



# **ZENITH EXPORTS LIMITED**

**35TH ANNUAL  
REPORT &  
ACCOUNTS  
2016-17**

**BOARD OF DIRECTORS**

Mr. S. K. Loyalka, Chairman-Cum-Managing Director  
Ms. Urmila Loyalka  
Mr. M. M. Bhagat  
Mr. K. D. Rungta  
Mr. D. K. Sarawagee  
Mr. M. L. Jain

**CHIEF EXECUTIVE OFFICER**

Mr. Raj Kumar Loyalka

**COMPANY SECRETARY**

Mr. Govind Pandey

**CHIEF FINANCIAL OFFICER**

Mr. Sushil Kasera

**AUDITORS**

M/s. Tiwari & Company  
Chartered Accountants  
107/1, Park Street  
Kolkata- 700016

**PRINCIPAL BANKERS**

Canara Bank

**REGISTERED OFFICE**

19, Rajendra Nath Mukherjee Road  
First Floor, Kolkata, Pin-700001  
Ph: 033-2248-7071/6936  
Fax: 033-2243-9003  
Email: zenith@giasci01.vsnl.net.in  
Website: www.zenithexportslimited.com

**WORKS****ZENITH TEXTILES**

13,A/B/C, Industrial Area  
Nanjangud, Dist-Mysore  
Karnataka, Pin-571 302

**REGISTERED AND SHARE TRANSFER AGENT**

C.B. Management Services (P) Ltd.  
P-22, Bondel Road, Kolkata- 700019  
Ph: 4011-6700/2280-6692/2282-3643  
Fax: 4011-6739, Email: rta@cbmsl.com  
Website: www.cbmsl.com

**Contents**

Corporate Information .....	1
Notice to Members .....	2-7
Director's Report .....	8-25
Management Discussion and Analysis .....	26-27
Report on Corporate Governance .....	28-42
CEO & CFO Certificate .....	43-46
MR-3 Secretarial Audit Report .....	47-49
Auditor's Report .....	50-55
Balance sheet .....	56
Statement of Profit & Loss Account .....	57
Cash Flow Statement .....	58-59
Notes of Financial Statement .....	60-77
Significant Accounting Policies .....	78-80
Shareholders Information Form .....	81
Venue .....	82

**NOTICE**

NOTICE is hereby given that the 35th Annual General Meeting of Members of ZENITH EXPORTS LIMITED (CIN: L24294WB1981PLC033902) will be held on Friday, 15th September'2017 at 10:30 A.M. (IST) at the Ground Floor, Auditorium of Birla Academy of Art & Culture, 108, Southern Avenue, Kolkata- 700 029 to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statement of Profit & Loss Account for the Financial Year ended on 31st March'2017 and the Balance Sheet as at that date and the Cash Flow Statement for the Financial Year ended on 31st March'2017 and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Ms. Urmila Loyalka (00009266) Director of the Company, who retires by rotation at this Annual General Meeting and being eligible offers herself for re-appointment.
3. To appoint Auditors in place of the existing Auditors (who are not eligible to be re-appointed due to expiry of the maximum permissible tenure as the Auditors of the Company), to Fix their remuneration and to Consider, and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act'2013 read with Companies (Audit and Auditors) Rules 2014 (including any amendment(s), Statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of Board of Directors of the Company be and is hereby accorded, subject to the approval of shareholders in General Meeting, to appoint M/s. V. Goyal & Associates, (Firm Registration No.312136E), Chartered Accountants, as the Statutory Auditor of the Company at the 35th Annual General Meeting in place of the retiring Auditors, M/s. Tiwari & Company, Chartered Accountants (ICAI Firm Registration No.309112E), to hold office for conclusion of this 35th Annual General Meeting till the conclusion of the 40th Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by the members of the Company, if required, at every Annual General Meeting."

"FURTHER RESOLVED THAT the Audit Committee of the Board of Directors of the Company be and is hereby authorized to determine the remuneration and plus applicable GST and out of pocket expenses, as may be payable to the Auditors."

**Registered & Head Office:**

19, R. N. Mukherjee Road  
First Floor, Kolkata- 700 001  
Dated: 25th July'2017

By Order of the Board of Directors  
For **ZENITH EXPORTS LIMITED**

**Govind Pandey**  
Company Secretary  
ACS: 32804

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("THE MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of Members up to and not exceeding 50 (Fifty) and holding in the aggregate not more than 10 % (Ten percent) of the total Share Capital of the Company.

The instrument appointing the proxy, in order to be effective, should be deposited, duly completed and signed, at the Registered office of the Company not less than 48 (Forty Eight) hours before the commencement of the Meeting. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc. must be supported by an appropriate resolution/ authority, as applicable.

In terms of Section 105 of the Companies Act'2013 and Rules framed thereunder, a Person can act as a proxy on behalf of members not exceeding 50 (Fifty) and holding in the aggregate not more than 10% (Ten Percent) of the total share capital of the Company carrying voting rights. A member holding more than 10 % (Ten Percent) of the total share capital



of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Information as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations'2015 ("Listing Regulations) and the Secretarial Standard on General Meeting (SS-2) issued by The Institute of Company Secretaries of India(ICSI), in respect of the Directors seeking re-appointment at the AGM is provided hereunder.
3. As required under SS-2 issued by the ICSI, a route map, including a prominent Landmark, showing directions to reach the AGM venue is annexed to the Annual Report.
4. Pursuant to Section 113 of the Companies Act'2013 and Rules framed thereunder, the corporate members intending to send their authorized representatives to attend the AGM are requested to send to the Company, a certified copy of the Board Resolution and Power of Attorney, if any, authorizing their representative(s) to attend and vote, on their behalf, at the AGM.
5. Pursuant to Section 91 of the Companies Act'2013 and Rule 10 of the Companies (Management and Administration) Rules'2014 read with Regulation 42(5) of the Listing Regulations, the Share Transfer Books and Register of Members of the Company will remain closed from 09.09.2017 to 15.09.2017 (both days inclusive).

6. Members holding shares in electronic mode are requested to intimate immediately any change in their address, email-id, and bank particulars to their Depository Participants with whom they are maintaining their De-mat Accounts.

Members are holding shares in physical mode are requested to notify immediately any change their address along with self-attested copy of address proof i.e. Aadhaar Card/ Electricity Bill/ Telephone Bill/ Driving License/ Passport/ Bank Passbook particulars to the Company's Registrars and Transfer Agents, M/s. C.B. Management Services Private Limited, P-22, Bondel Road, Kolkata- 700 019.

7. Any members desirous of receiving any information on the Financial Statements or Operations of the Company is requested to forward his/ her quires to the Company at least 7 (Seven) working days prior to the AGM, so that the required information can be made available at the AGM.
8. Members are requested to bring and produce the Attendance Slip duly signed as per the Specimen Signature recorded with the Company / Depository Participant's for admission to the AGM Hall.
9. As per Regulation 40(7) of the Listing Regulations read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copy of their Income Tax Permanent Account Number (PAN). Additionally, for securities market transactions and / or for off market/ private transactions involving transfer of shares in physical mode of listed Companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copy of Pan Card to the Company/ RTA for Registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s)/ Nominee(s).
10. The Ministry of Corporate Affairs (MCA), Government of India has introduced a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies for service of documents to their Members through electronic mode, which will be in compliance with Section 20 of the Companies Act'2013 and Rules framed thereunder.

In case you have not registered your email-id, please communicate the same to the Company or RTA at their communication address given in the Annual Report in respect of the shares held in physical mode or communicate to your DPs concerned in respect of Shares held in demat/ electronic mode. Although you are entitled to receive physical copy of the Notice, Annual Report etc. from the Company, we sincerely seek your support to enable us to forward these documents to you only by email, which will help us participate in the Green Initiatives of the MCA and to protect our environment .

11. Relevant documents referred to in the Notice shall be open for inspection by the members of the Company without payment of fess at the Registered Office of the Company at 19, R.N. Mukherjee Road, 1st Floor, Kolkata- 700 001. Inspection by the Members can be done on any working day between 11:00 A.M. to 01:00 P.M. including the date of AGM of the Company and shall also be available at the venue of the AGM. Further, the Notice for this 35th Annual General Meeting along with the Annual Report for the Financial Year ended 2016-17 shall also be available on the Company's website, [www.zenithexportslimited.com](http://www.zenithexportslimited.com).



12. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under section 170 of the Companies Act'2013 read with rules issued thereunder will be available for inspection by the members at the Annual General Meeting.
13. Electronic copy of the Notice of the aforesaid Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email-ids are registered with the Company's Registrar and Share Transfer Agents/ Depository Participants for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email-ids, a physical copy of the Notice of the aforesaid AGM of the inter alia indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form is being sent.
14. In accordance with the Provisions of section 108 of the Companies Act'2013 read with Rule 20 of the Companies (Management and Administration) Rules'2015 and applicable Provisions of the Listing Regulations with Stock Exchanges, the Company has engaged the Services of NSDL to provide Electronic Voting ("e-voting") facility to all the members to enable them to cast their votes electronically in respect of all the business to be transacted at the aforesaid Annual General Meeting. Members who cast their vote through e-voting mechanism shall not be able to vote at the Annual General Meeting.
15. The Board of Directors of your Company has appointed CS Asit Kumar Labh (Membership No.14664), (ACS: 32891), Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting & voting process at the AGM in fair and transparent manner.
16. The Results of e-voting and poll shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorized in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company & NSDL next day of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

**17. VOTING THROUGH ELECTRONIC MEANS**

- I. In Compliance with the provisions of section 108 of the Companies Act'2013 and Rule 20 of the Companies (Management and Administration) Rulrs'2014 read with the Companies (Management and Administration) Amendment Rules'2015 and Regulation 44 of the Listing Regulations, the Company is pleased to facilitate its Members to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 12th September'2017 (9:00 a.m.) and ends on 14th September'2017 (5:00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 8th September'2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The procedure/ instructions to login to e-voting website is given below:

**A. In case a Member receives an email from NSDL [ for members whose email ids are registered with the Company/ Depository Participants (s):**

- (i) Open email and attached PDF file "e-voting.pdf" with your Client id (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode), as password. The said file PDF contains your "User



Id" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF File if you are already registered with NSDL for e-voting.

- (ii) Launch Internet browser by typing the URL: <https://www.evoting.nsdl.com/>
- (iii) Click on "Shareholder-Login".
- (iv) Put User Id and Password as 'Initial Password'/ PIN noted in step (i) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user id and Password. If you forgot your Password, you can reset your Password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- (v) Password change menu appears Change the Password with new Password of your choice with minimum 8 digits/ characters or combination thereof. Note your new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote "e-voting" opens. Click on e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of (ZENITH EXPORTS LIMITED). Members can cast their vote online from 12th September'2017 (9:00 a.m.) till 14th September'2017 (5:00 p.m.).
- (viii) Now you are ready for "e-voting" as "Cast Vote" page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [asit.labh1@gmail.com](mailto:asit.labh1@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

Further, NSDL is pleased to inform you that NSDL has now integrated its E-Services website (<https://eservices.nsdl.com/>) with the aforesaid e-voting system of NSDL, which enables you as a registered User of IDEAS facility to also access e-voting system of NSDL for casting your votes by using your existing login credentials viz.; User Id and Password of IDEAS facility. Thus, you would not be required to login e-voting system separately for casting votes in respect of the resolutions of the Company.

- B. In case a Member receives physical copy of the Notice of AGM [for members whose email ids are not registered with the Company/ Depository Participants(s) or requesting physical copy]:
- (i) Initial Password is provided as below/ at the bottom of the Attendance Slip for the AGM:  
EVEN (Remote e-voting Event Number)    USER ID    PASSWORD/PIN
  - (ii) Please follow all steps from Sl. No.(ii) to Sl. No.(xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the "Downloads" section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user id and password/pin for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 8th September'2017



- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 8th September'2017, may obtain the login id and password by sending a request at e-voting@nsdl.co.in or rta@cbmsl.com
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user id and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/ Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no. 1800-222-990
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Asit Kumar Labh, Company Secretaries (ACS No.32891, CP No.14664) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The scrutinizer shall after the conclusion of voting at the General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witness not in the Employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The declared results along with the report of the scrutinizer shall be placed on the Company's website [www.zenithexportslimited.com](http://www.zenithexportslimited.com) and on the website of NSDL immediately after the results are declared. The same shall be communicated by the Company to the BSE Limited, National Stock Exchange of India Limited. The results shall also be made available on the Notice Board of the Company at its Registered Office in Kolkata.
18. Members who do not have any access to e-voting may requisite a Physical Ballot Form from the office of the Registrars & Share Transfer Agents of the Company. Members are required to fill the Physical Ballot Form and enclose it in a sealed envelope and sent it "TO THE SCRUTINIZER CS. ASIT KUMAR LABH (UNIT: ZENITH EXPORTS LIMITED) C/O C.B. MANAGEMENT SERVICES (P) LIMITED, P-22 BONDEL ROAD, KOLKATA- 700019. Unsigned/ wrongly signed, incomplete or incorrectly ticked forms shall be rejected. The Scrutinizer's decision on the validity of the Form will be final. Members are required to vote either through the electronic system or through physical ballot and not in any other mode. In the event of Members casting votes through both the processes, the votes in the electronic system will be considered only. The physical ballot form must be received by the Scrutinizer on or before 14th September'2017(5:00 P.M.). Attendance Slip and Proxy Form in the prescribed format are being attached to this notice of the 35th Annual General Meeting for the convenience of the Shareholders.
19. As you are aware as per section 88 of the Companies Act'2013, every company having share capital is required to include/update more details in the Register of Member. Members are requested to update their PAN card, Aadhaar card, Address & Bank Account details in the "Shareholders Information Form" enclosed with the Annual Report. Shareholders Information Form duly filled & signed by the Shareholders & enclosed with a self-certified copy of PAN card and Aadhaar Card may be submitted with the Registrar & Transfer Agents of the Company M/s. C.B. Management Services (p) Limited at their office at P-22, Bondel Road, Kolkata- 700 019. Shareholders holding shares in electronic mode may update the above details with their Depository Participants (DP).

**REQUEST TO THE MEMBERS:**

- (I) Members who hold shares in dematerialized form are requested to bring their Client id and DP id numbers for ensuring easy identification of attendance at the meeting.



- (II) For convenience of Members, Attendance Slip is attached to the Proxy Form. Members are requested to fill in and affix their signatures at the space provided therein and handover the Attendance Slip at the entrance of the Place of meeting. Proxy/Representative of a member should make on the Attendance Slip as "Proxy" or "Representative", as the case may be.

**INFORMATION RELATING TO THE RE-APPOINTMENT OF DIRECTOR AT THE AGM****Item No.2 : Re-appointment of Ms. Urmila Loyalka (DIN: 00009266) as a Director of the Company, liable to retire by rotation**

In accordance with the provisions of Section 152 of the Companies Act'2013, Rules framed thereunder and the Articles of Association of the Company, Ms. Urmila Loyalka (00009266), Director is due to retire by rotation at the ensuing AGM and being eligible, offers herself for re-appointment. The Company has received necessary disclosures and declarations from Ms. UrmilaLoyalka under the Companies Act'2013 and the Listing Regulations, confirming his eligibility to be re-appointed as a Director of the Company, liable to retire by rotation.

Ms. Urmila Loyalka, aged 59 years, has more than 12 years of experience in export business and serving on the Board of 2 (Two) nos. of Limited Companies. She is currently Women Director of Zenith Exports Limited. Ms. Urmila Loyalka played an instrumental role in the Company's growth in global market. She has knowledge, experience & expertise in areas relating to Export, Marketing & Administration. She holds 629150 shares of the Company in her name as on 31st March'2017.

Ms. Urmila Loyalka holds Directorship in the following other Companies:

<b>Sl. No.</b>	<b>Name of the Company</b>	<b>Designation</b>
1.	Zenith Koplavitch Exports Limited	Director
2.	Loyalka Leclercq Textiles Limited	Director

There is inter-se relationship between Ms. UrmilaLoyalka and other Directors and Key Managerial Personnel of the Company.

Based on the recommendation of the Nomination and Remuneration Committee, Board is of the opinion that continued association of Ms. Urmila Loyalka with the Board will be of immense benefit to your Company and, therefore, recommends the Resolution as set out in Item No.3 of the Notice convening the 35th AGM for approval of the Members by way of an Ordinary Resolution.

Save and except Ms. Urmila Loyalka, Mr. Surendra Kumar Loyalka & Mr. Raj Kumar Loyalka and their relatives, to extent of their shareholding interest, none of the Directors or Key Managerial Personal of the Company or their relatives, are in any way interested or concerned, financially or otherwise, in the resolution set out in Item No.2 of the Notice.

**Registered & Head Office:**

19, R. N. Mukherjee Road  
First Floor, Kolkata- 700 001

Dated: 25thJuly'2017

By Order of the Board of Directors  
For **ZENITH EXPORTS LIMITED**

**Govind Pandey**  
Company Secretary  
ACS: 32804



**DIRECTORS' REPORT****DIRECTOR'S REPORT TO THE MEMBERS**

Your Directors pleased to present the 35th Annual Report covering the operational and financial performance of your Company along with the Audited Financial Statements for the Financial Year ended March 31, 2017.

**FINANCIAL HIGHLIGHTS**

(Rs. In Lakh)

	<b>Current Year ended 31.03.2017 (Audited)</b>	Previous Year ended 31.03.2016 (Audited)
Turnover and other Income	<b>13305.25</b>	24720.26
Profit before Depreciation and Tax	<b>-175.33</b>	352.12
Depreciation	<b>141.94</b>	349.13
Profit before tax	<b>-317.27</b>	2.99
Income Tax for earlier years	<b>7.65</b>	0.64
	<b>-324.92</b>	2.35
Tax Expenses (Current & Deferred)	<b>-75.42</b>	-13.38
Net Profit after Tax [A+B]	<b>-207.63</b>	15.73
Add: Surplus Brought Forward	<b>3517.89</b>	3502.15
Surplus Carried to Balance Sheet	<b>3310.25</b>	3517.88

**OPERATION REVIEW AND FUTURE OUTLOOK**

The Company has prepared the Financial Statements for the financial year ended March 31'2017 under Section 133 of the Companies Act'2013 read with the Companies (Indian Accounting Standards) Rules'2015 and has recast the Financial Statements relating to the previous financial year ended March 31'2016 in order to make them comparable.

The operation of the Company has been adversely affected by the adverse Global Market and demonetization in India during the year under review. The sales of the year under review were ₹ 11657 Lakhs compared to ₹ 22630 Lakhs in the previous year. The Company has incurred Loss before tax of ₹ 317.28 Lakhs compared to profit of ₹ 3 Lakhs in the previous year. The net Loss after Tax (including deferred tax) of the year under review is ₹ 207.63 Lakhs compared to profit of ₹ 15.74 Lakhs in the previous year.

**WEAVING DIVISION**

Demands of the Silk & Velvet Fabrics were under pressure due to financial crisis in the European and American Continent. In spite of pressure in the Global Market the Financials of the Divisions for the year under review has been improved compares to previous year mainly due to correction in raw material.

**SPINNING DIVISION**

The Management would like to inform that the plant of Spinning Division located at Ahmedabad, Gujarat had already been closed and there is being no work over there.

**EXPANSION PROJECT**

No expansion projects were initiated by the Company at its Weaving Division, Mysore during the year under review due to low demand and sufficient installed capacity.

**DIVIDEND**

To conserve the resources of the Company, the Board of Directors do not recommend any dividend for this year also.

**GENERAL RESERVE**

The Company has transferred of ₹ 4612.77 Lakhs to the General Reserve during the financial year ended March 31'2017.

**PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS**

In terms of Section 186 of the Companies Act'2013 and Rules framed thereunder, details of the Loans given and Investments made by your Company have been disclosed in Notes of the Financial Statements for the year ended March31'2017, which forms part of this Annual Report. Your Company has not taken any term Loan during the year under review.

**CREDIT RATING**

During the year under review, ICRA Limited (ICRA) has reaffirmed the Credit Rating of '[ICRA] A4' (pronounced as ICRA A Four) for the Fund and Non-Fund Based Facilities of your Company.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF REPORT**

Subsequent to the end of the financial year on March 31'2017 till date, there has been no material change and/ or commitment which may affect the financial position of the Company.

**LISTING INFORMATION**

The Equity Shares of the Company are listed on Bombay Stock Exchange Limited (BSE) and on the National Stock Exchange of India Limited (NSE).

**ACCREDITATION**

The Company continues to enjoy ISO 9001:2008 accreditation MADE BY TUV NORD.

**PUBLIC DEPOSITS**

The Company has not accepted any fixed deposits during the year under review.

**RELATED PARTY TRANSACTIONS**

During the Financial year ended March 31'2017, all transactions with the Related Parties as defined under the Companies Act'2013 read with Rules framed thereunder were in the 'ordinary course of business' and 'at arm's length' basis. All Related Party Transactions are placed before the Audit Committee as also to the Board for Approval. As required under Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions.

Details of Contracts entered into with Related Parties under the provisions of sub-section 1 of section 188 of the Companies Act, 2013:

1. To avail advisory services from Mr. Bilas Rai Loyalka for the financial year 2016-17 on annual fees of ₹ 9 lakhs.
2. Purchase of fabrics, job work & sale of goods to SKL Exports Limited at prevailing market price for the financial year 2016-1-17 for maximum transaction value of ₹10 crores per annum.

**EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT-9, as required under section 92 of the Companies Act, 2013, in included in this Report and forms an integral part of this Report.

**AUDIT AND AUDITORS****(i) Change in Auditors**

In terms of the Provisions of Section 139 of the Companies Act'2013 read with the Companies (Audit and Auditors) Rules,'2014, M/s. Tiwari & Co., Chartered Accountants (ICA Firm Registration No.309112E), the Auditors of your Company shall hold office till the conclusion of the ensuing AGM and they shall not be eligible for re-appointment due to expiry of the maximum permissible tenure as the Auditors of your Company. Your Board places on record its deep appreciation for the valuable contributions of the Auditors during their long association since the inception of your Company and wishes



them success in the future. Based on the recommendation of the Audit Committee, your Board at its meeting held on July 25'2017, appointed M/s. V. Goyal & Associates, Chartered Accountants (ICAI Firm Registration No. 312136E), as the Auditors of the Company, in place of the retiring auditors M/s. Tiwari & Company, Chartered Accountants, to hold office from the conclusion of the ensuing 35th AGM until conclusion of the 40th AGM of your Company.

Your Company has received a certificate from M/s. V. Goyal & Associates Chartered Accountants confirming their eligibility to be appointed as Auditors of the Company in terms of the provisions of section 141 of the Companies Act'2013 and Rules framed thereunder. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) as required under the Provisions of Regulations 33 of the Listing Regulations. The proposal for their appointment has been included in the Notice convening the 35th AGM for obtaining approval of the Members of the Company.

**(ii) Auditors Report**

The notes on Account referred to in the Auditor's Report are Self-explanatory and therefore, do not call for any explanations or comments.

**(iii) Secretarial Audit Report**

In terms of Provisions of Section 204 of the Companies Act'2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules'2014, your Board at its meeting held on May 26'2017 appointed CS Asit Kumar Labh, Company Secretary (Membership No. 32891), as the Secretarial Auditor of the Company, to conduct the Secretarial Audit for the financial year ended March 31,207 and to submit Secretarial Audit Report in Form No. MR-3.

A copy of the Secretarial Audit Report received from CS. Asit Kumar Labh in the prescribed Form No. MR-3 is annexed to this Board's Report.

**(iv) Qualification, reservation or adverse remark in the Auditors' Reports and Secretarial Audit Report**

There is no qualification, reservation and adverse remark made by the Auditors in their Auditors' Reports to the Financial Statements (Standalone) or by the Secretarial Auditor in their Secretarial Audit Report for the Financial Year ended March 31'2017.

**INTERNAL CONTROL SYSTEM**

The Board has laid down Internal Control ("IC") within the meaning of the explanation to section 134 (5)(e) of the Companies Act'2013. The Board believes the Company has sound IC commensurate with the nature and size of its business.

**SIGNIFICANT AND MATERIAL LITIGATIONS/ ORDERS**

During the year under review, there were no significant material orders passed by the Regulators/ courts and no litigation was outstanding as on March 31'2017, which would impact the going concern status and future operations of your Company. The details of litigation on tax matters are disclosed in the Auditors' Report and Financial Statements which forms part of this Annual Report.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, required to be disclosed by section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Account) Rules, 2014 are provided in the Annexure-I to this Report.

**BOARD OF DIRECTORS**

Your Company's Board is duly constituted which is in compliance with requirements of the Companies Act'2013, the Listing Regulations and provisions of the Articles of Association of the Company. Your Board has been constituted with require diversity, wisdom and experience commensurate to the scale of operations of your Company.

**(i) Change in Directors and Key Managerial Personnel**

During the year under review, Mr. Raj Kumar Loyalka has resigned from the Directorship of the company with effect from 10/11/2016.

Your Board inducted Mr. Raj Kumar Loyalka as a Chief Executive Officer with effect from 14/11/2016 on order to comply with the provision of section 203 (1) (ii) of the Companies Act'2013.

Pursuant to section 152 of the Companies Act'2013, Ms. Urmila Loyalka (DIN: 00009266), Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. Your Board recommends her re-appointment.

Brief resume of Directors being appointed/ re-appointed together with other relevant details form part of the Notice of the ensuing Annual General Meeting.

During the year under review, pursuant to provisions of Section 2(51) and Section 203 of the Companies Act'2013 read with ruled made thereunder, the following existing officials of the Company were designated/ classified as whole time Key Managerial Personnel (KMPs) of the Company-

1. The whole time Managing Director Mr. Surendra Kumar Loyalka as the Chairman-Cum-Managing-Director & whole time KMP.
2. The Executive Mr. Raj Kumar Loyalka as Chief Executive Officer & KMP.
3. The Company Secretary Mr. Govind Pandey as the Company Secretary & KMP
4. The Executive Mr. Sushil Kasera as the Chief Financial Officer & KMP.

**(ii) Number of Meeting of the Board of Directors.**

The Board of Directors of the Company met 4 times during the year under review i.e. on 25/05/2016, 13/08/2016, 14/11/2016 & 09/02/2017. Details of Board Composition and Board Meetings held during the Financial Year 2016-17 have been provided in the Corporate Governance Report which forms part of this Annual Report

**AUDIT COMMITTEE**

The Board of Directors of your Company has a duly constituted Audit Committee in terms of the provisions of Section 177 of the Companies Act'2013 read with the Rules framed thereunder and Regulation 18 of the Listing Regulations. The terms of reference of the Audit Committee has been approved by the Board of Directors. Composition of the Audit Committee, number of meetings held during the year under review, brief terms of reference and other details have been provided in the Corporate Governance Report which forms part of this Annual Report. Recommendations made by the Audit Committee are generally accepted by your Board.

**NOMINATION AND REMUNERATION COMMITTEE**

The Composition, key objects etc. of the Nomination and Remuneration Committee is provided in Corporate Governance Report which forms part of this Annual Report. The Committee has formulated a Nomination and Remuneration Policy.

**NOMINATION AND REMUNERATION POLICY**

Your Board has adopted a Remuneration Policy for identification, selection and appointment of Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) of your Company. The policy provides for criteria for fixing remuneration of the Directors, KMPs, SMPs as well as other employees of the Company. The policy enumerates the powers, roles and responsibilities of the Nomination and Remuneration Committee.

Your Board, on the recommendations of the Nomination and Remuneration Committee, appoints Directors(s) of the Company based on his/ her eligibility, experience and qualifications and such appointment is approved by the Members of the Company at General Meetings. Generally, the Managing Directors of the Company are appointed to hold their office for a term up to five consecutive years on the Board of your Company. Based on their eligibility for re-appointment, the outcome of their performance



evaluation and based in the recommendation by the Nomination and Remuneration Committee, the Independent Directors may be re-appointed by the Board for another term of five consecutive years. Subject to approval of the members of your Company. The Directors, KMPs, SMPs, shall retire as per the applicable provisions of the Companies Act'2013 and the policy of the Company. While determining remuneration of Directors, KMPs, SMPs and other employees, the Nomination and Remuneration Committee ensures that the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate them and insure the quality required to run the Company successfully, the relationship to remuneration to performance is clear and meets appropriate performance benchmarks and such remuneration comprises a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals. The Company follows a compensation mix of fixed pay, benefits, allowances, perquisites and retirement benefits for its Executive Directors, KMPs, SMPs and other employees. The Company pays remuneration to Independent Detectors by way of sitting fess. Non-Executive Director of your Company do not accept any sitting fees from the Company. Remuneration to Directors is paid within the limits as prescribed under the Companies Act'2013 and the limits as approved by the Members of the Company, from time to time.

The aforesaid Nomination and Remuneration Policy has been uploaded on the website of your Company [www.zenithexportslimited.com](http://zenithexportslimited.com) and is available at the link: <http://zenithexportslimited.com/nominationremunerationpolicy.pdf>. Your Company conducts a Board Evaluation process for the Board of Directors as a whole, Board Committees and also for the Directors individually through self-assessment. The details of Board evaluation for the F.Y. 2016-17 have been provided in the Corporate Governance Report which forms part of this Annual Report.

#### **DISCLOSURES ON REMUNERATION OF DIRECTORS AND EMPLOYEES OF THE COMPANAY**

Information as required under Section 197(12) of the Companies Act'2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules'2014, and subsequent amendments thereto, is annexed to this Board's Report and marked as Annexure A.

A Statement containing the Information of top ten employees in terms of Remuneration drawn and particulars of every employee of the Company, who was in receipt of remuneration not less than the limits specified under Section 197(12) of the Companies Act'2013 read with Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules'2014 and subsequent amendments thereto, is annexed to this Board's Report and marked as Annexure A.

#### **DIRECTORS' RESPOSIBILITY STATEMENT**

Pursuant to provisions of Section 134 of the Companies Act'2013, the Directors, to the best of their knowledge and belief, hereby confirm that:

- I] In the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- II] 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 as at 31st March'2017 and profit and loss for the year ended on that day;
- III] The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act'2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV] The Directors had prepared the Annual Accounts on a going concern basis;
- V] The Directors had laid down internal financial controls to be followed by the Company and the such internal financial control are adequate and were operating effectively and;
- VI] The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

#### **WHISTLE BLOWER POLICY/ VIGIL MECHANISM**

In terms of Provisions of Section 177 of the Companies Act'2013 and Rules framed thereunder read with Regulations 22 of the



Listing Regulations, your Company has a vigil mechanism in place for the Directors and Employees of the Company through which genuine concerns regarding various issues relating to inappropriate functioning of the organization can be communicated. For this purpose, your Board has a Whistle Blower Policy and has been uploaded on the website of the Company at www.zenithexportslimited.com and the same is available at the link http://zenithexportslimited.com/whistleblowerpolicy.htm. A Vigil Mechanism Committee under the Chairman ship of the Audit Committee Chairman has been constituted. The Policy provides access to the Head of Legal Department of the Company and to the Chairman of the Audit Committee in certain circumstances.

No person has been denied an opportunity to have access to the Vigil Mechanism Committee including the Audit Committee Chairman. During the year under review, there has been no incidence reported which requires action by the Vigil Mechanism Committee.

**INDEPENDENT DIRECTORS STATEMENT**

The Independent Directors of the Company viz. Mr. Madhukar Manilal Bhagat, Mr. Keshar Deo Rungta, Mr. Mangilal Jain & Mr. Devendra Kumar Sarawgee have filed their declaration with the Company at the beginning of the Financial Year 2017-18 affirming that they continue to meet the criteria of Independence as provided in sub-section (6) of the Section 149 of the Companies Act'2013 in respect to their position as an Independent Directors of the Company.

**INFORMATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT'2013 READ WITH RULES 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES'2014**

- (i) The ratio of the remuneration of Director to the median remuneration of the employees of the Company for the financial year 2016-17

Sl. No.	Name of Director	Designation	Ratio
1.	Mr. Surendra Kumar Loyalka	Chairman & Managing Director	10:1

- (ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Company Secretary & Chief Financial Officer in the Financial Year 2016-17

There is no increment during the year under review

- (iii) The percentage increase in the median remuneration of employees in the financial year 2016-17 was 6.5%
(iv) There were 382 permanent employees on the rolls of the Company as on March 31'2017.
(v) Average percentile increase already made in the salaries of employees other than the managerial personal 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 is 6.5 % for employees other than the Whole-time Director in the last financial year was 6%, whereas the increase in the managerial remuneration was NIL.

- (vi) Affirmation that the remuneration is as per the remuneration policy of the Company: Yes

**POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

Your Company has adopted a Policy under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act'2013 and Rules framed thereunder. Your Company is committed to provide a safe and secure environment to its women employees across its functions and other women stakeholders, as they are considered as integral and important part of the Organization.

An internal Complaints Committee (ICC) with requisite number of representatives has been set up to redress complaints relating to sexual harassment, if any, received from women employees and other women associates. All employees (permanent, contractual, temporary, trainees) are covered under this policy, which also extends to cover all women stakeholders of the Company.

The following is a summary of sexual harassment complaints received and disposed of during the financial year ended March 31'2017:

- No. of Complaints received : NIL
• No. of Complaints disposed of : NIL



Your Company has been conducting awareness campaign across all its manufacturing units, warehouses and office premises to encourage its employees to be more responsible and alert while discharging their duties.

**RISK MANAGEMENT AND ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

Zenith Exports Limited follows well-established and detailed risk assessment and minimization procedures, which are periodically reviewed by the Board. The Company has in place a business risk management framework for identifying risks and opportunity that may have a bearing on the organizations objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy.

The senior management assists the Board in its oversight of the Company's management of Key risks including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall business risk management framework.

**CORPORATE GOVERNANCE**

It has been the endeavor of your Company to follow and implement best practices in corporate governance, in letter and spirit. A detailed Corporate Governance Report is attached and forms part of this Report.

**MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis as required under Regulation 34(2)(E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations'2015 is disclosed separately in this report.

**CAUTIONARY STATEMENT**

Certain Statement in the Management Discussion and Analysis describing the Company's view about the industry, expectations/ predictions, objectives etc. may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from those implied therein. Important factors that could make a difference include raw material availability and prices, demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, industrial relations and economic developments within India and countries with which the Company conducts business and other incidental factors.

**APPRECIATION**

Your Directors place on record their deep appreciation of the continued support and guidance provided by Central and State Government and all Regulatory bodies.

Your Directors offer their heartiest thanks to the esteemed shareholders, customers, business associates, Financial Institutions and Commercial Banks for the faith reposed by them in the Company and its management.

Your Directors place on record their deep appreciation of the dedication and commitment of Company's officers and employees at all levels and look forward to their continued support in future as well.

For and on behalf of the Board of Directors

**Surendra Kumar Loyalka**

Chairman cum Managing Director

Din No:00006232

Place: Kolkata

Dated: July 25th, 2017

**ANNEXURE - I TO THE DIRECTORS' REPORT**

Information under Section 134 (3) (M) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Director's Report for the year ended 31st March, 2017.

**1. CONSERVATION OF ENERGY**

- a) Invertors and capacitors have been installed to conserve power. As a result, power consumption is reduced.
- b) The Company is making all round efforts for the Conservation of Energy.
- c) Due to high oil prices use of captive furnace oil generators is reduced and Grid connection has been taken to reduce the power costs. Maximum efforts are being put to reduce consumption and conservation of power, the major expenditure in the Spinning Industry.
- d) The required data with regard to conservation of energy are furnished below:

**FORM-A****A. POWER AND FUEL CONSUMPTION**

	Current Year 2016-17		Current Year 2015-16	
	Spinning	Weaving	Spinning	Weaving
<b>i) ELECTRICITY</b>				
a) Purchased Unit(KWH in lacs)	-	16.32	78.59	19.39
Total Amount (₹ in lacs)	-	124.05	614.61	133.03
Rate/Unit (in ₹)	-	7.60	7.82	6.86
b) Own Generation				
i) Through Furnace Oil				
Generated Units (KWH in lacs)	-	-	-	-
Unit/Litre	-	-	-	-
Cost/Unit (₹/Unit)	-	-	-	-
ii) Through Steam Turbine Generator	-	-	-	-
iii) Through Diesel Generator				
Generated Units (KWH in lacs)	-	0.04	-	0.03
Unit/Litre of Diesel	-	2.82	-	3.20
Cost/Unit (₹/Unit)	-	19.15	-	17.22
<b>ii) COAL</b>	NIL	NIL	NIL	NIL
<b>iii) FURNACE/OTHER OIL</b>				
Quantity (in lacsLtrs.)	-	0.15	-	0.45
Total Amount (₹ in lacs)	-	2.82	-	7.82
Average rate per litre(₹)	-	19.15	-	17.45
Briquettes (in lacsKgs)	-	6.62	-	6.99
Total Amount (₹ in lacs)	-	30.98	-	38.36
Average Rate per Kgs. (₹)	-	8.07	-	6.30
<b>iv) OTHER INTERNAL GENERATION</b>	Nil	Nil	Nil	Nil

**B. CONSUMPTION PER UNIT OF PRODUCTION**

Electricity (KWH)	-	15.70	3.97	14.42
Furnace Oil (Ltrs.)	-	1.36	-	1.28
Briquettes (Kgs)	-	8.07	-	6.30
Standard (KWH)	-	-	3.50	-





**FORM-B**

**II. FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT**

**RESEARCH AND DEVELOPMENT**

Specific areas, in which Research and Development carried out, benefit derived, future plan of action.

ii) Weaving Division

The unit is continuously engaged in enriching the quality of its final product by evaluating and improving its Production Process, Product Development, New designs, Better mix of Raw Materials. To absorb modern manufacturing technology, technical people are constantly given training and skill development programs.

ii) Spinning Division

As the unit has been closed there is no such disclosure in regard of particulars with respect to technology absorption, research and development.

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION EFFORTS IN BRIEF TOWARDS TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION, BENEFITS DERIVED AS A RESULT OF ABOVE EFFORTS.**

**Weaving Division**

Continuous upgrading and overhauling of each machine is being carried out to improve their quality & productivity.

We have been continuously adding latest machines, and balancing equipment's to support the existing machineries.

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

- i) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.
- ii) Export Sales (including deemed exports) during the year under review were ₹11559 Lakhs, compared to ₹ 20291 Lakhs in the preceding year. The export sales decreased by compared to last year due to turmoil in Global market & financial crisis in Europe. Necessary steps are being taken by the management to access new markets with a view to enhance the turnover.
- iii) The required data with regard to Foreign Exchange earnings and outgo are furnished below:

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Earnings	11435.0	19206.0
Outgo	942.10	1518.36

(₹ in lakhs)

For and on behalf of the Board of Directors

Place: Kolkata  
Dated: July 25th, 2017

**SurendraKumaLoyalka**  
Chairman cum Managing Director  
Din No:00006232



**COMPLIANCE TO CODE OF CONDUCT**

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PROFESSIONAL WITH COMPANY'S CODE OF CONDUCT.**

To the Members of  
**ZENITH EXPORTS LTD.**

Declaration by the CEO under Regulation 26 of the SEBI (LOisting Obligations and Disclosure REquirements) Regulations, 2015.

