



Zenith Exports Limited

19, R. N. Mukherjee Road, Kolkata - 700 001, India

Telephone : 2248-7071, 2248-6936

Fax : 91-33-2243-9003

CIN : L24294WB1981PLC033902

E-mail : sec@zenithexportsltd.net

2nd September'2019

The Manager

Listing Department

National Stock Exchange of India Limited

'Exchange Plaza', C-1, Block-G

Bandra-Kurla Complex

Bandra (E)

Mumbai- 400 051

Fax No. 022-2659-8237/8238/8347

Scrip Code: ZENITHEXPO

The Secretary

Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai- 400 001

Fax No. 022-2272-3121/1278/1557

Scrip Code: 512553

Dear Sir/Madam,

Sub: Submission of Notice of 37th Annual General Meeting (AGM) and Annual Report for the financial year 2018-19 under Regulation 30 and 34 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015

This is to inform you that the Thirty-Seventh (37th AGM) Annual General Meeting of the Members of **ZENITH EXPORTS LIMITED** will be held on Tuesday, the 24th day of September'2019, at 11:30 a.m. at Ground Floor, Auditorium of Birla Academy of Art & Culture, 108, Southern Avenue, Kolkata-700 029, inter alia, to transact the business stated in the Notice of AGM dated 12th August, 2019.

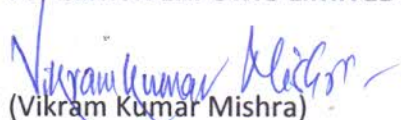
Pursuant to Regulation 34 (1) and Regulation 30 (2) of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2018-19 which are dispatched to the members by the permitted mode. The Annual Report of the Company is also available on the website of the Company at www.zenithexportslimited.com.

Kindly take the above on records.

Thanking you,

Yours faithfully,

For **ZENITH EXPORTS LIMITED**


(Vikram Kumar Mishra)

Company Secretary

ACS: 36568



CORPORATE INFORMATION

Board of Directors

Chairman-Cum-Managing Director

Mr. Surendra Kumar Loyalka

Joint Managing Director

Mr. Varun Loyalka

Women Director

Mrs. Urmila Loyalka

Non-Executive Independent Directors

Mr. Rabindra Kumar Sarawgee (w.e.f 12.11.2018)

Mr. Surendra Bafna (w.e.f 12.11.2018)

Mr. Kamal Koomar Jain (w.e.f 13.02.2019)

Mr. Sampat Mal Daga (w.e.f 13.02.2019 to 28.06.2019)

Chief Executive Officer

Mr. Rajkumar Loyalka

Company Secretary

Mr. Vikram Kumar Mishra

Chief Financial Officer

Mr. Sushil Kumar Kasera

Board Committees

- ***Audit Committee***
Mr. Rabindra Kumar Sarawgee- Chairman
Mr. Kamal Koomar Jain-Member
Mr. Surendra Bafna- Member
Mr. Sampat Mal Daga-Member
- ***Nomination and Remuneration Committee***
Mr. Kamal Koomar Jain-Chairman
Mr. Rabindra Kumar Sarawgee-Member
Mr. Surendra Bafna-Member
- ***Stakeholders Relationship Committee***
Mr. Rabindra Kumar Sarawgee- Chairman
Mr. Kamal Koomar Jain-Member
Mrs. Urmila Loyalka- Member

Statutory Auditors

M/s. V. Goyal & Associates

Chartered Accountants

Mercantile Building, A Block, 1st Floor

9, Lalbazar Street,

Kolkata- 700001

Secretarial Auditor

CS. Asit Kumar Labh

C/o. A.K. Labh & Co.

40, Weston Street, 3rd Floor,

Kolkata-700013

Internal Auditors

M/s. Goyal Y.K. & Associates

Chartered Accountants

Mercantile Building, A Block, 1st Floor

9, Lalbazar Street,

Kolkata- 700001

Registrar 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

Registered Office

19, Rajendra Nath Mukherjee Road

First Floor, Kolkata, Pin-700001

Ph: 033-2248-7071/6936

Fax: 033-2243-9003

Email: sec@zenithexportsltd.net

Website: www.zenithexportslimited.com

CIN: L24294WB1981PLC033902

Principal Banker

Canara Bank

Scrip Code

BSE – 512553

NSE – ZENITHEXPO

Works

Zenith Textiles

13,A/B/C, Industrial Area

Nanjangud, Dist-Mysore

Karnataka, Pin-571 302

Zenith Exports Limited

106, B. T. Road, Kolkata – 7000108

Zenith Exports Limited

515 Anandapur,

106, B T Road, Phase-II, Kasba Industrial Estate

Kolkata-700107

Zenith Exports Limited

515 Anandapur,

P-71, Phase-II, Kasba Industrial Estate

Kolkata-700107

Zenith Exports Limited

Anandapur, P-29, Kasba Industrial Estate,

Phase-II,Kolkata-700107





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NOTICE

NOTICE is hereby given that the 37th (THIRTY SEVENTH) Annual General Meeting of Members of **ZENITH EXPORTS LIMITED** (CIN: L24294WB1981PLC033902) will be held on Tuesday, 24th September'2019 at 11:30 a.m. (IST) at the Ground Floor, Auditorium of Birla Academy of Art & Culture, 108, Southern Avenue, Kolkata-700029 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March'2019, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Urmila Loyalka (DIN: 00009266), who retires by rotation and, being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. Appointment of Mr. Rabindra Kumar Sarawgee (DIN: 00559970), as Non-Executive Independent Director of the Company.

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013, as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and the Articles of Association of the Company, Mr. Rabindra Kumar Sarawgee (DIN: 00559970), who was appointed by the Board of Directors of the Company as an Additional (Non-Executive, Independent) Director with effect from 12th November, 2018 in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 12th November, 2018 to 11th November, 2023.





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4. Appointment of Mr. Surendra Bafna (DIN: 00127681), as Non-Executive Independent Director of the Company.

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013, as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and the Articles of Association of the Company, Mr. Surendra Bafna (DIN: 00127681), who was appointed by the Board of Directors of the Company as an Additional (Non-Executive, Independent) Director with effect from 12th November, 2018 in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 12th November, 2018 to 11th November, 2023.

5. Appointment of Mr. Kamal Koomar Jain (DIN: 00551662), as Non-Executive Independent Director of the Company.

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013, as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and the Articles of Association of the Company, Mr. Kamal Koomar Jain (DIN: 00551662), who was appointed by the Board of Directors of the Company as an Additional (Non-Executive, Independent) Director with effect from 13th February, 2019, in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 13th February, 2019 to 12th February, 2024.





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6. Appointment of Mr. Sanjay Kumar Shaw (DIN: 08507089), as Non-Executive Independent Director of the Company.

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013, as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and the Articles of Association of the Company, Mr. Sanjay Kumar Shaw (DIN: 08507089), who was appointed by the Board of Directors of the Company as an Additional (Non-Executive, Independent) Director with effect from 12th August, 2019, in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 12th August, 2019 to 11th August, 2024.

Registered & Head Office:
19, R. N. Mukherjee Road
First Floor, Kolkata- 700 001
Dated: 12th August'2019

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



Vikram Kumar Mishra
Vikram Kumar Mishra
Company Secretary
ACS: 36568



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Notes:

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1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER 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 AGM. Proxies submitted on behalf of the Companies, Societies etc. must be supported by an appropriate resolution/ authority, as applicable issued on behalf of the nominating organization.

Pursuant to the provisions 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% of the total share capital of the Company carrying voting rights. A member holding more than 10 % 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. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business to be transacted at the meeting is annexed hereto.
3. A route map showing directions to reach the venue of the 37th AGM is annexed as per the requirement of the Secretarial Standards - 2 on General Meetings issued by the ICSI and also uploaded on the website of the Company.
4. Corporate member intending to send their authorized representatives to attend the AGM pursuant to Section 113 of the Companies Act'2013 are requested to send to the Company, a certified copy of the Board Resolution or Power of Attorney, if any, authorizing their representative(s) to attend and vote on their behalf, at the AGM.
5. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per register of members of the Company will be entitled to vote.
6. Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 18th September, 2019 to Tuesday, 24th September, 2019 (both days inclusive).
7. Information required under Regulation 26(4) and 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and as required under Secretarial Standard-2, pursuant to Section 118 (10) of the Act, issued by the Institute of Company Secretaries of India (the "ICSI"), relating to Directors proposed to be appointed/re-appointed is provided in the Annexure to this Notice.





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8. SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018, amended Regulation 40 of Listing Regulations pursuant to which from 1st April, 2019, onwards securities can be transferred only in dematerialized form. However, it is clarified that, members can continue holding shares in physical form. Transfer of securities in Demat form will facilitate convenience and ensure safety of transactions for investors.
9. All Statutory Registers and relevant documents referred to in the accompanying Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 shall be open for inspection by the members at the Registered Office of the Company during office hours on all working days, except Saturday, up to date of AGM.
10. 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 Demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to Registrars and Share Transfer Agents, M/s. C.B. Management Services Pvt. Ltd., P-22, Bondel Road, Kolkata- 700 019.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Accordingly, members holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they maintain their Demat accounts. Members holding shares in physical form should submit their PAN details to Registrars and Share Transfer Agents, M/s. C.B. Management Services Pvt. Ltd.
12. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to M/s. C.B. Management Services Pvt. Ltd. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.
13. Members are requested to bring the Attendance Slip, duly signed in accordance with the specimen signature(s) registered with the Company/Depository Participant's for admission to the meeting hall mentioning therein details of their DP ID and Client ID /Folio No.
14. Members are advised to bring their own copy of the Annual Report along with them for the meeting. Extra copies of the Annual Report will not be available at the meeting.
15. The Ministry of Corporate Affairs (MCA) has introduced a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies through electronic mode. As per the Circular No.17/2011, dated 21st April, 2011 and Circular No. 18/2011, dated 29th April, 2011 issued by MCA, Companies can now send various notices/documents (including notice calling Annual General Meeting, Audited Financial Statements, Board Report, Auditors Report etc.) to the Shareholders through electronic mode, to their registered email address.





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Electronic copy of the Notice of the aforesaid Meeting and Annual Report of the Company for the financial year 2018-19 inter alia indicating the process and manner of voting through electronic means 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.

For members who have not registered their email address, physical copies of the Notice of the AGM and Annual Report of the Company for the financial year 2018 -19 inter alia indicating the process and manner of voting through electronic means with Attendance Slip and Proxy Form is being sent to all eligible members of the company.

16. Process and manner of voting through electronic means:

In compliance with the provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 read with the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company is pleased to provide to the members holding shares either in physical form or in dematerialized form, the facility to exercise their right to vote on the resolutions set forth in the Notice by electronic means. The business may be transacted through e-voting services provided by National Securities Depository Limited ("NSDL"). The members may cast their votes using an electronic voting system from a place other than the venue of the AGM (remote e-voting).

The facility for voting through ballot paper shall be made available at the venue of AGM and the members attending the meeting who have not cast their vote by remote e-voting prior to the AGM shall be able to exercise their right at the meeting through ballot paper.

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.

The remote e-voting period commences on Saturday, 21st September'2019 (9:00 a.m.) and ends on Monday, 23rd September'2019 (5:00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date of Tuesday, 17th September'2019, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The instructions for e-voting are as under:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>





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E-mail : sec@zenithexportsltd.net

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who holds shares in Demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who holds shares in Demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.





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- c) How to retrieve your 'initial password'?
 - i. If your email ID is registered in your Demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a PDF file. Open the PDF file. The password to open the PDF file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The PDF file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your Demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company ZENITH EXPORTS LIMITED.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.





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6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to asit.labh1@gmail.com or at asit@aklabh.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
17. The voting rights of the shareholders shall be in proportion to their shares of the paid up equity shares capital of the Company as on the cutoff date (record date) i.e. Tuesday, 17th September'2019.
18. Any persons, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cutoff date i.e. 17th September'2019, may obtain the login id and password by sending a request at evoting@nsdl.co.in or rt@cbmsl.com.
19. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cutoff date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
20. Mr. Asit kumar Labh, Practicing Company Secretary (Mem No.32891, COP No.14664) has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as voting through ballot paper at the AGM in a fair and transparent manner.
21. 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.





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22. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, 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 witnesses not in the employment of the Company and shall make, not later than 48 hours 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.
23. The Results shall be declared within 48 hours of conclusion of the AGM by the Chairman or by any person authorized by him in this regard. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.zenithexportslimited.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE") and Calcutta Stock Exchange ("CSE"), where the shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company in Kolkata.

Registered & Head Office:

19, R. N. Mukherjee Road

First Floor, Kolkata- 700 001

Dated: 12th August'2019



By Order of the Board of Directors
For ZENITH EXPORTS LIMITED

Vikram Kumar Mishra
Vikram Kumar Mishra

Company Secretary

ACS: 36568



Zenith Exports Limited

19, R. N. Mukherjee Road, Kolkata - 700 001, India

Telephone : 2248-7071, 2248-6936

Fax : 91-33-2243-9003

CIN : L24294WB1981PLC033902

E-mail : sec@zenithexportsltd.net

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Pursuant to the provisions of Section 102 of the Companies Act, 2013 the following explanatory statement sets out all material facts relating to the businesses mentioned under Item Nos. 3 to 6 of the accompanying Notice.

Item Nos. 3 to 6

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors in its meeting held on 12th November, 2018 appointed Mr. Rabindra Kumar Sarawgee (DIN: 00559970) and Mr. Surendra Bafna (DIN: 00127681) as Additional (Non-Executive Independent) Directors, not liable to retire by rotation, for a term of five consecutive years subject to approval of the Members.

Further, the Board of Directors also in its meeting held on 13th February, 2019 appointed Mr. Kamal Koomar Jain (DIN: 00551662) and Mr. Sanjay Kumar Shaw (DIN: 08507089), as Additional (Non-Executive Independent) Directors, not liable to retire by rotation, for a term of five consecutive years subject to approval of the Members.

The Company has received declarations from all Additional (Non-Executive Independent) Directors whose appointments are subject to approval of the Members at the ensuing 37th Annual General Meeting, to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act read with the rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, each of these Directors fulfills the conditions specified in the Companies Act, Rules and Listing Regulations for appointment as Independent Directors and is independent of the management of the Company. The terms and conditions of their appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal office hours on all working days, except Saturday, up to date of AGM.

