000.00
Nil (31st March, 2014:: 1,17,50,000) 7% Non Convertible Redeemable Preference Shares 7th Series, of ₹ 10/– each fully paid up of Gobind Sugar Mills Limited, redeemable in one single lot after expiry of the 12th Year from the date of allotment		–		1,175.00
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**		–
10,45,000 (31 March, 2014 ::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
19,092 (31 March, 2014:: 19,092) Equity shares of ₹ 100 each fully paid up Lionel Edwards Limited		**1.91**		1.91
Nil (31st March, 2014:: 3,22,67,741) ₹ 10/– each fully paid up of Nagarjuna Fertilisers and Chemicals Limited		–		2,115.39
Total		**32,233.84**		42,990.49
Less : Provision for dimunition in the value of Investments *				
– Simon Engineering and Partners LLC		**10.45**		10.45
– Lionel India Ltd.		**258.90**		258.90
Total		**31,964.49**		42,721.14
Aggregate Amount of Quoted Investments [(Market value ₹ 1,36,896.75 lacs, (31st March, 2014 :: ₹ 71,296.24 lacs)]		**30,346.31**		30,855.13
Aggregate Amount of unquoted Investments		**1,618.18**		11,866.01
Total		**31,964.49**		42,721.14

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

(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/– 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, 2014:: 6944.09 lacs) (based on cost allocation as above in (a)) and market value of these investments is ₹ 1,205.64 lacs (31st March, 2014:: ₹ 1,056.04 lacs). Hence, there is a diminution in the value of investment by ₹ 5,738.45 lacs (31st March, 2014:: ₹ 5,888.05 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.

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

(b) The Company has on December, 18, 2014 terminated the Shareholders agreement with Zuari Cements Limited and has received ₹ 1641.27 lacs towards sale of equity shares held in Gulbarga Cement Limited from an affiliate of Zuari Cement Limited at book value.

13. Loans and Advances

₹ in lacs

Particulars	Non Current		Current	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
Capital advances				
Unsecured, considered good	**1,022.25**	2,595.22	–	–
	1,022.25	2,595.22	–	–
Security deposits				
Unsecured, considered good	**1,749.52**	1,931.17	**132.84**	187.52
	1,749.52	1,931.17	**132.84**	187.52
Loans and advances to related parties (Refer note No. 52)				
Unsecured, considered good	–	2,163.57	**94.55**	101.83
	–	2,163.57	**94.55**	101.83
Advances recoverable in Cash or Kind				
Unsecured, considered good	**640.58**	649.70	**10,106.34**	5,232.66
Unsecured, considered good from related parties	–	–	**1,570.26**	–
Unsecured, considered doubtful	**10.85**	–	–	16.22
	651.43	649.70	**11,676.60**	5,248.88
Less: provision for doubtful	**10.85**	–	–	16.22
	640.58	649.70	**11,676.60**	5,232.66

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

₹ in lacs

Particulars	Non Current		Current	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
Inter corporate deposit				
Unsecured, considered good	–	–	–	300.00
Unsecured, considered doubtful	–	–	**1,125.00**	1,125.00
	–	–	**1,125.00**	1,425.00
Less: provision for doubtful	–	–	**1,125.00**	1,125.00
	–	–	–	300.00
Other Loans and Advances				
Secured				
Loans to Employees considered good	–	1.75	**7.39**	0.13
Loans to Employees considered doubtful	**0.35**	–	–	–
	0.35	1.75	**7.39**	0.13
Less: provision for doubtful	**0.35**	–	–	–
	–	1.75	**7.39**	0.13
Unsecured, considered good except where other wise stated.				
Loans to Employees	**13.42**	6.87	**12.36**	10.63
MAT Credit entitlement	–	181.77	**27.65**	–
Prepaid expenses	**0.05**	1.96	**181.61**	183.28
Balances with Customs, Port Trust and Excise Authorities	–	–	**1,489.22**	309.07
Share application money	–	–	–	694.30
Cane subsidy Receivable	–	–	**2,172.95**	–
Claim receivable(considered doubtful)	**0.59**	–	–	–
Advance payment of income tax (net of provision for income tax)	**2,708.19**	2,069.19	**1,192.48**	1,201.64
	2,722.25	2,259.79	**5,076.27**	2,398.92
Less: Provision for doubtful advances	**0.59**	–	–	–
	2,721.66	2,259.79	**5,076.27**	2,398.92
Total	**6,134.01**	9,601.20	**16,987.65**	8,221.06

(i) The Parent and a subsidiary Company has till date recognised ₹ 27.65 lacs (31st March, 2014:: ₹ 181.77 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.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

14. Other Assets

₹ in lacs

Particulars	Non Current		Current	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
Interest accrued on Loans, Advances and Deposits				
– From related parties (refer note no. 52)	**–**	492.14	**1.73**	–
– From others	**10.79**	4.39	**357.16**	96.93
Interest accrued on Loans to employees	**0.01**	1.09	**0.11**	0.46
Interest receivable from customers	**–**	–	**–**	33.80
Unbilled revenue	**–**	–	**5,803.75**	7,565.70
Insurance claim receivable	**–**	–	**–**	–
Unamortised Premium on forward contracts*	**–**	–	**3.24**	389.29
Capital asset held for sale (Net of provision ₹ 5.00 lacs against book value)	**–**	–	**34.47**	–
Others	**0.06**	–	**1.65**	–
Total	**10.86**	497.62	**6,202.11**	8,086.18
Non current bank balances (note 18)	**236.06**	119.82	**–**	–
	236.06	119.82	**–**	–
Total	**246.92**	617.44	**6,202.11**	8,086.18

* 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

15. Current Investments

₹ in lacs

Particulars	**31st March, 2015**	31st March, 2014
Current portion of long term investments (valued at cost)		
Trade, Quoted		
Nil (31st March, 2014:: 9,229) Equity Shares of ₹ 10/– each fully paid up of Ess Dee Aluminium Ltd.	**–**	51.62
Unquoted		
6,60,000 (31st March, 2014:: 6,66,000) – 6 % Non cumulative , Preference shares of Adventz Investments Company Private Limited (formerly known as Academiam Sales Private Limited) of ₹ 100 each fully paid up. (Redeemable on 30.09.2015)	**660.00**	660.00
3,22,67,741 (31st March, 2014 :: Nil) Equity Shares of ₹ 1/– each fully paid up of Nagarjuna Fertilisers and Chemicals Limited[Refer note 15(a)]	**2,115.39**	–
Investments in Mutual Funds		
Quoted Mutual Funds (Valued at lower of cost and fair value, unless stated otherwise)		
20,056.33 units (31st March, 2014:: 74,740.80) of the Face Value of ₹ 1000/– each in Reliance Liquid Fund–Treasury Plan–Institutional Option-Daily Dividend Option	**306.61**	1,142.59
45,50,294.404 units (31st March, 2014:: Nil) of face value of ₹ 10 /– each in IDFC–Money Manager Fund –Treasury Plan	**1,000.00**	–

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
1,42,53,222.092 units (31st March, 2014:: Nil) of face value of ₹ 10 /– each in Kotak Mutual Fund–Daily Dividend Option	**1,436.70**	–
Nil (31st March, 2014:: 10,311.36) units of the Face Value of ₹ 100/- each in DWS Insta Cash Plus Fund – Direct Plan – Growth	–	17.15
Nil (31st March, 2014:: 49,230.82) units of the Face Value of ₹ 1000/– each in IDBI Ultra Short Term Fund – Direct Plan – Daily Dividend Re-investment Plan	–	502.42
Nil (31st March, 2014:: 87,804.57) units of the Face Value of ₹ 1000/– each in L & T Liquid Fund – Direct Plan – Daily Dividend Re-investment Plan	–	888.54
Nil (31st March, 2014:: 10,42,312.93) units of the Face Value of ₹ 100/- each in ICICI Prudential Liquid Fund – Direct Plan – Daily Dividend Re-investment Plan	–	1,042.88
Total	**5,518.70**	4,305.20
Book Value of Quoted Investments	–	51.62
Book Value of Unquoted Investments	**2,775.39**	660.00
Market value of quoted investments ₹ Nil (31st March, 2014 :: ₹ 57.81 lacs)		
Net asset value of unquoted investments in the units of Mutual Funds (Book value ₹ 2743.31 lacs (31st March, 2014:: ₹ 3,593.58 lacs)	**2,752.92**	3,594.43

(a) The Parent 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.