I, Surendra Kuamr Loyalka, Chairman-cum-Managing Director of Zenith Exports Limited to the best of my knowledge and belief, declare that all the members of the board of directors and the senior management personnel have affirmed compliance with the code of conduct of the Company for the year ended 31st March, 2017.

For and on behalf of the Board of Directors

Place: Kolkata  
Dated: July 25th, 2017

**Surendra Kumar Loyalka**  
Chairman cum Managing Director  
Din No:00006232

**Form No. MGT-9****EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.03.2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION & OTHER DETAILS :**

1. CIN	L24294WB1981PLC033902
2. Registration Date	23.07.1981
3. Name of the Company	ZENITH EXPORTS LIMITED
4. Category/Sub-category of the Company	Public Company limited by shares
5. Address of the Registered office & contact details	19, R N Mukherjee Road, Kolkata – 700001 Tel: 91-33-2248 7071 / 6936 / 9522 Fax : 91-33-2243 9003 E-mail : zenith@giascl01.vsnl.net.in
6. Whether listed company	Yes
7. Name, Address & contact details of the Registrar & Transfer Agent, if any.	C B Management Services (P) Ltd. P – 22, Bondel Road, Kolkata – 700019 Phone : (033) 4011 6700/2280 6692/2282 3643/2287 0263 Fax : (033) 4011 6739 Email : rta@cbmsl.com Website : www.cbmsl.com CIN : U74140WB1994PTC062959

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :**

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Leather Gloves for use in Industry	1512	85%
2	Silk Fabrics	2444	15%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :-**

The Company does not have any Subsidiary or Associate during the financial year 2016-17, pursuant to Section 2(6) and 2(87) of the Companies Act, 2013.



**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 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Promoter</b>									
<b>1. Indian</b>									
(a) Individuals/ HUF	1966066	0	1966066	36.43	1966066	0	1966066	36.43	0
(b) Central Government(s)	-	-	-	-	-	-	-	-	-
(c) State Government(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corporate	826490	0	826490	15.32	826490	0	826490	15.32	0.00
(e) Bank/Financial Institutions	-	-	-	-	-	-	-	-	-
(f) Others	-	-	-	-	-	-	-	-	-
<b>Sub Total(A)(1)</b>	<b>2792556</b>	<b>0</b>	<b>2792556</b>	<b>51.75</b>	<b>2792556</b>	<b>0</b>	<b>2792556</b>	<b>51.75</b>	<b>0</b>
<b>2. Foreign</b>									
(a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
(b) Other-Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Bank/Financial Institutions	-	-	-	-	-	-	-	-	-
(e) Any Others	-	-	-	-	-	-	-	-	-
<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>2792556</b>	<b>0</b>	<b>2792556</b>	<b>51.75</b>	<b>2792556</b>	<b>0</b>	<b>2792556</b>	<b>51.75</b>	<b>0.00</b>
<b>(B) Public shareholding</b>									
<b>1. Institutions</b>									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Bank/Financial Institutions	-	-	-	-	-	-	-	-	-
(c) Central Government(s)	-	-	-	-	-	-	-	-	-
(d) State Government(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) Foreign Institutional Investors (FII)	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(i) Other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>B.2. Non-institutions</b>									
<b>(a) Bodies Corporate</b>									
(i) Indian	2223475	601	2224076	41.22	2312887	601	2313488	42.87	1.66
(ii) Overseas	-	-	-	-	-	-	-	-	-



Category of Shareholder	No. of Shares held at the beginning of the year 01.04.2016				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(b) Individuals</b>									
i. Individual shareholders holding nominal share capital up to Rs 1 lakh	168695	35930	204625	3.79	149507	35930	185437	3.44	-0.36
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	174610	0	174610	3.24	104666	0	104666	1.94	-1.30
<b>(c) Other (specify)</b>									
1. NRI	83	0	83	0.00	83	0	83	0.00	0
2. Clearing Member	0	0	0	0.00	84	0	84	0.00	0
3. OCB	-	-	-	-	-	-	-	-	-
4. Trust	300	0	300	0.01	300	0	300	0.01	0
5. Foreign Fortfolio Investor									
<b>Sub-Total (B)(2)</b>	<b>2567163</b>	<b>36531</b>	<b>2603694</b>	<b>48.25</b>	<b>2567527</b>	<b>36531</b>	<b>2604058</b>	<b>48.26</b>	<b>0</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>2567163</b>	<b>36531</b>	<b>2603694</b>	<b>48.25</b>	<b>2567527</b>	<b>36531</b>	<b>2604058</b>	<b>48.25</b>	<b>0</b>
<b>TOTAL (A)+(B)</b>	<b>5359059</b>	<b>37191</b>	<b>5396250</b>	<b>100.00</b>	<b>5359719</b>	<b>36531</b>	<b>5396250</b>	<b>100.00</b>	<b>0</b>
<b>C. Shares held by Custodians for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>5359059</b>	<b>37191</b>	<b>5396250</b>	<b>100.00</b>	<b>5359719</b>	<b>36531</b>	<b>5396250</b>	<b>100.00</b>	<b>0</b>

**ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the end of the year (01.04.2016)			Shareholding at the end of the year (31.03.2017)		
		No. of Shares	% of total shares of Company	% of shares Pledged encumbered to total shares	No. of Shares	% of total shares of Company	% of total shares of Company
1	A.C.ROY AND COMPANY PVT.LTD. [IN30032710308889 ]						
	a) At the Beginning of the year	304490	5.64	NIL	304490	5.64	NIL
	b) Change during the year				NO CHANGE		
	c) At the end of the year				304490	5.64	NIL
2	PUROTECH SALES PVT.LTD [IN30032710393942]						
	a) At the Beginning of the year	356000	6.6	NIL	356000	6.6	NIL
	b) Change during the year				NO CHANGE		
	c) At the end of the year				356000	6.6	NIL
3	P.P.DEVELOPERS PVT LIMITED [IN30032710436315]						
	a) At the Beginning of the year	166000	3.08	NIL	166000	3.08	NIL
	b) Change during the year				NO CHANGE		
	c) At the end of the year				166000	3.08	NIL



Sl. No.	Shareholder's Name	Shareholding at the end of the year (01.04.2016)			Shareholding at the end of the year (31.03.2017)		
		No. of Shares	% of total shares of Company	% of shares Pledged encumbered to total shares	No. of Shares	% of total shares of Company	% of total shares of Company
4	VARUN LOYALKA						
	[IN30011811393300 ]						
	a) At the Beginning of the year	268900	4.98	NIL	268900	4.98	NIL
	b) Change during the year				NO CHANGE		
	c) At the end of the year				268900	4.98	NIL
5	SURENDRA KUMAR LOYALKA						
	[IN30032710303479 ]						
	a) At the Beginning of the year	481496	8.92	NIL	481496	8.92	NIL
	b) Change during the year				NO CHANGE		
	c) At the end of the year				481496	8.92	NIL
6	SURENDRA KUMAR LOYALKA-HUF						
	[IN30032710342515 ]						
	a) At the Beginning of the year	561420	10.4	NIL	561420	10.4	NIL
	b) Change during the year				NO CHANGE		
	c) At the end of the year				561420	10.4	NIL
7	URMILA LOYALKA						
	[IN30032710343644 ]						
	a) At the Beginning of the year	629150	11.66	NIL	629150	11.66	NIL
	b) Change during the year				NO CHANGE		
	c) At the end of the year				629150	11.66	NIL
8	BILAS RAI LOYALKA-HUF						
	[IN30032710545194 ]						
	a) At the Beginning of the year	200	0	NIL	200	0	NIL
	b) Change during the year				NO CHANGE		
	c) At the end of the year				200	0	NIL
9	BILAS RAI LOYALKA						
	[IN30032710579987 ]						
	a) At the Beginning of the year	900	0.02	NIL	900	0.02	NIL
	b) Change during the year				NO CHANGE		
	c) At the end of the year				900	0.02	NIL
10	RAJKUMAR LOYALKA						
	[IN30036022552675 ]						
	a) At the Beginning of the year	20000	0.37	NIL	20000	0.37	NIL
	b) Change during the year				NO CHANGE		
	c) At the end of the year				20000	0.37	NIL
11	RAJKUMAR LOYALKA-HUF						
	[IN30036022554158 ]						
	a) At the Beginning of the year	4000	0.08	NIL	4000	0.08	NIL
	b) Change during the year				NO CHANGE		
	c) At the end of the year				4000	0.08	NIL



**(iii) Change in Promoter's Shareholding (please specify if there is no change)**

Sl. No.	Shareholding at the beginning of the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		% of total shares of the Company	No. of Shares	% of total shares of the Company
1	2792556	51.75	2792556	51.75

**(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRS)**

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning on the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	BHUTNATH VANIJYA VYAPAAR PVT.LTD [IN30032710314377 ] a) At the Beginning of the year b) Change during the year c) At the end of the year	582586	10.8	582586 NO CHANGE 582586	10.8  10.8
2	R.K.FINANCE LIMITED [IN30032710296806 ] a) At the Beginning of the year b) Change during the year DATE REASON 10.03.2017 BUY 30 17.03.2017 SALE 49970 24.03.2017 BUY 28700 c) At the end of the year	519445	9.63	519445 519475 469505 498205 498205	9.63 9.63 8.70 9.23 9.23
3	ZENITH CREDIT LIMITED [IN30032710296785 ] a) At the Beginning of the year b) Change during the year DATE REASON 02.09.2016 SALE 2000 13.01.2017 SALE 100000 17.03.2017 SALE 3640 c) At the end of the year	332482	6.16	332482 330482 230482 226842 226842	6.16 6.12 4.27 4.20 4.2
4	MAXXON IMPEX AND CREDIT PVT.LTD. [IN30032710433486 ] a) At the Beginning of the year b) Change during the year c) At the end of the year	264093	4.89	264083 NO CHANGE 264093	4.89  4.89
5	OMKARA VINCOM PRIVATE LTD. [IN30032710588875] a) At the Beginning of the year b) Change during the year DATE REASON 13.01.2017 SALE 100000 17.03.2017 BUY 3640 c) At the end of the year	250000	4.63	250000 146360 146360	4.63 2.78 2.71 2.71
6	BKL SECURITIES LIMITED [IN30225210056657 ] a) At the Beginning of the year b) Change during the year c) At the end of the year	180273	3.34	180273 NO CHANGE 180273	3.34  3.34



Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning on the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
7	GUINNESS SECURITIES LIMITED (IN30289810000193) a) At the Beginning of the year b) Change during the year DATE REASON 13.01.2017 BUY 03.03.2017 SALE 10.03.2017 SALE 24.03.2017 BUY c) At the end of the year	3178 285000 210 150 21400	0.06 5.28 0.00 0.00 0.40	3178 288178 287968 287818 309218 309218	0.06 5.34 5.34 5.33 5.73 5.73
8	SUNIRMAY VINIMAY PVT.LTD. [IN30032710396383 ] a) At the Beginning of the year b) Change during the year c) At the end of the year	71250	1.32	71250 NO CHANGE 71250	1.32 1.32
9	SEETHA KUMARI [1201060002239844 ] a) At the Beginning of the year b) Change during the year c) At the end of the year	12556	0.23	12556 NO CHANGE 12556	0.23 0.23
10	BIJAY KUMAR LOYALKA [IN30032710593833 ] a) At the Beginning of the year b) Change during the year DATE REASON 02.09.2017 BUY 13.01.2017 SALE c) At the end of the year	174610 2500 85000	3.24 0.05 1.58	174610 177110 92110 92110	3.24 3.29 1.71 1.71

**(v) Shareholding Pattern of Directors and Key Managerial Personnel**

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning on the year (01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Surendra Kumar Loyalka a) At the Beginning of the Year b) Change during the Year c) At the end of the Year	481496 - 481496	8.92 - 8.92	481496 - 481496	8.92 - 8.92
2	Mrs. Urmila Loyalka a) At the Beginning of the Year b) Change during the Year c) At the end of the Year	629150 - 629150	11.66 - 11.66	629150 - 629150	11.66 - 11.66
3	Mr. Raj Kumar Loyalka a) At the Beginning of the Year b) Change during the Year c) At the end of the Year	20000 - 20000	0.37 - 0.37	20000 - 20000	0.37 - 0.37

**V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	12,62,81,675	-	-	12,62,81,675
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>12,62,81,675</b>	<b>-</b>	<b>-</b>	<b>12,62,81,675</b>





	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	5,83,27,154	-	-	5,83,27,154
<b>Net Change</b>	<b>5,83,27,154</b>	<b>-</b>	<b>-</b>	<b>5,83,27,154</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	6,79,54,521	-	-	6,79,54,521
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	6,79,54,521	-	-	6,79,54,521

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount (₹)
		Mr. Surendra Kumar Loyalka	Mr. Raj Kumar Loyalka	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	18,00,000/- 5,30,790/-	10,50,000/- 2,47,471/-	28,50,000/- 7,78,261/-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify – Contribution to Provident Fund	2,16,000	1,26,000/-	3,42,000/-
	<b>Total (A)</b>	<b>25,46,790/-</b>	<b>14,23,471/-</b>	<b>39,70,261/-</b>
	Overall Ceiling as per the Act	As per Schedule V of the Companies Act'2013		

\*Mr. Raj Kumar Loyalka ceased to be a Director of the Company w.e.f. 10.11.2016.

**B. Remuneration to other directors**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (₹)
		Mr. Madhukar Manilal Bhagat	Mr. Kehsar Deo Rungta	Mr. Mangilal Jain	Mr. Devendra Kumar Sarawgee	
1	<b>Independent Directors</b>					
	Fee for attending board committee meetings	42,000/-	43,000/-	27,000/-	23,000/-	1,35,000/-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>42,000/-</b>	<b>43,000/-</b>	<b>27,000/-</b>	<b>23,000/-</b>	<b>120000/-</b>



Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (₹)
		Mr. Madhukar Manilal Bhagat	Mr. Kehsar Deo Rungta	Mr. Mangilal Jain	Mr. Devendra Kumar Sarawgee	
2	Other Non-Executive Directors Fee for attending board committee meetings Commission Others, please specify	Mrs. Urmila Loyalka Nil - -				Nil
	<b>Total (2)</b>		Nil			Nil
	<b>Total (B)=(1+2)</b>					1,35,000/-
	<b>Total Managerial Remuneration (A+B)</b>					
	Overall Ceiling as per the Act	As per Schedule V of the Companies Act'2013				

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	6,85,000/-	3,80,889/-	3,11,715/-	13,77,604/-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit others, specify...	-	-	-	-
5	Others, please specify- Transport Allowances & Contribution to Provident Fund	31,867/-	40,344/-	36,066/-	1,08,277/-
	<b>Total</b>	<b>7,16,867/-</b>	<b>4,21,233/-</b>	<b>3,47,781/-</b>	<b>14,85,881/-</b>

\*Mr. Raj Kumar Loyalka has been appointed as CEO w.e.f. 14.11.2016.

**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)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**MANAGEMENT DISCUSSION AND ANALYSIS****THE COMPANY HAS 2 DIVISIONS VIZ.**

1. 100% EOU Unit at Nanjangud - Karnataka - Manufacturing High Quality Silk and Velvet Fabrics.
2. Exports Division at Kolkata - Exporting Industrial Leather Hand Gloves, Silk & Cotton Fabrics and made- ups manufactured on Handloom etc.

**1. EOU UNIT AT NANJANGUD****A. INDUSTRY STRUCTURE AND DEVELOPMENT**

The Textile Industry is highly power, man-power & capital intensive industry. We experienced mixed experience due to recovery in USA & financial crisis in European continent. China is still a big threat to us in International Market due to availability of cheap labour and high quality silk yarn in the country.

**B. OPPORTUNITIES AND THREATS**

The globalization of all markets, economic or political upheavals anywhere in the world affects all the markets & inflation and high volatility in exchange markets be cited as potential threats but the biggest threat for the time being in increase in cost of raw material in the international market and high power and labour cost in the country. Quality of Indian fabrics and the growth momentum in India, despite rising inflation, may be taken as an opportunity for Indian exports.

**C. OUTLOOK**

Due to recession worldwide the confidence of export market has badly affected. However, the Company has taken effective control measures to cope up slowdown and explore new markets. The Company is on way to better realization by way of cost curtailment and expecting better results in the current year.

**2. TRADING DIVISION (LEATHER HAND GLOVES & SILK FABRICS MANUFACTURED ON HANDLOOM)****A. INDUSTRY STRUCTURE AND DEVELOPMENT**

Due to recovery in USA & other continent, the sale started picking up. However financial crisis in Europe & recessions in Africa & other market had an adverse impact on our sales volume. However, we are continuously trying to improve quality output and addition of new markets, with increase in varieties of hand gloves.

**B. OPPORTUNITIES AND THREATS**

India's share in global market for Industrial Gloves is very minimal and hence, there exists big scope for future growth. In silk fabrics margins will be under pressure but there is scope for increase in turnover to new markets.

**C. OUTLOOK**

The future outlook appears to be better.

**3. COMMON TO ALL DIVISIONS****A. Risks and Concerns**

High power and manpower cost, stringent labour laws, and shortage of skilled workers are the biggest risk concerning this industry. High volatility in foreign exchange rates also poses a great risk as our unit is mainly into export business. The wide fluctuation in cost of Raw Material like Cotton, Viscose & Polyester Fiber, silk yarn & finished leather has also become a major risk factor.

**Foreign Exchange Risk**

The Company's policy is to systematically hedge a part of its foreign exchange risks.

**Interest rate Risk**

The Company's borrowings are on floating rate basis. On account of inflation in the country, the company feels risk arising out of a change of its interest rate structure by RBI is very much there on different loans of the company.

**Commodity Price Risk**

Due to continuing high inflation the company is exposed to the risk of price fluctuation on raw materials and other inputs. These risks are significant considering the present situation in the country.

**B. Internal Control Systems and their adequacy**

The company has appropriate internal control system for business process across various divisions with regard to efficiency of operations, financial reporting, compliance with applicable laws and regulations. The company has kept highly skilled technical and administrative people at our mill, due to which the internal control systems are strictly maintained i.e. increasing productivity and cutting cost at every stage. Under the supervision of highly experienced technical people, we are able to produce highest quality of products for export market. Regular internal audits and checks ensure that responsibility is executed effectively. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them.

**C. Financial performance with respect to Operational Performance**

The Company could achieve a turnover of ₹ 11657 Lakhs and net Loss of ₹ 207.62 Lakhs during the year under review.

**D. SEGMENTWISE PERFORMANCE**

(₹ in Lakhs)

	2016-17	2015-16
<b>TRADING DIVISION</b>		
Sales	9892.00	16646.00
Net Profit	167.84	680.88
<b>WEAVING DIVISION</b>		
Sales	1774.72	2333.07
Net Profit/(loss)	(326.02)	(110.64)
<b>SPINNING DIVISION</b>		
Sales	Nil	3670.25
Net Profit/(loss)	(49.44)	(554.50)

**E. MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

The company presently has 382 employees on its rolls (As on 31/03/2017). These are basically human resource assets and are integral in Company's on-going success. They have played a significant role and enabled the company to deliver better performance year after year. The cost of staff and workers is increasing abnormally due to high cost of living and there is a shortage of skilled workers. We have to keep extra hands and train them to cover our requirement of workers. Strong emphasis is therefore given to build and nourish the human resource assets; The Company has had very harmonious relations with its workforce during the year.

**F. CAUTIONARY STATEMENT**

Statement made in this report describing the Company's objective, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand supply conditions, finished goods price, feed stock availability and prices, cyclical demand and pricing in the Company's markets, changes in government regulations, tax regimes, economic developments within India and the countries where the Company conducts its business and other factors such as litigations and labour negotiations.