A brief profile of the Independent Directors to be appointed is given below:

Mr. Rabindra Kumar Sarawgee (DIN: 00559970)

Mr. Rabindra Kumar Sarawgee, aged about 50 years, is a qualified Chartered Accountant and a Fellow Member of the Institute of Chartered Accountants of India (ICAI). He holds a Bachelor's degree in Commerce. Mr. Sarawgee has rich experience over 25 years in the field of Taxation, Auditing, and Company Law Matters. He is handling various Income Tax Scrutiny of Corporates as well as CIT Appeal etc. and actively involved in Auditing of Corporates, Firms and Non-Banking Financial Companies. He is Senior Partner with M/s. "Jain Sarawgee & Co.", Chartered Accountants, Kolkata since January'1995.





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Mr. Surendra Bafna
(DIN: 00127681)

Mr. Surendra Bafna, aged about 70 years, is a Cost Accountant. He is having overall experience of 40 years in the field of Finance, Accounts, Taxation and Company Law matters. Mr. Bafna worked with Khaitan (India) Ltd. 1979 to 1993 as Finance Director and then transferred to Sugar Division as Executive Director from 1993 to 2016. Currently he is associated with Friends of Tribals Society (FTS), a Non-Government Organization.

Mr. Kamal Koomar Jain
(DIN: 00551662)

Mr. Kamal Koomar Jain, aged about 59 years, is a Commerce Graduate and qualified Chartered Accountant. He is a Fellow Member of the Institute of Chartered Accountants of India (ICAI). Mr. Jain has a vast experience in the field of Industry Finance and Accounts. He was a Senior Partner at M/s. Sharma Gautam & Co., Chartered Accountants, Kolkata, from 1985 to 1988. He also served as Director in Apollo Machies Private Limited from 1988 to 2016. Currently he is Senior Partner at M/s. S.L. Chhajed & Co., Chartered Accountants Kolkata and providing professional service in nature.

Mr. Sanjay Kumar Shaw
(DIN: 08507089)

Mr. Sanjay Kumar Shaw, aged about 44 years, is a Commerce Graduate with wide experience in the field of Finance and Accounts over 20 years. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that he be appointed as an Independent Director of the Company.

The Board recommends the Resolutions at Item Nos. 3 to 6 of this Notice for approval of the Members.

Mr. Rabindra Kumar Sarawgee, Mr. Surendra Bafna, Mr. Kamal Koomar Jain and Mr. Sanjay Kumar Shaw and the respective relatives of these Directors are concerned or interested, in the Resolutions relating to their own appointments.

None of the other Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolutions set out at Item No. 3 to 6 of this Notice.

Disclosures as required under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India are annexed to this Notice.

Registered & Head Office:
19, R. N. Mukherjee Road
1st Floor, Kolkata-700 001
Dated: 12th August'2019

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

Vikram Kumar Mishra
Vikram Kumar Mishra
Company Secretary
ACS: 36568



Annexure to the Notice

Details of Directors seeking Appointment/Re-appointment at the 37th Annual General Meeting [Pursuant to Regulations 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]:

Name of the Director	Mr. Rabindra Kumar Sarawgee	Mr. Surendra Bafna	Mr. Kamal Koomar Jain	Mr. Sanjay Kumar Shaw	Mrs. Urmila Loyalka
DIN No.	00559970	00127681	00551662	08507089	00009266
Date of Birth	20/01/1970	01/07/1949	01/10/1960	01/12/1974	11/07/1958
Date of First Appointment	12/11/2018	12/11/2018	13/02/2019	12/08/2019	13/02/2015
Qualifications	B.Com (Hons), FCA, AICWA	B.Com, DCWA	B.Com, FCA,	B.Com (Hons.)	Higher Secondary
Expertise in specific functional areas	Expertise in Finance, Accounts, Taxation and Company Law matters.	Expertise in Finance, Taxation and Company Law matters.	Expertise in Finance and Accounts.	Expertise in Finance and Accounts	Expertise in Export, Marketing and Administration
Directorship in other listed Companies	None	None	None	None	None
Chairmanship/Membership of the Committees of the Board of Directors of other Companies	None	None	None	None	None
Shareholding in the Company	Nil	Nil	Nil	Nil	629150 nos. of Equity Shares
Inter-se relationship with other Directors and Key Managerial Personnel	None	None	None	None	Spouse of Mr. S.K. Loyalka, Chairman & Managing Director

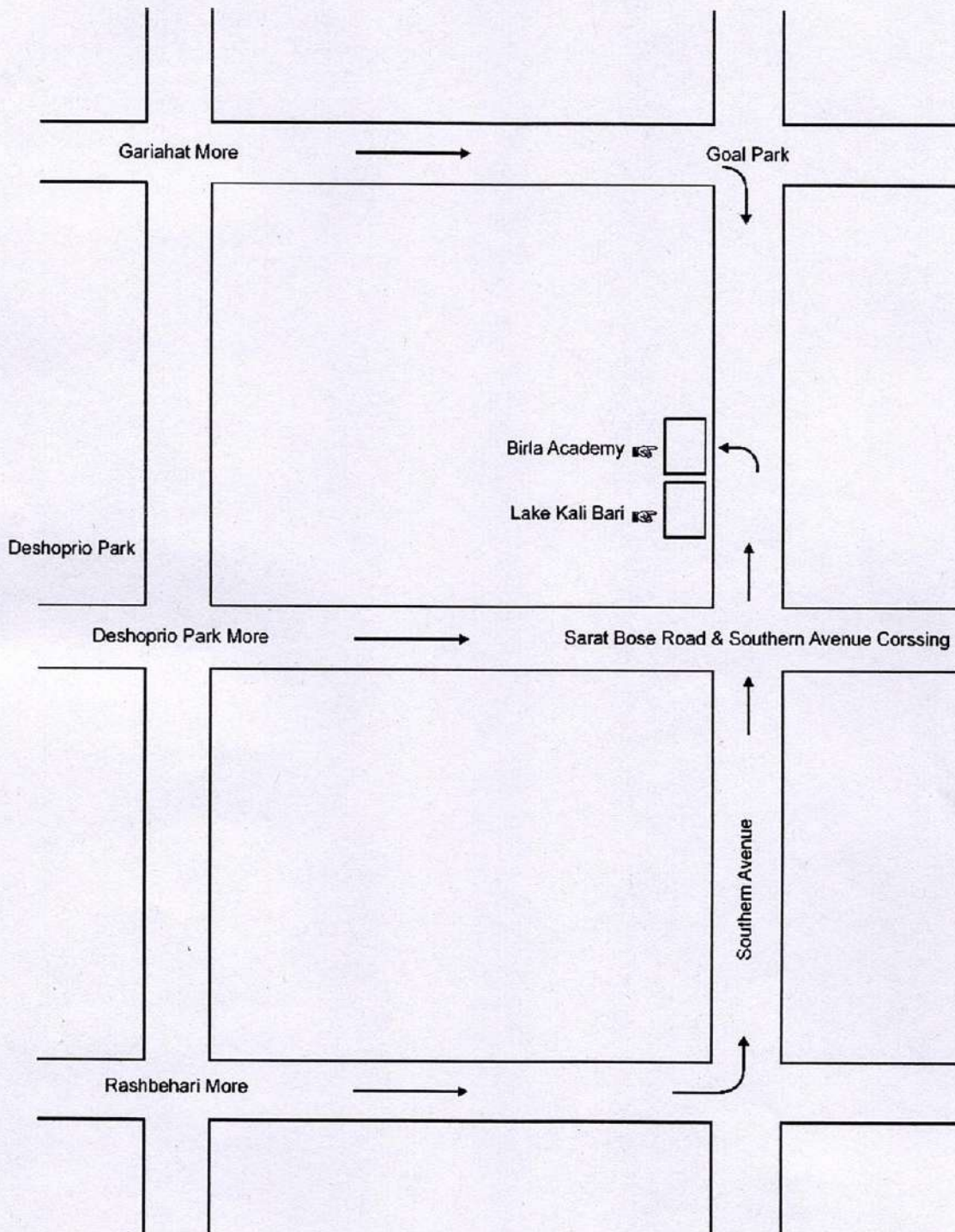
Note: 1. Mrs. Urmila Loyalka retires by rotation and being eligible offers herself for re-appointment.

2. Mr. Sanjay Kumar Shaw appointed as Director with effect from 12th August, 2019 hence details such as number of meetings of the Board attended during Financial Year 2018-19 and remuneration/sitting fees drawn is not applicable for him.



ZENITH EXPORTS LIMITED

Venue of Annual General Meeting





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DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 37th Annual Report covering the operational and financial performance of your Company along with the Audited Financial Statements for the financial year ended 31st March, 2019.

FINANCIAL HIGHLIGHTS

Particulars	(Rs. in Lakhs)	
	Year ended 31st March, 2019	Year ended 31st March, 2018
Revenue from operations	9859.53	10951.99
Other Income	160.60	531.56
Total Revenue	10020.13	11483.55
Less: Expenses	10445.34	11552.18
Profit before exceptional items and taxes	(425.21)	(68.63)
Less: Exceptional Items	(551.38)	0.00
Profit /(Loss) before Taxation	(976.59)	(68.63)
Less: Tax Expenses (Current & Deferred)	(194.26)	9.45
Add: Income Tax for earlier year	4.62	0.00
Profit/(Loss) for the year	(786.95)	(187.97)
Add: Other Comprehensive Income	10.86	(45.85)
Total Income (Comprising Profit/(Loss) for the year and Other Comprehensive Income)	(776.09)	(233.82)

OPERATIONAL REVIEW AND FUTURE OUTLOOK

During the financial year ended 31st March, 2019, Your Company has achieved a turnover of Rs. 9859.53 Lakhs as compared to the turnover of Rs. 10951.99 Lakhs during the previous financial year ended 31st March, 2018. Revenue from operations for the year ended 31st March, 2019 has decreased by 10% over the last year. The Company has incurred loss before tax of Rs. 976.59 Lakhs compared to previous financial year of Rs. 68.63 lakhs. The net loss of the year after tax is Rs. 786.95 lakhs as compared to Rs. 187.97 lakhs over the last financial year. To improve profitability of silk Unit, we have removed more than 100 workers under Voluntary Retirement Scheme (VRS) and spent on that to the tune of Rs. 6 Crore approx.





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Under the restricted market condition, your management is endeavoring to match the situation in the global market. To bring down the cost of production and enhance the revenue, your Company will have to increase the scale of operation by infusing of machineries and technology.

WEAVING DIVISION

Demand for silk and silk blends continues to be under pressure due to high value of fabric and less demand of expensive fabric in European and American markets. Due to this, company has changed its product mix and now less expensive qualities are being offered in the market and response is good. But at the same time, company has to compete with big mills within India and also with China. Markups are very low, but expect good turnover. Results will be seen in coming years.

SPINNING DIVISION

Your Company would like to inform that Zenith Spinners, a Unit of the Company, situated at Dholka, Ahmedabad which had suspended operations since December, 2015, due to unfavorable market conditions and steep competition has started operations of trading and other activities with effect from January, 2019.

DIVIDEND

In view of accumulated losses the Board of Directors does not recommend any dividend on Equity Shares during the year.

GENERAL RESERVE

The Company has not transferred any amount to the General Reserve for the financial year ended 31st March, 2019.

PUBLIC DEPOSITS

The Company has not accepted any deposit from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

CHANGE IN NATURE OF BUSINESS, IF ANY

During the financial year 2018-19, there has been no change in the nature of business of the Company.

SHARE CAPITAL

The Paid-up Equity Share Capital of the Company as on 31st March, 2019 stands at Rs. 5,39,62,500/- comprising Nos. 53,96,250 of Equity Shares of Rs. 10 each. During FY 2018-19, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity.





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DETAILS OF SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary or Joint Venture/ Associate Companies.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 have been disclosed in Notes of the Financial Statements for the financial year ended 31st March, 2019, which forms part of this Annual Report.

CREDIT RATING

During the year under review, ICRA Limited (ICRA) has assigned the long-term rating of [ICRA]B+ (pronounced as ICRA B plus) and reaffirmed short-term rating of '[ICRA]A4 (pronounced as ICRA A four)* for the Fund-Based and Non-Fund Based Facilities of your Company. The outlook on the long-term rating is 'Stable'.

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

Except as disclosed elsewhere in this report, there have been no material changes or commitments which could affect the financial position of your Company, between the end of Financial Year 2018-19 and the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS

During the year under review, no significant and material orders have been passed by the regulators / courts / tribunals that may impact the going concern status and the operations of the Company in future.

LISTING INFORMATION

The Equity Shares of the Company are listed on BSE 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.

RELATED PARTY TRANSACTIONS

All transactions entered by the Company with Related Parties during the financial year 2018-19 as defined under Section 2(76) of the Companies Act, 2013 read with Rules framed thereunder were in the 'ordinary course of business' and 'at arm's length' basis. During the year under review, there has been no materially significant Related Party Transactions having potential conflict with the interest of the Company.





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During the year under review, your Company did not enter into any Related Party Transactions which require prior approval of the Members. All Related Party Transactions of your Company had prior approval of the Audit Committee and the Board of Directors, as required under the Listing Regulations. Subsequently, the Audit Committee and the Board have reviewed the Related Party Transactions on a quarterly basis. Your Company has formulated a Policy on Related Party Transactions and the said Policy has been uploaded on the website of the Company at www.zenithexportslimited.com.

All Related Party Transactions entered during the financial year 2018-19 were in the ordinary course of business and at arm's length basis. Particulars of contract or arrangements with related parties referred to in Section 188(1) of the Act, in the prescribed Form AOC-2, is annexed as Annexure I, to this Report. Shareholders may refer to notes to the Financial Statements for details on Related Party Transactions.

PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details 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 Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 as amended, are annexed to Directors' Report as Annexure II.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form MGT-9, as required under section 92(3) of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, has been annexed with this report as *Annexure-III*. The copy of same has also been uploaded on the website of the Company at www.zenithexportslimited.com.

AUDITORS AND AUDIT REPORT

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, M/s. V. Goyal & Associates, Chartered Accountants, Kolkata (ICAI Firm Registration No.312136E), was appointed as Statutory Auditors of the Company for a consecutive period of 5 (five) years from the conclusion of the 35th Annual general Meeting of the Company held on 15th September'2017 till the conclusion of 40th Annual General meeting to be held in the year 2022. Pursuant to the recent amendment to Section 139 of the Companies Act, 2013 effective from May 7, 2018, ratification by Shareholders every year for the appointment of the Statutory Auditors is no longer required and accordingly the Notice of ensuing Annual General Meeting does not include the proposal for seeking Shareholders approval for ratification of Statutory Auditors appointment.