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

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Raw materials	**637.63**	795.00
Packing materials	**10.08**	11.17
Work-in-progress	**398.98**	4.49
Project-in-progress	**10,108.75**	6,431.96
Finished products	**20,682.86**	1,804.33
Traded products	**2,310.59**	2,270.98
Stock in trade (land)*	**20,549.64**	19,479.32
By-Products (Valued at Estimated Realisable Value)	**1,254.71**	–
Scrap (Valued at Estimated Realisable Value)	**20.50**	–
Stores and spares	**504.41**	168.31
Total	**56,478.15**	30,965.56

* Stock in trade (land) of ₹ 17,429.64 (31st March, 2014 ::₹ 16,359.31 lacs) is pending to be registered in the Company's name.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

17. Trade receivables

₹ in lacs

Particulars	Current	
	31st March, 2015	31st March, 2014
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	**7.26**	2.00
Unsecured, considered good	**1,563.04**	860.15
Unsecured, considered doubtful	**80.62**	57.31
	1,650.92	919.46
Less: Provision for doubtful debts	**80.62**	57.31
(A)	**1,570.30**	862.15
Other receivables		
Secured, considered good	**67.40**	59.76
Unsecured, considered good	**8,263.42**	12,298.57
(B)	**8,330.82**	12,358.33
Total	**9,901.12**	13,220.48

18. Cash and bank balances

₹ in lacs

Particulars	Non Current		Current	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
Cash and cash equivalents				
a. Balances with banks				
– On Current accounts	**–**	–	**3,233.88**	3,290.27
– On Deposits accounts with original maturity less than three months	**–**	–	**100.00**	704.56
– On Unpaid dividend account	**–**	–	**33.46**	35.53
– On Interest warrant accounts	**–**	–	**5.30**	9.08
b. Cheques on hand	**–**	–	**95.87**	207.30
c. Cash on hand	**–**	–	**55.15**	104.31
d. Other bank balances	**–**	–	**0.06**	–
	–	–	**3,523.72**	4,351.05
Other bank balances				
Deposits with original maturity for more than 12 months	**235.76**	107.70	**225.70**	163.59
Deposits with original maturity for more than 3 months but less than 12 months	**–**	–	**6,483.26**	2,261.98
Margin money deposits	**0.30**	12.12	**96.41**	122.41
Total	**236.06**	119.82	**6,805.37**	2,547.98
Amount disclosed under non current assets	**(236.06)**	(119.82)	**–**	–
Total	**–**	–	**10,329.09**	6,899.03

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

(i) In respect of a subsidiary Company, margin money deposits with carrying amount of ₹ 96.41 lacs (31st March, 2014:: ₹ 49.10 lacs are subject to first charge to secure the Company's letter of credit facility.

(ii) Deposit accounts include pledged deposit of ₹ 576.00 lacs (31st March, 2014:: ₹ 526.64 lacs) with banks and government departments

19. Revenue from operations

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Revenue from operations		
Sale of products		
Finished products	**16,888.09**	7,184.68
Traded products	**9,729.77**	26,706.03
Real estate	**5,640.99**	7,705.94
Terminalling Services (net of service tax)	**537.15**	480.53
Shares and securities	**1,197.62**	533.20
Sale of Engineering Supplies and other Services (net of service tax)	**18,123.22**	22,412.72
By products	**1,302.38**	–
Other operating revenues		
Scrap Sales	**34.46**	32.66
Revenue from operations (gross)	**53,453.68**	65,055.76
Less : Excise duty	**1,385.35**	815.31
Revenue from operations (net)	**52,068.33**	64,240.45

Excise duty on sales amounting to ₹ 1385.35 lacs (31st March, 2014:: ₹ 815.31 lacs) has been reduced from sales in Statement of Profit and Loss and excise duty on increase / decrease in stock amounting to ₹ 540.30 (31st March, 2014:: ₹ 47.63 lacs) has been considered as (income)/expense in the financial statement.

20. Other income

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Interest Income on		
Income tax refunds	**8.31**	1.47
Bank deposits	**286.79**	272.12
Loans, etc	**259.60**	210.30
Compensation towards land acqusition	**145.76**	–
Overdue debtors, employee loans etc.	**320.92**	284.29
	1,021.39	768.18
Less: Excess credit of interest taken in ealier years now reversed	–	(57.16)
	1,021.39	711.02
Dividend Income on		
Current investments	**185.85**	337.18

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Long–term investments	**1,294.24**	1,558.66
Profit on disposal of current Investments	**12.67**	33.25
Profit on disposal of fixed assets (net)	**–**	13.87
Rent received	**152.81**	147.85
Subsidy on cane purchase	**409.11**	–
Excess Provisions and Liabilitites Written Back	**170.66**	402.25
Sevice income – staff deployment and other support	**67.39**	13.43
Foreign Exchange Variation (Net)	**–**	28.43
Miscellaneous income	**129.29**	186.45
Total	**3,443.41**	3,432.39

21. Cost of raw materials consumed:

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Inventory at the beginning of the year	**795.00**	896.75
Add : Transfer on acquisition of Subsidiary	**3.26**	–
Add : Purchases	**22,301.91**	3,427.26
Less : Inventory at the end of the year	**(637.63)**	(795.00)
Cost of raw materials consumed	**22,462.54**	3,529.01

22 (a) Details of purchase of traded products:

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Traded products purchase details		
MOP	**3,739.55**	9,757.28
DAP	**(1.14)**	–
Pesticides	**(31.36)**	4,523.76
Furniture and accessories	**2,582.92**	4,208.75
Securities	**–**	400.55
Total	**6,289.97**	18,890.34

22 (b) Details of purchase of land:

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Land	–	19,479.31
Total	–	19,479.31

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

23. (Increase) in inventories

₹ in lacs

Particulars	31st March, 2015	31st March, 2014	(Inc)/dec of 2015
Inventories at the end of the year			
Finished products	**20,682.86**	1,804.33	**(18,878.53)**
Traded products	**2,310.59**	2,270.98	**(39.61)**
Project Work–in–progress	**10,108.75**	6,431.96	**(3,676.79)**
Work–in–progress	**398.98**	4.49	**(394.49)**
By Products	**1,254.71**	–	**(1,254.71)**
Scrap (Valued at Estimated Realisable Value)	**20.50**	–	**(20.50)**
Stock in trade (land)	**20,549.64**	19,479.31	**(1,070.33)**
	55,326.03	29,991.07	**(25,334.96)**
Inventories at the beginning of the year			
Finished products	**1,804.33**	1,489.03	**(315.30)**
Traded products	**2,270.98**	3,812.00	**1,541.02**
Project Work–in–progress	**6,431.96**	7,458.66	**1,026.70**
Work–in–progress	**4.49**	21.74	**17.25**
Stock in trade (securities)	**–**	132.63	**132.63**
Stock in trade (land)	**19,479.31**	–	**(19,479.31)**
Add : Stocks Transferred on account of Acquisition of subsidiary & Joint Ventures			–
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)**
Scrap	**13.68**	–	**(13.68)**
	40,964.53	12,914.06	
Total	**(14,361.50)**	(17,077.01)	

24. Employee benefit expense

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Salaries, wages and bonus	**6,693.41**	5,646.64
Contribution to provident and other funds	**303.90**	355.81
Gratuity (Refer note no. 47)	**58.46**	42.65
Staff welfare expenses	**293.67**	299.36
Total	**7,349.44**	6,344.46

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

25. Depreciation and amortisation expense

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Depreciation of tangible assets	**721.68**	699.40
Amortization of intangible assets	**95.45**	129.38
	817.13	828.78
Less: Transferred to project expenses	**(12.99)**	(7.74)
Total	**804.14**	821.04

Note : One of the subsidiary Company has grouped its depreciation on construction & development projects of ₹ 12.99 lacs (31st March, 2014:: ₹ 7.74 lacs) under project expenses. (Refer note 27 below)

26. Finance costs

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Interest expense [including interest on Income Tax ₹ 12.69 lacs (31st March, 2014:: ₹ 91.01 lacs)] (Refer note 38 below)	**3,183.91**	937.72
Bank charges	**230.93**	165.83
Total	**3,414.84**	1,103.55

27. Other expenses

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Consumption of packing materials	**579.10**	438.15
Stores and spares consumed	**458.95**	126.95
Power, fuel and water	**521.87**	501.02
Outward freight and handling	**1,125.56**	1,198.13
Project expenses (Refer details below)	**19,663.00**	22,381.89
Rent	**2,124.04**	2,579.10
Lease rentals	**9.07**	16.03
Rates and taxes	**211.78**	229.13
Insurance	**151.73**	109.71
Repairs and maintenance		
Buildings	**88.80**	15.16
Plant & machinery	**419.74**	150.87
Others	**540.40**	568.21
Legal and consultancy charges	**590.75**	988.72
Payment to auditor (Refer details below)	**89.25**	74.99
Cash rebate	**20.63**	10.73
Incentive paid to dealers	–	18.28
Commission expenses	**284.31**	396.88

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Advertisement and sales promotion	**959.40**	1,482.79
Sundry balances written off	**323.87**	134.81
Excise duty on increase/(decrease) on inventory	**540.30**	47.63
Exchange fluctuation variation (net)	**214.26**	–
Donations	**2.37**	2.15
Loss on sale of non current investments	**–**	165.28
Loss on disposal of fixed assets (net)	**36.16**	–
Provision for doubtful debts, loans, claims and advances	**2.70**	25.06
Miscellaneous expenses	**1,178.16**	1,365.90
	30,136.20	33,027.57
Less : Transferred to capital work in progress	**–**	(22.56)
Total	**30,136.20**	33,005.01
Payments to the auditors		
As auditor		
Audit fee	**54.10**	53.91
Tax audit fee	**11.45**	8.88
Limited review	**7.76**	5.56
In other capacity		
Other services (certification fees)	**13.43**	4.56
Reimbursement of expenses	**2.51**	2.08
Total	**89.25**	74.99
Project expenses		
Architect fees	**337.85**	158.46
Land development	**770.54**	601.62
Civil work	**2,958.03**	3,807.91
Project supplies	**9,943.84**	11,676.94
Travelling and conveyance	**107.00**	100.54
Consultation/ sub–contracting fee	**3,789.93**	5,216.03
Insurance	**–**	6.88
Bank charges	**35.06**	16.71
Site office expenses	**74.81**	152.86
Rent	**5.10**	–
Printing, stationery and communication	**25.81**	35.07
Rates and taxes	**474.04**	69.01
Warranties	**180.45**	90.31
Project staff cost	**456.50**	292.92
Contribution to provident and other funds	**–**	19.78