**REPORT ON CORPORATE GOVERNANCE**

[In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations'2015 ('Listing Regulations')]

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

ZENITH EXPORTS LIMITED (ZEL) believes that good Corporate Governance is the foundation for a truly sustainable company. Corporate Governance is a set of principles, processes and systems to be followed by the Directors, Management and all Employees of the Company for enhancement of shareholders value while keeping in view interests of other stakeholders. Good governance ensures adoption of best business practices and accountability of the person in-charge of the Company's operations. Your Company is fully committed to the principles of integrity, transparency and compliance with regulations in all dealing with the Government, Customers, Suppliers, Employees and other Stakeholders. Your Directors fully endorse and support the Corporate Governance practices in accordance with the provisions of the Listing Agreement.

**2. BOARD OF DIRECTORS:**

The Board of Directors at ZEL approves and reviews the Strategies and oversees the actions and results of management. As on March 31st, 2017, the Company's Board comprised of (6) Six Members, out of which 1 (One) is Chairman cum Managing Director, 4(Four) are Independent Directors (ID), 1 (One) Non-Executive Woman Director. The Number of Independent Directors (IDs) are more than half of the total number of Directors. The Board has an appropriate mix of knowledge, wisdom and varied industry experience to guide the Company in achieving its objectives in a sustainable manner.

**(i) COMPOSITION OF BOARD AND CATEGORY OF DIRECTORS**

The Composition of the Board satisfies the requirements of Section 149 of the Companies Act'2013 ("the Act") and Regulation 17 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations'2015.

The Names and Categories of Director, the number of Directorships and Committee positions held by them in other Companies and also the Shareholdings in the Company are given below:

Name of the Director DIN	Category of Director	Number of Directorships Held in Listed Entities including this Listed Entity in India*	Number of Chairperson/ Membership in Audit/ Stakeholders Committees including this Listed Entity**		Number of Shares Held
			As Chairperson	As Member	
Mr. S. K. Loyalka Chairman-cum- Managing Director DIN: 00006232	Promoter/ Executive	1	--	--	481496
Mr. M. M. Bhagat DIN: 00006245	Non-Executive/ Independent	3	2	4	100
Mr. K. D. Rungta DIN: 00006252	Non-Executive/ Independent	1	2	1	100
Mr. M.L. Jain DIN: 00353075	Non-Executive/ Independent	4	3	4	-
Mr. D.K. Sarawgee DIN: 00087256	Non-Executive/ Independent	2	--	2	-
Mrs.UrmilaLoyalka DIN:00009266	Promoter/ Non-Executive	1	--	--	629150

**Notes:**

\*Excluding directorship held in Private Companies, Foreign Companies and Companies under Section 8 of the Companies Act'2013. None of the Directors on the Board hold Directorships in more than 10 (Ten) Public Companies. Further none of them is a Member of more than 10 (Ten) Committees or Chairman of more than 5 (Five) Committees across all the Public Companies in which he/ she is a Director. None of the Directors except Mr. Surendra Kumar Loyalka and Mrs. UrmilaLoyalka, who are relatives, are related to each other.

\*\* Includes only Audit Committee and Stakeholder Relationship Committee as per Regulation 26(1)(b) of the Listing Regulations.

\*\*\* In Compliance with the requirements of Schedule IV to the Companies Act'2013 read with Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors was held on February 9th2017, where all the Independent Directors were present.

**(ii) BOARD OF DIRECTORS AND MEETINGS**

In Compliance with the Provisions of Regulation 17 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations'2015, the Board met 4 times during the year to review the performance and do deliberate and consider other items on the Agenda. During the year there were in total 4 (Four) Board Meetings were held on 25.05.2016, 13.08.2016, 14.11.2016 & 09.02.2017. The time gap between the two Meetings was not more than 120 days.

Name of the Director	No. of Board Meetings		AGM held on 27th September 2016
	Held During the tenure of Directorship	Attended	
Mr. S. K. Loyalka	4	1	Present
Mr. M. M. Bhagat	4	4	Present
Mr. K. D. Rungta	4	4	Present
Mr. M.L. Jain	4	3	Present
Mr. D.K. Sarawgee	4	3	Present
Mrs.UrmilaLoyalka	4	1	Present

**Information provided to the Board Members:**

- Annual Operating Plans and budgets including Capital Budgets and any updates thereof.
- Quarterly Results of the Company and its business segments.
- Minutes of Meeting of Audit Committee and other Committees of the Board.
- The information on recruitment and remuneration of Senior Officers of Board Level, including appointment or resignation of Chief Executive Officer, Chief Financial Officer and the Company Secretary of the Company.
- Show Cause, Demand, Prosecution notices and penalty notices which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company or substantial non-payment for services rendered by the Company.
- Quarterly details of foreign exchange exposures and the steps taken by the Management to limit the risks of adverse exchange tare movement, if material.
- Non-Compliance of any regulatory, statutory or listing requirements and stakeholders service such as non-payment of dividend, delay in shares transfer etc.

**RISK MANAGEMENT:**

The Company has laid down systems to inform members about the risk assessment and minimization procedures. The risks and Company's mitigation strategies are periodically reviewed to ensure effective controls.

**(iii) APPOINTMENT AND TENURE OF THE DIRECTORS**

The Directors of the Company are appointed by the Members at the General Meetings. Generally, the Managing Director and Whole-time Directors (Executive Directors) are appointed for a period of five years. The Whole-time Directors and the Non-Executive Directors (Other than the Independent Directors) are liable to retire by rotation at AGM and if eligible, may seek approval of the Members for their re-appointment.

In terms of the provisions of Section 149(5) of the Companies Act'2013 and Rules framed thereunder, the Independent Directors of the Company are appointed for a period of Five years by the Members of the Company at the General Meeting.

A formal letter of appointment setting out the terms and conditions of appointment, roles and functions, responsibilities, duties, fees and remuneration, liabilities, resignation / removal etc., as specified under Schedule IV to the Companies Act'2013 has been issued to each of the Independent Directors subsequent to obtaining approval of the Members to their respective appointments. The terms and conditions of such appointments of the Independent Directors are also made available on the website of the Company at [www.zenithexportslimited.com](http://www.zenithexportslimited.com).

In Compliance with Regulation 36(3) of the Listing Regulations read with the Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the required information about the Directors proposed to be re-appointed has been annexed to the Notice convening the 35th AGM.

**(iv) FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

In order to encourage active participation from the Independent Directors and also to enable them to understand the business environment of the Company, a Familiarization Programme for the Independent Directors has been adopted and implemented.

Once appointed, the Independent Directors undergo Familiarization Programme of the Company. Necessary information and supportive documents in respect of the Exports Industry, the regulatory environment under which the Company operates and Annual Reports of past financial years are provided to the Independent Directors. The independent Directors visit the Corporate Office of the Company and its manufacturing units and hold one-on-one discussions with Key Functional Heads of the Company to understand various functions which are critical to business performance of the Company. The Independent Directors are also provided with financial results, internal audit findings, risk inventories and other specific documents as sought for from time to time. The Independent Directors are also made aware of various policies and code of conduct and Business Ethics adopted by the Board.

During the year under review, the Company conducted various Familiarization Programmes for the Independent Directors of the Company. The details of such Programmes are uploaded on the website of the Company at [www.zenithexportslimited.com](http://www.zenithexportslimited.com) and is available at the link <http://zenithexportslimited.com/famprodir.htm>

**(v) CODE OF CONDUCT**

The Board of Directors of the Company has adopted a Code of Conduct for the Directors, Key Managerial Personnel, Senior Management Personnel and Functional Heads of the Company. The said Code of Conduct of the Company has been uploaded on the website of the Company at [www.zenithexportslimited.com](http://www.zenithexportslimited.com) and available at the link <http://zenithexportslimited.com/codeofconduct.html>

**(vi) ANNUAL DECLARATION BY THE MANAGING DIRECTOR**

I do hereby declare that pursuant to Schedule V (D) read with Regulation 34(3) of the Listing Regulations, all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31, 2017.

For and on behalf of the Board of Directors

**Surendra Kumar Loyalka**

Chairman cum Managing Director

DIN : 00006232

Place: Kolkata

Dated: July 25th, 2017

**3. AUDIT COMMITTEE:**

The Board of Director of the Company has constituted an Audit Committee of the Board in terms of the requirements of Section 177 of the Companies Act'2013 and Rules framed thereunder read with Regulation 18 of the Listing Regulations. The Audit Committee of the Company meets every quarter, inter alia, to review the financial results for the previous quarter before the same are approved at Board Meetings, pursuant to Regulation 33 of the Listing Regulations. The Audit Committee may also meet from time to time, if required.

The Audit Committee has been vested with; inter alia, the following powers:

- (a) To investigate any activity within its terms of reference.
- (b) To seek information from any employee.
- (c) To obtain outside legal or other professional advice.
- (d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

**(i) COMPOSITION OF THE COMMITTEE**

The composition of the Committee is as per the Regulation 18 of SEBI (LODR), Regulations, 2015. The number of meeting attended by each of the members are given below:

Name of the Director	Position held	No. of Meetings	
		Held during tenure	Attended
Mr. K. D. Rungta#	Chairman	4	4
Mr. M. M. Bhagat	Member	4	4
Mr. M.L. Jain	Member	4	3
Mr. D.K. Sarawgee	Member	4	3

# Mr. K.D. Rungta is the Chairman of the Audit Committee of the Company and has the requisite knowledge and experience of over 6 decades in financial matters.

All the Members of the Audit Committee are Non-Executive Independent Directors.

**(ii) MEETINGS**

The Audit Committee met Four times during the year on 25.05.2016, 13.08.2016, 14.11.2016 & 09.02.2017. The Annual Accounts for the year ended 31st March'2017 was reviewed by the Audit Committee at its Meeting held on 26th May'2017. The Audit Committee also reviewed the Audited Financial Results for the year ended 31st March'2016 and Unaudited Financial Results for the quarters ended 30th June'2016, 30th September'2016 and 31st December'2016 before recommending their adoption to the Board.

**(iii) POWERS OF AUDIT COMMITTEE**

The Audit Committee reviews the Reports of the Internal Auditor and the Statutory Auditors periodically and discusses their findings. The role of the Audit Committee is as follows:

- Oversight of the Company's Financial Reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors.
- Reviewing, with the management the annual financial statements and the auditor's report thereon, before submission to the board for approval, with particular reference to:
  - a) Matters required being included in Director's Responsibility Statement included in Board's Report
  - b) Changes, if any, in accounting policies and practices and reasons for the same.





- c) Major accounting entries based on exercise of judgment by management.
- d) Significant adjustments made in the financial statements arising out of audit findings.
- e) Compliance with listing and other legal requirements relating to financial statements.
- f) Disclosure of any related party transactions.
- g) Qualifications in the draft audit report.
  - Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
  - Review and monitor the auditors' independence and performance, and effectiveness of audit process.
  - 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.
  - Evaluation of Internal Financial Controls and Risk Management Systems.
  - Reviewing, with the Management, performance of Statutory and internal auditors, adequacy of the Internal Control Systems.
  - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
  - Discussion with internal auditors of any significant findings and follow up thereon.
  - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure or internal control systems of a material nature and reporting the matter to board.
  - Discussion with Statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern, if any;
  - To look into the reasons for substantial defaults, if any, in the payment to the depositors, shareholders and creditors.
  - To review the functioning of the Vigil Mechanism/ Whistle Blower Policy of the Company.
  - Carrying out any other function as is mentioned in the Power of Audit Committee.

**In addition, the Audit Committee also mandatorily reviews the following:**

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
- Management letters/ letters of internal control weaknesses, if any issued by the Statutory Auditors.
- Internal Audit Reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Internal Auditor shall be subject to review by the Audit Committee.

In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice. The draft minutes of the Audit Committee Meetings are circulated among members before the same is confirmed and placed before the Board.

**4. NOMINATION AND REMUNERATION COMMITTEE:**

The Board of Directors of the Company has constituted a Nomination and Remuneration Committee of the Board in terms of the requirements of Section 178 of the Companies Act'2013 and Rules framed thereunder read with Regulations 19 of the Listing Regulations.

**(i) TERMS OF REFERENCE**

The terms of reference of the Committee include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a directors and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and Board.
- Devising a policy on Board diversity.
- Identifying 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.

**(ii) COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE**

The Nomination and Remuneration Committee consists of three Independent Directors and Mr. M.M. Bhagat, Independent Director is the Chairman of the Committee.

The Nomination and Remuneration Committee met three times during the financial year ended March 31, 2017, i.e., on August 13, 2016; November 14, 2016; February 9, 2017. Category of Directors as the Nomination and Remuneration Committee Members and their attendance at the aforesaid Meetings are detailed below:

Name of the Director	Position held	Position held	No. of Meetings	
			Held during tenure	Attended
Mr. M. M. Bhagat	Independent Director	Chairman	3	3
Mr. K. D. Rungta	Independent Director	Member	3	3
Mr. M.L. Jain	Independent Director	Member	3	2

# Mr. M.M. Bhagat is the Chairman of the Committee and has requisite knowledge & experience of over 5 decades in financial & insurance matter.

All the Members of the Nomination & Remuneration Committee are Non-Executive Independent Directors.

**(iii) PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS**

Your Company understands the requirements of an effective Board Evaluation process and accordingly conducts a Performance Evaluation every year in respect of the following:

- Board of Directors as a whole.
- Committees of Board of Directors
- Individual Directors including the Chairman of the Board of Directors.

In compliance with the requirements of the provisions of the Section 178 of the Companies Act'2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations'2015 and the Guidance Note on Board Evaluation issued by SEBI in january'2017, your Company has carried out a Performance Evaluation for the Board/ Committees/ Directors of your Company for the Financial year ended March 31,2017.

The key objectives of conducting the Board Evaluation were to ensure that the Board and various Committees of the Board have appropriate composition of Directors and they have been functioning collectively to achieve common business goals of your Company. Similarly the key objective of conducting performance evaluation of the Directors through individual assessment and peer assessment was to ascertain if the Directors actively participate in Board Meetings and contribute to achieve the common business goal of the Company.

The Directors carry out the aforesaid Performance Evaluation in a confidential manner and provide their feedback on a rating scale of 1-5. Duly completed formats were sent to the Chairman of the Board and the Chairman of the respective committees of the Board for their consideration. The performance Evaluation feedback of the Chairman was sent to Chairperson of the Nomination and Remuneration Committee. Outcome of such Performance Evaluation exercise was tabled at the Nomination and Remuneration Committee Meeting and also discussed at a separate Meeting of the Independent Directors, both of which were held on February 9, 2017.



The Nomination and Remuneration Committee forwarded their recommendation based on such Performance Evaluation to the Board of Directors and the same was tabled at the Board Meeting held on May 26, 2017. Based on the aforesaid Performance Evaluation, your Board decided to continue the terms of appointment of the Chairman, the Independent Directors, the Executive Directors and Non-Executive Directors.

**(iv) NOMINATION AND REMUNERATION POLICY**

In Compliance with the requirements of Section 178 of the Companies Act'2013, Rules framed thereunder and pursuant to the provisions of Regulation 19(4) of the Listing Regulations, the Board of Directors of the Company has a Nomination and Remuneration Policy for the Directors, Key Managerial Personnel, Functional Heads and other Employees of the Company. The Policy provides for criteria and qualifications for appointment of Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs), remuneration to them, Board diversity etc. The said policy is available on the Company's website [www.zenithexportslimited.com](http://www.zenithexportslimited.com) in at the link <http://zenithexportslimited.com/nominationremunerationpolicy.pdf> .

**(v) DETAILS OF REMUNERATION/ SITTING FEES PAID TO DIRECTORS**

The remuneration/ sitting fees paid / payable to the Executive Directors and Non-Executive Directors for the F.Y. 2016-17 are as under:-

Name of the Director	Salary and Perquisites	Sitting Fees
<b>Executive Directors</b>		
1. Mr. S. K. Loyalka	25,46,790/-	–
<b>Non-Executive Directors</b>		
1. Mr. M. M. Bhagat	–	42,000/-
2. Mr. K. D. Rungta	–	43,000/-
3. Mr. M.L. Jain	–	27,000/-
4. Mr. D. K. Sarawgee	–	23,000/-

Non-Executive directors are paid sitting fees of ₹ 5000/- for every Board Meeting, ₹ 4000/- for Audit Committee Meetings and ₹ 2000/- for Nomination & Remuneration and Administrative Committee Meetings. However, the sitting fees of the Chairman of Audit is ₹ 5000/- & Nomination & Remuneration Committee is ₹ 4000/-.

No sitting fee is paid for attending the meeting of Stakeholders Relationship & Risk Management Committee.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

**(i) TERMS OF REFERENCE**

The Company has a Stakeholders' Relationship Committee and the terms of reference of the Stakeholders' Relationship Committee are in conformity with the provisions of Regulation 20 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations'2015, read with Section 178 of the Companies Act, 2013. The Stakeholders' Relationship Committee specifically looks into the redressal of grievances of Shareholders and other security holders such as transfer/ transmission of shares, issue of duplicate certificates, recording dematerialization/ rematerialization of shares, non-receipt of Annual Report and other related matters.

**(ii) COMPOSITION OF THE COMMITTEE**

The composition of the Committee and the number of meetings attended by each of members are given below:

Name of the Director	Position held	No. of Meetings	
		Held during tenure	Attended
Mr. M. M. Bhagat#	Chairman	0	N.A.
Mr. K. D. Rungta	Member	0	N.A.
Mr. M. L. Jain	Member	0	N.A.

# Mr. M.M. Bhagat is the Chairman of the Committee and has requisite knowledge & experience of over 5 decades in Financial, legal, insurance & Administrative matter.

**(iii) COMPLIANCE OFFICER**

Mr. Govind Pandey, Company Secretary is the Compliance Officer of the Company. The Company Secretary acts as the Secretary to the Committee and he is in attendance at the Stakeholders Relationship Committee Meetings.

In compliance with requirements of the SEBI Circular No.CIR/OIAE/2/2011 dated June 3, 2011, the Company has obtained exclusive User Id and Password for processing the Investor Complaints in a centralized web based SEBI Complaints Redress System- "SCORES". This enables the investors to view online the action taken by the Company on their Complaints and current status thereof, by logging on the SEBI's website www.sebi.gov.in. No Shareholder's Complaint was lying unresolved as on March 31, 2017 under "SCORES".

It is confirmed that there was no request for registration of share transfers/ transmissions lying pending as on March 31,2017 and that all requests for issue of new certificates, sub-division or consolidation of shareholdings etc., received up to March 31,2017 have since been processed. The Company has an efficient system in place to record and process all requests for dematerialization and re-materialization of shares in the Company through National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL).

**(iv) STATUS OF SHAREHOLDERS COMPLAINS**

Number of Shareholders' complains received during the year.

For Transfer	- NIL
For Dematerialization	- NIL
For Non-receipt of Balance Sheet, etc.	- NIL
For Non-receipt of Dividend	- NIL
For Non-receipt of Share Certificate	- NIL

**6. RISK MANAGEMENT COMMITTEE:**

The Board of Directors has voluntarily constituted a Risk Management Committee where majority of Members of the Committee consists of Members of the Board of Directors including one Independent Director. Mr. Surendra Kumar Loyalka (DIN: 00006232), Managing Director is the Chairman of the Risk Management Committee.

Based on the recommendation of the Audit Committee, the Board of Directors has adopted a Risk Management Policy of the Company. In terms of the Risk Management Policy,

**(i) TERMS OF REFERENCE**

- To identify, evaluate & suggest method of mitigating operational, strategic and environmental Risks.
- To prepare, monitor & approve risk facilities.
- To review & approve risk disclosure statement.
- The Company Secretary has been appointed as the Secretary of this Committee. No Meeting of the Committee was held during the year under review.