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Your Company has received a certificate from M/s. V. Goyal & Associates, Chartered Accountants confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules framed thereunder. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI as required under the provisions of Regulation 33 of the Listing Regulations.

The Report given by the Auditors on the financial statements of the Company forms part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso to Section 143(12) of the Act.

Secretarial Auditor

Pursuant to the Provisions of Section 204 of the Companies Act 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed CS Asit Kumar Labh (ACS: 32891, COP No. 14664), Practising Company Secretary, as the Secretarial Auditor of the Company, to conduct the Secretarial Audit for the financial year 2018-19 and to submit the Secretarial Audit Report in Form No. MR-3.

The Secretarial Audit Report for the financial year 2018-19 is appended to this Report as *Annexure-IV*. There is no qualification, reservation or adverse remark in the Secretarial Audit Report.

Cost Auditor

In view of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 the provisions of Cost Audit is not applicable on the products of the Company for the Financial Year 2018-19.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively. During the financial year 2018-19, your Company has complied with applicable Secretarial Standards, issued by the institute of Company Secretaries of India.

INTERNAL CONTROL SYSTEM AND ADEQUACY

Your Company has an adequate system of internal financial controls commensurate with its size and scale of operations, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information. The Audit Committee evaluates the internal financial control system periodically.





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CONSUMPTION PER UNIT OF PRODUCTION

Electricity (KWH)	10.15	14.04
Furnace Oil (Ltrs.)	0.00	1.44
Briquettes (Kgs.)	5.39	6.42
Standard (KWH)	0.00	0.00

B. TECHNOLOGY ABSORPTION

There are no existing technology supply agreements. Along with that we have been continuously adding latest machines, and balancing equipment's as and when required.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	Current Year (2018-19) (Rs. In Lakhs)	Previous Year (2017-18) (Rs. In Lakhs)
Total Foreign exchange earnings	8636.68	9667.63
Total foreign exchange outgo	587.79	988.12

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company's Board is duly constituted in compliance with the requirement of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of the Articles of Association of the Company. As on 31st March, 2019, the Company's Board comprised of 7 (seven) Directors. Details of the composition of the Board are mentioned in Corporate Governance Report, which forms an integral part of this report.

Mrs. Urmila Loyalka, Director of the Company would retire by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment in terms of Section 152(6) of the Act, read with the Articles of the Company. Your Board recommends re-appointment of Mrs. Urmila Loyalka as a Director of the Company, liable to retire by rotation.

At the 36th Annual General Meeting (AGM) with the approval of the Shareholders, Mr. Varun Loyalka (DIN: 07315452) was appointed as the Joint Managing Director of the Company for a period of 3 (three) consecutive years with effect from 26th September, 2018. Further, at the same AGM, Mr. Surendra Kumar Loyalka (DIN: 00006232) was re-appointed as Managing Director of the Company for a period of 2 (two) consecutive years effective from 12th February, 2019. In terms of Section 152(6) of the Companies Act, 2013 read with the Articles of Association of the Company, the period of office of Mr. Varun Loyalka and Mr. Surendra Kumar Loyalka shall be liable to retire by rotation.





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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 given below:-

A. CONSERVATION OF ENERGY

The Company is engaged in the continuous review of energy costs, reduction in energy generation cost through improved operational and maintenance practices. Energy conservation continues to receive priority attention at all levels. Company is continuing with energy saving measures initiated earlier like usage of more sophisticated machinery which can do more work in lesser time and thereby reducing the requirement of equipment that programmes to maximize saving in i) Electrical Energy and ii) Fuel oil consumption

POWER AND FUEL CONSUMPTION

	Year ended 31st March, 2019	Year ended 31st March, 2018
	Weaving	Weaving
i) Electricity		
a) Purchased Unit(KWH in lakhs)	7.74	11.35
Total Amount (Rs.in lakhs)	78.85	101.06
Rate/Unit (in Rs.)	10.19	8.91
b) Own Generation		
i) Through Diesel Generator	0.00	0.01
Generated Units (KWH in lakhs)	0.00	2.97
Unit/Litre of Diesel	0.00	22.01
Cost/Unit (Rs./Unit)		
ii) Coal	Nil	Nil
iii) Furnace/Other Oil		
Quantity (in lakhs Ltrs.)	0.000	0.005
Total Amount (Rs. in lakhs)	0.00	0.13
Average rate per litre (Rs.)	0.00	28.00
Briquettes (in lakhs Kgs.)	4.10	4.99
Total Amount (Rs. In lakhs)	20.51	25.21
Average Rate per Kgs.(Rs.)	5.39	6.42
iv) Other Internal Generation	Nil	Nil





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During the year Mr. Devendra Kumar Sarawgee (DIN: 00087256) resigned as Independent Director of the Company due to unsound health with effect from 13th November'2018. Mr. Mangilal Jain (DIN: 00353075) and Mr. Madhukar Manilal Bhagat (DIN: 00006245) Independent Directors have resigned from the Board due to enriched age with effect from 14th February'2019.

The Board placed on record its appreciation for the valuable services rendered by Mr. Devendra Kumar Sarawgee, Mr. Mangilal Jain and Mr. Bhagat during their tenure as Director of the Company.

Mr. Rabindra Kumar Sarawgee (DIN: 00559970) and Mr. Surendra Bafna (DIN: 00127681) was appointed as Additional (Non-Executive, Independent) Directors with effect from 12th November, 2018 for a period of 5 years and subject to approval of Shareholders in ensuing AGM.

Mr. Kamal Koomar Jain (DIN: 00551662) and Mr. Sampat Mal Daga (02438798) was appointed as Additional (Non-Executive, Independent) Directors with effect from 13th February, 2019 for a period of 5 years and subject to approval of Shareholders in ensuing AGM. As on the date of this report Mr. Daga has resigned from the Board due to pre occupations.

As on the date of this report Mr. Sanjay Kumar Shaw (DIN: 08507089) appointed as Additional (Non-Executive, Independent) Director with effect from 12th August, 2019 for a period of 5 years and subject to approval of Shareholders in ensuing AGM.

The Company has received Notice under Section 160 of the Companies Act, 2013 from the Member(s) of the Company signifying the candidature of Mrs. Urmila Loyalka, Mr. R K Sarawgee, Mr. S Bafna, Mr. K K Jain and Mr. S K Shaw for their appointment as Independent Director of the Company at the ensuing AGM. Necessary Resolutions along with disclosure(s) /information(s) in respect of the directors seeking appointment/re-appointment has been annexed to the Notice convening the ensuing AGM.

During the year under review, Mr. Govind Pandey ceased to be Company Secretary with effect from 7th November, 2018 consequent upon his resignation from the Company and Mr. Vikram Kumar Mishra was appointed as Company Secretary with effect from 8th November, 2018.

Pursuant to the provisions of Section 203 of the Companies Act, 2013 the Key Managerial Personnel of the Company as on 31st March, 2019 are:

Mr. Surendra Kumar Loyalka, Chairman -cum- Managing Director, Mr. Varun Loyalka, Joint Managing Director, Mr. Rajkumar Loyalka, Chief Executive Officer, Mr. Sushil Kumar Kasera, Chief Financial Officer and Mr. Vikram Kumar Mishra, Company Secretary.

BOARD MEETINGS

The Board of Directors had held 4 (four) meetings during FY 2018-19 in accordance with the provisions of the Act and Listing Regulations. For further details, please refer to the Corporate Governance Report, which forms part of this Annual Report. The intervening gap between the meetings was within the period prescribed under the Act and the Listing Regulations.





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ANNUAL EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board has carried out the annual performance evaluation of its own performance, its committees and individual directors on 13th February, 2019, pursuant to the provisions of the Act and the Listing Regulations.

The Board evaluated its performance after seeking inputs from all the directors on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are as provided by the Guidance Note on Board Evaluation issued by SEBI dated 5th January, 2017.

In a separate meeting of independent directors held on 13th February, 2019, performance of non-independent directors and the board as a whole was evaluated without the presence of Non-Independent Directors and members of the management pursuant to Regulation 25 (3) of the Listing Regulations and Schedule IV of the Companies Act, 2013.

The Independent Directors in the said meeting also evaluated the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. Additionally, the Chairman of the Board was also evaluated on key aspects of his role, taking into account the views of executive directors and non-executive directors in the aforesaid meeting. The above evaluations were then discussed in the board meeting that followed the meeting of the independent directors and meeting of the Nomination & Remuneration Committee, at which the performance of the board, its committees, and individual directors was also discussed.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence, as laid down under Section 149(6) of the Companies Act, 2013 and also as per Regulation 16(1) (b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Further, the Board of Directors has taken on record the declarations and confirmations submitted by the Independent Directors under regulation 25(8) after assessing its veracity.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company organized a familiarization programme for the Independent Directors on the Board of the Company on 13th February, 2019 in compliance of Regulation 25(7) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The detail of such familiarization programme is available on the website of the Company at www.zenithexportslimited.com.

AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The details pertaining to composition and meetings of the committee are included in the Corporate Governance Report, which forms part of this report. The Board has accepted all the recommendations made by the Audit Committee during the financial year 2018-19.





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E-mail : sec@zenithexportsltd.net

NOMINATION AND REMUNERATION POLICY

The Company has Nomination & Remuneration policy in compliance with the requirement of Section 178(3) of the Companies Act, 2013 and Regulation 19(4) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Board amended the policy during the year under review to align the definition of Senior Management Personnel (SMP) and the process to determine their remuneration.

The objectives and key features of this Policy are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of the Directors, Key Managerial Personnel and Senior Management Personnel;
- Identifying persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy;
- Formulation of criteria for performance evaluation of the Board, its Committees and Directors including Independent Directors/ Non-Executive Directors;
- Devising a policy on Board diversity;
- Directors' induction and continued updation as and when required of their roles, responsibilities and liabilities;
- Aligning the remuneration of Executive Directors, Key Managerial Personnel and Senior Management Personnel with the Company's financial position, industrial trends, remuneration paid by peer companies etc.; and
- Recommend to the Board all the remuneration in whatever form, payable to the Senior Management.

The aforesaid Nomination and Remuneration Policy has been uploaded on the on the website of your Company at www.zenithexportslimited.com

DIRECTORS' RESPONSIBILITY 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:

- In the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- the Directors had 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, 2019 and of the profit or loss of the Company for the year ended on that date;
- 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;





Zenith Exports Limited

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- d) the Directors had prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

Pursuant to section 177(9) of Companies Act, 2013, and Rules framed thereunder read with Regulation 22 SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company has a Vigil Mechanism / Whistle Blower policy and it has established adequate vigil mechanism for its employees and directors to report concern about unethical practice.

No person has been denied access to the Chairman of the Audit committee. The Board of Directors has amended the existing policy and adopted the revised Whistle Blower Policy, effective from 1st April, 2019 which has been uploaded on the website of the Company at www.zenithexportslimited.com. During the year under review, there has been no incidence reported which requires action by the Vigil Mechanism Committee.

RISK MANAGEMENT POLICY

The Company is exposed to uncertainties, owing to the sectors in which it operates. These uncertainties create new business opportunities with inherent risks. The Company's Risk Management Policy recognizes that risk is an integral part of any business and the Company is committed to manage the risk in a proactive and efficient manner.

The Company has a "Risk Management Policy" to identify risks associated with the Company, assess its impact and take appropriate corrective steps to minimize the risks that may threaten the existence of the Company. The Risk management Policy of the Company has been published in the Company's website at www.zenithexportslimited.com.

POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT'2013

In terms of provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, your Company has duly adopted a Policy and has an internal Complaints Committee (ICC) with requisite number of representatives to redress complaints relating to sexual harassment. During the year under review, there were no cases of sexual harassment received or disposed of by the Company.





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CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Corporate Governance along with a Certificate from the Statutory Auditors M/s. V. Goyal & Associates, Chartered Accountants, Kolkata, (ICAI Firm Registration No.312136E), regarding compliance with the conditions of corporate governance as stipulated under Schedule V of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, is enclosed and forms part of this Annual Report. The said report also contains a certificate from CS Asit Kumar Labh (ACS: 32891, COP No. 14664), Practising Company Secretary confirming that none of the directors from the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company as prescribed under Listing Regulations.

Management Discussion and Analysis Report for the financial year 2018-19, as stipulated under Regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming a part of this Report.

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

Place: Kolkata

Dated: 12th August'2019




Surendra Kumar Loyalka
Chairman cum Managing Director
DIN: 00006232



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FORM NO. AOC - 2

[Pursuant to Clause (h) of sub-section 134 of the Companies Act, 2013, and rule 8(2) of the Companies (Accounts) Rule, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2019, which were not at arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2019 are as follows:

(Amount in Rs.)

Name of Related party	Nature of transaction	Description of relationship	Salient terms of the contracts or arrangements or transactions including the value, if any	Duration	Year ended 31 st March, 2019
Bilas Rai Loyalka	Advisory Service	Father of Key Management Person Sri S. K. Loyalka & Rajkumar Loyalka.	Payment for Advisory Service as per agreement and Board Resolution dated 12/02/2018. Rs.9,00,000/-per annum	Two years subject to renewal	Rs. 9,00,000/-
SKL Exports Ltd.	Purchase of fabrics, job work & sale of goods	Sri S. K. Loyalka is a Director in SKL Exports Ltd.	At Prevailing Market Price upto an aggregate value of Rs. 10 Crore vide Board Resolution dated 29/05/2018	One year	Rs. 3,52,96,277/-

For and on behalf of the Board of Directors

Surendra Kumar Loyalka
Chairman cum Managing Director
DIN: 00006232

Place: Kolkata

Dated: 12th August'2019



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ANNEXURE- II

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 COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016

1. Details pertaining to the remuneration 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 Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 :-

(i) The ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year 2018-19 along with the percentage increase in Remuneration of each Executive Director and Key Managerial Personnel (KMP) during the financial year 2018-19:

(Rs. in Lakhs)

Sr No.	Name of the Director/Key Managerial Personnel (KMP) and Designation	Remuneration of Director/KMP for Financial Year 2018-19	Ratio of remuneration of each Director / KMP to the Median Remuneration of Employees	Percentage Increase/decrease in Remuneration
1.	Mr. Surendra Kumar Loyalka (Chairman & Managing Director)	40.47	19.46 : 1	58.89
2.	Mr. Varun Loyalka* (Jt. Managing Director)	12.68	6.10 : 1	N.A.
3.	Mr. Rajkumar Loyalka (Chief Executive Officer)	29.08	13.98 : 1	61.55
4.	Mr. Sushil Kumar Kasera (Chief Financial Officer)	3.82	1.84 : 1	9.77
5.	Mr. Govind Pandey@ (Company Secretary)	4.00	1.92 : 1	N.A.
6.	Mr. Vikram Kumar Mishra@ (Company Secretary)	2.05	0.99 : 1	N.A.