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Interest expenses	**1,100.16**	284.33
Depreciation	**12.99**	7.74
Miscellaneous expenses	**310.07**	61.65
	20,582.16	22,598.76
Less : Reversal of provision made towards warranty in earlier years	**913.47**	216.87
Less : Transfer on account of recovery	**5.70**	–
Total	**19,663.00**	22,381.89

28. Exceptional Items (net)

₹ in lacs

Particulars	31st March, 2015	31st March, 2014
Income		
Profit on exchange of Freehold land	–	(3,000.00)
Profit on dilution of stake in Joint Venture (net)	–	(776.00)
Profit on divestment of stake in Joint venture (net)	–	(428.84)
	–	(4,204.84)
Expenses		
Loss on divestment of stake in Joint Venture (net)	**1,297.76**	–
Fire incident Expenses		
Legal & Professional	–	12.18
Other expenses	–	0.18
	1,297.76	12.36
Less: Insurance claim received	–	(2.69)
	1,297.76	9.67
Others		
Expenses on voluntary retirement scheme	–	100.11
Provision for dimunition in the value of long term investments (Refer note 12 above)	–	258.90
Interest on income tax (Refer note 38 below)	–	1,116.68
	–	1,475.69
Total	**1,297.76**	(2,719.48)

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, 2015	Proportion of Ownership Interest as at 31st March, 2014
Indian Furniture Products Limited (IFPL) consolidated including its subsidiaries (Refer Note (i) & (v) below)	India	**86.05%**	100.00%
Simon India Limited (Refer note (ii) below)	India	**100.00%**	100.00%
Zuari Management Services Limited	India	**100.00%**	100.00%

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

Name of the Company	Country of Incorporation	Proportion of Ownership Interest as at 31st March, 2015	Proportion of Ownership Interest as at 31st March, 2014
Zuari Infraworld India Limited (formerly known as Adventz 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 India Ltd	UAE	**100.00%**	100.00%
Style Spa Furniture Limited (29.85% held by Zuari Investments Limited; 10.56% held by Zuari Management Services Limited; 18.16% held by Zuari Global Limited (Refer Note (v) below)	India	–	58.57%
Zuari Financial Services Limited (Refer Note (vi) below)	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, 2015	Proportion of Ownership Interest as at 31st March, 2014
Zuari Indian Oiltanking Limited (Refer note (vii) below)	India	**50.00%**	50.00%
Gulbarga Cement Limited (Refer note (viii) below) (upto12th January ,2015)	India	–	10.09%

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, 2015	Proportion of Ownership Interest as at 31st March, 2014
Zuari Agro Chemicals Limited Consolidated (including subsidiaries and Joint Ventures) (Refer note (ix) 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	–	25.00%
New Eros Tradecom Limited	India	**45.05%**	45.05%

i) Consolidated including its subsidiaries –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, 2006 (as amended). 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 ₹ 18.58 lacs from JV Company against the invoices raised by the subsidiary Company in the financial statements.

iii) Consolidated including its subsidiaries - Zuari Infra Middle East Limited 100% (w.e.f 10th September, 2014)including its joint ventures Brajbhumi Nirmaan Private Limited (25%) (w.e.f. 31st December, 2014), Pranati Niketan Private Limited (25%) (w.e.f. 31st December, 2014) and Darshan Nirmaan Private Limited (25%) (w.e.f. 31st December, 2014).

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

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 current year, Zuari Investments Limited, a wholly owned subsidiary of Zuari Global Limited, has acquired additional stake of 26.27% of equity shares in Gobind Sugar Mills Limited (total holding 51.27% as on 31st March, 2015), 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 [w.e.f. 30th September, 2013] (45.05%).

During the previous financial year, consolidated including its subsidiaries - Zuari Insurance Brokers Limited (100%), Zuari Commodity Trading Limited (100%), Zuari Financial Services Limited (100%) and Associates - Equity Method being adopted for Gobind Sugar Mills Limited (w.e.f. 21st August, 2012) (25%) (including its subsidiary, New Eros Tradecom Limited), Style Spa Furniture Limited (29.85%) and New Eros Tradecom Limited (w.e.f. 30th September, 2013) (45.05%).

v) The Board of Directors of a subsidiary Company (IFPL) at its meeting held on 23rd, October, 2013 approved the scheme of amalgamation of Style Spa Furniture Limited (SSFL) and Indian Furniture products Limited (IFPL) with the appointed date as 1st April, 2014 ('Scheme of Amalgamation'). The Scheme of Amalgamation was sanctioned by an order dated 27th March, 2014 of the High Court of Judicature of Madras effective from 1st April, 2014. The subsidiary Company has accounted for the merger as per the terms of the Scheme of Amalgamation as more fully disclosed in Note No.49 below.

Pursuant to the Scheme of Amalgamation between Indian Furniture Products Limited (IFPL) and Style Spa Furniture Limited (SSFL), the Parent Company has got fifteen fully paid equity shares of IFPL of ₹ 10/– each for every fourteen equity shares of ₹ 10/– held in SSFL.

On account of the merger of the two subsidiary companies (IFPL & SSFL) the holding of the Parent Company in Indian Furniture Products Limited (IFPL) is reduced from 100% to 86.05%

vi) 100% subsidiary of Zuari Investments Limited upto 14th January, 2015 and thereafter as wholly owned subsidiary of the Parent Company.

The Parent Company has invested a sum of ₹ 275.00 lacs in the equity shares of Zuari Financial Services Limited (ZFSL) acquired from Zuari Investments Limited (wholly owned subsidiary of the Parent Company). Consequently ZFSL became a wholly owned subsidiary of the Parent Company. Further, on 11th February, 2015 ZFSL has allotted 1240000 equity shares of ₹ 10/– each to the Parent Company at a consideration of ₹ 11/– per share through Rights Issue.

vii) One of the joint venture has applied for conversion from Public Limited to Private Limited in the month of March, 2015.

viii) The Parent Company has 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. 12th January, 2015. The Parent Company has received ₹ 1,641.27 lacs towards sale of equity shares held in Gulbarga Cements Limited from an affiliate of Zuari Cements Limited at book value. Financial statements of Gulbarga Cement Limited (GCL) as at and for the period ended 12th January, 2015 are unaudited.

ix) During the year, the Group has acquired/ divested stake in the following entities. The effect on increase / (decrease) in assets and liabilities are as follows.

₹ in lacs

Company Name	Acquisition/Dilution	Nature	Assets	Liabilities
Gulbarga Cements Limited	Divestment	Subsidiary	(4,742.03)	(1,093.34)
Gobind Sugar Mills Limited	Acquisition	Sub–Subsidiary	46,773.64	51,090.77
Brajbhumi Nirman Private Limited	Acquisition	Joint Venture of a subsidiary	2,449.55	1,289.18
Pranati Niketan Private Limited	Acquisition	Joint Venture of a subsidiary	54.20	0.03
Darshan Nirman Private Limited	Acquisition	Joint Venture of a subsidiary	69.09	0.03

x) Consolidated including its subsidiaries - Zuari Agri Sciences Limited (formerly known as Zuari Seeds Limited), Zuari Fertilisers and Chemicals Limited; Joint Venture - Zuari Maroc Phosphates Private Limited (formerly known as Zuari Maroc Phosphates Limited) (50%) including its 80.45% subsidiary Paradeep Phosphates Limited,MCA Phosphates Pte. Limited (30%) including its associate Fosfatos del Pacifico S.A and Zuari Rotem Speciality Fertilizers Limited (50%).

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

30. (a) Contingent Liabilities (Not Provided For):

₹ in lacs

Particulars				As at 31st March, 2015		As at 31st March, 2014	
				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	–
		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	–
	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 ₹ 7.45 lacs)	**7.45**	–	7.45	–
		viii	Pending case before the Appellate Deputy Commissioner (Commercial taxes) relating to the period 2008–11 under the Andhra Pradesh VAT Act, 2005.(The case was won by the subsidiary during the current year)	–	–	59.27	–
		ix	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	–
		x	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	–

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

₹ in lacs

Particulars			As at 31st March, 2015		As at 31st March, 2014	
			Zuari& its Subsidiaries	***Joint Ventures**	Zuari& its Subsidiaries	*Joint Ventures
II	**Taxation matters****					
	i	Income tax demand for Assessment Year 2011–12 in respect of a subsidiary Company.	**33.36**	–	418.96	–
	ii	Income tax demand for Assessment Year 2010–11 in respect of a subsidiary Company.	**17.38**	–	53.26	–
	iii	Demand in respect of WealthTax for Assessment Years 2006 – 07 to 2010–11 for which the Company has filed appeals with Commissioner of WealthTax (Appeals).The Company has deposited ₹ 282.89 lacs under protest.	**565.78**	–	565.78	–
	iv	Demand in respect of Assessment Year 2007–2008 for which an appeal is pending with CIT (Appeals)	**254.47**	–	–	–
	v	Demand in respect of Assessment Year 2012–2013 for which an appeal is pending with CIT (Appeals)	**1,263.50**	–	–	–
	vi	In respect of Assessment year 2011–12, certain adjustments have been proposed to be made to the transaction value by the tax authorities based on arm's length price of international transaction with associated enterprise and other adjustments. The Company is yet to receive final order. The amount of tax is excluding interest and penalty. The Company has filed application before Dispute Redressal Panel (DRP), which is pending	**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
III	**Other claims against the Company not acknowledged as debts**		**399.55**	**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 (previous year ₹ 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**		**8,783.83**	**41.89**	–	1,691.06
VI	**Arrears of Dividend Cumulative Preference Shares in case of Subsidiary Company**		**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) Corporate guarantees given in favour of banks and others on behalf of Subsidiary of an Associate:

₹ in lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Zuari Agri SciencesLimited (formerly known as Zuari Seeds Limited)	–	2,100.00

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

(c) The Group is involved in various litigations, the outcomes of which are considered probable, and in respect of which the Group has made aggregate provisions of ₹ 7,360.76 lacs as at 31st March, 2015.