**(ii) COMPOSITION OF THE COMMITTEE**

A Risk Management Committee has been constituted with the following members of the Board:

Mr. S.K. Loyalka	- Non Independent Executive Director
Mrs. Urmila Loyalka	- Non Independent Non-Executive Director
Mr. K. D. Rungta	- Independent Non-Executive Director

**7. ADMINISTRATIVE COMMITTEE:**

The Board of Directors has constituted an Administrative Committee of the Directors in order to facilitate decision making process relating to day-to-day routine affairs of the Company for smooth administrative convenience and has delegated necessary powers / authorities, inter alia, the following to the Administrative Committee:

**(i) TERMS OF REFERENCE**

To address important issues arising between two Board Meetings namely:-

- To issue Power of Attorney.
- To invest in fixed deposits with Banks & to avail overdraft limits against the same.
- To issue of New Share Certificates.
- To invest in the Shares / Debentures/ Securities of other body corporates.
- To invest in Mutual Funds and other Financial Instruments.
- To borrow money from the Banks for working capital requirements.
- To open, close, relocate Bank Accounts of the Company and to change of authorization for operation of bank account of the Company
- To imitate, defend, prosecute all litigations, issue of Consent Term/ Deed of Settlement, matters relating to intellectual Property Rights, Trade Union.
- To authorize the Directors / Executives of the Company to sign and execute all lease agreements/ leave & Licenses agreements and other agreements, etc.
- To look after day-to-day affairs of the Company.

The Company Secretary has been appointed as the Secretary of this Committee. No Meeting of the Committee was held during the year under review.

**(ii) COMPOSITION OF THE COMMITTEE**

An Administrative Committee has been constituted with the following members of the Board:

- Mr. K. D. Rungta - Independent Non-Executive Director  
Mr. M. M. Bhagat - Independent Non-Executive Director

**8. MANAGEMENT DISCUSSION AND ANALYSIS:**

As required by Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations'2015, the Management Discussion and Analysis is provided elsewhere in this Annual Report.

**9. GENERAL BODY MEETINGS:****(i) DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS (AGMS) OF THE COMPANY ARE AS FOLLOWS:**

Financial Year Ended	Day & Date	Venue	Time
31st March'2014	Saturday, 27th September'2014	Birla Academy of Art & Culture, 108, Southern Avenue Kolkata- 700 029	10:30A.M.
31st March'2015	Wednesday, 30th September'2015	-Do-	10:30A.M.
31st March'2016	Tuesday, 27th September'2016	-Do-	10:30A.M.

**(ii) DETAILS OF SPECIAL RESOLUTIONS PASSED IN THE PREVIOUS THREE ANNUAL GENERAL MEETINGS:**

Date of AGM	Details of the Special Resolutions Passed
Saturday 27th September'2014	No special Resolution was passed at the 32nd Annual General Meeting of the Company.
Wednesday 30th September'2015	No special Resolution was passed at the 33rd Annual General Meeting of the Company.
Tuesday 27th September'2016	Re-appointment of Mr. Raj Kumar Loyalka (DIN: 00006232) as the Managing Director of the Company for a period of Five consecutive years with effect from 27th September'2016 and fixation of his remuneration.

**10. DISCLOSURES:****(i) DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS**

Prior approval of the Audit Committee is obtained for all Related Party Transactions of the Company. During the Financial Year ended March 31, 2017, the Company did not have any 'Material' related party transaction that may have potential conflict with the interests of the Company at large.

The Board of Directors of the Company has adopted a Related Party Transaction Policy in place, pursuant to the requirements of Section 188 of the Companies Act'2013 and Rules framed thereunder and Regulation 23 of the Listing Regulations. The said Related Party Transaction Policy is available on the Company's website at the following link <http://zenithexportslimited.com/PRPT1032016.html>.

The Disclosure on Related Party Transactions forms integral part of the Notes of Financial Statements of the Company for the Financial Year ended March 31, 2017 as included in this Annual Report.

**(ii) DISCLOSURE ON COMPLIANCE OF LAW**

The Company has complied with the mandatory requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties or strictures were imposed by SEBI, Stock Exchanges, or any statutory authorities on any matter related to capital markets during the last three years.

**(iii) CEO/ CFO CERTIFICATION**

The aforesaid certificate duly signed by the CEO and CFO in terms of Regulation 17(8) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations'2015, for the financial year ended 31st March'2017 has been placed before the Board in the meeting held on 25th July'2017.

**(iv) CODE OF CONDUCT**

The Company has already adopted a Code of Conduct which has made applicable to all its Directors, whether executive or non-executive and all senior management personnel of the Company. All Board members and senior management personnel have affirmed compliance with the Company's code of conduct during the period. A declaration to this effect that all Board Members and senior management personnel have complied with the Company's code of conduct during the period and duly signed by the Chief Executive Officer of the Company in terms of SEBI Listing Regulations forms is annexed forming part of this Report. The aforesaid Code of Conduct has been posted on the Company's website at the following link <http://zenithexportslimited.com/codeofconduct.html>

**(v) VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has a Whistle Blower Policy/ Vigil Mechanism available on the website of the Company for its Directors, Employees and Stakeholders for reporting genuine concerns about any instance of any irregularity, unethical practice and or/ misconduct. No personnel have been denied any access to the Audit Committee.

**(vi) AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

The Auditors' Certificate is obtained and provided in the Annual Report.

**11. MEANS OF COMMUNICATION:****(i) FINANCIAL RESULTS:**

Prior intimation of Board Meeting where to consider and approve Unaudited/ Audited Financial Results of the Company is given to the Stock Exchanges and also disseminated on the website of the Company at [www.zenithexportslimited.com](http://www.zenithexportslimited.com). The aforesaid financial results are immediately intimated to the Stock Exchanges, after the same are approved at Board Meeting. The Annual Audited Financial Statements are posted to every Members of the Company in the prescribed manner. In terms of Regulation 10 of the Listing Regulations, the Company complies with the online filing requirements on electronic platforms of BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) viz. BSE Corporate Listing Centre and NSE Electronic Application Processing System (NEAPS).

**(ii) NEWSPAPERS:**

The Financial Results of the Company are published in prominent daily Newspapers, viz. The "Business Standard" (English) and in the "ArthikLipi" (Bengali).

**(iii) WEBSITE:**

The website of the Company [www.zenithexportslimited.com](http://www.zenithexportslimited.com) contains a dedicated section "Investor Relations" which contains details/ information in interest to various Stakeholders, including Financial Results, Shareholding Pattern, Press Releases, Company Policies, etc. The Shareholders/ investors can view the details of electronic filings done by the Company on the respective websites of BSE Limited and National Stock Exchange of India i.e., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**(iv) PRESS/ NEWS RELEASES:**

Official press releases including Press Releases on Financial Results of the Company are sent to the Stock Exchanges and the same are simultaneously hosted on the website of the Company.

**(v) PRESENTATIONS TO INSTITUTIONAL INVESTORS/ ANALYSTS:**

All price sensitive information is promptly intimated to the Stock Exchanges before releasing to the Media, other Stakeholders and uploading on Company Website.

**12. GENERAL SHAREHOLDER'S INFORMATION:**

*35th Annual General Meeting (to be held) Day Date Time Venue	Friday 15th September' 2017 10.30 A.M. Ground Floor, Auditorium of Birla Academy of Art and Culture 108, Southern Avenue, Kolkata - 700 029
* Financial Calendar (Tentative) (April 01, 2017 to March 31, 2018) [i] 1st Quarterly results (June'30, 2017) [ii] 2nd Quarterly results (Sep'30,2017) [iii] 3rd Quarterly results(Dec'31,2017) [iv] 4th Quarterly results (March'31,2018)	By mid-August, 2017 By mid- November, 2017 By mid- February, 2018 By mid- May, 2018
* Book Closure Date:	Saturday, 9th September, 2017 to Friday, 15th September, 2017 (Both days inclusive)
* Dividend Payment Date	None
* Listing on Stock Exchange	National Stock Exchange of India Limited Bombay Stock Exchange Limited The Company has paid the Annual Listing fee to each of the Stock Exchanges for the period April, 2017 to March 31, 2018.
* Stock Code - Physical  ISIN No.	Bombay Stock Exchange Ltd. - 512553 National Stock Exchange of India Ltd. - ZENITHEXPO INE 058B01018
* Market price Data	As per Appendix 'A'
* Registrar and Transfer Agents	C B Management Services (P) Limited P-22, Bondel Road, Kolkata - 700 019 Telephone - (033) 4011 - 6700 / 2280 - 6692 / 2282 - 3643 / 2287-0263 Fax - (033) 4011-6739, E-mail - <a href="mailto:rta@cbmsl.com">rta@cbmsl.com</a> , Website - <a href="http://www.cbmsl.com">www.cbmsl.com</a>



* Share Transfer System	Share Transfer requests received in physical form is registered within an average period of 15 days. A Share Transfer and Investors' Grievance Committee comprising members of the Board is constituted to consider the request of transfer of physical shares.  Request for dematerialisation received from Shareholders are affected within an average period of 15 days.
* Distribution of Shareholding & Shareholding pattern	As per Appendix 'B' & 'C'
* Dematerialisation of Shares as on March 31, 2017	The Company has arrangements with National Securities Depository Ltd., (NSDL) as well as Central Depository Services (India) Ltd. (CSDL) for demat facility.  5312268 (98.44%) Equity Shares as on 31st March, 2017 have been dematerialised with National Securities Depository Limited (NSDL)  47451 (0.88%) Equity Shares as on 31st March, 2017 have been dematerialised with Central Depository Services (India) Limited (CSDL).
* Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity	The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.
* Plant Location	(i) Zenith Textile Nanjangud, Dist. - Mysore, Karnataka - 571 302
* Address for correspondence	Zenith Exports Limited 19, R. N. Mukherjee Road, 1st Floor, Kolkata - 700 001 Phone : (033) 2248 - 7071 / 6936 Fax : (033) 2243 - 9003 E-mail : zenith@giascl01.vsnl.net.in

**13. NON-MANDATORY REQUIREMENTS:**

The Non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

**(i) NOMINATION & REMUNERATION COMMITTEE**

The Company has a Nomination & Remuneration Committee comprising of Mr. M. M Bhagat, Mr. K. D. Rungta & Mr. M. L. Jain as already stated in this Report.

**(ii) SHAREHOLDERS RIGHTS**

Half-Yearly results including summary of the significant events are presently not being sent to the Shareholders of the Company. However, the quarterly results of the Company are being published in Newspaper on the next day after considering the same by the Board of Directors.

**(iii) AUDIT QUALIFICATION**

The Audit Report does not contain any qualification which requires Board clarification.

**(iv) TRAINING OF BOARD MEMBERS**

The necessary training are provided to the Board Members as and when required.



**APPENDIX - 'A'**

The monthly high and low quotation in the year 2016-17 of Equity shares traded on Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE) are as follows:

MONTH	BSE		VOLUME (No. of Shares)	NSE		VOLUME (No. of Shares)
	Market Price (Rs.)			Market Price (Rs.)		
	HIGH	LOW	Information Not Available	HIGH	LOW	Information Not Available
April' 2016	41.70	39.70		52.10	44.90	
May' 2016	43.55	41.50		47.10	38.60	
June' 2016	43.50	43.50		44.60	36.70	
July' 2016	47.90	42.50		43.10	40.10	
August' 2016	50.80	44.00		48.20	39.20	
September' 2016	53.30	48.30		50.00	50.00	
October' 2016	No Records	No Records		50.00	47.50	
November' 2016	48.00	41.55		47.50	47.50	
December' 2016	41.55	40.35		No Records	No Records	
January' 2017	42.35	38.25		No Records	No Records	
February' 2017	39.80	37.65		47.90	47.90	
March' 2017	37.00	34.35		50.50	46.50	

**APPENDIX - 'B'**

Distribution of Shareholding as on 31.03.2017

<b>RANGE (NO. OF SHARES)</b>	<b>SHARE HOLDERS</b>		<b>SHARES</b>	
	<b>NO.</b>	<b>% OF TOTAL</b>	<b>NO.</b>	<b>% OF TOTAL</b>
[1]	[2]	[3]	[4]	[5]
1-500	1113	93.14	87857	1.63
501-1000	29	2.43	22527	0.42
1001-2000	14	1.17	19239	0.36
2001-3000	6	0.50	15228	0.28
3001-4000	7	0.59	25700	0.48
4001-5000	4	0.33	16247	0.30
5001 - 10000	3	0.25	20022	0.37
10001 - 50000	3	0.25	57828	1.07
50001- 100000	2	0.17	147729	2.74
100001 & above	14	1.17	4983873	92.36
<b>TOTAL</b>	<b>1195</b>	<b>100.00</b>	<b>5396250</b>	<b>100.00</b>



## APPENDIX - 'C'

## Shareholding Pattern as on 31.03.2017

Category	No. of Shares held	Percentage of Shareholding
A. Promoter's holding		
1. Promoters		
Indian Promoters	2792556	51.75
Foreign Promoters	Nil	Nil
2. Persons acting in Concert	Nil	Nil
<b>Sub - Total</b>	<b>2792556</b>	<b>51.75</b>
B. Non-Promoter's holding		
3. Institutional Investors		
a. Mutual Funds and UTI	Nil	Nil
b. Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-government Institutions)	Nil	Nil
c. Foreign Institutional Investors	Nil	Nil
<b>Sub - Total</b>	<b>Nil</b>	<b>Nil</b>
4. Others		
a. Private Corporate Bodies/Trust	2313488	42.87
b. Indian Public	289739	5.37
c. NRIs/OCBs	83	0.00
d. Any other (Clearing Member)	84	0.00
e. Trust	300	0.01
<b>Sub - Total</b>	<b>2603694</b>	<b>48.25</b>
<b>GRAND TOTAL</b>	<b>5396250</b>	<b>100.00</b>
NOTE: TOTAL FOREIGN SHARE HOLDING		
	<b>No. of Shares</b>	<b>% of Share Holding</b>
Foreign Holding (Non-Resident)		
NRIs/OCBs	83	0.00
FII	-	-
<b>TOTAL</b>	<b>83</b>	<b>-</b>

**CHIEF EXECUTIVE OFFICER (CEO)/ CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

The following certificate was placed at the Board Meeting held on July 25'2017.

We, Raj Kumar Loyalka (CEO) and Sushil Kasera (CFO), to the best our knowledge and belief certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31'2017 and that to the best of our knowledge and belief, we state that:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of knowledge and belief, no transactions entered into by the Company during the financial year ended March 31'2017 which is fraudulent, illegal or violative of the Company's code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee that;
- (i) There has not been any significant change in internal control over financial reporting during the financial year ended March 31, 2017.
  - (ii) There has not been significant change in accounting policies during the financial year ended March 31, 2017, except to the extent, if any, disclosed in the notes to the financial statements; and
  - (iii) We have not become aware of any significant fraud or involvement therein, if any, of the Management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata  
Date: 25.07.2017

**Raj Kumar Loyalka**  
(Chief Executive Officer)  
PAN: ABBPL5795R

**Sushil Kasera**  
(Chief Financial Officer)  
PAN: AFNPK5320D

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS'2015**

To

The Members of

**ZENITH EXPORTS LIMITED**

1. The accompanying Corporate Governance Report prepared by Zenith Exports Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, as amended ("the Listing Regulations") ("Applicable Criteria") with respect to Corporate Governance for the year ended March 31'2017. This Report is required by the Company for annual submission to the Stock Exchanges and to be sent to the Members of the Company.

**MANAGEMENT RESPONSIBILITY**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**AUDITOR'S RESPONSIBILITY**

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special purpose and the guidance note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The guidance Note on Reports or Certificates for Special purpose requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for firms that perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.
7. The procedures selected depend on the Auditor's judgment, including the assessment of the risks associated in Compliance of the Corporate Governance Report with the applicable criteria. Summary of Key procedures performed include:
  - (i) Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report.
  - (ii) Obtained and verified that the composition of the Board of Directors w.r.t Executive and Non-Executive Directors has been met throughout the reporting period.
  - (iii) Obtained and read the Directors Register as on March 31, 2017 and verified that at least one Women Director was on the Board during the year.
  - (iv) Obtained and read the minutes of the following meetings held during the period from April 1, 2016 to March 31, 2017.



- (a) Board of Directors
- (b) Audit Committee
- (c) Nomination and Remuneration Committee
- (d) Risk Management Committee
- (e) Stakeholders Relationship Committee
- (v) Obtained necessary representations and declarations from Directors of the Company including the Independent Directors; and
- (vi) Performed necessary inquiries with the management and also obtained necessary specific representations from the Management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit test for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

**OPINION**

- 8. Based on the procedures performed by us as referred in paragraph 7 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable as at March 31, 2017, referred to in paragraph 1 above.

**OTHER MATTERS AND RESTRICTION ON USE**

- 9. This Report is neither an assurance as to the future viability of the Company nor the efficiency of effectiveness with which the management has conducted the affairs of the Company.
- 10. This report is addressed to and provided to the Members of the Company solely for the purpose of enabling it to comply with its obligation under the Listing Regulations with reference to Corporate Governance Report accompanied with by a report thereon from the Statutory Auditors and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

Place: Kolkata  
Dated: 25th July'2017

For **Tiwari & Company**  
Chartered Accountants  
Firm Registration No. 309112E

**K. K. Bandyopadhyay**  
(Partner)  
(Membership No.015958)



**DECLARATION BY MANAGING DIRECTOR ON CODE OF CONDUCT UNDER REGULATION 17(5) OF SEBI (LODR), REGULATIONS, 2015**

To,  
The Members,

I, hereby declare that to the best of my knowledge and information, all the Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the year ended March 31, 2017.

Place: Kolkata  
Date: 25.07.2017

**Surendra Kumar Loyalka**  
(Managing Director)  
DIN: 00006232

**CORPORATE GOVERNANCE COMPLIANCE**

The Company has duly complied with the requirements laid down in the provisions of the Listing Regulations for the purpose of ensuring Corporate Governance. A certificate to this effect obtained from M/s. Tiwari & Co., Chartered Accountants, the Statutory Auditors of the Company, has been attached to this Annual Report.

Place: Kolkata  
Date: 25.07.2017

**Surendra Kumar Loyalka**  
(Managing Director)  
DIN: 00006232



**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31.03.2017**

[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]

To  
The Members,  
**Zenith Exports Limited**  
19, R. N. Mukherjee Road  
Kolkata - 700 001  
West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Zenith Exports Limited having its Registered Office at 19, R. N. Mukherjee Road, Kolkata - 700001, West Bengal (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 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 31.03.2017 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.

**Auditors' Responsibility**

Maintenance of Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers' and the agents of the Company during the said audit.

I have followed the audit practices and processes as were appropriate to the best of my understanding to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification 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.

I have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Board during the period under scrutiny. I have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required, I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

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

My report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

I report that, I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards (SS-1 and SS-2) as issued by The Institute of Company Secretaries of India;





- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) 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;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the Acts as mentioned in Annexure-A to this report to the extent of their applicability to the Company during the financial year ended 31.03.2017 and my examination and reporting is based on the documents, records and files as produced and shown to me and the information and explanations as provided to me by the Company and its management and to the best of my judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of my knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environments laws, etc.

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

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (ii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009;
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

**I further report that :**

- (a) 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, if any, during the period under review were carried out in compliance with the provisions of the Act.
- (b) 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.
- (c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- (d) 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.