*Mr. Varun Loyalka appointed w.e.f 29.05.2018 as Executive Director of the Company and received remuneration for the part of financial year, hence not comparable.

@Mr. Govind Pandey resigned w.e.f 07.11.2018 and in his place Mr. Vikram Kumar Mishra has been appointed as Company Secretary w.e.f 08.11.2018. Both received remuneration for the part of financial year, hence not comparable.

Notes:-

- a) The Non-Executive Directors received only sitting fees during the year under report. Hence, the ratio of remuneration and percentage change is not considered. The details of remuneration of the Non-executive Directors have been provided in the Corporate Governance Report.





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- b) Remuneration for the Executive Directors and Key Managerial Personnel (KMP) in the above table is based on Cost to Company (CTC).
- c) The remuneration to the Executive Directors i.e. Mr. Surendra Kumar Loyalka and Mr. Varun Loyalka are within overall limits approved by the shareholders of the Company.
- (ii) The percentage increase in the median remuneration of employees in the year 2018-19 was 15.56%.
 - (iii) There were 251 permanent employees on the rolls of the Company as on 31st March, 2019.
 - (iv) Average percentage increase made in the salaries of employees, other than the KMP in the financial year 2018-19 was 17.38% over the previous financial year, which is in line with industry benchmark and cost of living index. However, the average percentage increase in remuneration of the KMP was 24.63%. Justification for increase in the managerial remuneration is retention of talented technical and managerial personnel as per Remuneration Policy of the Company. There are no exceptional circumstances in increase in managerial remuneration.
 - (v) It is hereby affirmed that the remuneration paid to all the Directors, KMP, Senior Managerial Personnel and all other employees of the Company during the financial year ended 31st March, 2019, were as per the Nomination and Remuneration Policy of the Company.
2. Statement of Particulars of Employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year ended March 31, 2019:-
- (A) Employees employed throughout the financial year and in receipt of remuneration for the financial year in aggregate of not less than Rs. 1,02,00,000/- (Rupees One Crore and Two Lakh per annum) – NIL
 - (B) Employees employed for the part of the financial year and in receipt of remuneration at the rate of not less than Rs. 8,50,000/- (Rupees Eight Lakhs and Fifty Thousand) per month – NIL
 - (C) Employees employed throughout the financial year or part thereof and in receipt of remuneration for the financial year in aggregate in excess of that drawn by the Managing Director or Whole-time Director or Manager, and holds by himself or along with his spouse and dependent children more than two percent of the equity shares of the Company –NIL

For and on behalf of the Board of Directors



Surendra Kumar Loyalka
Chairman cum Managing Director
DIN: 00006232

Place: Kolkata

Dated: 12th August'2019



Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2019

[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 Fax : 91-33-2243 9003 E-mail : sec@zenithexportsltd.net
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

All the business activities contributing 10% or more of the total turnover 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	74%
2	Silk Fabrics	2444	24%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

The Company does not have any Holding, Subsidiary and Associate Companies during the financial year 2018-19.

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Annexure - III



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 01.04.2018				No.of Shares held at the end of the year 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoter									
1. Indian									
(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 f) Institutions	-	-	-	-	-	-	-	-	-
(f) Others	-	-	-	-	-	-	-	-	-
Sub Total (A)(1)	2792556	0	2792556	51.75	2792556	0	2792556	51.75	0
2. Foreign									
(a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
(b) Other-Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Bank/Financial Institutions	-	-	-	-	-	-	-	-	-
(e) Any Others	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)	0	0	0	0	0	0	0	0	0.00
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	2792556	0	2792556	51.75	2792556	0	2792556	51.75	0.00
(B) Public shareholding									
1. Institutions									
(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)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	0	0	0	0	0	0	0	0	0
B. 2. Non-institutions									



(a) Bodies Corporate									
(i) Indian	2313692	601	2314293	42.89	2093508	601	2094109	38.81	-4.08
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
i. Individual shareholders holding nominal share capital up to Rs 1 lakh	149032	35229	184261	3.41	199654	32566	232220	4.30	0.89
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	104666	0	104666	1.94	275954	0	275954	5.11	3.17
(c) Other (specify)									
1. NRI	83	0	83	0.00	671	0	671	0.01	0
2. Clearing Member	91	0	91	0.00	440	0	440	0.01	0
3. OCB	-	-	-	-	-	-	-	-	-
4. Trust	300	0	300	0.01	300	0	300	0.01	0
5. Foreign Portfolio Investor									
Sub-Total (B)(2)	2567864	35830	2603694	48.25	2570527	33167	2603694	48.25	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	2567864	35830	2603694	48.25	2570527	33167	2603694	48.25	0
TOTAL (A)+(B)	5360420	35830	5396250	100.00	5363083	33167	5396250	100.00	0
C. Shares held by Custodians for GDRs & ADRs									
GRAND TOTAL (A)+(B)+(C)	5360420	35830	5396250	100.00	5363083	33167	5396250	100.00	0



(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2018)			Shareholding at the end of the year (as on 31.03.2019)		
		No of Shares	% of total shares of Company	% of shares Pledged/encumbered to total shares	No of Shares	% of total shares of Company	% of shares Pledged/encumbered to total shares
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
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 [IN30133021590309]						
	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 (01-04-2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
	No.of Shares	% 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 of the year (01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		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	582586	10.80	582586	10.80
	b) Change during the year			NO CHANGE	
	c) At the end of the year			582586	10.80
2	OMKARA VINCOM PRIVATE LTD.[IN30032710588875]				
	a) At the Beginning of the year	329890	6.11	329890	6.11
	b) Change during the year				
	DATE REASON				
	18.05.2018 BUY	50000	0.93	379890	7.04
	07.09.2018 BUY	172059	3.19	551949	10.23
	c) At the end of the year			551949	10.23
3	ZENITH CREDIT LIMITED [IN30032710296785]				
	a) At the Beginning of the year	226842	4.20	226842	4.20
	b) Change during the year				
	DATE REASON				
	21.04.2017 BUY	99640	1.85	326482	6.05
	12.05.2017 SALE	76482	1.42	250000	4.63
	26.05.2017 SALE	50000	0.93	300000	5.56
	21.04.2017 BUY	76482	1.42	376482	6.98
	c) At the end of the year			376482	6.98
4	BKL SECURITIES LIMITED [IN30225210056657]				
	a) At the Beginning of the year	171607	3.18	171607	3.18
	b) Change during the year				
	DATE REASON				
	20.04.2018 BUY	22725	0.42	194332	3.60
	27.04.2018 SALE	44332	0.82	150000	2.78
	18.05.2018 SALE	2725	0.05	147275	2.73
	26.10.2018 BUY	43332	0.80	190607	3.53
	15.02.2019 SALE	190607	3.53	0	0.00
	c) At the end of the year			0	0.00
	BKL SECURITIES LIMITED [IN30162910098556]				
	a) At the Beginning of the year	0	0.00	0	0.00
	b) Change during the year				
	DATE REASON				
	22.02.2019 BUY	190607	3.53	190607	3.53
	c) At the end of the year			190607	3.53



5	BIJAY KUMAR LOYALKA [IN30032710593833]			
	a) At the Beginning of the year	92110	1.71	92110 1.71
	b) Change during the year			
	DATE REASON			
	18.05.2018 SALE	72110	1.34	20000 0.37
	07.09.2018 BUY	93454	1.73	113454 2.10
	05.10.2018 BUY	90970	1.69	204424 3.79
	c) At the end of the year			204424 3.79
6	SUNIRMAY VINIMAY PRIVATE LIMITED [IN30032710396383]			
	a) At the Beginning of the year	8666	0.16	8666 0.16
	b) Change during the year			
	DATE REASON			
	20.04.2018 BUY	320020	5.93	328686 6.09
	11.05.2018 SALE	125000	2.32	203686 3.77
	18.05.2018 SALE	35000	0.65	168686 3.13
	20.04.2018 BUY	13420	0.25	182106 3.37
	c) At the end of the year			182106 3.37
7	MAXXON IMPEX AND CREDIT PVT.LTD.[IN30032710433486]			
	a) At the Beginning of the year	165093	3.06	165093 3.06
	b) Change during the year			
	DATE REASON			
	27.04.2018 SALE	35093	0.65	130000 2.41
	27.04.2018 SALE	130000	2.41	0 0.00
	c) At the end of the year			0 0.00
	MAXXON IMPEX AND CREDIT PVT.LTD.[IN300162910099143]			
	a) At the Beginning of the year	0	0.00	0 0.00
	b) Change during the year			NO CHANGE
	DATE REASON			
	22.03.2019 BUY	149508	2.77	149508 2.77
	c) At the end of the year			149508 2.77
8	VASUDHA LOYALKA [IN30162910101398]			
	a) At the Beginning of the year	0	0.00	0 0.00
	b) Change during the year			
	DATE REASON			
	22.03.2019 BUY	71530	1.33	71530 1.33
	c) At the end of the year			71530 1.33
9	R.K.FINANCE LIMITED [IN30032710296806]			
	a) At the Beginning of the year	200000	3.71	200000 3.71
	b) Change during the year			
	DATE REASON			
	13.04.2018 BUY	72725	1.35	272725 5.05
	11.05.2018 SALE	197725	3.66	75000 1.39
	18.05.2018 SALE	74975	1.39	25 0.00
	26.10.2018 BUY	36200	0.67	36225 0.67



	22.03.2019	SALE	36225	0.67	0	0.00
	c) At the end of the year				0	0.00
10	GUINNESS SECURITIES LIMITED (IN30289810000193)					
	a) At the Beginning of the year		470177	8.71	470177	8.71
	b) Change during the year					
	DATE	REASON				
	13.04.2018	SALE	86220	1.60	383957	7.12
	20.04.2018	SALE	154550	2.86	229407	4.25
	27.04.2018	BUY	36093	0.67	265500	4.92
	04.05.2018	SALE	6000	0.11	259500	4.81
	11.05.2018	SALE	5500	0.10	254000	4.71
	25.05.2018	SALE	104000	1.93	150000	2.78
	22.06.2018	SALE	510	0.01	149490	2.77
	29.06.2018	SALE	660	0.01	148830	2.76
	13.07.2018	SALE	148250	2.75	580	0.01
	07.09.2018	SALE	555	0.01	25	0.00
	14.09.2018	SALE	15	0.00	10	0.00
	c) At the end of the year				10	0.00
11	SMC GLOBAL SECURITIES LTD [IN30134820072267]					
	a) At the Beginning of the year		86388	1.60	86388	1.60
	b) Change during the year					
	DATE	REASON				
	13.04.2018	SALE	86320	1.60	68	0.00
	20.04.2018	BUY	92065	1.71	92133	1.71
	27.04.2018	BUY	250	0.00	92383	1.71
	11.05.2018	BUY	165041	3.06	257424	4.77
	18.05.2018	SALE	10300	0.19	247124	4.58
	25.05.2018	BUY	100	0.00	247224	4.58
	08.06.2018	SALE	100	0.00	247124	4.58
	13.07.2018	BUY	9710	0.18	256834	4.76
	20.07.2018	SALE	25	0.00	256809	4.76
	27.07.2018	BUY	150	0.00	256959	4.76
	17.08.2018	SALE	50	0.00	256909	4.76
	31.08.2018	SALE	75	0.00	256834	4.76
	05.10.2018	SALE	90920	1.68	165914	3.07
	19.10.2018	BUY	1	0.00	165915	3.07
	26.10.2018	SALE	156064	2.89	9851	0.18
	02.11.2018	SALE	1	0.00	9850	0.18
	09.11.2018	SALE	9110	0.17	740	0.01
	16.11.2018	BUY	301	0.01	1041	0.02



	30.11.2018	BUY	420	0.01	1461	0.03
	07.12.2018	BUY	4	0.00	1465	0.03
	14.12.2018	SALE	4	0.00	1461	0.03
	04.01.2019	SALE	1300	0.02	161	0.00
	25.01.2019	SALE	61	0.00	100	0.00
	15.03.2019	BUY	900	0.02	1000	0.02
	22.03.2019	SALE	200	0.00	800	0.01
	22.03.2019	SALE	800	0.01	0	0.00
	c) At the end of the year				0	0.00
12	GUINNESS SECURITIES LIMITED [IN30289810018888]					
	a) At the Beginning of the year		55615	1.03	55615	1.03
	b) Change during the year					
	DATE	REASON				
	29.06.2018	BUY	100	0.00	55715	1.03
	06.07.2018	SALE	55394	1.03	321	0.01
	27.07.2018	BUY	6	0.00	327	0.01
	10.08.2018	SALE	100	0.00	227	0.00
	17.08.2018	BUY	15	0.00	242	0.00
	31.08.2018	SALE	242	0.00	0	0.00
	c) At the end of the year				0	0.00



(v) Shareholding Pattern of Directors and Key Managerial Personnel

Sl.No.	For each of the Directors and KMP	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		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	481496	8.92	481496	8.92
	b) Change during the Year	-			
	c) At the end of the Year	481496	8.92	481496	8.92
2	Mr. Urmila Loyalka				
	a) At the Beginning of the Year	629150	11.66	629150	11.66
	b) Change during the Year	-			
	c) At the end of the Year	629150	11.66	629150	11.66
3	Mr. Varun Loyalka				
	a) At the Beginning of the Year	268900	4.98	268900	4.98
	b) Change during the Year	-			
	c) At the end of the Year	268900	4.98	268900	4.98
4	Mr. Raj Kumar Loyalka				
	a) At the Beginning of the Year	20000	0.37	20000	0.37
	b) Change during the Year	-			
	c) At the end of the Year	20000	0.37	20000	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	112,964,462	-	-	112,964,462
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	112,964,462	-	-	112,964,462
Change in Indebtedness during the financial year				
* Addition	17,218,829	-	-	17,218,829
* Reduction	-	-	-	-
Net Change	17218829	-	-	17,218,829
Indebtedness at the end of the financial year				
i) Principal Amount	130,183,291	-	-	130,183,291
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	130,183,291	-	-	130,183,291



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. Varun Loyalka	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	33,00,000	12,50,000	45,50,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5,30,790	-	5,30,790
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify...			
5	Others, please specify -			
	Contribution to Provident Fund	2,16,000	18,000	2,34,000
Total (A)		40,46,790	12,68,000	53,14,790
Overall Ceiling as per the Act		As per Schedule V of the Companies Act, 2013		



B. Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount (Rs.)
		Mr. M M Bhagat	Mr. D K Sarawgee	Mr. M L Jain	Mr. R K Sarawgee	Mr. S Bafna	
1	Independent Directors						
	Fee for attending board committee meetings	54000/-	36000/-	47000/-	13000/-	13000/-	163000/-
	Commission	-	-	-			-
	Others, please specify	-	-	-			-
Total (1)		54000/-	36000/-	47000/-	13000/-	13000/-	163000/-
2	Other Non-Executive Directors	Mrs. Urmila Loyalka					
	Fee for attending board committee meetings	Nil					Nil
	Commission	-					
	Others, please specify	-					
Total (2)		Nil					Nil
Total (B)=(1+2)							-
Total Managerial Remuneration (A+B)		54000/-	36000/-	47000/-	13000/-	13000/-	163000/-
Overall Ceiling as per the Act		Non-Executive Independent Directors were only entitled to fees for attending meeting which are not includible in the ceiling as per provisions of Section 197 (5) of the Act.					