(d) The Group is involved in various litigations, the outcomes of which are considered remote by the Group, and in respect of which the Group has not made any provisions aggregating to ₹ 6,035.16 lacs as at 31st March, 2015.

(e) 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 are completed; the Joint venture Company is waiting for the reply from public prosecutor in next hearing in the court.

31. Contingent Liabilities of Associates*:

₹ in lacs

Particulars	As at 31st March, 2015	As at 31st March, 2014
Demand/claims from Government authorities	**5,488.39**	4,548.12
Other claims against the Company not acknowledged as debts	**341.82**	354.82
Aggregate amount of guarantees issued by the banks to various Government Authorities and Others	**5,878.34**	2,874.78
Estimated amount of contracts remaining to be executed on capital account (not provided for)	**6,923.66**	10,210.80
Corporate Guarantee provided to Banks for the loans financed by the Banks to the dealers in case of default	**1,162.75**	1,311.91

* 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	2014–15	2013–14
Zuari Investments Ltd.	**970.93**	970.93
Zuari Infraworld India Ltd. (Formerly known as Adventz Infraworld India Ltd.)	**829.36**	829.36
Brajbhumi Nirmaan Private Limted	**1,602.96**	–
Pranati Niketan Private Limited	**0.36**	–
Darshan Nirman Private Limited	**0.36**	–
Gobind Sugar Mills Limited	**12,368.62**	–
Gulbarga Cement Ltd.*	–	8.60
Style Spa Furniture Ltd.**	–	338.01
Indian Furniture Products Limited**	**338.01**	–
Total	**16,110.60**	2,146.90

* Charged to Statement of Profit & Loss on sale of shares held in Gulbarga Cements Limited.

** Pursuant to the Scheme of Amalgamation between Indian Furniture Products Limited (IFPL) and Style Spa Furniture Limited (SSFL), the Goodwill in the name of SSFL has been transferred to IFPL.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

33. Earnings Per Share (EPS):

₹ in lacs

Particulars	**Year ended 31st March, 2015**	Year ended 31st March, 2014
Profit / (Loss) after taxation as per Statement of Profit and Loss (₹ in lacs)	**(2,624.98)**	(119.57)
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 ₹)	**(8.91)**	(0.41)
Face value per share (in ₹)	**10.00**	10.00

34. In case of one of the subsidiary Company, Indian Furniture Products Limited, as at 31st March, 2015 the Company's accumulated losses of ₹ 6,985.91 lacs (previous year ₹ 2,304.92 lacs) has nearly eroded approximately 99% (previous year 49%) of the shareholders' funds of ₹ 7,063.28 lacs (previous year ₹ 4,650.01 lacs). Further, the Parent Company has endeavored to provide financial and operational support in the foreseeable future to enable the subsidiary to operate and settle its obligations as they become due. Management believes that its business plans for the future are profitable and would strengthen the financial position of the subsidiary in the coming years. The subsidiary continues to focus its immediate efforts on developing a healthy sales order pipeline and also effectively managing liquidity and financing requirements. Accordingly, these financial statements 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 be unable to continue as a going concern.

35. In case of one of the subsidiary, net worth has been fully eroded as the accumulated loss of the subsidiary as at the reporting date stands at ₹ 15,481.15 lacs as against the shareholder's fund of ₹ 11,164.02 lacs. Also, the subsidiary incurred a net loss of ₹ 2,560.71 lacs during the period and, as of that date; the subsidiary's current liabilities exceeded its current assets by ₹ 9,167.89 lacs. During the current year, the shareholders have infused ₹ 2,350 lacs towards subscription of share capital of the subsidiary to bridge the gap of accumulated losses and shareholders' funds. Further, based on the future profitability projections, the management is hopeful that the subsidiary would be in a position to generate positive cash flows and profits in the near future. Considering the above, these financial statements have been drawn up on the going concern assumption which is appropriate in the opinion of the management.

36. 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.

37. In case of a subsidiary Company, appeal effect orders for the assessment year 2009–2010, where appeal has been decided partly in favour of the Subsidiary Company by the Commissioner of Income Tax (Appeals), Department has adjusted the refund against the demand of Assessment Year 2010–11, Assessment Year 2011–12 wherein request letter filed with CIT on 28th August 2014 for stay of demand for 2010–11, 2011–12 and refund for 2009–10. Interest on Income Tax refund has not been recognized thereof as the amount is presently not reasonably determinable.

38. Under Section 133A of the Income Tax Act, the Income Tax department carried out a survey at the Parent Company's premises in February, 2014. Pursuant to the discussions during the survey, the Parent Company agreed to pay additional amount towards income tax demands, which has been paid during the last quarter of the year. The Parent Company has subsequently filed an application with the Commissioner of IncomeTax (Appeals) and has obtained a partial relief vide order dated April 22, 2014 issued by the Commissioner of Income Tax (Appeals). The short provision for income tax of ₹ 2,799.45 lacs and interest of ₹ 1,116.68 lacs in respect of earlier years, consequent to the additional tax claim, had been appropriately accounted for under exceptional items by the Parent Company in the previous year.

39. 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, 2015**	31st March, 2014	**Purpose**
Buy (Amount in USD)	**1,25,000**	1,77,55,771	To hedge the purchases of raw materials, traded goods and buyers credit

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

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, 2015	31st March, 2014
Trade Payables	USD	**11,03,873**	64,48,880
	₹ (In lacs)	**689.92**	3,888.11
Advance to Suppliers	USD	**–**	15,62,198
	₹ (In lacs)	**–**	942.81
Trade Payables	EURO	**–**	10,02,608
	₹ (In lacs)	**–**	831.22
Trade Receivables	USD	**5,16,013**	–
	₹ (In lacs)	**322.51**	–
Trade Receivables	AED	**28,43,999**	–
	₹ (In lacs)	**483.91**	–
Advances from Customers	USD	**55,419**	–
	₹ (In lacs)	**34.64**	–
Balances with banks on current accounts	USD	**14,251**	8,256
	₹ (In lacs)	**8.91**	4.92
Balances with banks on current accounts	AED	**11,95,758**	–
	₹ (In lacs)	**203.46**	–
Claims Receivables	USD	**–**	7,15,137
	₹ (In lacs)	**–**	428.47
Claims Receivables	AED	**10,32,571**	–
	₹ (In lacs)	**175.69**	–
Inter Corporate Deposit	AED	**3,60,000**	–
	₹ (In lacs)	**61.25**	–
Short term Loans from Banks	AED	**2,10,00,000**	–
	₹ (In lacs)	**3,573.15**	–

Unhedged foreign currency exposures as at the Balance Sheet Date (for the joint venture, being the proportionate share of Zuari Group) :

Nature of Exposure	Foreign currency involved	Outstanding amount in foreign currency	
		31st March, 2015	31st March, 2014
Trade Payables	Euro	–	2,85,820
	₹ (In lacs)	–	236.02

40. 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 between 3 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	**2014–15**	2013–14
i	Lease payments for the year	**1,938.23**	2,368.80
ii	Payable for a period not later than one year	**1,423.78**	1,957.52
iii	Payable for a period later than one year and not later than 5 years	**5,445.45**	6,468.35
iv	Payable for a period later than 5 years	**1,435.27**	2,242.76

(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 ₹ 93.11 lacs (31st March, 2014:₹ 156.75 lacs).

(c) In case of a joint venture Company, they are obligated under cancellable lease for office space and lease rental in case of right of way charges and way leave charges. The total rental expenses under cancellable leases amounted to ₹ 45.06 lacs (31st March, 2014 : ₹ 44.79 lacs) (being the proportionate share of Zuari Group).

(d) In case of a joint venture Company they are obligated under cancellable lease for office space that is renewable on a periodic basis at the option of both the lessor and lessee. The total rental expenses for the year is ₹ 0.19 lac (31st March, 2014 : 8.76 lacs) (being the proportionate share of Zuari Group) which includes the rent of the office space for Bangalore, Gulbarga and Guest house at Gulbarga.

(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 ₹ 29.41 lacs (31 March, 2014:₹ 29.41 lacs).

(f) 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 ₹ 5.10 lacs (being proportionate share of the Group).

(g) 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 ₹ 0.42 lac (being proportionate share of the Group).

(h) 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 ₹ 47.45 lacs.

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

a) Particulars of Guarantee given:

₹ in lacs

Sr. No.	Name of the Entity	Opening Balance	Guarantee Given	Guarantee discharged	Outstanding Balance	Purpose
1	Zuari Agri Sciences Limited (formerly known as Zuari Seeds Limited)	2,100.00	–	2,100.00	–	General business purpose.

42. In respect of a joint venture Company, it has provided for right of way charges aggregating to ₹ 392.17 lacs (being the proportionate share of the Zuari Group) (including ₹ 354.38 lacs provided upto previous year) (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.

43. In case of a subsidiary Advances recoverable in cash or kind :

a) Includes ₹ 195.94 lacs (previous year ₹ 164.47 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 & Loss as and when revenue is recognized.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

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 31st March, 2015 (previous year ₹ 639.58 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.