Place: Kolkata

Dated: 25.07.2017

**(Asit Kumar Labh)**

Practicing Company Secretary  
ACS - 32891 / C.P. No. - 14664



"Annexure A"

**List of Applicable Acts / Laws specifically applicable to the Company other than listed above:**

1. Employee's Provident Fund and Miscellaneous Provisions Act, 1952
2. Employee's State Insurance Act, 1948
3. Income Tax Act, 1961
4. Service Tax
5. Factories Act, 1948
6. Industrial Disputes Act, 1947
7. Industrial Relations Act
8. Foreign Exchange Management Act, 1999
9. The Customs Act, 1962
10. The Central Excise Act, 1944
11. Central & Local Sales Act
12. The Wealth Tax Act, 1957
13. West Bengal Shops & Establishment Act, 1963
14. Minimum Wages Act, 1948
15. Payment of Gratuity Act, 1972
16. Payment of Bonus Act, 1965
17. Payment of Wages Act, 1936
18. Compulsory Notification of Vacancies Act, 1959
19. West Bengal State Tax on Professions, Trades Calling and Employments Act, 1979
20. West Bengal Labour Welfare Fund Rules, 1976
21. West Bengal Value Added Tax Act, 2003
22. The West Bengal Tax on Entry of Goods into Local Areas Act, 2002
23. The Foreign Trade (Development and Regulation) Act, 1992
24. Foreign Trade Policy
25. RBI Guidelines on Export of Goods & Services

**INDEPENDENT AUDITOR'S REPORT**

To The Members of  
**Zenith Exports Limited**

**Report on the financial Statements**

We have audited the accompanying financial statements of Zenith Export Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and making estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing 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 misstatements.

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 control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- (b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirement**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law has been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from branches not visited by us.
  - c. The report on the accounts of the branch offices audited under sub-section (8) of section 143 by a person other than a company's auditor has been sent to us under the proviso to the same sub-section as required and have been dealt with in preparing our report in the manner considered appropriate by us;
  - d. 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 and returns.
  - e. In our opinion, the aforesaid Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - f. The Company has not entered into any such financial transactions or matters which have any adverse effect on the functioning of the company.
  - g. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
  - h. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
  - i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 23.1 of the Notes to Financial Statements.
    - ii. There were no material foreseeable losses on the long term contracts including derivative contracts and as such the Company was not required to make any provision for the same under the applicable law or accounting standards.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. The Company has provided requisite disclosures as to the holdings as well as dealings in Specified Bank Notes during the period from, 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company - Refer note 24.11 of the Notes to Financial Statements.

**For TIWARI & COMPANY**  
Chartered Accountants  
Firm Regn. No. 309112E

**P. Tiwari**  
Partner

Membership No. 16590

Place:Kolkata



**ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT:**

**Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirement" of our report of even date**

- (i) In respect of its Fixed assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
  - b. As explained to us, all the fixed assets of the Company have been physically verified by the management in phased periodical manner, which in our opinion, is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies have been noticed on such physical verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories of the Company have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and as explained to us, there was no material discrepancies noticed on physical verification of inventories.
- (iii) The Company has not granted loans to any bodies corporate covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').Accordingly, paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit in terms of directions issued by the Reserve bank of India and the provision of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) The Central Government has not prescribed maintenance of cost records under Section 148(1) of the Companies Act, 2013 for any of the products of the Company.
- (vii) In respect of statutory dues:
  - a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and Cess, and other statutory dues have been generally regularly deposited with the appropriate authorities and no undisputed amounts payable in respect of statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.
  - b. According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax and service tax have not been deposited by the Company on account of disputes:



Sl. No	Nature of dues	Amount due (₹)	Forum where pending	Assessment Year
1.	Income-Tax	3,08,89,850	Commissioner of Income Tax (Appeal) / Kolkata	2009-10
2.	Income-Tax	12,93,600	- Do -	2011-12
3.	Income-Tax	6,35,740	- Do -	2013-14
4.	Income-Tax	2,670	- Do -	2014-15
5.	Service-tax	48, 543	Commissioner of Central Excise (Appeal-I) Kolkata	2013-14

- (viii) The Company has not defaulted in repayment of any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For **TIWARI & COMPANY**  
Chartered Accountants  
Firm Regn. No. 309112E

Place : Kolkata

**P. Tiwari**  
Partner  
Membership No. 16590



## **Annexure B to Independent Auditor's Report**

### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of Zenith Export Limited ('the Company') as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the



Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For TIWARI & COMPANY**  
Chartered Accountants  
Firm Regn. No. 309112E

**P. Tiwari**  
Partner

Membership No. 16590

Place: Kolkata



**BALANCE SHEET as at 31st March, 2017**

(₹ in Lakh)

	Note	As at 31st March, 2017	As at 31st March, 2016
<b>EQUITY AND LIABILITIES</b>			
Shareholders' Funds			
Share Capital	1	539.63	539.63
Reserves & Surplus	2	8449.53	8657.16
		<b>8989.16</b>	<b>9196.79</b>
<b>Non-current Liabilities</b>			
Other Long-Term Liabilities	5	49.56	47.46
Long-Term Provision	6 (A)	258.79	231.09
		<b>308.35</b>	<b>278.55</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	3	679.55	1262.82
Trade Payables	7	610.54	668.11
Other Current Liabilities	8	427.10	668.99
Short-Term Provisions	6 (B)	29.88	27.82
		<b>1747.07</b>	<b>2627.74</b>
<b>Total:-</b>		<b>11044.58</b>	<b>12103.08</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Fixed Assets			
Tangible Assets	9	2068.96	2288.94
Deferred Tax Assets	4	270.22	173.88
Long-Term Loans and Advances	10 (A)	537.80	456.08
		<b>2876.98</b>	<b>2918.90</b>
<b>Current Assets</b>			
Current Investments	11	407.94	1.48
Inventories	12	3469.62	4333.57
Trade Receivable	13	2221.91	3445.02
Cash and Cash Equivalents	14	1200.77	461.97
Short-Term Loans and Advances	10 (B)	669.36	753.20
Other Current Assets	15	198.00	188.94
		<b>8167.60</b>	<b>9184.18</b>
<b>Total:-</b>		<b>11044.58</b>	<b>12103.08</b>
<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	1-27		

As per our report of even date annexed

For **TIWARI & COMPANY**

Firm Regn. No. - 309112E

**(P. Tiwari)**

Partner

M. No. 16590

Place : Kolkata

Date : 26th May, 2017

**Govind Pandey**

Company Secretary

**Sushil Kasera**

Chief Financial Officer

For and on behalf of the Board of Director

**Surendra Kumar Loyalka***Managing Director***Madhukar Manilal Bhagat***Director***Keshar Deo Rungta***Director***Mangilal Jain***Director***Devendra Kumar Sarawgee***Director***Urmila Loyalka***Director*



## STATEMENT OF PROFIT &amp; LOSS ACCOUNTS for the year ended 31st March, 2017

(₹ in Lakh)

	Note	As at 31st March, 2017	As at 31st March, 2016
<b>INCOME</b>			
Revenue from Operations	16	12860.90	24251.94
Other Income	17	444.35	468.32
<b>Total Revenue</b>		<b>13305.25</b>	<b>24720.26</b>
<b>EXPENSES</b>			
Cost of materials consumed	18	8211.67	16620.76
Purchases		146.81	207.68
Changes in inventories of finished goods & work-in-progress	19	694.80	616.76
Employee benefits expense	20	943.32	1217.22
Finance costs	21	28.16	242.68
Depreciation and amortization expenses		141.95	349.13
Other expenses	22	3385.40	5463.03
<b>Total expenses</b>		<b>13552.11</b>	<b>24717.26</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>		<b>(246.86)</b>	3.00
<b>Tax Expenses</b>			
Current tax		-	21.96
Deferred Tax expenses/(credit)		(75.43)	(35.34)
Income Tax for earlier year		7.66	0.64
<b>Profit/(Loss) for the year from Continuing Operations [A]</b>		<b>(179.09)</b>	<b>15.74</b>
Profit/(Loss) before tax from Discontinuing Operations	23	(70.42)	-
Tax expenses of discontinuing operations	23	(20.91)	-
Profit/(Loss) for the year from Discontinuing Operations after tax		(49.51)	-
Profit on disposal of fixed assets of Discontinuing Operations	23	20.97	-
<b>Profit/(Loss) for the year from Discontinuing Operations [B]</b>	<b>23</b>	<b>(28.54)</b>	<b>-</b>
<b>Profit/(Loss) for the year [A+B]</b>		<b>(207.63)</b>	15.74
<b>Earnings per share (Face value of ₹10/- each) Basic &amp; Diluted (₹)</b>	24.3	<b>(3.85)</b>	0.29
<b>NOTES FORMING PART OF THE FINANCIAL STATEMENTS</b>	1-27		

As per our report of even date annexed

For **TIWARI & COMPANY**

Firm Regn. No. - 309112E

**(P. Tiwari)**

Partner

M. No. 16590

Place : Kolkata

Date : 26th May, 2017

**Govind Pandey**  
Company Secretary**Sushil Kasera**  
Chief Financial Officer

For and on behalf of the Board of Director

**Surendra Kumar Loyalka** *Managing Director***Madhukar Manilal Bhagat** *Director***Keshar Deo Rungta** *Director***Mangilal Jain** *Director***Devendra Kumar Sarawgee** *Director***Urmila Loyalka** *Director*

**CASH FLOW STATEMENT for the year ended 31st March, 2017**

(₹ in Lakh)

	2016-2017	2015-2016
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax (including discontinuing operations)	(296.31)	3.00
<b>Adjustment for :</b>		
Depreciation	173.86	349.13
Interest income	(69.13)	(50.02)
Interest Expenses	30.45	242.68
(Profit)/Loss on Sale of Fixed Assets (Net)	(26.36)	(53.27)
(Profit)/Loss on Sale of Investments (Net)	(2.63)	-
Provision for Doubtful Debts Written Back	(11.53)	-
<b>Operating Profit before Working Capital changes</b>	<b>(201.65)</b>	<b>491.52</b>
<b>Adjustments for (Increase)/decrease in:</b>		
Trade Receivable	1232.64	(1296.66)
Loans and Advances and Other Assets	(20.95)	634.84
Inventories	863.96	1798.28
Trade Payable, Other Liabilities and Provisions	(245.64)	321.78
Cash generated from operations	1628.36	1949.76
Income Tax Paid	(17.22)	(28.51)
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>	<b>1611.14</b>	<b>1921.25</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets including		
Capital Work-in-Progress	(56.29)	(67.58)
Sales of Fixed Assets	128.75	398.88
Sales of Investments	4.20	-
Purchase of Investments	(408.04)	-
Interest Received	72.76	25.77
<b>NET CASH FROM INVESTING ACTIVITIES (B)</b>	<b>(258.62)</b>	<b>357.07</b>

**CASH FLOW STATEMENT for the year ended 31st March, 2017**

(₹ in Lakh)

	2016-2017	2015-2016
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
Borrowings/(Repayments) of Short Term Borrowings	(583.27)	(1899.10)
Interest Paid	(30.45)	(242.68)
<b>NET CASH USED IN FINANCIAL ACTIVITIES (C)</b>	<b>(613.72)</b>	<b>(2141.78)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS [A+B+C]</b>	<b>738.80</b>	<b>136.54</b>
<b>OPENING CASH &amp; CASH EQUIVALENTS</b>	<b>461.97</b>	<b>325.43</b>
<b>CLOSING CASH &amp; CASH EQUIVALENTS</b>	<b>1200.77</b>	<b>461.97</b>
<b>NET INCREASE/(DECREASE)</b>	<b>738.80</b>	<b>136.54</b>

Note :-

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3' Cash Flow Statement.
2. Figures in the brackets represent, cash outflows.

The accompanying notes 1 to 27 are an integral part of the Financial Statements.

As per our report of even date annexed  
For **TIWARI & COMPANY**  
Firm Regn. No. - 309112E  
**(P. Tiwari)**  
Partner  
M. No. 16590

**Govind Pandey**  
Company Secretary

**Sushil Kasera**  
Chief Financial Officer

Place : Kolkata  
Date : 26th May, 2017

For and on behalf of the Board of Director  
**Surendra Kumar Loyalka** *Managing Director*  
**Madhukar Manilal Bhagat** *Director*  
**Keshar Deo Rungta** *Director*  
**Mangilal Jain** *Director*  
**Devendra Kumar Sarawgee** *Director*  
**Urmila Loyalka** *Director*



## Notes on Financial Statements for the year ended 31st March, 2017

(₹ in Lakh)

	As at 31st March, 2017	As at 31st March, 2016
<b>1. SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
1,00,00,000 (1,00,00,000) Equity Shares of ₹10/- each	1000	1000
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
53,96,250 (53,96,250) Equity Shares of ₹10/- each	539.63	539.63

**Notes:-**

Subscribed and paid-up share capital includes:

(1) Equity shareholder holding more than 5% of equity shares along with the number of equity shares held is as given below:

Name of the Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	% of Holding	Number of Shares	% of Holding	Number of Shares
Urmila Loyalka	11.66	629150	11.66	629150
Bhutnath Vanijya Vyapaar Pvt.Ltd.	10.80	582586	10.80	582586
Surendra Kumar Loyalka (HUF)	10.40	561420	10.40	561420
R.K. Finance Ltd.	9.23	498205	9.63	519445
Surendra Kumar Loyalka	8.92	481496	8.92	481496
Purotech Sales Pvt.Ltd.	6.60	356000	6.60	356000
Zenith Credit Ltd.	-	-	6.16	332482
Guiness Securities Limited	5.83	314837	-	-
A.C.Roy & Co.Pvt.Ltd.	5.64	304490	5.64	304490

**(2) Rights Preferences and Restrictions attached to shares**

The Company has only one class of equity shares having a par value of ₹10/- per share. Each shareholder of equity shares is entitled to one vote per share held. In the event of liquidation of the company the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.



## Notes on Financial Statements for the year ended 31st March, 2017

(₹ in Lakh)

	As at 31st March, 2017	As at 31st March, 2016
<b>2. RESERVES &amp; SURPLUS</b>		
<b>a) Capital Reserve</b>		
At the Beginning of the year	224.13	224.13
Deduction during the year	-	-
At the end of the year	224.13	224.13
<b>b) Security Premium Account</b>		
At the Beginning of the year	277.37	277.37
<b>c) General Reserve</b>		
At the Beginning of the year	4612.77	4612.77
<b>d) Cash Subsidy</b>		
At the Beginning of the year	25.00	25.00
<b>e) Surplus</b>		
At the Beginning of the year	3517.89	3502.15
<b>Add: Net Profit/(Loss) for the year</b>	(207.63)	15.74
<b>Amount available for appropriation</b>	<b>3310.26</b>	<b>3517.89</b>
<b>Balance at the end of the year</b>	<b>3310.26</b>	<b>3517.89</b>
<b>Total</b>	<b>8449.53</b>	<b>8657.16</b>

(₹ in Lakh)

	As at 31st March, 2017	As at 31st March, 2016
<b>3. BORROWINGS</b>		
<b>Current Liabilities</b>		
<b>Short-Term Borrowings</b>		
<b>Secured</b>		
<b>Loan repayable on demand from banks</b>		
<b>(a) Packing Credit</b>		
Canara Bank [Refer Note 1(a)]	679.55	1068.67
<b>(b) Advance ag.Export Documents</b>		
Canara Bank [Refer Note 1(b)]	-	194.15
<b>Total</b>	<b>679.55</b>	<b>1262.82</b>

## Notes:-

- (a) Working Capital Loans from Canara Bank are secured by hypothecation of Stock & book debts of Trading Division, Kolkata & Textile Division, Mysore and Personal Guarantee of Promoter Directors and further by second charge on the entire Fixed Assets of the Company.
- (b) Advance against Export is secured by Export Documents.



## Notes on Financial Statements for the year ended 31st March, 2017

(₹ in Lakh)

	As at 31st March, 2017	As at 31st March, 2016
<b>4. DEFERRED TAX LIABILITIES (ASSETS)</b>		
Difference between Book & Tax Depreciation	61.89	65.04
Disallowance under Section 43B	111.57	108.84
Unabsorbed Depreciation	53.78	-
Unabsorbed Business Loss	42.98	-
<b>DEFERRED TAX ASSETS</b>	<b>270.22</b>	<b>173.88</b>

## Notes :-

- (a) The Deferred Tax Assets arising from timing differences are recognised to the extent there is reasonable certainty that these assets can be realised in future.
- (b) The deferred tax for timing difference between the book and tax profit for the year is accounted for, using the tax rates and tax laws that have been enacted or subsequently enacted as at the Balance Sheet date.
- (c) Deferred tax assets in respect of Unabsorbed Depreciation and Brought forward losses has been considered on the basis of latest Income tax return.

(₹ in Lakh)

	As at 31st March, 2017	As at 31st March, 2016
<b>5. OTHER LONG-TERM LIABILITIES</b>		
Security Deposits	9.38	15.43
Advance from Customers	6.19	6.14
Sundry Creditors for Expenses & Others	33.99	25.89
<b>Total</b>	<b>49.56</b>	<b>47.46</b>
<b>6. PROVISIONS</b>		
<b>NON-CURRENT LIABILITIES</b>		
<b>(A) Long-Term Provisions</b>		
Provision for Employee Benefits	258.79	231.09
<b>Total (A)</b>	<b>258.79</b>	<b>231.09</b>
<b>CURRENT LIABILITIES</b>		
<b>(B) Short-Term Provisions</b>		
Provision for Employee Benefits	29.88	27.82
<b>Total (B)</b>	<b>29.88</b>	<b>27.82</b>

**Notes on Financial Statements for the year ended 31st March, 2017**

(₹ in Lakh)

	<b>As at 31st March, 2017</b>	As at 31st March, 2016
<b>7. TRADE PAYABLE</b>		
Creditors for materials & services (Refer Note No.1 below)	610.54	668.11
<b>Total</b>	<b>610.54</b>	<b>668.11</b>

**Notes:-**

1. Out of above, c Nil (Previous Year- c Nil) pertains to micro small and medium enterprises as defined under Micro Small and Medium Enterprises Development Act, 2006 based on the information available with the company. There is no interest payable to such parties during the year (Previous Year- c Nil)

(₹ in Lakh)

	<b>As at 31st March, 2017</b>	As at 31st March, 2016
<b>8. OTHER CURRENT LIABILITIES</b>		
Capital Creditors	-	19.32
Interest Accrued but not due on Borrowings	-	0.58
Book Overdraft with Banks [Refer Note- a]	89.24	39.88
Accrued Salaries and Benefits	41.85	45.05
Others		
Advance from Customers	188.59	282.28
Government Statutory Dues	19.29	20.41
Sundry Creditors for Expenses & Others	88.13	261.47
<b>Total</b>	<b>427.10</b>	<b>668.99</b>

**Notes:-**

- a. Book overdraft includes ₹ 27.65 Lakh (Previous year ₹ 25.31 Lakh) overdraft with Banks against Pledge of Fixed Deposit.