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

Sl No.	Particulars of Remuneration	Key Managerial Personnel				
		CEO	CFO	CS	CS	
		MR. Rajkumar Loyalka	Mr. Sushil Kumar Kasera	Mr. Govind Pandey*	Mr. Vikram Kumar Mishra**	Total
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	28,00,000	3,62,657	3,87,489	1,95,900	37,46,064
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,08,167			-	1,08,167
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-			-	-
2	Stock Option	-			-	-
3	Sweat Equity	-			-	-
4	Commission					
	- as % of profit	-			-	-
	others, specify...	-			-	-
5	Others, please specify- Contribution to Provident Fund	-	19,421	13,143	8,964	41,528
	Total	29,08,167	3,82,078	4,00,632	204864	3895759

*Resigned w.e.f. the close of business hours on 07.11.2019

*Appointed w.e.f. 08.11.2019



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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





Annexure - IV

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2019

[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 31.03.2019 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 Company 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 31.03.2019 according to the provisions of (*as amended*) :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards 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 following Act:

1. The Foreign Trade (Development and Regulation) Act, 1992;
2. Foreign Trade Policy and
3. RBI Guidelines on Export of Goods & Services

to the extent of its applicability to the Company during the financial year ended 31.03.2019 and my examination and reporting is based on the documents, records and files as produced and shown to 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.

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, 2018;
- (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, 2018;
- (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 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, if any, are captured and recorded as part of the minutes.



ASIT KUMAR LABH

B.Com.(H), ACS



c/o A. K. LABH & Co.

Company Secretaries

40, Weston Street, 3rd Floor, Kolkata - 700 013
☎ (033) 2221-9381, 4063-0236, Fax : (033) 2221-9381
(M) : 97487-36545
e-mail : asit@aklabh.com / asit.labh1@gmail.com

Website : www.aklabh.com

(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.

Asit Kumar Labh

(Asit Kumar Labh)
Practicing Company Secretary
ACS – 32891 / C.P. No. – 14664



Place: Kolkata
Dated: 12.08.2019



Zenith Exports Limited

19, R. N. Mukherjee Road, Kolkata - 700 001, India
Telephone : 2248-7071, 2248-6936
Fax : 91-33-2243-9003

CIN : L24294WB1981PLC033902

E-mail : sec@zenithexportsltd.net

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:

Corporate Governance is a set of principles and systems to be followed by the directors, management and all employees of the Company for enhancement of shareholder value while keeping in view interests of other stakeholders. ZENITH EXPORTS LIMITED (ZEL) believes in the philosophy of Corporate Governance that ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. Good governance is the foundation for a truly sustainable company. The Company stringently complies with the Corporate Governance norms as stipulated in SEBI Listing Regulations.

2. BOARD OF DIRECTORS

The Board of Directors of the Company has an optimum combination of Executive and Non-executive Directors with one Woman Director and not less than fifty per cent of the Board of Directors comprised of non-executive independent directors in terms of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Section 149 of the Companies Act, 2013. The other disclosures are set out as under:

a) Composition & categories of Board of Directors and other details :

As on 31st March, 2019, the Company's Board comprised of 7 (seven) Directors. Of these 2 (two) are Executive Directors including Chairman & Managing Director, 4 (four) are Non-Executive Independent Directors and 1 (one) Non-Executive and Non-Independent Woman Director. The following table explains the composition and category of the Company's Board, details of Directorships and Chairmanship/Membership of Board Committees including Zenith Exports Limited (ZEL) showing the position as on 31st March, 2019, number of shares held by them and inter-se relationship between Directors.



Name of the Directors	Category of the Directors	Directorship held in Public Companies including this Company	Membership/Chairmanship in Board Committees		No. of Shares held & Percentage	Relationship with other Directors
			Chairman	Member		
Mr. S.K. Loyalka (DIN: 00006232)	Promoter/Executive/ Chairman & Managing Director	3	--	--	481496 (8.92%)	Spouse of Mrs. Urmila Loyalka & Father of Mr. Varun Loyalka
Mr. Varun Loyalka (DIN: 07315452)	Promoter/Executive/ Managing Director	3	--	--	268900 (4.95%)	Son of Mr. S.K. Loyalka & Mrs. Urmila Loyalka
Mrs. Urmila Loyalka (DIN: 00009266)	Promoter/Woman Non-Executive Director	3	--	1	629150 (11.66%)	Spouse of Mr. S.K. Loyalka & mother of Mr. Varun Loyalka
Mr. R. K. Sarawgee (DIN: 00559970)	Non-Executive Independent Director	3	2	2	--	--
Mr. S. Bafna (DIN: 00127681)	Non-Executive Independent Director	1	--	1	--	--
Mr. K. K. Jain (DIN: 00551662)	Non-Executive Independent Director	1	--	2	--	--
Mr. S. M. Daga (DIN: 02438798)	Non-Executive Independent Director	1	--	1	--	--

Notes:

- (i) Mr. R.K. Sarawgee and Mr. S. Bafna have been appointed as Non-Executive Independent Directors of the Company w.e.f 12/11/2018.
 - (ii) Mr. K.K. Jain and Mr. S.M. Daga have been appointed as Non-Executive Independent Directors of the Company w.e.f 13/02/2019. Further, Mr. S.M. Daga tendered his resignation due to other preoccupations and ceased to be Director of the Company from 28/06/2019.
 - (iii) Directorship excludes Private Limited Companies, Foreign Companies and Section 8 Companies.
 - (iv) Chairmanships/Memberships only include Audit Committee and Stakeholders' Relationship Committee.
 - (v) None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he or she is a Director.
- b) Directorship in other listed entities:**
Except in Zenith Exports Limited, none of the Directors on the Board holds directorship in other listed entities.
- c) Details of attendance of each Director at Board Meetings and at the last year's Annual General Meeting:**
During the Financial Year 2018-19, the Board of Directors met 4 (Four) times on 29/05/2018, 13/08/2018, 12/11/2018 and 13/02/2019. The maximum time gap between the two consecutive meetings was less than 120 days.



The details of attendance of Directors at Board Meetings during the Financial Year 2018-19 and at the last year's Annual General Meeting (AGM) of the Company are furnished below:

Name of the Directors	Category of the Directors	Board Meetings during the financial year		Attendance at last year's AGM
		Held	Attended	
Mr. S.K. Loyalka (DIN: 00006232)	Promoter/Executive/ Chairman & Managing Director	4	1	Yes
Mr. Varun Loyalka (DIN: 07315452)	Promoter/Executive/ Managing Director	3	1	Yes
Mrs. Urmila Loyalka (DIN: 00009266)	Promoter/Non- Executive Director	4	1	Yes
Mr. M. M. Bhagat (DIN: 00006245)	Non-Executive Independent Director	4	4	Yes
Mr. M. L. Jain (DIN: 00353075)	Non-Executive Independent Director	4	4	Yes
Mr. D K Sarawgee (DIN: 00087256)	Non-Executive Independent Director	3	3	Yes
Mr. R. K. Sarawgee (DIN: 00559970)	Non-Executive Independent Director	2	2	N.A.
Mr. S. Bafna (DIN: 00127681)	Non-Executive Independent Director	2	2	N.A.
Mr. K. K. Jain (DIN: 00151662)	Non-Executive Independent Director	1	1	N.A.
Mr. S. M. Daga (DIN: 02438798)	Non-Executive Independent Director	1	0	N.A.

*N.A. - Not Applicable.

Notes:

- (i) Mr. D.K. Sarawgee tendered his resignation due to unsound health and ceased to be Independent Director of the Company from 13/11/2018. Consequently he also ceased to be Chairman/Member of the Committees of the Board.
- (ii) Mr. M.M. Bhagat and Mr. M.L. Jain, both Directors ceased to be Independent Directors of the Company from 14/02/2019 pursuant to resignations tendered by them due to changes in legal provisions introduced in SEBI Listing Regulations/Companies Act, regarding age of the Directors.
Consequently they also ceased to be Chairman/Member of the Committees of the Board.

d) Confirmation of Independence of Independent Director:

All the Independent Directors have confirmed in their Annual Declaration to the Board that they have complied with all the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and also as per Regulation 16(1) (b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Board hereby confirms that the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the Management

e) Skills / Expertise / Competencies of Board of Directors:

In order to effectively discharge its duties, it is necessary that collectively the Board holds the appropriate balance of skills and experience. Following is the skills/expertise/competencies identified by the Board of Directors as required in the context of the business of the Company for it to function effectively and those actually available with the Board:



- (i) Strategic Leadership
- (ii) Financial Expertise
- (iii) Industry Experience
- (iv) Governance, risk and compliance
- (v) Analytical skills
- (vi) Expertise on various laws
- (vii) Rich experience of administration, economics, and finance fields.

f) Familiarization Programmes for Independent Directors

The Company organized a familiarization program for the Independent Directors on the Board of the Company in compliance of Regulation 25(7) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, for awareness about the nature of the industry in which the Company operates roles, responsibilities, duties and rights of the Independent Directors. The details of familiarization program imparted to the Independent Directors during Financial year 2018-19 are put up on the website of the Company and can be accessed at www.zenithexportslimited.com.

g) Code of Conduct

All Directors and members of the Senior Management have affirmed their compliance with the Code of Conduct for Board of Directors and Senior Executives as on 31st March, 2019 and a declaration to that effect, signed by the Chief Executive Officer (CEO) is enclosed and forms part of this report.

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 and is available at www.zenithexportslimited.com.

h) Prevention of Insider Trading Code:

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a revised Code of Conduct for Prevention of Insider Trading & Code of Corporate Disclosure Practices. All the Directors, Key Managerial Personnel, Employees and Connected Persons who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Mr. Vikram Kumar Mishra, Company Secretary, as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities.

i) Separate meeting of Independent Directors:

During FY 2018-19, the Independent Directors met separately on 13th February, 2019 without the presence of Non-Independent Directors and members of the management in compliance with Regulation 25 (3) of the Listing Regulations and Schedule IV of the Companies Act, 2013. At the said meeting, the Independent Directors, inter-alia, considered the following:

- i. Reviewed the performance of Non-Independent Directors and the Board as a whole;
- ii. Reviewed the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors;
- iii. Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors expressed satisfaction on the performance of Non-Independent Directors and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity and timeliness of flow of information between the Company's management and the Board.



3. AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Audit Committee acts as a link between the Statutory Auditors and Internal Auditors, the Management and the Board of Directors.

a) The role / terms of reference of the Audit Committee

The Audit Committee shall act in accordance with the terms of reference specified under Section 177 of the Companies Act, 2013 (as amended from time to time) and as per the provisions of Regulation 18 read with Schedule-II, Part-C of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended from time to time) which shall inter alia include the following:

- Reviewing and examining with management, quarterly and annual financial results along with auditors' report thereon before submission to the Board for approval;
- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue, the statement of funds utilized and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence, performance and effectiveness of audit process along with management letters issued;
- Recommending appointment, re-appointment, terms of appointment and removal, remuneration, as and when required, of the auditors of the Company;
- Reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the provisions of Section 188 read with Section 2(76) of the Act, Regulation 23 of the Listing Regulations and Related Party Transaction Policy of the Company;
- Reviewing management discussion and analysis report on financial condition and results of operations;
- Reviewing the matters required to be mentioned in the Director's Responsibility Statement to be included in the Board's Report;
- Reviewing the functioning of the Whistle Blower Mechanism;
- Reviewing and evaluating internal financial controls, adequacy of the internal control and risk management systems;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Reviewing the Internal Audit Report presented by the internal auditors including the independence, adequacy and effectiveness of the overall internal audit function;
- Reviewing any internal investigations by the internal auditors into areas of suspected fraud or irregularity of a material nature and reporting the matter to the Board;
- Any other matters as may be mentioned in the terms of reference of the Audit Committee.

b) Composition, Categories and Attendance of the Committee Meeting

As on 31st March, 2019, the Audit Committee consist of 4 (four) Non-Executive Directors. All the members of the Audit Committee are financially literate as defined in Regulation 18(1)(c) of the Listing Regulations. Mr. R. K. Sarawgee, is the Chairman of the Audit Committee who is a Fellow Chartered Accountant having expertise in expertise in Finance, Accounts, Taxation and Company Law matters.