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

45. In case of a subsidiary, the Government of Uttar Pradesh has announced subsidy for Sugar industry for the sugar season 2014-2015 linked to average selling price of sugar and by-products during the period 1st October, 2014 to 31st May, 2015. During the year, the subsidiary has recognised such subsidy amounting to ₹ 2,172.95 lacs, based on the present and expected likely average price. The subsidiary 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.

46. In respect of a subsidiary Company engaged in engineering and contracting sector, disclosures relating to Project revenue recognised as per Accounting Standard - 7 on Construction Contracts* are as under:

₹ in lacs

Sl. No	Particulars	As at 31st March, 2015	As at 31st March, 2014
1.	Contract revenue recognized as revenue in the year [Clause 38(a)]	**17,900.48**	20,764.73
2.	Aggregate Amount of cost incurred and recognized profits up to the reporting date on contract under progress [Clause 39 (a)]	**15,828.68**	19,152.23
3.	Amount of advance received on contract under progress and outstanding at year end [Clause 39(b)]	**2,853.03**	7,368.80
4.	Amount of retentions on contract under progress [Clause 39(c)]	**2,459.75**	2,392.39
5.	Gross amount due from customers for contract work as an asset [Clause 41(a)]	**3,243.97**	6,754.36
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 (v)**	
8.	Method used to determine the stage of completion of projects in progress	**Refer Note No. 2.1 XVII (v)**	

* Excluding engineering and other monthly service contracts.

47. 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.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

Statement of Profit and Loss

Net employee benefit expense (recognized in Employee Cost) for the year ended March, 31, 2015:

₹ in lacs

Particulars	Gratuity			
	Funded		Unfunded	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
Current Service Cost	**46.58**	36.96	**36.51**	30.77
Interest cost on benefit obligation	**28.49**	20.25	**21.34**	17.12
Expected return on plan assets	**(28.23)**	(18.75)	**–**	–
Net actuarial (gain)/loss recognized in the year	**(17.85)**	(31.10)	**(29.18)**	(16.96)
Net benefit expense	**28.99**	7.36	**28.67**	30.93
Actual return on plan assets	**26.71**	22.83	**–**	–

In case of a Subsidiary Company, actuarial valuation has been done on standalone basis while its two subsidiaries have computed provision on actual computation basis amounting to ₹ 0.80 lac (Previous Year ₹ 2.95 lacs)

Excluding ₹ Nil (Previous year ₹ 0.76 lac) in respect of a subsidiary Company for gratuity paid directly and not from fund balance.

In respect of a subsidiary ₹ Nil (Previous year ₹ 0.65 lac) being excess of gratuity not written back.

Balance Sheet

Details of Provision for gratuity benefit as at 31st March, 2015

₹ in lacs

Particulars	Gratuity									
	Funded					Unfunded				
	31st March, 2015	31st March, 2014	31st March, 2013	31st March, 2012	31st March, 2011	**31st March, 2015**	31st March, 2014	31st March, 2013	31st March, 2012	31st March, 2011
Present Value of Defined benefit obligation	**495.14**	217.11	315.91	283.39	3,743.88	**261.40**	247.47	231.77	183.66	84.01
Fair value of plan assets	**540.66**	207.13	264.98	228.85	3,715.35	**–**	–	–	–	–
Plan assets / (liability)*	**45.51**	(9.98)	(50.93)	(54.52)	(29.51)	**(261.40)**	(247.47)	(231.77)	(183.66)	(84.01)
Experience gain / (loss) on obligation	**(17.10)**	(4.33)	(25.70)	(60.46)	(564.70)	**–**	–	–	–	–
Experience gain / (loss) on plan assets	**(1.45)**	4.38	(1.76)	–	22.44	**–**	–	–	–	–

* Including ₹ 49.50 lacs gratuity over funded (Parent Company ₹ 2.50 lacs & in respect of subsidiary ₹ 47.00 lacs) which is recognized under the head loans and advances.

Excluding ₹ 3.10 lacs in respect of subsidiaries of a subsidiary Company (Previous year ₹ 2.30 lacs) which have been computed provision on actual computation basis (refer note 'b'),

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

Changes in the present value of the defined benefit obligation for the year ended March, 31, 2015 are as follows:

₹ in lacs

Particulars	Gratuity			
	Funded		Unfunded	
	31st March, 2015	31st March, 2014	**31st March, 2015**	31st March, 2014
Opening defined benefit obligation	**217.11**	315.91	**247.47**	231.77
Transfer on Acquisition of stake in subsidiaries	**289.76**	–	**–**	–
Transfer in	**–**	–	**–**	5.69
Adjustment to opening balance	**–**	–	**10.56**	10.57
Interest cost	**28.49**	20.25	**21.34**	17.12
Current service cost	**46.58**	36.96	**36.51**	30.77
Benefits paid	**(47.87)**	(89.24)	**(25.30)**	(31.49)
Service Cost (Transfer out of Parent Company)	**(19.81)**	(40.05)	**–**	–
Actuarial (gains)/losses on obligation	**(19.12)**	(26.72)	**(29.18)**	(16.96)
Closing defined benefit obligation	**495.14**	217.11	**261.40**	247.47

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

₹ in lacs

Particulars	Gratuity (Funded)	
	31st March, 2015	31st March, 2014
Opening fair value of plan assets	**207.13**	264.98
Transfer on acquisition of stake in subsidiaries	**328.39**	–
Expected return	**28.23**	18.75
Contributions by employer	**45.86**	48.31
Benefits paid	**(47.87)**	(89.24)
Service Cost (Transfer out of parent Company)	**(19.81)**	(40.05)
Actuarial gains/(losses)	**(1.27)**	4.38
Closing fair value of plan assets	**540.66**	207.13

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 2014–15	Gratuity 2013–14
Investment with insurer (Life Insurance Corporation of India)	**100%**	100%

a. The Parent Company expects to contribute ₹ Nil (previous year ₹ Nil) towards gratuity during the year 2015-16.

b. One of the subsidiary Company expects to contribute ₹ 2.71 lacs (previous year ₹ 13.94 lacs) towards gratuity during the year 2015-16.

c. One of the joint venture Company expects to contribute ₹ 1.29 lacs (previous year ₹ 0.91 lac) towards gratuity during the year 2015-16.

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	2014-15	2013-14
Discount Rate	**8.00 %**	8.50 % – 9.00 %
Expected rate of return on plan assets	**8.00 % – 8.50 %**	8.00 % – 9.00 %
Increase in Compensation cost	**8.00 % – 10.00 %**	9.00 %
Employee turnover	**0.50 % – 16.00 %**	0.50 % – 18.18 %

a) 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.

b) In case of two subsidiaries of another subsidiary Company, no separate actuarial valuation has been performed for arriving at the Gratuity liability as at 31st March, 2015 as the number of employees of the said companies as at and for the year ended 31st March, 2015 were below 50. These liabilities as at 31st March, 2015, as reflected in the financials, have been determined on gross undiscounted basis.

(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 Fertliser 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	2014–15	2013–14
Contribution to Provident Fund	**10.95**	51.93

(iii) Details of Defined Contribution Plan in respect of the Group:

₹ in lacs

Particulars	2014-15	2013-14
Contribution to Provident Fund	**173.37**	193.48
Contribution to Superannuation Fund	**23.45**	73.71
Contribution to Family Pension Scheme	**46.80**	12.75
Contribution to New Pension Scheme	**2.35**	–
Contribution to Contributory pension fund	**46.98**	23.94
Total	**292.95**	303.88

48. In case of investment in sub subsidiaries, the excess of the share of the minority interest in accumulated losses over the networth as at 31st March, 2015, aggregating to ₹ 4,790.07 lacs has been borne by the majority and has been included in the consolidated financial statements as at 31st March, 2015 (previous year ₹ 357.31 lacs in respect of subsidiary).

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

49. In case of a subsidiary, the Honorable High Court of Madras, on 27th March, 2014, sanctioned a scheme of amalgamation (the scheme) under sections 391 to 394 of the Companies Act, 1956. In accordance with the scheme, Style Spa Furniture limited ("SSFL transferor Company) merged with the subsidiary with effect from 1st April, 2014. The transferor Company was engaged in the business of trading furniture. The amalgamation is expected to channelize synergies and lead to better utilization of available resources and result in greater economies of scale.

i. In accordance with the High Court order, the subsidiary has accounted for the scheme as below:

Particulars	₹ in lacs
Assets	
Tangible assets	277.98
Intangible assets	41.73
Capital Work in progress	40.29
Long term loans and advances	496.84
Other non current assets	16.16
Short term loans and advances	121.00
Trade receivables	319.42
Inventories	1404.54
Cash and bank balances	646.12
Other current assets	6.62
Total	**3,370.70**
Liabilities	
Long term borrowings	19.88
Long term provisions	69.67
Short term borrowings	109.06
Short term provisions	1,186.66
Trade Payables	2,202.23
Other current liabilities	646.12
Total	**4,233.62**
Net liabilities taken over	**862.92**

ii) All assets and liabilities (including reserves, if any) of the transferor Company (SSFL), have been recorded in the books of the transferee Company (IFPL), at their respective book values recorded in the books of SSFL.

iii) 15 (fifteen) equity shares of IFPL of ₹ 10 each (fully paid) shall be issued as consideration for every 14 (fourteen) equity shares of ₹ 10 (fully paid) of SSFL to the shareholders of SSFL.

iv) The difference between the amount recorded as share capital issued , plus any additional consideration in the form of cash or other assets , and the amount of share capital of the transferor Company has been adjusted in reserves.