Notes on Financial Statements for the year ended 31st March, 2017

(₹ in Lakh)

CLASSIFICATION OF ASSETS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK		
	As at 31.03.2016	Additions	Sales/Adjustments		As at 01.04.2016	For the year		Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016	
			Continuing operation	Discontinuing operations (Refer Note No. 23)		Continuing operation	Discontinuing operations (Refer Note No. 23)				
(A) TANGIBLE											
Leasehold Property	5.89	-	-	5.89	1.85	0.08	-	-	1.93	3.96	4.04
Freehold Property	91.57	-	-	91.57	-	-	-	-	-	91.57	91.57
Building	372.70	-	-	372.70	205.34	3.55	-	-	208.89	163.81	167.36
Factory Building	1360.01	-	-	1360.01	811.84	20.38	19.46	-	851.68	508.33	548.17
Well, Water works & Pipe Line	25.30	-	-	25.30	23.46	0.06	-	-	23.52	1.78	1.84
Plant & Machinery	10469.40	21.50	11.45	9575.26	9178.98	92.47	-	10.08	8436.37	1138.89	1290.42
Electrical Installation	183.84	-	-	183.84	168.27	-	3.03	-	171.30	12.54	15.57
Computer & Accessories	131.74	2.33	6.62	127.45	115.94	5.20	-	6.36	114.78	12.67	15.80
Office & Other - Equipments	116.31	3.73	25.53	94.51	84.03	5.79	0.86	19.01	71.67	22.84	32.28
Furniture & Fixture	159.42	5.00	32.15	132.27	133.53	1.38	3.26	23.75	114.42	17.85	25.89
Site Development	13.69	-	-	13.69	-	-	-	-	-	13.69	13.69
Vehicles	205.90	23.73	13.98	189.08	123.59	13.05	5.30	12.91	108.05	81.03	82.31
<b>Total</b>	<b>13135.77</b>	<b>56.29</b>	<b>89.73</b>	<b>12171.57</b>	<b>10846.83</b>	<b>141.95</b>	<b>31.91</b>	<b>72.12</b>	<b>10102.61</b>	<b>2068.96</b>	<b>2288.94</b>
Previous Year	14788.99	67.58	1720.80	13135.77	11872.89	349.13	-	1375.19	10846.83	2288.94	



Notes on Financial Statements for the year ended 31st March, 2017

(₹ in Lakh)

	As at 31st March, 2017	As at 31st March, 2016
<b>10. LOANS &amp; ADVANCES</b>		
<b><u>NON CURRENT ASSETS</u></b>		
<b>(A) Long-Term Loans &amp; Advances</b>		
Unsecured, Considered Doubtful Loan	65.56	65.56
Less:-Provision for Doubtful	65.56	65.56
<b>Unsecured Considered Good</b>		
Capital Advances	-	13.46
Deposit with Government	25.00	23.91
Deposit with Others	105.71	105.28
<b>Other Loans &amp; Advances</b>		
Advance Income Tax	5.00	5.00
Income Tax Refund Receivable	81.05	64.29
Service Tax Refund Receivable	1.34	1.34
VAT Credit Receivable	318.95	240.86
Prepaid Expenses	0.46	1.65
FBT Refund Receivable	0.29	0.29
<b>Total (A)</b>	<b>537.80</b>	<b>456.08</b>
<b><u>CURRENT ASSETS</u></b>		
<b>(B) Short-Term Loans &amp; Advances</b>		
<b>Unsecured, Considered goods</b>		
Advance to material suppliers/services	181.42	108.15
Other Loans & Advances		
Advance Income Tax (net of provision)	17.22	6.55
Prepaid Expenses	32.38	26.21
Balance with Central Excise	0.04	0.74
Cenvat Service Tax input receivable	8.77	3.31
VAT Credit Receivable	373.86	524.48
Service Tax Refund Receivable	0.12	10.45
Interest Receivable	2.20	1.85
Income Tax Refund Receivable	0.47	26.40
Capital Advance	15.54	19.84
Others	37.34	25.22
<b>Total (B)</b>	<b>669.36</b>	<b>753.20</b>



Notes on Financial Statements for the year ended 31st March, 2017

(₹ in Lakh)

Investments in Mutual Funds Fully Paid-up	Face Value	As at 31st March, 2017		As at 31st March, 2016	
		Units	Value	Units	Value
<b>11. CURRENT INVESTMENTS</b>					
(Valued at Lower of Cost and Fair Value)					
<b>Investments in Mutual Funds Fully paid-up</b>					
<b>Unquoted</b>					
Reliance Equity Opportunity Fund-RP-Growth	10/-	-	-	4775.937	1.00
Kotak Low Duration Fund Standard Growth-RP	1000/-	-	-	30.237	0.48
Reliance Regular Saving Fund-Debt Growth	10/-	455230.702	101.99	-	-
UTI Income Opportunity Fund-Growth Plan	10/-	694078.911	101.99	-	-
Birla Sunlife Corporate Bond-Growth	10/-	651191.761	76.98	-	-
Birla Sunlife Medium Term Plan Growth-Regular Plan	10/-	122921.361	24.99	-	-
ICICI Prudential Corporate Bond Fund-Growth	10/-	405745.311	101.99	-	-
<b>Total Current Investments</b>			<b>407.94</b>		<b>1.48</b>
Aggregate amount of Unquoted Current Investments			407.94		1.48

(₹ in Lakh)

	As at 31st March, 2017	As at 31st March, 2016
<b>12. INVENTORIES</b>		
(At cost or net relisable value whichever is lower)		
Raw materials [Refer Note- a]	1162.56	1311.48
Dyes & Chemicals	11.61	12.59
Semi-Finished Goods	321.18	730.45
Finished Goods [Refer Note- b]	1823.47	2109.00
Packing Materials	64.18	60.05
Stores & Spares	86.62	110.00
<b>Total:-</b>	<b>3469.62</b>	<b>4333.57</b>
<b>Notes:-</b>		
<b>a. Raw Materials includes</b>		
(i) With Parties	336.25	286.86
	<b>336.25</b>	<b>286.86</b>
<b>b. Finished Goods Includes</b>		
(i) At Port	286.62	-
(ii) With Parties	71.64	101.86
(iii) In Transit	21.95	28.85
	<b>380.21</b>	<b>130.71</b>



Notes on Financial Statements for the year ended 31st March, 2017

(₹ in Lakh)

	As at 31st March, 2017	As at 31st March, 2016
<b>13. TRADE RECEIVABLE</b>		
<b>(A) Debts Exceeding Six Months</b>		
Unsecured, Considered Good	233.54	212.93
<b>Total [A]</b>	<b>233.54</b>	<b>212.93</b>
<b>(B) Other Debts</b>		
Secured, Considered Good	1059.47	1580.60
Unsecured, Considered Good	928.90	1651.49
<b>Total [B]</b>	<b>1988.37</b>	<b>3232.09</b>
<b>Total [A+B]</b>	<b>2221.91</b>	<b>3445.02</b>
<b>14. CASH &amp; CASH EQUIVALENT</b>		
<b>Balances with Banks</b>		
In Current Accounts	20.97	82.65
In Fixed Deposit Accounts (Refer Note - A below)	1175.27	375.87
In E.E.F.C. Accounts	0.09	0.09
<b>Cash-in-hand</b>	<b>4.44</b>	<b>3.36</b>
<b>Total:-</b>	<b>1200.77</b>	<b>461.97</b>
<b>Fixed Deposit Accounts with more than 12 months maturity</b>	<b>343.41</b>	<b>48.85</b>

Notes:-

- A. (i) Fixed Deposit pledged with banks representing margin money for overdraft facilities.  
(ii) Deposits can be withdrawn at any point of time without prior notice or exit costs on the principal amount.

(₹ in Lakh)

	As at 31st March, 2017	As at 31st March, 2016
<b>15. OTHER CURRENT ASSETS</b>		
Interest Accrued but not due on Fixed Deposit	45.40	49.02
Export Benefit Receivable	152.60	135.80
Excise Duty Receivable	-	4.12
Stamp Stock	-	-
<b>Total</b>	<b>198.00</b>	<b>188.94</b>
<b>16. REVENUE FROM OPERATIONS</b>		
<b>(A) SALES OF PRODUCTS</b>		
Export	11558.90	19348.30
Deemed Export	-	942.91
Indigenous	98.19	2338.75
Less: Excise Duty	-	0.09
<b>Total (A)</b>	<b>11657.09</b>	<b>22629.87</b>
<b>(B) SALE OF SERVICES</b>		
Job Charges-Export	0.58	-
Job Charges-Indigenous	12.87	19.36
<b>Total (B)</b>	<b>13.45</b>	<b>19.36</b>
<b>(C) OTHER OPERATING REVENUE</b>		
Export Incentives	1190.36	1602.71
<b>Total (C)</b>	<b>1190.36</b>	<b>1602.71</b>
<b>TOTAL(A+B+C)</b>	<b>12860.90</b>	<b>24251.94</b>



Notes on Financial Statements for the year ended 31st March, 2017

(₹ in Lakh)

	Year ended 31st March, 2017	Year ended 31st March, 2016
<b>17. OTHER INCOME</b>		
Interest Income	58.88	50.02
Exchange Fluctuation (net)	302.37	320.66
Excess Provision W/Back	21.25	39.08
Provision for Doubtful Debts W/Back	11.53	-
Adjustment Relating to Prior Year (net)	0.72	-
Miscellaneous Receipts	1.25	0.10
Insurance Claim	42.88	-
Profit on Sale of Fixed Assets	5.39	55.21
Sundry Balance W/back	-	1.00
Gain on Sale of Investments (Net)	0.08	-
Service Tax on Export Service	-	2.25
<b>TOTAL</b>	<b>444.35</b>	<b>468.32</b>
<b>18. COST OF MATERIAL CONSUMED</b>		
<b>(A) RAW MATERIAL CONSUMED</b>		
Opening Stock	1311.48	2393.78
Add: Purchase	8005.52	15443.04
Processing Charges	0.97	-
Less: Closing Stock	(1162.56)	(1311.48)
<b>Total (A)</b>	<b>8155.41</b>	<b>16525.34</b>
<b>(B) DYES &amp; CHEMICALS CONSUMED</b>		
Opening Stock	12.59	12.30
Add: Purchase	55.28	95.71
Less: Closing Stock	(11.61)	(12.59)
<b>Total (B)</b>	<b>56.26</b>	<b>95.42</b>
<b>TOTAL (A+B)</b>	<b>8211.67</b>	<b>16620.76</b>
<b>19. CHANGES IN INVENTORIES OF FINISHED GOODS &amp; WORK-IN-PROGRESS</b>		
<b>(A) Inventories (at commencement)</b>		
Finished Goods	2109.00	2621.15
Work-in-Progress	730.45	831.43
Waste & Others	-	3.63
<b>Total</b>	<b>2839.45</b>	<b>3456.21</b>
<b>(B) Inventories (at close)</b>		
Finished Goods	1823.47	2109.00
Work-in-Progress	321.18	730.45
<b>Total</b>	<b>2144.65</b>	<b>2839.45</b>
<b>Net (Increase)/Decrease in Stock (A-B)</b>	<b>694.80</b>	<b>616.76</b>



Notes on Financial Statements for the year ended 31st March, 2017

(₹ in Lakh)

	Year ended 31st March, 2017	Year ended 31st March, 2016
<b>20. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	826.49	1073.61
Contribution to Provident & Other Funds	77.87	90.88
Staff welfare Expenses	38.96	52.73
<b>Total</b>	<b>943.32</b>	<b>1217.22</b>
<b>21. FINANCE COSTS</b>		
<b>(A) Interest to Bank</b>		
On Working Capital	25.68	122.90
On Term Loan	-	0.02
On Bill Discounting	2.45	107.36
<b>Total:- (A)</b>	<b>28.13</b>	<b>230.28</b>
<b>(B) Interest to Others</b>	0.03	12.40
<b>Total:- (A+B)</b>	<b>28.16</b>	<b>242.68</b>
<b>22. OTHER EXPENSES</b>		
<b>(A) Manufacturing Expenses</b>		
Carriage	13.37	48.30
Designing & Sampling Charges	32.97	31.39
Material Processed	1558.63	2000.83
Power, Fuel & Water	173.53	796.27
Repairs and Maintenance		
Factory Buildings	2.42	4.99
Machinery	5.99	21.02
Service-Tax on Transport	-	0.63
Excise Duty	-	13.33
Stores & Spares Consumed	86.80	380.59
Testing Charges	21.42	8.99
Other Manufacturing Expenses	24.20	24.47
Vat Input W/off	-	41.77
<b>Total (A)</b>	<b>1919.33</b>	<b>3372.58</b>
<b>(B) Selling &amp; Distribution Expenses</b>		
Advertisement	1.50	2.06
Commission and Discount	515.85	858.86
Export Promotion	4.22	10.44
Foreign Travel	65.47	57.76
Freight Forwarding & Insurance Expenses	207.17	271.90
Packing Charges		
Packing Material Consumed	99.29	122.57
Packing Expenses	0.39	0.49
Participation in Trade Fair	7.24	21.94
Quality Control & Inspection	140.56	160.43
<b>Total (B)</b>	<b>1041.69</b>	<b>1506.45</b>



## Notes on Financial Statements for the year ended 31st March, 2017

(₹ in Lakh)

	Year ended 31st March, 2017	Year ended 31st March, 2016
<b>(C) Administrative Expenses</b>		
Adjustment Relating to Prior Year (net)	-	11.34
Auditors Remuneration [Refer Note No. 24.7]	2.53	4.48
Bank Charges	49.98	85.30
ECGC Premium & Certificates	2.52	7.57
Bad Debts	17.46	-
Directors Sitting Fees	1.35	1.20
Donation	0.86	2.12
Electricity	21.08	25.66
Insurance	7.68	24.20
Legal & Professional Charges	39.22	60.21
Loss on Fire	15.14	-
Loss on Sale of Fixed Assets	-	1.94
Miscellaneous Expenses	86.55	92.18
Motor Car Upkeep	22.27	34.73
Printing & Stationary	57.78	77.00
Postage, Courier & Telephone	14.63	25.24
Rates, Taxes & Fees	15.60	42.09
Rent	10.95	11.98
Repairs & Maintenance		
Building	10.51	11.09
Others	25.16	32.29
Travelling & Conveyance	23.11	33.38
<b>Total (C)</b>	<b>424.38</b>	<b>584.00</b>
<b>Total (A+B+C)</b>	<b>3385.40</b>	<b>5463.03</b>

**23. DISCONTINUING OPERATIONS :**

Due to unfavorable market conditions and steep competition from the modern units, one of our units Zenith Spinners at Dholka, Ahmedabad manufacture of yarns is no more viable to operate. Hence the management has decided to suspend operation since December'2015 & onwards. The said undertaking is disclosed as 'Discontinued Operations' as a separate business segment as per AS-17 "Segment Reporting".

The revenue and expenses in respect of the ordinary activities attributable to the discontinuing operations:



Notes on Financial Statements for the year ended 31st March, 2017

(₹ in Lakh)

	Year ended 31st March, 2017	Year ended 31st March, 2016
<b>INCOME</b>		
Revenue from Operations	-	-
Other Income	15.62	-
<b>Total Revenue</b>	<b>15.62</b>	-
<b>EXPENSES</b>		
Cost of materials consumed	-	-
Purchases	-	-
Changes in inventories of finished goods & work-in-progress	-	-
Employee benefits expense	6.29	-
Other expenses	45.56	-
<b>Total expenses</b>	<b>51.85</b>	-
<b>Profit/(Loss) before interest, tax, and depreciation and amortisation (EBITDA)</b>	<b>(36.23)</b>	-
Depreciation and amortization expenses (Refer Note No.9)	31.91	-
Finance costs	2.28	-
<b>Profit/(Loss) before tax from discontinuing operations</b>	<b>(70.42)</b>	-
<b>Tax Expenses</b>		
Current tax	-	-
Deferred Tax expenses/(credit)	(20.91)	-
<b>Profit/(Loss) for the year from discontinuing operations after tax</b>	<b>(49.51)</b>	-
Profit on disposal of fixed assets	20.97	-
<b>Profit/(Loss) for the year from discontinuing operations</b>	<b>(28.54)</b>	-

(₹ in Lakh)

	As at 31st March, 2017	As at 31st March, 2016
<b>24. ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS</b>		
<b>24.1 Commitments and Contingent Liabilities</b>		
<b>(i) Commitments/Contingent Liabilities</b>		
a. Foreign Bills discounted through banks	-	559.49
<b>(ii) Claims against the company not acknowledged as debts in respct of</b>		
a. Income-Tax demand under CIT(Appeal) Kolkata	328.22	33.86
b. Customs, Excise & Service Tax Appellate Tribunal- Kolkata	0.49	0.49
<b>24.2 Employee Benefits</b>		
The disclosure required under AS-15 on "Employee Benefits" notified in the companies (Accounting Standards) Rules 2006, are given below:		
Defined Contribution Plans		
Contribution to Recognised Provident Fund & Pension Fund	<b>2016-2017</b> 53.76	<b>2015-2016</b> 65.49





## Notes on Financial Statements for the year ended 31st March, 2017

(₹ in Lakh)

Defined Benefits Plans Gratuity Benefits are as follows Description	2016-2017 GRATUITY		2015-2016 GRATUITY	
	in ₹	in ₹	in ₹	in ₹
<b>1. Reconciliation of opening and closing balances of obligation</b>				
a. Present value of the beginning of the year	51.68	190.37	54.76	192.02
b. Current service cost	2.04	15.22	1.81	13.98
c. Interest cost	4.13	15.09	4.38	12.76
d. Actuarial (gain)/loss	(0.85)	(0.63)	(1.59)	7.29
e. Benefits paid	(23.08)	(3.63)	(7.68)	(35.68)
f. Present value of the end of the year	33.92	216.42	51.68	190.37
<b>2. Change in fair value of plan assets</b>				
a. Fair value of plan assets as at the beginning of the year	52.22	-	49.74	-
b. Expected return on plan assets	3.16	-	4.60	-
c. Actuarial gain/(loss)	-	-	-	-
d. Contributions/refunds made by/to the company	1.28	-	5.55	-
e. Benefits paid	(23.09)	-	(7.67)	-
f. Fair value of plan assets as at the end of the year	33.57	-	52.22	-
<b>3. Reconciliation of fair value of plan assets and obligations</b>				
a. Fair value of plan assets as at year end	33.57	-	52.22	-
b. Present value of obligation as at the year end	(33.92)	(216.42)	(51.68)	(190.37)
c. Amount recognised in the balance sheet	(0.35)	(216.42)	0.54	(190.37)
<b>4. Expenses recognised during the year</b>				
a. Current service cost	2.04	15.22	1.81	13.98
b. Interest cost	4.13	15.09	4.38	12.76
c. Expected return on plan assets	(3.16)	-	(4.60)	-
d. Actuarial (gains)/loss	(0.85)	(0.63)	(1.59)	7.29
e. Expenses recognised during the year	2.16	29.68	0.00	34.03
<b>5. Investment details</b>				
a. Others (fund with life Insurance Corporation of India)	33.57	-	52.22	-
<b>6. Assumptions</b>				
a. Discount rate (per annum)	8.00%	8.00%	8.00%	8.00%
b. Estimated rate of return on plan assets (per annum)	9.00%	-	9.00%	-
c. Rate of escalation in salary	3.50%	6.00%	3.50%	6.00%

**Note :**

- (a) The employee's Gratuity Funded Scheme of Main Division Kolkata managed by Life Insurance Corporation of India is a defined Benefit Plan.
- (b) The above Funded disclosures are based on Computer Generated Certificate issued by Life Insurance Corporation of India.