The composition of the Audit Committee and particulars of attendance by the members at the meetings of the Committee during the financial year 2018-19 are given below:



Name	Category	Position	Meetings during the financial year	
			Held	Attended
Mr. R. K. Sarawgee	Non-Executive Independent Director	Chairman	1	1
Mr. S. Bafna	Non-Executive Independent Director	Member	1	1
Mr. K. K. Jain	Non-Executive Independent Director	Member	0	0
Mr. S. M. Daga	Non-Executive Independent Director	Member	0	0
Mr. M. M. Bhagat	Non-Executive Independent Director	Ex-Member	4	4
Mr. M. L. Jain	Non-Executive Independent Director	Ex-Member cum Chairman	4	4
Mr. D K Sarawgee	Non-Executive Independent Director	Ex-Member cum Chairman	3	3

Notes:

- (i) Mr. R.K. Sarawgee and Mr. S. Bafna (w.e.f 12/11/2018) and further Mr. K.K. Jain and Mr. S.M. Daga (w.e.f 13/02/2019) were inducted as Chairman/Member in the Audit Committee.
- (ii) Mr. D. K. Sarawgee (w.e.f 13/11/2018), Mr. M. L. Jain and Mr. M. M. Bhagat (w.e.f 14/02/2019) and Mr. S.M. Daga (w.e.f 28/06/2019) ceased to be Chairman/Member of the Audit Committee.

c) Meetings during the financial year

During the Financial Year 2018-19, the Audit Committee met 4 (four) times on 29/05/2018, 13/08/2018, 12/11/2018 and 13/02/2019. The maximum time gap between the two consecutive meetings was less than 120 days.

4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Company is duly constituted in line with the provisions of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

a) The role/terms of reference of the Nomination & Remuneration Committee

The Nomination & Remuneration Committee shall act in accordance with the terms of reference specified under Section 178 of the Companies Act, 2013 (as amended from time to time) and as per the provisions of Regulation 19 read with Schedule-II, Part-D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended from time to time) which shall inter alia include the following:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal;
- Formulate criteria and carry out evaluation of each Director's performance and performance of the Board as a whole along with its Committees;
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;



- Recommendation of remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria and commissions payable to Non-Executive Directors, to the Board;
- Recommendation of remuneration payable to Directors, Key Managerial Personnel and other senior management personnel, to the Board;
- Devising a policy on board diversity.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

b) Composition, Categories and Attendance of the Committee Meeting

As on 31st March, 2019, the Nomination & Remuneration Committee consisted of 3 (three) directors, all of whom are Non-Executive Directors. Mr. K. K Jain, Non-Executive Independent Director is the Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee.

The composition of the Nomination & Remuneration Committee and particulars of attendance by the members at the meetings of the Committee during the financial year 2018-19 are given below:

Name	Category	Position	Meetings during the financial year	
			Held	Attended
Mr. K. K. Jain	Non-Executive Independent Director	Chairman	0	0
Mr. R. K. Sarawgee	Non-Executive Independent Director	Member	1	1
Mr. S. Bafna	Non-Executive Independent Director	Member	1	1
Mr. M. M. Bhagat	Non-Executive Independent Director	Ex-Member cum Chairman	4	4
Mr. D K Sarawgee	Non-Executive Independent Director	Ex-Member	3	3
Mr. M. L. Jain	Non-Executive Independent Director	Ex-Member	4	4

Notes:

- Mr. R. K. Sarawgee and Mr. S. Bafna (w.e.f 12/11/2018) and further Mr. K.K. Jain (w.e.f 13/02/2019) were inducted as Chairman/Member in the Nomination & Remuneration Committee.
- Mr. D. K. Sarawgee (w.e.f 13/11/2018), Mr. M. L. Jain and Mr. M. M. Bhagat (w.e.f 14/02/2019) ceased to be Chairman/Member of the Nomination & Remuneration Committee.

c) Meetings during the financial year

During the Financial Year 2018-19, the Nomination & Remuneration Committee met 4 (four) times on 29/05/2018, 13/08/2018, 12/11/2018 and 13/02/2019.

d) Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Annual performance evaluation was carried out for the year 2018-19 by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees and Stakeholders Relationship Committee with an objective to improve the effectiveness of the Board and its Committees. A structured



questionnaire covering various aspects such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared based on the Guidance note issued by SEBI dated 5th January, 2017.

A separate exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board who were evaluated on parameters such as guidance/ support to management outside Board/ Committee meetings, degree of fulfillment of key responsibilities, effectiveness of meetings etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors and those areas as mentioned under Part D of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 as well as section 178 of the Companies Act, 2013 given below:

- i. Frequency of meetings attended.
- ii. Quality, quantity and timeliness of flow of information to the Board.
- iii. Promptness with which Minutes of the meetings are drawn and circulated.
- iv. Opportunity to discuss matters of critical importance, before decisions are made.
- v. Familiarity with the objects, operations and other functions of the company.
- vi. Avoidance of conflict of interest
- vii. Exercise of fiscal oversight and monitoring financial performance
- viii. Monitoring of Corporate Governance Regulations and compliance
- ix. Monitoring of Regulatory compliances and risk assessment
- x. Adherence to Code of Conduct and Business ethics by directors individually and collectively
- xi. Review of Internal Control Systems
- xii. Performance of the Chairperson of the company including leadership qualities.
- xiii. Performance of the Managing Director/Whole time Director
- xiv. Overall performance of the Board/ Committees

5. REMUNERATION OF DIRECTORS:

a) Nomination & Remuneration Policy

In terms of Section 178 of the Companies Act'2013 and pursuant to 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. Nomination & Remuneration Policy has been uploaded on the website of the Company at www.zenithexportslimited.com.

b) Pecuniary relationship or transactions of Non-Executive Directors

During the year under review, there was no pecuniary relationship or transactions between the Company and any of its Non-Executive Directors apart from sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending the meetings of the Company.

c) Remuneration paid to Non-Executive Directors

The Non-executive Directors of the Company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its Committees. The said sitting fees paid to the Non-executive Directors are fixed by the Board and reviewed from time to time.

Details of the sitting fees paid to the Non-Executive Directors for attending Board/Committee Meetings held for the year 2018-19 are as under:



Sl No.	Name of the Director	Sitting Fees (Rs.)
1	Mr. M. M. Bhagat	54000/-
2	Mr. M. L. Jain	47000/-
3	Mr. D K Sarawgee	36000/-
4	Mr. R. K. Sarawgee	13000/-
5	Mr. S. Bafna	13000/-
6	Mr. K. K. Jain	Nil
7	Mr. S. M. Daga	Nil

Notes:

- The sitting fee paid to the Non-Executive Directors is towards attending the Board, Audit and Nomination & Remuneration Committee meetings held during the year.
- Non-Executive Directors are paid sitting fees of Rs. 5000/- for every Board Meeting, Rs. 4000/- for every Audit Committee Meeting and Rs. 2000/- for every Nomination & Remuneration Committee Meeting. However, the sitting fees of the Chairman of Audit Committee is Rs. 5000/- and that for Chairman of Nomination & Remuneration Committee is Rs. 4000/-.
- The Company has not granted any Employee Stock Option to its Non-Executive Directors.

d) Remuneration paid to Executive Directors

Payment of remuneration to the Executive Directors of the Company is governed by the terms and conditions of their appointment as recommended by the Nomination and Remuneration Committee and approved by the Board subject to the approval of the Shareholders and the Central Government, where applicable. The remuneration paid to Executive Directors of the Company is in compliance with Provisions stipulated in Companies Act, 2013 and rules made thereunder. The remuneration of the Executive Directors includes basic salary, allowances and perquisites as per the applicable rules. Also, they are entitled to provident fund and superannuation contribution as per the rules of the Company.

Details of the remuneration paid to Executive Directors during the year 2018-19 are as under:

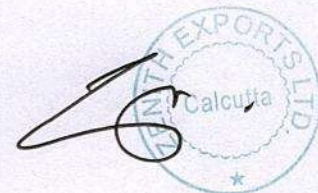
(Amount in Rs.)

Name of the Director/KMP	Designation	Salary and Allowances (Fixed Component)	Other Benefits	Total	Service Contract	Notice Period
Mr. S. K. Loyalka	Chairman cum Managing Director	33,00,000/-	7,46,790/-	40,46,790/-	2 Years (w.e.f. 12.02.2019)	N.A.
Mr. Varun Loyalka	Managing Director	12,50,000/-	18,000/-	12,68,000/-	3 Years (w.e.f. 26.09.2018)	N.A.

*N.A. – Not applicable

Notes:

- Fixed component includes Basic Salary and Allowances and Other Benefits include Provident Fund, Medical expenses, Perquisites etc.
- The Company has not granted any Employee Stock Option to its Executive Directors.



6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

a) The role/terms of reference of the Stakeholders' Relationship Committee

The Stakeholders' Grievance Committee act in accordance with terms of reference/role specified under Section 178 of the Companies Act, 2013 (as amended from time to time) and Regulation 20 read with Schedule II, Part D of SEBI (Listing Obligations & Disclose Requirements) Regulations 2015 (as amended from time to time):

The Committee roles inter-alia includes the following:

- Resolving the grievances of the shareholders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Carrying out any other function as prescribed under the Listing Regulations, Companies Act, 2013 and the rules and regulations made thereunder, each as amended or other applicable law.

b) Composition, Categories and Meeting of the Committee

As on March 31, 2019, the Stakeholders Relationship Committee comprised of 3 members. Mr. R. K. Sarawgee, Non-Executive Director is the Chairman and Mr. K. K. Jain and Mrs. Urmila Loyalka are the other members of the said Committee.

The composition of the Stakeholders' Relationship Committee and particulars of attendance by the members at the meetings of the Committee during the financial year 2018-19 are given below:

Name	Category	Position	Meetings during the financial year	
			Held	Attended
Mr. R. K. Sarawgee	Non-Executive Independent Director	Chairman	No Meeting held during the financial year 2018-19.	NA
Mr. D K Sarawgee	Non-Executive Independent Director	Ex-Member		NA
Mr. K. K. Jain	Non-Executive Independent Director	Member		NA
Mr. M. M. Bhagat	Non-Executive Independent Director	Ex-Member cum Chairman		NA
Mrs. Urmila Loyalka	Non-Executive Director	Member		NA

Notes:

- Mr. R. K. Sarawgee (w.e.f 12/11/2018) and Mr. K.K. Jain (w.e.f 13/02/2019) were inducted as Chairman/Member in the Stakeholders' Relationship Committee.
- Mr. D. K. Sarawgee (w.e.f 13/11/2018) and Mr. M. M. Bhagat (w.e.f 14/02/2019) ceased to be Chairman/Member of the Stakeholders' Relationship Committee.



c) Name and designation of Compliance Officer

Name: Mr. Vikram Kumar Mishra,
Designation: Company Secretary
Address: 19 R. N. Mukherjee Road, Kolkata-700001
Phone: 033 - 22487071
Email Id: sec@zenithexportsltd.net

d) Shareholders Complaints received and resolved during the year 2018-19

The details of Investor Complaints received and redressed during the year 2018-19 are as follows:

Number of complaints pending at the beginning of the financial year 2018-19	Nil
Number of complaints received during the financial year 2018-19	Nil
Number of complaints redressed during the financial year 2018-19	Nil
Number of complaints pending redressal at the end of the financial year 2018-19	Nil
Number of pending share transfers as at 31st March, 2019	Nil

e) Share Transfer System

The Share transfer is processed by the Registrar & Share Transfer Agent M/s. C B Management Services (P) Limited in accordance with the stipulated guidelines. The authority relating to transfer of shares and allied work relating to servicing of investors has been delegated by the Board to the Stakeholder's Relationship Committee.

7. GENERAL BODY MEETINGS

a) Location and time where last three Annual General Meetings (AGMs) were held:

The last three Annual General Meetings of the Company were held as under:

Financial Year	Date	Time	Location
2017-18	25.09.2018	11.30 A.M.	Birla Academy of Art & Culture, 108, Southern Avenue, Kolkata- 700 029
2016-17	15.09.2017	10:30 A.M	
2015-16	27.09.2016	10:30 A.M	

b) Special Resolutions passed at last three Annual General Meetings (AGMs):

The details of the special resolutions passed by the Company at the last three Annual General Meetings (AGMs) are given herein below:

Financial Year	Date	Subject matter of the resolution
2017-18	25.09.2018	No special Resolution was passed in the meeting.
2016-17	15.09.2017	No special Resolution was passed in the meeting.
2015-16	27.09.2016	Re-appointment of Mr. Rajkumar Loyalka (DIN: 00006226) as the Managing Director of the Company for a period of five consecutive years effective from 27th September'2016 and fixation of his remuneration. However, motion could not be passed due to lack of requisite majority.



c) Passing of Resolution by Postal Ballot:-

No special resolutions were passed during the Financial Year 2018-19 through postal ballot. Further there is no item on the agenda that needs approval by Postal Ballot at the forthcoming Annual General Meeting.

8. MEANS OF COMMUNICATION:

The Company regularly interacts with Shareholders through multiple channels of communication such as results announcement, annual report, media releases, Company's website and subject specific communications.

Summary of major efforts of the Company in this regard is given below:

a) Financial Results:

The quarterly, half-yearly and annual financial results of the Company are published in leading newspapers of India which include one English daily newspaper (Business Standard) and one regional language newspaper (Arthik Lipi) within 48 hours of declaration thereof. The financial results are also submitted to the Stock Exchanges viz. BSE NSE and as well as uploaded on the Company's website at www.zenithexportslimited.com

b) News Release and presentation:

The press releases and official news, as applicable, are sent to the stock exchanges and also displayed on the website of the Company.

c) Annual Report:

The Company will send Annual Reports, notices, and other communications to the shareholders electronically on their email IDs as registered in the depository system. Physical copies of such communications shall be sent to other shareholders, whose email IDs are not registered in depository system, through the prescribed modes of postage. The Management Discussion and Analysis forms part of Annual Reports.

d) Website:

Company has a separate section for Investors on its website www.zenithexportslimited.com wherein information related to shareholders such as Annual Report, Quarterly/Half yearly/ Nine-months and Annual financial results along with the applicable policies, notices, shareholding patterns etc. are updated periodically and available for reference or download.

e) Presentations made to institutional investors or to the analysts:

All price sensitive information is promptly intimated to the stock exchanges before releasing to the media, other stakeholders and uploading on Company's website.