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

50. 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 31st March, 2015 is presented below:

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Financial information about business segments for the year ended 31st March, 2015

₹ in lacs

Particulars	Fertilizer		Engineering		Furniture		Real Estate		Sugar		Investment Services		Other Operations		Total	
	2014–15	2013–14	**2014–15**	2013–14	**2014–15**	2013–14	**2014–15**	2013–14	**2014–15**	2013–14	**2014–15**	2013–14	**2014–15**	2013–14	**2014–15**	2013–14
External Sales/ Income	**4,570.98**	17,589.17	**17,876.60**	21,035.43	**13,441.82**	16,160.08	**5,641.76**	7,774.55	**9,312.62**	–	**1,216.07**	1,573.05	**1,056.74**	996.70	**53,116.59**	65,128.98
Inter–Segment Sales/ Income	**(66.87)**	(58.93)	**–**	–	**–**	(0.88)	**–**	–	**–**	–	**(18.57)**	(8.75)	**(33.56)**	(27.66)	**(119.00)**	(96.22)
Segment Revenue	**4,504.11**	17,530.24	**17,876.60**	21,035.43	**13,441.82**	16,159.20	**5,641.76**	7,774.55	**9,312.62**	–	**1,197.50**	1,564.30	**1,023.18**	969.04	**52,997.59**	65,032.76
Segment Results	**(292.70)**	580.68	**928.81**	722.21	**(142.54)**	(822.64)	**1,494.67**	60.80	**(1,328.30)**	–	**(41.40)**	(218.60)	**58.32**	61.55	**676.86**	384.00
Segment Assets	**2,982.57**	8,681.73	**11,756.37**	17,018.57	**10,383.55**	10,537.74	**40,818.74**	31,695.67	**40,399.49**	–	**5,168.12**	2,558.22	**3,360.08**	3,996.06	**1,14,868.92**	74,487.99
Segment Liabilities	**274.40**	11,849.98	**7,472.48**	17,268.17	**5,783.02**	4,326.27	**14,675.49**	3,387.57	**15,614.57**	–	**635.13**	953.55	**757.09**	1,237.69	**45,212.18**	39,023.23
Capital Expenditure (Net of transfer on account of dilution in stake)	**–**	71.70	**57.41**	72.55	**199.66**	163.60	**109.88**	20.30	**10,401.79**	–	**5.72**	73.86	**124.38**	1,969.70	**10,898.84**	2,371.71
Depreciation and Amortization	**22.59**	11.81	**88.69**	104.87	**329.71**	449.33	**39.19**	41.93	**142.76**	–	**39.18**	44.85	**142.02**	168.25	**804.14**	821.04
Provision for Doubtful Debts & Advances	**–**	–	**0.81**	1.74	**–**	22.57	**0.00**	–	**–**	–	**1.89**	0.75	**–**	–	**2.70**	25.06

Reconcilation of Repotable Segments with the Financial statements

₹ in lacs

Particulars	Revenues		Results – Net profit		Assets		Liabilities	
	2014–15	2013–14	**2014–15**	2013–14	**2014–15**	2013–14	**2014–15**	2013–14
Total of reportable segments	**52,997.59**	65,032.76	**676.86**	384.00	**1,14,868.92**	74,487.99	**45,212.18**	39,023.23
Add/(Less) Corporate unallocated	**2,514.15**	2,640.08	**1,132.70**	1,585.66	**66,971.78**	55,669.27	**72,474.51**	23,208.48
Minority Interest (share of Loss)	**–**	–	**6.42**	21.32	**–**	–	**6.08**	–
Share in profit of Associate	**–**	–	**329.04**	(1,124.00)	**–**	–	**–**	–
Inter segment elimination	**–**	–	**–**	–	**–**	–	**–**	–
Finance Cost	**–**	–	**(3,414.84)**	(1,103.55)	**–**	–	**–**	–
Exceptional Items	**–**	–	**(1,297.76)**	2,719.48	**–**	–	**–**	–
Interest Income	**–**	–	**1,021.39**	711.02	**–**	–	**–**	–
Taxes	**–**	–	**(1,090.17)**	(3,379.58)	**3,928.32**	3,452.60	**48.11**	288.45
Deferred Taxes	**–**	–	**11.38**	66.08	**86.53**	58.24	**283.84**	300.66
AS PER SEGMENT	**55,511.74**	67,672.84	**(2,624.98)**	(119.57)	**1,85,855.52**	1,33,668.10	**1,18,024.72**	62,820.82
AS PER FINANCIAL STATEMENTS	**55,511.74**	67,672.84	**(2,624.98)**	(119.57)	**1,85,855.52**	1,33,668.10	**1,18,024.72**	62,820.82

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

51. 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".

52. 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 Parent Company

1 Zuari Indian Oiltanking Limited

2 Gulbarga Cement Limited (upto 12/01/2015)

3 MCA Phosphates Pte. Limited (up to 27/03/2014 and thereafter as Associate)

ii) Associates of the Company and their subsidiaries

1 Zuari Agro Chemicals Limited

2 Zuari Agri Sciences 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 Maroc Phosphates Private Limited –formerly known as Zuari Maroc Phosphates Limited (Joint venture of Zuari Agro Chemicals Limited)

5 Paradeep Phosphates Limited (Subsidiary of Zuari Maroc Phosphates Private Limited – formerly known as Zuari Maroc Phosphates Limited)

6 Zuari Rotem Speciality Fertilizers Limited (Joint Venture of Zuari Agro Chemicals Limited)

7 Gobind Sugar Mills Ltd. (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 31/08/2014)

9 MCA Phosphates Pte. Limited (Joint Venture of Zuari Agro Chemicals Ltd) (w.e.f 27/03/2014)

(iii) Enterprises having significant influence

1 Globalware Trading and Holdings Limited

(iv) Key Management Personnel of the Zuari Group

1 Mr. H. S. Bawa, Executive Vice Chairman of the Parent Company (upto 31/08/2013)

2 Mr. S. S. Nandurdikar, Managing Director of Simon India Limited

3 Mrs. Jyotsna Poddar, Executive Director of the Parent Company (w. e. f. 01/04/2012)

4 Mr. Arun Mahajan, Managing Director of Style Spa Furniture Limited (upto 30/04/2013)

5 Mr. Vijay Kathuria, Whole Time Director of Zuari Investments Limited.

6 Mr. Praveen Malhotra (Principal Officer of Zuari Insurance Brokers Limited)

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

7 Mr. Alok Banerjee (CEO of Zuari Infraworld India Limited) (formerly known as Adventz Infraworld India Limited)

8 Mr. Devender Kumar Jairath (Whole Time Director of Style Spa Furniture Limited) (w.e.f. 01/05/2013)

9 Mr. AkshayTandon (Business Head, Zuari Investments Limited).

10. Mr. R.S. Raghavan (Managing Director of Gobind Sugar Mills Limited)

v) Relatives of key Management Personnel of the Zuari Group

1 Mrs. Veena Bawa (Wife of Mr. H. S. Bawa) (upto 31/08/2013)

2 Mrs. Seema Behl (Daughter of Mr. H. S. Bawa) (upto 31/08/2013)

3 Mrs. Meenakshi Bawa (Daughter of Mr. H. S. Bawa) (upto 31/08/2013)

4 Mr. S. K. Poddar (Chairman) (Husband of Mrs. Jyotsna Poddar)

5 Mr. Akshay Poddar (Son of Mrs. Jyotsna Poddar)

6 Mrs. Kavita Kathuria (Wife of Mr. Vijay Kathuria)

7 Mrs. Neelam Malhotra (Wife of Mr. Praveen Malhotra)

vi) 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 Cement Limited (upto 12/01/2015)

5 Mitsubishi Corporation (upto 27/03/2014)

6 Italcementi S.p.A (upto 12/01/2015)

7 CTG S.p.A (Affiliate of Italcementi S.p.A) (upto 12/01/2015)

8 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 2014–15

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	2014–15							2013–14						
		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**	–	–	0.17	–	–	–	0.17
	– Paradeep Phosphates Limited	–	–	**33.86**	–	–	–	**33.86**	–	–	43.98	–	–	–	43.98
	– IOT Infrastructure and Energy Services Limited	–	**11.83**	–	–	–	–	**11.83**	–	9.79	–	–	–	–	9.79
	– Zuari Rotem Speciality Fertilizers Limited	–	–	**0.03**	–	–	–	**0.03**	–	–	0.11	–	–	–	0.11
	– Zuari Indian Oiltanking Limited*	–	–	–	–	–	–	–	0.04	–	–	–	–	–	0.04
	– Zuari Agri Sciences Limited**	–	–	–	–	–	–	–	–	–	0.04	–	–	–	0.04
	– Zuari Agro Chemicals Limited	–	–	**7.50**	–	–	–	**7.50**	–	–	2.45	–	–	–	2.45
	– Gulbarga Cement Limited	**12.15**	–	–	–	–	–	**12.15**	–	–	–	–	–	–	–
	– Brijbhumi 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**	–	0.48	–	–	–	–	0.48
	– Paradeep Phosphate Limited	–	–	**0.22**	–	–	–	**0.22**	–	–	0.10	–	–	–	0.10
	– Zuari Fertilisers and Chemicals Limited	–	–	**0.08**	–	–	–	**0.08**	–	–	–	–	–	–	–
	– Zuari Agro Chemicals Limited	–	–	**90.36**	–	–	–	**90.36**	–	–	20.17	–	–	–	20.17
3	**Equity Contribution made**														
	– MCA Phosphate Pte. Limited	–	–	–	–	–	–	–	615.68	–	–	–	–	–	615.68
	– Gulbarga Cement Ltd	–	–	–	–	–	–	–	935.06	–	–	–	–	–	935.06
4	**Equity Share Issued**														
	– Campagnie Pour l' Investissement Financier En Inde (CIFI)	–	–	–	–	–	–	–	–	2,504.15	–	–	–	–	2,504.15
	– Zuari Cement Limited	–	–	–	–	–	–	–	–	271.61	–	–	–	–	271.61
5	**Purchase of Investment**														
	– Gobind Sugar Mills Limited	–	–	–	–	–	–	–	–	–	1,550.00	–	–	–	1,550.00
6	**Sale of Investment**														
	– Zuari Agro Chemicals Limited	–	–	–	–	–	–	–	–	–	10,184.96	–	–	–	10,184.96
7	**Advance received**														
	– Zuari Agro Chemicals Limited	–	–	**700.00**	–	–	–	**700.00**	–	–	–	–	–	–	–
8	**Advance for sale of Investment**														
	– Zuari Agro Chemicals Limited	–	–	**11,920.00**	–	–	–	**11,920.00**	–	–	–	–	–	–	–
9	**Purchase of Stock in Trade (Land)**														
	– Zuari Agro Chemicals Limited	–	–	–	–	–	–	–	–	–	16,359.52	–	–	–	16,359.52
10	**Purchase of Fixed assets**														
	– IOT Anwesha Engineering and Construction Limited	–	**38.94**	–	–	–	–	**38.94**	–	–	–	–	–	–	–
	– Zuari Agro Chemicals Limited	–	–	**3.24**	–	–	–	**3.24**	–	–	–	–	–	–	–