Notes on Financial Statements for the year ended 31st March, 2017

(₹ in Lakh)

	2016-2017	2015-2016
<b>24.3 Earning Per Share (EPS)</b>		
(a) Total Number of Equity Share Outstanding at the end of the year	5396250	5396250
(b) Net Profit after tax available to Equity Shareholders (s in lacs)	(207.63)	15.74
(c) Nominal value per Equity Shares (₹)	10	10
(d) Basic/Diluted Earnings per Shares (₹)	(3.85)	0.29

(₹ in Lakh)

	2016-2017 Value	2015-2016 Value
<b>24.4 Purchase of Finished Goods</b>		
Silk/Cotton/Viscose Fab rics	341.15	196.92
Silk Made-ups	5.66	10.76
<b>Total</b>	<b>146.81</b>	<b>207.68</b>

24.5 Consumption of Raw Materials and Dyes & Chemicals

(₹ in Lakh)

Class of Goods	2016-2017		2015-2016	
	%	Value	%	Value
<b>(A) RAW MATERIALS</b>				
Raw Leather		7475.96		13197.34
Clothes		133.13		175.19
Yarn		546.32		872.09
Polyester,Cotton & Viscose Fibre		-		2280.72
<b>Total of (A)</b>		<b>8155.41</b>		<b>16525.34</b>
Imported	4.51	368.08	3.98	657.28
Indigenous	95.49	7787.33	96.02	15868.06
	<b>100.00</b>	<b>8155.41</b>	<b>100.00</b>	<b>16525.34</b>
<b>(B) Dyes &amp; Chemicals</b>				
Imported -	-	-	0.02	0.02
Indigenous	100.00	56.26	99.98	95.40
	100.00	56.26	100.00	95.42
<b>Total of (A+B)</b>		<b>8211.67</b>		<b>16620.76</b>



Notes on Financial Statements for the year ended 31st March, 2017

24.6 Consumption of Stores & Spares and Packing Materials

(₹ in Lakh)

Class of Goods	2016-2017		2015-2016	
	%	Value	%	Value
<b>(A) Stores &amp; Spares</b>				
Thread		26.52		40.81
Rubb, Cuff, back & Components		37.96		58.95
Spares parts		22.32		280.83
<b>Total of (A)</b>		<b>86.80</b>		<b>380.59</b>
<b>Imported</b>	15.32	13.29	12.59	47.93
<b>Indigenous</b>	84.68	73.51	87.41	332.66
	100.00	86.80	100.00	380.59
<b>(B) Packing Materials</b>				
		99.29		122.57
<b>Total of (B)</b>		<b>99.29</b>		<b>122.57</b>

(₹ in Lakh)

	Year ended 31st March, 2017	Year ended 31st March, 2016
<b>24.7 Auditors Remuneration</b>		
As Statutory Audit	1.64	2.27
As Tax Audit	0.46	0.92
For Certification & Other Services	0.33	1.12
For Out of Pocket Expenses	0.10	0.17
	<b>2.53</b>	<b>4.48</b>
<b>24.8 Value of Imports on CIF Basis</b>		
Raw Materials	366.97	678.89
Stores, Spares & Components	12.73	11.51
<b>24.9 Expenditure in Foreign Currencies</b>		
Foreign Travel & Participation in Exhibitions and Trade Fair	48.67	55.65
Commission	483.13	748.85
Design Purchase	28.91	22.13
Others	1.71	1.34
<b>24.10 Earnings in Foreign Currencies</b>		
Exports of Goods on F.O.B. Basis	11434.64	19205.99
Others	-	2.68

**Notes on Financial Statements for the year ended 31st March, 2017**

24.11 Details of Specified Bank Notes (SBN) held and transacted during the period 8th November to 30th December, 2016 as provided as per Notification No. G.S.R. 308(E) dt. 30th March, 2017 of Ministry of Corporate Affairs.

	SBNs	Other Denominations Notes	Total
Closing cash in hand as on 08.11.2016	2.54	1.54	4.08
Add: Withdrawal from Bank Account	-	16.14	16.14
Add: Receipts for permitted transactions	-	0.06	0.06
Less: Deposited in Bank Accounts	2.54	-	2.54
Less: Paid for permitted transactions	-	13.46	13.46
Closing cash in hand as on 30.12.2016	-	4.28	4.28

24.12 **Derivative Instruments Outstanding :**

(a) **Forward Exchange Contracts :**

Currency	2016-2017		2015-2016	
	No. of Contracts	Amount in Foreign Currency	No. of Contracts	Amount in Foreign Current
EURO	16	875000	22	1055352
USD	35	3194565	38	4050000

(b) **Unhedged Foreign Currency Exposure as at the Balance Sheet date**

Category	Currency	2016-2017	2015-2016
		Amount in Foreign Currency	Amount in Foreign Currency
Exports	EURO	909214	900373
Exports	USD	2221206	3975472
Exports	GBP	121480	138800
Others	EURO	66735	146129
Others	USD	112367	234654
Others	GBP	22100	13554

24.13 Balance confirmation from some of Sundry Debtors, Sundry Creditors, Loan Parties and material lying with third parties are still awaited.

24.14 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

24.15 Current year's figures is not comparable with previous year's figures due to discontinuation of operation of our Unit: Zenith Spinners during the current year.



Notes on Financial Statements for the year ended 31st March, 2017

25. Segment Reporting

(i) Business Segments

(₹ in Lakh)

	Silk Fabrics & Made-ups 2016-2017	Industrial Leather H/Gloves Made-ups 2016-2017	Yarns 2016-2017	Weavings Silk Fabrics (100% EOU) 2016-2017	Unallocable 2016-2017	Total (Continuing Operations) 2016-2017	Discontinuing Operations 2016-2017	Total (Including Discontinuing Operations) 2016-2017
(a) Revenue								
External	774.12	10673.49	-	1798.76	-	13246.37	36.15	13282.52
(Previous Year)	1238.18	17198.87	3787.19	2446.00	-	24670.24	-	24670.24
(b) <b>Results</b>								
<b>Segment Result before interest &amp; tax</b>	21.66	141.45	-	(315.64)	-	(152.53)	(56.97)	(209.50)
(Previous Year)	(155.76)	1116.40	(522.97)	(94.43)	-	343.24	-	343.24
Unallocated Expenses net of unallocated income	-	-	-	-	(125.05)	(125.05)	-	(125.05)
(Previous Year)	-	-	-	-	(147.58)	(147.58)	-	(147.58)
Interest Expenses						(28.16)	(2.28)	(30.44)
(Previous Year)						(242.68)	-	(242.68)
Interest Income						58.88	9.80	68.68
(Previous Year)						50.02	-	50.02
<b>Profit/(Loss) before tax</b>						<b>(246.86)</b>	<b>(49.45)</b>	<b>(296.31)</b>
(Previous Year)						3.00	-	3.00
Income Tax for Earlier Years						7.66	-	7.66
(Previous Year)						0.64	-	0.64
Provision for current tax						-	-	-
(Previous Year)						21.96	-	21.96
Provision for deferred tax						(75.43)	(20.91)	(96.34)
(Previous Year)						(35.34)	-	(35.34)
<b>Net Profit/(Loss) after tax</b>						<b>(179.09)</b>	<b>(28.54)</b>	<b>(207.63)</b>
(Previous Year)						15.74	-	15.74
<b>Other Information</b>								
(c) Segment Assets	1782.41	5765.66	-	2620.85	45.59	10214.51	830.07	11044.58
(Previous Year)	1748.81	6329.90	996.42	2979.83	48.12	12103.08	-	12103.08
(d) Segment Liabilities	556.29	756.39	-	722.92	13.86	2049.46	5.96	2055.42
(Previous Year)	689.94	1455.64	19.86	714.35	26.50	2906.31	-	2906.31
(e) Capital Expenditure	-	-	-	8.55	47.74	56.29	-	56.29
(Previous Year)	-	-	0.48	15.72	51.37	67.57	-	67.57
(f) Depreciation	-	-	-	115.36	26.58	141.94	31.91	173.85
(Previous Year)	-	-	207.51	115.65	25.97	349.14	-	349.14
(g) Non-cash expenses other than depreciation	41.16	-	-	-	-	41.16	-	41.16
(Previous Year)	-	41.78	4.49	-	-	46.28	-	46.28

**Notes on Financial Statements for the year ended 31st March, 2017****(ii) Geographical Segments**

The Secondary segment reporting is about geographical segment which shows the distribution of the Company's sales by geographical market :

Sales	2016-2017	2015-2016
India	98.19	3281.66
Outside India	11558.90	19348.30
<b>Total</b>	<b>11657.09</b>	<b>22629.96</b>

**Segment Revenue and Result**

The expenses which are not directly attributable to the business segment are shown as unallocated expenditure net off unallocable income.

**Segment assets and liabilities**

Segment assets include all operating assets used by the business segment and consist principally of fixed assets, debtors and inventories. Segment liabilities primarily include current liabilities & loan fund Assets and liabilities that can not be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively.

**26. Related Party Disclosures :**

Sl. No.	Nature of the related party & nature of relationship	Nature of Transaction	2016-2017		2015-2016	
			Transaction Value	Outstanding Debit/Credit balances at the year	Transaction Value	Outstanding Debit/Credit balances at the year
<b>A.</b>	<b>Key Management Personnel</b>					
1.	Mr. R.K.Loyalka-Managing Director (Note-1)	Remuneration	42.12	-	24.40	-
2.	Mr. S.K.Loyalka- Chairman Cum-Managing Director	Remuneration	25.47	(0.93)	25.47	(0.92)
3.	Mr. R.K.Loyalka-Chief Executive Officer (Note-2)	Salary	7.17	-	-	-
<b>B.</b>	<b>Relatives/Associates of Key Management Personnel</b>					
1.	B.R.Loyalka (HUF)	Rent Paid	-	-	0.28	-
2.	B.R.Loyalka	Advisory Service	9.00	-	9.00	-
3.	Kiran Loyalka	Salary	-	-	0.68	-
<b>C.</b>	<b>Associates:-</b>					
1.	SKL Exports Limited	Job Charges Sale	350.15	(39.60)	469.27	(104.99)
		Sale	50.61	13.52	46.10	4.82
2.	Capital Limited	Providing Manpower Charges	5.29	-	5.09	-
		Rent	6.60	-	6.60	-
3.	Zenith Apex Pvt.Ltd. (Formerly Zenith Yarns Pvt.Ltd.)	Sale	-	-	334.73	-

**Note:-**

- Resigned from the Board w.e.f 28th September' 2016
- Appointed as a Chief Executive Officer w.e.f 14th November' 2016

**Notes on Financial Statements for the year ended 31st March, 2017****27. SIGNIFICANT ACCOUNTING POLICIES****27.1 Basis of Accounting**

These financial statements have been prepared under historical cost convention from books of accounts maintained on an accrual basis (unless otherwise stated hereinafter) in conformity with accounting principles generally accepted in India and comply with the Accounting Standard issued by the Institute of Chartered Accountants of India and referred to Sec.129 & 133 of the Companies Act, 2013, of India. The accounting policies applied by the company are consistent with those used in the previous year.

**27.2 Use of Estimates**

The preparation of financial statements requires certain estimates and assumption to be made that effect the reported amount of assets and liabilities as on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

**27.3 Fixed Assets**

(a) Fixed Assets are stated at the original cost of acquisition/installation. Such cost includes purchase price, incidental expenses directly related thereto and pre-operative expenses apportioned based on value. Fixed Assets are shown net of accumulated depreciation.

CENVAT availed on capital goods purchased are shown at net value.

(b) Capital Work-in-Progress is stated at amount incurred upto the date of Balance Sheet.

**27.4 Depreciation**

(a) Depreciation is systematically allocated over the useful life of an asset as specified in Part-C of the schedule II of the Companies Act. 2013.

(b) Depreciation on additions to fixed assets is provided on pro-rata basis from the date of acquisition or installation. Depreciation on assets sold, discarded, demolished or scrapped is provided up to the date on which said asset is sold, discarded, demolished or scrapped.

(c) Based on explanations given by way of Notes to Schedule II, of the Companies Act, 2013 and "clarifications issued thereof, we (the Management of unit Zenith Spinners – Prop. Zenith Exports Limited) have evaluated and found that the machines used by the company are designed to work for 24 hours a day and hence such machines have been considered as a Continuous Process Plant and hence the adjustments to depreciation calculations have been made accordingly.

**27.5 Investments**

(a) Investments are stated at cost including expenses related thereto.

(b) Long Term Investments are stated at cost. The diminution, if any in the value of Investments is not recognised unless such diminution is considered permanent in nature.

(c) Current Investments are stated at Lower of cost or market value.

(d) Dividend is recognised when the right to receive is established.

**27.6 Inventories**

Inventories are valued as under

a) Raw Materials	: - at cost which is arrived at on average cost basis.	: - at cost which is arrived at on average cost basis.
b) Packing Materials	: - at average cost basis.	: - at average cost basis.
c) Stores, Consumables & Spares	: - at average cost basis.	: - at average cost basis.
d) Semi-Finished Goods	: - at Raw Material cost and value added thereto upto the state of completion.	: - at Raw Material cost and value added thereto upto the state of completion.
e) Finished Goods	: - at cost or net realisable value whichever is lower.	: - at cost or net realisable value whichever is lower.
f) Waste	: - at estimated realisable value.	: - at estimated realisable value.

**Notes on Financial Statements for the year ended 31st March, 2017****27.7 Employee Benefits:-****1. Short Term employee benefits -**

All employee benefits payable within twelve months of rendering the service are recognized in the period in which employee renders the related service.

**2. Post Employment Benefits -**

(a) Defined Contribution plans

**(i) Gratuity Plan:**

(a) The Company has Defined Benefit Plan for post employment benefit in the form of Gratuity for eligible employees, which is administered through a Group Gratuity Policy with Life Insurance Corporation of India (L.I.C). The Liability for the above Defined Benefit Plan is provided on the basis of an actuarial valuation as carried out by L.I.C. The actuarial method used for measuring the liability is the Projected Unit Credit Method.

(b) In case of Unfunded Gratuity is payable to all eligible employees of the Company on death, permanent disablement and resignation as per the provisions of the Payment of Gratuity Act or as per the Company's Scheme whichever is more beneficial. Benefit would be paid at the time of separation based on the last drawn basic salary.

**(ii) Leave Encashment:**

Eligible employees can carry forward and encash leave upto death, permanent disablement and resignation subject to maximum accumulation allowed upto 15 days for employees. The Leave over and above 15 days is paid to employees as per the balance as on 31st March every year. Benefit would be paid at the time of separation based on the last drawn basic salary.

3. Termination Benefits if any, are recognised as expenses to the Profit and Loss Account as and when incurred.

**27.8 Foreign Currency Transaction**

- a. Foreign Currency loans for financing fixed assets outstanding at the close of financial year are revolarised at appropriate bank exchange rate at the close of the year. The gain or loss for decrease/increase in rupee liability due to fluctuations in rates of exchange is adjusted to carrying amount of Fixed Assets acquired out of said loans.
- b. Income and Expenditure for the year are recorded as per prevailing bank rate on the date of transaction/negotiation.
- c. Current Assets and Liabilities outstanding at the close of the year are translated/re-stated at contracted and/or appropriate bank exchange rates as on the last day of the financial year. The Loss or Gain, if any is recognised in the year of actual realisation in the Profit & Loss Account.
- d. As per usual practice followed by the Company, the export sales transactions during the year are accounted for at Custom Rate and at the end of the year at Prevailing Bank Rate in respect of outstanding debtors. Difference between actual realisation at Custom Rate and/or Bank Rate are adjusted to Exchange Difference Account in Profit & Loss Account
- e. Gains or Losses on cancellation of Forward Exchange Contracts is recognised in the Profit & Loss account of the year in which they are cancelled.

**27.9 Recognition of Income & Expenditure**

- a. Export Sales are recognised on the basis of the date as mentioned in Exchange Control Declaration (GR) Form at Main Division and Weaving Division, whereas Spinning Division considers Sales on the basis of "Bill of Lading" date. Export Sales are accounted for in accounts as per monthly Custom Rate for all the Divisions and shown in the account net of export return.
- b. Income & Expenditure are recognised on accrual basis.



**Notes on Financial Statements for the year ended 31st March, 2017**

- c. Export entitlements are recognised in the Profit & Loss account when the right to receive credit as per terms of the entitlement in respect of the exports made.
- d. Domestic Sales are recorded on raising bills net off discounts, return and Sales Tax.
- e. Accounting for Differential Custom Duty Differential custom duty on wastage of Imported Raw Silk Yarn determined as per the Input/Output norms for EOU is accounted as and when the demand is raised by the customs authorities.
- f. Revenue in respect of Job charges is recognised based on the work performed and invoiced as per terms of specific contracts.

**27.10 Borrowing Costs**

Borrowing Costs which are directly attributable to the acquisition/construction of fixed Assets till the time such assets are ready for intended use, are capitalised as part of the cost of the assets. Other borrowing costs are recognised as an expense in the year in which they are incurred.

**27.11 Impairment of Assets**

The carrying amount of Assets are reviewed at each Balance Sheet date to ascertain impairment based on internal/external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

**27.12 Accounting for Cenvat Credits/Service Tax/Value Added Tax**

Cenvat credit and Value Added Tax available on Raw materials, Packing materials, fuels, Stores & Spares, Capital goods and service tax credit on services are accounted for by reducing purchase cost of the related materials or the capital assets or the expenses respectively as the case may be.

**27.13 Provisions, Contingent Liabilities & Contingent Assets :-**

Contingent liabilities are the possible obligation of the past events, the existence of which will be confirmed only by the occurrence or non-occurrence of such event in future. These are not provided for and are disclosed by way of Notes on Accounts. Contingent Assets are not provided for or disclosed.

**27.14 Government Grants:**

Capital grants relating to specific assets are reduced from the gross value of the Fixed Assets and capital grants for Project capital subsidy are credited to Capital Reserve. Other revenue grants are credited to Profit & Loss account or deducted from the related expenses.

**27.15 Derivative Instruments:**

- a) The Company enters into forward foreign exchange contracts/option contracts (derivatives) to mitigate the risk of changes in foreign exchange rate on forecasted transactions. The company enters into derivative financial instruments where the counter party is a bank. Gains or losses on ineffective transactions of derivative contracts are recognised in the profit and loss account as they arose.
- b) Accounting for forward foreign exchange contracts are marked to market basis and the net loss after considering the offsetting effects on the underlying contracts, is charged to the Income Statement. Net gains are ignored.

As per our report of even date annexed

For **TIWARI & COMPANY**

Firm Regn. No. - 309112E

**(P. Tiwari)**

Partner

M. No. 16590

Place : Kolkata

Date : 26th May, 2017

**Govind Pandey**

Company Secretary

**Sushil Kasera**

Chief Financial Officer

For and on behalf of the Board of Director

**Surendra Kumar Loyalka**

*Managing Director*

**Madhukar Manilal Bhagat**

*Director*

**Keshar Deo Rungta**

*Director*

**Mangilal Jain**

*Director*

**Devendra Kumar Sarawgee**

*Director*

**Urmila Loyalka**

*Director*



# ZENITH EXPORTS LIMITED

CIN : L24294WB1981PLC033902

Regd. Office : 19, R. N. Mukherjee Road, Kolkata - 700 001  
Phone : +91-33-2248 7071 / 6936 / 9522, Fax : +91-33 -2243 9003  
E-mail : zenith@giascl01.vsnl.net.in, Website : www.zenithexportslimited.com

## Shareholders Information Form (To be filled is in and Signed by the Shareholders)

Sl. No.	Details	Details is to be filled up by the Shareholder
1.	DP Id & Cliend Id / Folio No.	
2.	No. of Shares held & date of becomign member	
3.	Name & Address of Sole/First named shareholder	
4.	If there is any change in your address please mention here	
5.	Name of Joint holder(s) (if any)	
6.	PAN of all Holder(s)	1. 2. 3.
7.	Unique Identification NO. (Aadhaar Card No.) CIN/Registration No. (in case of Body Corporate)	
8.	Father's / Mother's / Spouse Name	
9.	Status	
10.	Occupation	
11.	Nationality	
12.	Name and Address of the Bank	
13.	9 digit Bank MICR No.	
14.	Bank Account NO.	
15.	Bank IFSC Code	

I hereby declare that the particulars given above are correct and complete. Further, I hereby undertake to inform any subsequent changes in the above details.

Date :

Signature of 1st holder

Place :

Signature of 2nd holder

Signature of 3rd holder

Enclosed : 1) Self attested copy of PAN Card of all holders

2) Self attested copy of Aadhaar Card of all holders

# ZENITH EXPORTS LIMITED

Venue of Annual General Meeting