8. GENERAL SHAREHOLDER'S INFORMATION:

*37 th Annual General Meeting (to be held) Day Date Time Venue	Tuesday 24 th September' 2019 11.30 A.M. Ground Floor, Auditorium of Birla Academy of Art and Culture 108, Southern Avenue, Kolkata - 700 029
* Financial Calendar (Tentative) (April 01, 2019 to March 31, 2020) [i] 1 st Quarterly results (June'30, 2019) [ii] 2 nd Quarterly results (Sep'30,2019) [iii] 3 rd Quarterly results(Dec'31,2019) [iv] 4 th Quarterly results (March'31,2020)	On or before August 14, 2019 On or before November 14, 2019 On or before February 14, 2020 On or before May 30, 2020



* Book Closure Date:	Wednesday, 18th September, 2019 to Tuesday, 24th September, 2019 (both days inclusive).
* Dividend Payment Date	None
* Listing on Stock Exchange	The Equity shares of the Company are presently listed on the following Stock Exchanges: a) National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot no. C / 1, G Block Bandra - Kurla Complex, Bandra (E), Mumbai – 400 051. <u>Stock code – ZENITHEXP</u> b) BSE Limited P. J. Towers, Dalal Street, Mumbai – 400 001 <u>Stock code – 512553</u>
* ISIN	INE 058B01018
* Listing Fees	Listing fees for the financial year 2019-20 has been paid to both the Stock Exchanges within timelines.
* Market price Data & Stock performance in comparison to broad-based indices	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 - rta@cbmsl.com, Website - www.cbmsl.com
* Share Transfer System	The Share transfer is processed by the Registrar & Share Transfer Agent, M/s. C B Management Services (P) Limited in accordance with the stipulated guidelines. The authority relating to transfer of shares and allied work relating to servicing of investors has been delegated by the Board to the Stakeholder's Relationship Committee.
	Requests for share transfers are registered and share certificates or receipts or advices, as applicable, of transfers are issued or any valid objection or intimation to the transferee or transferor, as the case may be, are issued within a time period of 15 days from the date of receipt subject to the documents being valid and complete in all respects in accordance with the requirements of Regulation 40(3) of SEBI Listing Regulations, 2015. Further, with the aim of curbing fraud and manipulation in risk associated with physical transfers, SEBI on June 08, 2018, notified the SEBI (LODR) (Fourth Amendment) Regulations, 2018 stating that except in the case of transmission or transposition of securities, requests for the transfer of listed securities shall not be processed unless the securities are held in the dematerialized form with a depository w.e.f. December 05, 2018. The deadline was further extended by SEBI to April 01, 2019. Necessary intimations in this regard were sent to the concerned Shareholders by the Company.



	The amendment does not prohibit the shareholders from holding the shares in physical form. Shareholder has the option of holding shares in physical form even after April 01, 2019. However, any shareholder who is desirous of transferring shares (which are held in physical form) after April 01, 2019 can do so only after the shares are dematerialized. In view of the above and the inherent benefits of holding shares in electronic form, the shareholders holding shares in physical form are advised to opt for dematerialization at the earliest. The Stakeholders Relationship Committee meets at regular intervals. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance pertaining to share transfer formalities as required under Regulation 40(9) of SEBI Listing Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.
* Distribution of Shareholding & Shareholding pattern	As per Appendix 'B' & 'C'
* Dematerialisation of Shares as on March 31, 2019	The Company has arrangements with National Securities Depository Ltd., (NSDL) as well as Central Depository Services (India) Ltd. (CSDL) for demat facility. As on March 31, 2019, a total of 5363083 Equity shares of the Company representing 99.39% of the total Equity Share Capital were held in dematerialised form. The entire Promoters' Group shareholding of the Company is in dematerialised form. 5291277 (98.06%) Equity Shares have been dematerialised with National Securities Depository Limited (NSDL) 71806 (0.61%) Equity Shares have been dematerialised with Central Depository Services (India) Limited (CSDL).
Plant Locations	(i) Zenith Textile (a unit of Zenith Exports Ltd.) Nanjangud, Dist. - Mysore, Karnataka - 571 302 (ii) Zenith Exports Limited 106, B. T. Road, Kolkata – 7000108. (iii) Zenith Exports Limited 515 Anandapur, P-71, Phase-II, Kasba Industrial Estate Kolkata-700107 (iv) Zenith Exports Limited 515 Anandapur, P-29, Phase-II, Kasba Industrial Estate Kolkata-700107. (v) Zenith Spinners Dholka Bagodara State Highway, Village - Sarandi, Dholka, Ahmedabad – 387810 <i>(Zenith Spinners, a unit of ZEL, which had been discontinued its operation since December'2015 have started operations of trading and other activities w.e.f 01/01/2019)</i>
Outstanding GDRs / ADRs / Warrants / any other convertible instruments	The Company does not have any outstanding instruments of the captioned type.



* Address for correspondence	Zenith Exports Limited 19, R. N. Mukherjee Road, 1 st Floor, Kolkata - 700 001 Phone : (033) 2248 - 7071 / 6936 Fax : (033) 2243 - 9003 E-mail : sec@zenithexportsltd.net						
*Credit Rating	The following is the list of credit ratings obtained by the Company during financial year 2018-19: <table> <tr> <th>Instrument details</th><th>Rating</th></tr> <tr> <td>Fund – Based Limits (Rs. 26.00 Crore)</td><td>[ICRA]b+(Stable)/[ICRA] A4</td></tr> <tr> <td>Non-Fund Based Limits (Rs. 1.00 Crore)</td><td>[ICRA] A4</td></tr> </table>	Instrument details	Rating	Fund – Based Limits (Rs. 26.00 Crore)	[ICRA]b+(Stable)/[ICRA] A4	Non-Fund Based Limits (Rs. 1.00 Crore)	[ICRA] A4
Instrument details	Rating						
Fund – Based Limits (Rs. 26.00 Crore)	[ICRA]b+(Stable)/[ICRA] A4						
Non-Fund Based Limits (Rs. 1.00 Crore)	[ICRA] A4						

APPENDIX – ‘A’

The Stock market price data with number of shares traded during each month in the last Financial Year 2018-19 on Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE):

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	No. of Shares Traded	High (Rs.)	Low (Rs.)	No. of Shares Traded
April 2018	138.65	39.00	5429	153.95	44.00	413821
May 2018	204.55	95.25	8767	227.25	100.55	48645
June 2018	131.00	73.80	30549	113.85	60.40	24939
July 2018	112.70	65.00	5780	97.90	63.60	41928
August 2018	67.75	51.50	6265	70.00	52.60	32712
September 2018	54.70	45.85	2628	55.50	36.20	12121
October 2018	47.00	35.90	4569	43.00	33.90	9010
November 2018	53.95	37.50	2185	55.10	38.05	17987
December 2018	47.60	40.50	4245	49.90	38.80	2894
January 2019	46.45	38.95	5037	47.40	38.60	14410
February 2019	47.30	38.95	553	48.00	37.25	5630
March 2019	49.40	41.15	430	52.45	41.00	35308

Stock Performance in comparison to broad based indices:

One year performance	29.03.2019	02.04.2018	Change (%)
-- Share Prices of Zenith Exports Limited	49.40	48.45	1.96
-- S & P BSE Sensex	38,672.91	33,030.87	17.08
-- Share Prices of Zenith Exports Limited	44.70	44.00	1.59
-- Nifty 50	11623.90	10151.65	14.50



Distribution of Shareholding as on 31.03.2019

RANGE (NO. OF SHARES)	SHAREHOLDERS		SHARES	
	NO.	% OF TOTAL	NO.	% OF TOTAL
[1]	[2]	[3]	[4]	[5]
1-500	1617	94.56	119868	2.22
501-1000	33	1.93	24979	0.46
1001-2000	19	1.11	26950	0.50
2001-3000	11	0.64	27819	0.52
3001-4000	4	0.23	14700	0.27
4001-5000	5	0.29	20574	0.38
5001 – 10000	4	0.23	28487	0.53
10001 – 50000	2	0.12	56225	1.04
50001– 100000	1	0.06	71530	1.33
100001 & above	14	0.82	5005118	92.75
TOTAL	1710	100.00	5396250	100.00



Shareholding Pattern as on 31.03.2019

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
Sub - Total	2792556	51.75
B. Non-Promoter's holding		
3. Institutional Investors		
a. Mutual Funds and UTI	Nil	Nil
b. Banks, Financial Institutions, Insurance Companies (Central/	Nil	Nil
State Govt. Institutions/Non-government Institutions)	Nil	Nil
c. Foreign Institutional Investors		
Sub - Total	NIL	NIL
4. Others		
a. Private Corporate Bodies/Trust	2094109	38.81
b. Indian Public	508174	9.42
c. NRIs/OCBs	671	0.01
d. Any other (Clearing Member)	440	0.01
e. Trust	300	0.00
Sub - Total	2603694	48.25
GRAND TOTAL	5396250	100.00
NOTE: TOTAL FOREIGN SHARE HOLDING	No. of Shares	% of Share Holding
Foreign Holding (Non-Resident)		
NRIs/OCBs	671	0.01
FII	0	–
TOTAL	671	0.01

9. DISCLOSURES:

a) Materially Significant Related Party Transactions:

There were no materially significant related party transactions entered into by the Company with promoters, directors, key managerial personnel or other persons which may have a potential conflict with the interest of the Company.

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years are as follows:



Financial year	Authority	Particulars	Fine Paid (Rs.)
2018-19	None	None	None
2017-18	BSE	For 1(one) day delay in submission of Unaudited Financial Results for quarter ended 30 th June, 2017.	5600/- (Inclusive of GST)
	NSE		5600/- (Inclusive of GST)
2016-17	None	None	None

c) Vigil Mechanism / Whistle Blower Policy

The Board has approved a whistle-blower policy/ vigil mechanism which have been communicated to the employees and Directors. The policy provides a mechanism for employees and Directors to report their concerns about unethical behavior, actual or suspected fraud or violation of Company's code of conduct and provides safeguards against victimization of employees who avail the mechanism. The Whistle Blower policy/Vigil Mechanism, has been made available on the website of the Company at www.zenithexportslimited.com.

None of the personnel of the Company has been denied access to Chairman of Audit Committee.

d) Compliance with Accounting Standard:

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules thereunder. The Significant Accounting Policies which are consistently applied have been set out in the notes to the financial statements.

e) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements of Corporate Governance as per SEBI Listing Regulations, 2015 for financial year 2018-19.

The non-mandatory requirements under Part E of Schedule II of the Listing Regulations to the extent they have been adopted are mentioned below:

i) **The Board:** The Company has an Executive Chairperson.

ii) **Shareholders' Rights:** The quarterly and half yearly financial performance are forwarded to the Stock Exchange(s), published in newspapers and also displayed on the Company's website. Accordingly, it does not envisage sending the same separately.

iii) **Modified Opinion in Auditors Report:** The Company's financial statements for the year ended 31st March, 2019 do not contain any modified audit opinion.

iv) **Reporting of Internal Auditor:** The Internal Auditor of the Company is appointed on the recommendation of the Audit Committee and is given the opportunity to report directly to the Committee.

f) Policy for determining 'material' subsidiaries of the Company:

The Company does not have any subsidiary Company.

g) Policy on Related Party Transactions:

All transactions of the Company with Related Parties were in the ordinary course of business and on an arm's length basis, in compliance with the provisions of Section 188 of the Act and Regulation 23 of the Listing Regulations. Moreover, there were no materially significant related party transactions during the financial year which were in conflict with the interest of the Company. Suitable disclosures as prescribed under the applicable Accounting Standard have been



made in the notes to the Financial Statements. The policy on dealing with related party transactions is available on the website of the Company at www.zenithexportslimited.com.

h) Disclosure of Commodity Price Risk or Foreign Exchange risk and Hedging Activities:

Regularly monitored and reviewed by the Management.

i) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sl. No.	Particulars	Disclosure
1	No. of Complaints filed during the financial year	Nil
2	No. of Complaints disposed of during the financial year	Nil
3	No. of Complaints pending as on end of the financial year	Nil

j) Certificate from Practicing Company Secretary:

A certificate from Mr. Asit Kumar Labh (ACS: 32891, COP No. 14664), Practising Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by SEBI or Ministry of Corporate Affairs or any such statutory authority is enclosed to this report.

k) Non Acceptance of the Recommendation of any Committee of the Board:

There was no such instance during financial year 2018-19 when the board had not accepted any recommendation of any committee of the board.

l) The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

Regulations	Particulars of Regulations	Compliance status (Yes/No/NA)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	N.A.
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	N.A.
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

m) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

The Company has not raised any funds through Preferential Allotment or Qualified Institutions Placement during the Financial Year ended 31st March 2019.



n) Fees paid to the Statutory Auditors

Total fees for all services paid by the Company to the statutory auditor during the financial Year ended 31st March, 2019 are given below:

Payment to Statutory Auditors	Fees Paid (Rs.)
Statutory Audit	1,95,000/-
Other Services including reimbursement of expenses	1,10,800/-
Total	3,05,800/-

o) Disclosure with respect to demat suspense account: Not applicable.

p) The Company has complied with the requirements of Schedule V Corporate Governance Report sub-para (2) to (10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9. CEO/CFO CERTIFICATION

The CEO and CFO certification as required under Regulation 17(8) read with Schedule-II, Part B of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed to this report.

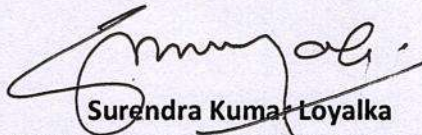
10. CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained the Certificate from M/s. V. Goyal & Associates, Chartered Accountants, regarding compliance of Corporate Governance as stipulated under Part-D of Schedule V of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and the same is annexed to this Annual Report.

Place: Kolkata
Dated: 12th August'2019



For and on behalf of the Board of Directors


Surendra Kumar Loyalka
Chairman cum Managing Director
DIN: 00006232



Zenith Exports Limited

19, R. N. Mukherjee Road, Kolkata - 700 001, India

Telephone : 2248-7071, 2248-6936

Fax : 91-33-2243-9003

~~E-mail : sec@zenithexportsltd.net~~

CIN : L24294WB1981PLC033902

E-mail : sec@zenithexportsltd.net

***Declaration by the Chief Executive Officer(CEO) on Code of Conduct
as required by Schedule V of SEBI (Listing Obligations and Disclosure
Requirements) Regulations, 2015***

I, Rajkumar Loyalka, Chief Executive Officer (CEO) of the Company hereby declare that all the members of Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the financial year 2018-19.