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

₹ in lacs

Sl. No	Transaction details	2014–15							2013–14						
		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
11	**Service / Consultancy charges paid**														
	– CTG Spa (for tangible assets)	–	–	–	–	–	–	–	–	478.96	–	–	–	–	478.96
	– Zuari Agro Chemicals Limited	–	–	–	–	–	–	–	–	–	35.17	–	–	–	35.17
12	**Managerial remuneration**														
	– Mr. H.S.Bawa	–	–	–	–	–	–	–	–	–	–	–	117.15	–	117.15
	– Mrs.Jyotsna Poddar	–	–	–	–	**64.37**	–	**64.37**	–	–	–	–	65.10	–	65.10
	– Mr. S.S. Nandurdikar	–	–	–	–	**66.19**	–	**66.19**	–	–	–	–	65.62	–	65.62
	– Mr. Arun Mahajan	–	–	–	–		–	–	–	–	–	–	1.34	–	1.34
	– Mr.Devender Kumar Jairath	–	–	–	–	**54.10**	–	**54.10**	–	–	–	–	73.93	–	73.93
	– Mr.A.T.Sudhakaran	–	–	–	–	**34.24**	–	**34.24**	–	–	–	–	–	–	–
	– Miss Simi S.S.	–	–	–	–	**6.03**	–	**6.03**	–	–	–	–	–	–	–
	– Mr. Vijay kathuria	–	–	–	–	**52.33**	–	**52.33**	–	–	–	–	28.49	–	28.49
	– Mrs Kavitha Kathuria	–	–	–	–	–	**0.006**	**0.006**	–	–	–	–	–	0.004	0.004
	– Mr Praveen Malhotra	–	–	–	–	–	–	–	–	–	–	–	10.75	–	10.75
	– Mr.Alok Bannerji	–	–	–	–	**82.10**	–	**82.10**	–	–	–	–	58.69	–	58.69
	– Mr.Akshay Poddar	–	–	–	–		–	–	–	–	–	–	–	0.03	0.03
	– Mr.Akshay Tondon	–	–	–	–		–	–	–	–	–	–	33.20	–	33.20
	– Mr.Rajesh Khurana	–	–	–	–	**47.37**	–	**47.37**	–	–	–	–	41.87	–	41.87
	– Mrs.Megha Bhutani	–	–	–	–	**7.90**	–	**7.90**	–	–	–	–	4.06	–	4.06
	– Mr.Rajesh Kakkar	–	–	–	–		–	–	–	–	–	–	6.22	–	6.22
	– Mr.R.S.Raghavan	–	–	–	–	**6.00**	–	**6.00**	–	–	–	–	–	–	–
13	**Management Fees Paid**														
	– IOT Infrastructure and Energy Services Limited	–	**16.86**	–	–	–	–	**16.86**	–	16.86	–	–	–	–	16.86
14	**Service Charges/Management Fees / Corporate Guarantee Charges Received**														
	– Zuari Indian Oiltanking Limited*	**5.62**	–	–	–	–	–	**5.62**	5.62	–	–	–	–	–	5.62
	– Zuari Agro Chemicals Limited	–	–	–	–	–	–	–	–	–	15.08	–	–	–	15.08
	– Zuari Agri Sciences Limited#	–	–	**9.96**	–	–	–	**9.96**	–	–	43.38	–	–	–	43.38
	– Gobind Sugar Mills Limited	–	–		–	–	–	–	–	–	0.31	–	–	–	0.31
	– New Eros Tradecom Limited	–	–	**0.99**	–	–	–	**0.99**	–	–	0.55	–	–	–	0.55
	– Brajbhumi Nirmaan Private Limited	**11.25**	–	–	–	–	–	**11.25**	–	–	–	–	–	–	–
15	**Dividend paid**														
	– New Eros Tradecom Limited	–	–	**11.97**	–	–	–	**11.97**	–	–	23.94	–	–	–	23.94
	– Globalware Trading and Holdings Limited	–	–	–	**70.12**	–	–	**70.12**	–	–	–	140.24	–	–	140.24
16	**Dividend Received**														
	– Zuari Agro Chemicals Limited	–	–	**252.35**	–	–	–	**252.35**	–	–	381.52	–	–	–	381.52
17	**Reimbursement of employee compensation received**														
	– Brajbhumi Nirmaan Private Limited	**2.64**	–	–	–	–	–	**2.64**	–	–	–	–	–	–	–

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

₹ in lacs

Sl. No	Transaction details	2014–15							2013–14						
		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
18	**ICD converted into equity**														
	– Brajbhumi Nirmaan Private Limited	**9.38**	–	–	–	–	–	**9.38**	–	–	–	–	–	–	–
19	**Lease rentals received**														
	– Zuari Indian Oiltanking Limited*	**69.52**	–	–	–	–	–	**69.52**	66.21	–	–	–	–	–	66.21
	– Zuari Fertilisers and Chemicals Limited	–	–	**4.20**	–	–	–	**4.20**	–	–	4.00	–	–	–	4.00
	– Zuari Agro Chemicals Limited	–	–	**44.73**	–	–	–	**44.73**	–	–	44.17	–	–	–	44.17
20	**Sale of finished goods, Engineering Services and Projects**														
	– Zuari Agro Chemicals Limited	–	–	**4,034.55**	–	–	–	**4,034.55**	–	–	10,374.12	–	–	–	10,374.12
	– Zuari Fertilisers and Chemicals Limited	–	–	**1,530.70**	–	–	–	**1,530.70**	–	–	2,792.01	–	–	–	2,792.01
	– Paradeep Phosphorus Limited	–	–	**19,091.22**	–	–	–	**19,091.22**	–	–	10,585.61	–	–	–	10,585.61
	– Gobind Sugar Mills Limited	–	–	**31.00**	–	–	–	**31.00**	–	–	3.30	–	–	–	3.30
	– Zuari Agri Sciences Limited#	–	–		–	–	–	**–**	–	–	0.66	–	–	–	0.66
	– Zuari Rotem Speciality Fertilizers Limited	–	–	–	–	–	–	**–**	–	–	0.31	–	–	–	0.31
21	**Inter–Corporate Deposits / Loans Given, but received back**														
	– Gulbarga Cement Ltd	**2,825.80**	–	–	–	–	–	**2,825.80**	–	–	–	–	–	–	–
22	**Sitting Fee Paid**							**–**							**–**
	– Mr.S.K.Poddar	–	–	–	–	–	**1.88**	**1.88**	–	–	–	–	–	0.68	0.68
	– Akshay Poddar	–	–	–	–	–	–	**–**	–	–	–	–	–	0.15	0.15
23	**Interest income on Loan/ICD**							**–**							**–**
	– Gulbarga Cement Ltd	**161.37**	–	–	–	–	–	**161.37**	192.89	–	–	–	–	–	192.89
	– Zuari Cement Limited	–	**378.02**	–	–	–	–	**378.02**	–	173.60	–	–	–	–	173.60
	– Brajbhumi Nirmaan Private Limited	**0.30**	–	–	–	–	–	**0.30**	–	–	–	–	–	–	–
24	**Subscription to Equity/Preference Share Capital**														
	– Gobind Sugar Mills Limited (Preference Share)	–	–	–	–	–	–	**–**	–	–	2,875.00	–	–	–	2,875.00
	– 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	–	–	–	–	–	**7,000.00**	**7,000.00**	–	–	–	–	–	–	–
25	**Corporate guarantee cancelled**														
	– Zuari Agri Sciences Limited#	–	–	**2,100.00**	–	–	–	**2,100.00**	–	–	–	–	–	–	–
26	**Loan taken during the year**														
	– Mr.S.K.Poddar	–	–	–	–	–	**6.25**	**6.25**	–	–	–	–	–	–	–
	– Saroj Poddar Foundation	–	–	–	–	–	**16.25**	**16.25**	–	–	–	–	–	–	–

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

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

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

Related Party disclosures under Accounting Standard – 18

Balance Outstanding at the year end

₹ in lacs

Sl. No	Transaction details	2014–15						2013–14					
		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	–	–	**6640.83**	–	–	**6,640.83**	–	–	4,711.43	–	–	4,711.43
	– Zuari Agro Chemicals Limited	–	–	–	–	–	–	–	–	3,940.13	–	–	3,940.13
	– Zuari Fertilisers And Chemicals Limited	–	–	**496.86**	–	–	**496.86**	–	–	263.05	–	–	263.05
	– New Eros Tradecom Limited	–	–	**1.51**	–	–	**1.51**	–	–	0.41	–	–	0.41
	– Gulbarga Cement Ltd	–	–	–	–	–	–	54.25	–	–	–	–	54.25
2	**Loans and Advances receivable**						–						–
	– Zuari Agri Sciences Limited#	–	–	**94.31**	–	–	**94.31**	–	–	85.34	–	–	85.34
	– Paradeep Phosphates Limited	–	–	**3.77**	–	–	**3.77**	–	–	15.62	–	–	15.62
	– Zuari Rotem Speciality Fertilizers Limited	–	–	**0.16**	–	–	**0.16**	–	–	0.13	–	–	0.13
	– Zuari Fertilisers And Chemicals Limited	–	–	**1,566.57**	–	–	**1,566.57**	–	–	0.30	–	–	0.30
	– Zuari Indian Oiltanking Limited	–	–	–	–	–	–	0.43	–	–	–	–	0.43
3	**As Creditor**												
	– IOT Infrastructure and Energy Services Limited	–	**0.10**	–	–	–	**0.10**	–	2.11	–	–	–	2.11
	– IOT Design and Engineering Limited	–	**2.91**	–	–	–	**2.91**	–	2.91	–	–	–	2.91
	– IOT Anwesha Engineering and Construction Limited	–	**7.14**	–	–	–	**7.14**	–	–	–	–	–	–
	– Zuari Agro Chemicals Limited	–	–	**303.67**	–	–	**303.67**	–	–	809.23	–	–	809.23
	– CTG Spa	–	–	–	–	–	–	–	200.88	–	–	–	200.88
	– Mr. Vijay kathuria	–	–	–	**14.4**	–	**14.40**	–	–	–	–	–	–
4	**Advance/ Loan Payable**						–						–
	– Paradeep Phosphorus Limited	–	–	**2614.18**	–	–	**2,614.18**	–	–	6,934.82	–	–	6,934.82
	– Zuari Fertilisers And Chemicals Limited	–	–	**204.52**	–	–	**204.52**	–	–	388.32	–	–	388.32
	– Zuari Agro Chemicals Limited	–	–	**700.29**	–	–	**700.29**	–	–	–	–	–	–
	– Mr.S.K.Poddar	–	–	–	–	**6.25**	**6.25**	–	–	–	–	–	–
	– Saroj Poddar Foundation	–	–	–	–	**16.25**	**16.25**	–	–	–	–	–	–
5	**Corporate Guarantee**												
	– Zuari Agri Sciences Limited	–	–	–	–	–	–	–	–	2,100.00	–	–	2,100.00
6	**Advance against sale of investment**												
	– Zuari Agro Chemicals Limited	–	–	**11,920**	–	–	**11,920.00**	–	–	–	–	–	–
7	**Loan/ICD Given**												
	– Gulbarga Cement Ltd	–	–	–	–	–	–	2,163.50	–	–	–	–	2,163.50
8	**Loan/ICD Taken**												
	– Zuari Cement Ltd	–	–	–	–	–	–	–	691.03	–	–	–	691.03
	– Gulbarga Cement Ltd	–	–	–	–	–	–	–	2,163.50	–	–	–	2,163.50
9	**Interest on Loan/ICD**												
	– Zuari Cement Limited	–	–	–	–	–	–	–	156.91	–	–	–	156.91
	– Gulbarga Cement Ltd	–	–	–	–	–	–	492.12	–	–	–	–	492.12

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

53. 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, 2015	As at 31st March, 2014
I.	**EQUITY AND LIABILITIES**		
	Reserves and surplus	**652.48**	3,366.87
	Share application money pending allotment	**–**	–
	Non–current liabilities		
	Long term borrowings	**–**	690.85
	Deferred tax liabilities (Net)	**226.23**	275.99
	Trade payables	**203.65**	304.77
	Other long term liabilities	**–**	156.88
	Current liabilities		
	Trade payables	**550.51**	510.60
	Other current liabilities	**15.75**	260.06
	Short–term provisions	**5.02**	3.99
	Total	**1,653.64**	5,570.01
II.	**ASSETS**		
	Non–current assets		
	Tangible assets	**1,656.03**	1,912.14
	Intangible assets	**–**	0.09
	Capital work–in–progress	**69.97**	1,405.21
	Non current investments	**–**	–
	Long–term loans and advances	**66.89**	2,642.34
	Other non–current assets	**7.85**	7.25
	Current assets		
	Current investments	**–**	17.15
	Inventories	**3.10**	2.79
	Trade receivables	**61.90**	63.69
	Cash and bank balances	**584.94**	1,290.82
	Short–term loans and advances	**100.05**	182.51
	Other current assets	**19.95**	30.05
	Total	**2,570.68**	7,554.04

Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

₹ in lacs

	Particulars	As at 31st March, 2015	As at 31st March, 2014
I	**Income**		
	Revenue from operations (gross)	**537.15**	480.53
	Less: excise duty	**–**	–
	Revenue from operations (net)	**537.15**	480.53
	Other income	**77.75**	126.89
	Total Revenue (I)	**614.90**	607.42
II	**Expenditure**		
	Employee benefit expense	**78.69**	71.58
	Other Expenses	**392.13**	606.24
	Depreciation and amortization expense	**121.19**	149.82
	Finance costs	**77.40**	192.94
	Exceptional Items	**–**	9.67
	Total Expenses (II)	**669.41**	1030.25
III	**Profit / (Loss) before tax (I–II)**	**(54.51)**	(422.83)
	Tax expenses		
	Current income tax	**–**	–
	Deferred tax	**(16.13)**	(48.91)
	Taxation Expenses of Earlier Years Credited	**–**	(1.64)
IV	**Total tax expense**	**(16.13)**	(50.55)
V	**(Loss) After Tax (III–IV)**	**(38.38)**	(372.28)
VI	**Share of Minority in Profits**	**–**	–
VII	**Share in Losses of associates**	**–**	(146.08)
VIII	**(Loss) for the Year (V–VI–VII)**	**(38.38)**	(518.36)

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

₹ in lacs

	Particulars	2014–15	2013–14
i)	The principal amount and the interest due thereon remaining unpaid to any supplier:		
	– Principal amount	**320.63**	1.23
	– Interest thereon	**0.13**	Nil
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.	**6.92**	Nil

₹ in lacs

	Particulars	2014–15	2013–14
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	**0.27**	Nil
iv)	the amount of interest accrued and remaining unpaid	**0.40**	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	**1.96**	Nil

55. For the financial year 2012–13, remuneration paid to erstwhile Executive Vice Chairman (EVC) of the Parent Company was in excess of limits specified in Schedule XIII of The Companies Act, 1956. The application seeking approval from Central Government for payment of excess remuneration was rejected. Accordingly the Parent Company has recovered ₹ 113.95 lacs paid to EVC in the previous year.

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.

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Notes to the Consolidated Financial Statements of the Zuari Group for the financial year 2014–15

57. Disclosure required under Schedule III of Companies Act, 2013.

Sl. No.	Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or Loss	
		As % of consolidated net assets	Amount (₹ in lacs)	As % of consolidated profit or loss	Amount (₹ in lacs)
1	**Parent**				
	i Zuari Global Limited	94.89	64,361.79	(102.03)	2,678.24
2	**Indian Subsidiaries**				
	i Indian Furniture Products Limited	0.06	43.55	53.30	(1,399.15)
	ii Simon India Limited	16.01	10,858.89	(33.56)	880.91
	iii Zuari Management Services Limited	1.10	743.85	(3.97)	104.13
	iv Zuari Infraworld India Limited	6.07	4,118.62	(10.26)	269.32
	v Zuari Financial Services Limited	2.40	1,631.31	(0.66)	17.31
	vi Zuari Investments Limited	(0.17)	(120.59)	127.13	(3,337.31)
3	**Foreign Subsidiaries**				
	i Globex Limited	2.42	1,644.25	0.66	(17.33)
4	**Minority Interests in subsidiaries**				
	i Indian Furniture Products Limited	(0.01)	(6.08)	(0.24)	6.42
5	**Indian Joint Venture**				
	i Zuari Indian Oil Tanking Private Limited (formerly known as Zuari Indian Oil Tanking Limited)	2.34	1,587.62	1.76	(46.07)
	ii Gulbarga Cements Limited (upto 12/01/2015)	–	–	(6.83)	179.17
6	**Associates**				
	i Zuari Agro Chemicals Limited	–	–	(10.96)	287.80
	ii New Eros Tradecom Limited	–	–	(1.57)	41.24
7	**Eliminations and adjustments due to consolidation**	(25.11)	(17,032.41)	87.23	(2,289.66)
	Total	**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
Firm's Regn. No.: 301003E

per Anil Gupta
Partner
Membership No. : 87921

Place : Gurgaon
Date : 15th May, 2015

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

S. K. Poddar
Chairman

N. Suresh Krishnan
Managing Director

Marco Wadia
Director

H. C. Shah
General Manager
Finance & Accounts

K. G. Prabhu
Company Secretary

Place : Gurgaon
Date : 15th May, 2015