Place: Kolkata

Date: 12.08.2019

Rajkumar Loyalka
(Chief Executive Officer)
PAN: ABBPL5795R



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CHIEF EXECUTIVE OFFICER (CEO)/ CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION
(Pursuant to regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements),
Regulations, 2015
For the Financial Year ended 31st March, 2019

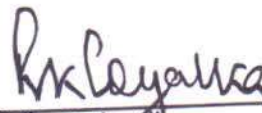
To
The Board of Directors
Zenith Exports Limited
19, R.N. Mukherjee Road
Kolkata - 700 001

We, Rajkumar Loyalka, Chief Executive Officer (CEO) and Sushil Kumar Kasera, Chief Financial Officer (CFO) of Zenith Exports Limited to the best of our knowledge and belief, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2019 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 our knowledge and belief, no transactions entered into by the Company during the financial year ended 31st March, 2019 which is fraudulent, illegal or violative of the Company's code of Conduct.
- C. We accept the 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 we have taken steps to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- (i) significant changes, if any in the internal controls over financial reporting during the year;
 - (ii) significant changes, if any in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) that there have been no instances of significant fraud, of which we have become aware and consequently no involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata

Date: 12.08.2019


Rajkumar Loyalka
(Chief Executive Officer)
PAN: ABBPL5795R


Sushil Kumar Kasera
(Chief Financial Officer)
PAN: AFNPK5320D



V. Goyal & Associates

Chartered Accountants

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Phone : 91 33 2248 1037, 2213 1429
Mobile : 9830044016 / 9331004945
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E-mail : vgoyalassociates@gmail.com
goyalpankajforyou@gmail.com

Independent Auditors' Certificate on Corporate Governance

To
The Members of Zenith Exports Limited

1. We, V. Goyal & Associates, Chartered Accountants, the Statutory Auditors of Zenith Exports Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. The responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
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.





V. Goyal & Associates

Chartered Accountants

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E-mail : vgoyalassociates@gmail.com
goyalpankajforyou@gmail.com

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended 31st March, 2019.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For V. Goyal & Associates
Chartered Accountants
FRN: 312136E

(Vinod Kumar Goyal)
(Partner)
(Membership No: 50670)

Place: Kolkata
Date: 12th August'2019

UDIN: 19050670AAAAAE1464



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,**The Members of****Zenith Exports Limited**

19, R. N. Mukherjee Road

Kolkata - 700 001

West Bengal

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Zenith Exports Limited** having CIN: L24294WB1981PLC033902 and having registered office at 19, R. N. Mukherjee Road, Kolkata – 700001, West Bengal (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Surendra Kumar Loyalka	00006232	23.07.1981
2.	Urmila Loyalka	00009266	13.02.2015
3.	Surendra Bafna	00127681	12.11.2018
4.	Kamal Koomar Jain	00551662	13.02.2019
5.	Rabindra Kumar Sarawgee	00559970	12.11.2018
6.	Varun Loyalka	07315452	29.05.2018
7.	Sampat Mal Daga	02438798	13.02.2019



ASIT KUMAR LABH

B.Com.(H), ACS



c/o A. K. LABH & Co.

Company Secretaries

40, Weston Street, 3rd Floor, Kolkata - 700 013
☎ (033) 2221-9381, 4063-0236, Fax : (033) 2221-9381
(M) : 97487-36545
e-mail : asit@aklabh.com / asit.labh1@gmail.com

Website : www.aklabh.com

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
Dated: 12.08.2019



(Asit Kumar Labh)
Practicing Company Secretary
ACS - 32891 / CP No.- 14664



Zenith Exports Limited

19, R. N. Mukherjee Road, Kolkata - 700 001, India

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CIN : L24294WB1981PLC033902

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDIAN ECONOMY

During the financial year 2018-19, the Indian economy especially the Export Industry has shown a downward trend. This is due to various external and internal factors. Now The Indian Government is taking various measures to boost the Indian economy, specially on the Export front.

THE COMPANY HAS 3 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.
3. A yarn division at Sarandi- Ahmedabad*

Note:-*The yarn unit located at Sarandi-Ahmedabad had been closed since December'2015 and there has been no operation in the unit.

1. EOU UNIT AT NANJANGUD

The Company was manufacturing high quality 100% silk fabric at the unit situated at Nunjangud, Karnataka. 100% silk fabric was expensive and suddenly the world's fashion has changed and now the people do not want high priced fabric, instead they want low priced fabric i.e. silk/viscose/polyster blend fabric so that the cost is low. We had removed more than 100 workers from the plant during the year under Voluntary Retirement Scheme (VRS) and now we are producing low cost fabric in the plant and the unit is at par now.

A. INDUSTRY STRUCTURE AND DEVELOPMENT

The Textile Industry is the oldest industry in the country dating back several centuries. It is one of the largest contributors to the economy of the nation and largest contributor towards employment generation. The mitigation of the repercussions of currency fluctuations remains a challenge for the industry. The other challenges include global trade war, protectionism, fragile global conditions and constraints on the domestic front. India is the second largest producer and exporter of textiles after China. China holds the largest share in textile and apparel global trade. It has vertically integrated supply chain from production of fibre to weaving of fabric and garmenting. China is a big threat to us in International Market due to availability of cheap labour and high quality silk yarn in the country.





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CIN : L24294WB1981PLC033902

E-mail : sec@zenithexportsltd.net

B. OPPORTUNITIES AND THREATS

Company has seen recently volatility in exchange rates and this is not good for the export market. Nanjangud Textile unit was set up for silk fabric weaving, but due to very high prices and no demand in the market, the Company is forced to change its product mix and now company is competing with China and other big mills in India. Prices are low and company face risk of increase in price of raw materials and exchange fluctuations. Company is in better position to enter into low priced items as trade relation between China and America is affected due to increase in import duties by USA. Robust fabric demand and 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 latin American countries had an adverse impact on our sales volume. However, we are continuously trying to improve quality and output and also addition of new markets, with increase in volume 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

Looking at the overall development and efforts of the Indian government to boost the Indian economy, the Company is very much optimistic to the future. The future outlook appears to be better.





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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.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

For the financial year 31st March, 2019, the company has achieved a gross turnover of Rs. 10020.13 Lakhs as compared to Rs. 11483.55 Lakhs for the previous year. Therefore, there has been a decline in the turnover of the Company of 12.74% over the previous year. The Company recorded net profit/(loss) of Rs. (786.95) Lakhs.

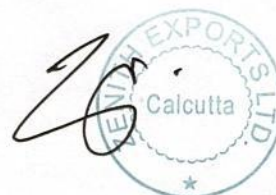
SEGMENTWISE PERFORMANCE

(Rs. in Lakhs)

	2018-19	2017-18
TRADING DIVISION		
Sales	7647.35	8842.36
Net Profit	70.74	459.68
WEAVING DIVISION		
Sales	1284.51	1299.65
Net Profit/(loss)	(149.20)	(530.11)
SPINNING DIVISION		
Sales	205.53	Nil
Net Profit/(loss)	(157.12)	(117.55)

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

The Company did consolidation and dissolution in the area of human resources during the year. Human resource continues to be one of the biggest assets and plays important role in the success of the Company. The optimum utilization of the skill, knowledge and attitude they possess are instrumental to the growth of the Company. Efforts have been made to induct fresh talent inducing more and more professionalism. The management is paying special attention to





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various aspects like training, welfare and safety and thereby further strengthening the human resources. As on 31st March, 2019, the company has 251 employees on its rolls. Relationship with the employees remains cordial throughout the year.

CAUTIONARY STATEMENT

Certain Statements which have been made in the Management Discussion and Analysis Report describing the estimates, expectations or predictions, may be read as 'forward-looking statements' within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed or implied. The important factors that would make a difference to the Company's operations include demand-supply conditions, raw material prices, changes in Government Policies, Governing Laws, Tax regimes, global economic developments and other factors such as litigation and labour negotiations.

For and on behalf of the Board of Directors




Surendra Kumar Loyalka
Chairman cum Managing Director
DIN: 00006232

Place: Kolkata

Dated: 12th August'2019



V. Goyal & Associates

Chartered Accountants

Mercantile Buildings : 'A' Block, 1st Floor
9, Lalbazar Street, Kolkata - 700 001
Phone : 91 33 2248 1037, 2213 1429
Mobile : 9830044016 / 9331004945
Fax : 91 33 2248 7335
E-mail : vgoyalassociates@gmail.com
goyalpankajforyou@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. ZENITH EXPORTS LTD.

Report on the Standalone Financial Statements

Opinion

We have audited accompanying standalone financial statements of Zenith Exports Limited ("the Company"), which comprise of the balance sheet as at March 31, 2019, the statement of Profit and Loss (Including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by The Companies Act, 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the Indian accounting standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independent requirement that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than standalone financial statements and Auditors report thereon

The company's Board of Directors are responsible for the preparation of the other information. The other information comprises of the information included in the management discussion and analysis, Boards report including Annexure to Boards Report, Corporate Governance and Shareholders information, but does not include the standalone financial statements and our auditors report thereon.





V. Goyal & Associates

Chartered Accountants

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9, Lalbazar Street, Kolkata - 700 001
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Mobile : 9830044016 / 9331004945
Fax : 91 33 2248 7335
E-mail : vgoyalassociates@gmail.com
goyalpankajforyou@gmail.com

Our opinion on standalone financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the standalone financial statement, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the standalone financial statement or other information obtained during the course of our audit or otherwise appear to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing (SAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind As financial statements.

Other Matter

We did not audit the financial statements/information of Units of Zenith Textiles, Mysore & Zenith Spinners-Ahmadabad included in the financial statements of the company whose financial statements/financial information reflects total assets Rs.398936051/-as at 31st March 2019 and total revenue of Rs.149159569/-for the year ended on that date, as considered in the Ind As financial statements/information of these units have been audited by the unit auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of units, is based solely on the report of such unit auditors. We also:

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism through- out the audit.





V. Goyal & Associates

Chartered Accountants

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- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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





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- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The reports on the accounts of the units of the Company audited under Section 143(8) of the Act by unit auditors have been sent to us and have been properly dealt with by us in preparing this report.
- d) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the statement of change in equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) 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".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of

V. Goyal & Associates

Chartered Accountants

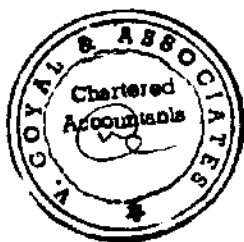
Firm's registration number: 312136E

(Vinod Kumar Goyal)

Partner

Membership Number: 050670

Kolkata, 28th May, 2019





V. Goyal & Associates

Chartered Accountants

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"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph (1) under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone Ind AS financial statements of the Company for the year ended March 31st, 2019:

i) In Respect of its Fixed Assets:

- (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals in accordance with regular programme of verification. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company.

ii) In Respect of its inventory:

According to the information and explanations given to us, Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification during the year.

iii) According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013.

iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.

v) According to information and explanations given to us, the company has not accepted any deposits during the year.

vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013.

vii) According to the information and explanations given to us, in respect of statutory dues:

- (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, GST, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on March 31, 2019 on account of disputes are given below:





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Nature of dues	Amount due (INR)	Forum where pending	Assessment Year
INCOME TAX	45770	Commissioner of Income Tax (Appeal/Kolkata)	2012-13
INCOME TAX	635740	Commissioner of Income Tax (Appeal/Kolkata)	2014-15

viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.

ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

x) According to the information and explanations given to us, we have not noticed or reported any fraud by the company or any fraud on the Company by its officers or employees during the year

xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act

xii) This clause of the Caro 2016 is not applicable to the Company as the company is not a Nidhi Company.

xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards

xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xv) According to the information and explanations given to us, the company has not entered into any non- cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with;

xvi) This clause of the Caro 2016 is not applicable to the Company as the company is not a required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

V. Goyal & Associates

Chartered Accountants

Firm's registration number: 312136E

(Vinod Kumar Goyal)

Partner

Membership Number: 050670

Kolkata, 28th May, 2019





V. Goyal & Associates

Chartered Accountants

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**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE
STANDALONE IND AS FINANCIAL STATEMENTS OF ZENITH EXPORTS LIMITED**

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

We have audited the internal financial controls over financial reporting of ZENITH EXPORTS LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 was established and maintained and if such controls operated effectively in all material respects.

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





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reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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 March 31, 2019, 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.

V.Goyal & Associates

Chartered Accountants

Firm's registration number: 312136E

(Vinod Kumar Goyal)

Partner

Membership Number: 050670

Kolkata, 28th May, 2019





Zenith Exports Limited

Balance Sheet as at 31st March, 2019

(Amount in ₹)

ASSETS	Note	As at 31st March, 2019	As at 31st March, 2018
(1) Non-current Assets			
Property, Plant and Equipment	2	155925808	179642789
Biological Assets other than bearer plants	3	2473558	1684303
Financial Assets			
(i) Loans	4	-	-
(ii) Investments	5	19999600	175581802
(iii) Other Financial Assets	6	1404276	4884641
Deferred Tax Assets (Net)	7	47386371	28342053
Other Non-Current Assets	8	29904889	57169944
		257094502	447305532
(2) Current Assets			
Inventories	9	439579782	336290436
Financial Assets			
(i) Trade Receivables	10	136777740	168681058
(ii) Cash and Cash Equivalents	11	31666814	20692792
(iii) Bank Balances other than (ii) above	12	106678585	46161037
(iv) Other Financial Assets	13	7675168	7629815
Current Tax Assets (Net)	14	859218	1735606
Other Current Assets	15	95098731	85500045
		818336038	666690789
		1075430540	1113996321
TOTAL ASSETS:-			
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	16	53962500	53962500
Other equity	17	748578543	827655857
		802541043	881618357
LIABILITIES			
(1) Non-current Liabilities			
Provisions	18 (A)	21012652	29800648
Other Non-Current Liabilities	19	4170548	4722813
		25183200	34523461
(2) Current Liabilities			
Financial Liabilities			
(i) Borrowings	20	130183291	112964462
(ii) Trade Payable	21	61649302	35745490
(iii) Other Financial Liabilities	22	37357388	26288019
Other Current Liabilities	23	15955145	19747977
Provisions	18 (B)	2561171	3108555
		247706297	197854503
		1075430540	1113996321
TOTAL EQUITY AND LIABILITIES:-			
SIGNIFICANT ACCOUNTING POLICIES	1		
NOTES ON FINANCIAL STATEMENTS	2-48		

As per our report of even date annexed

For V.Goyal & Associates
Chartered Accountants

Firm Regn. No.- 312136E

(Vinod Kumar Goyal)

Partner

M.NO. 050670



Company Secretary:
IV.K.Mishra (ACS: 36568)

Chief Financial Officer:
[S.K.Kasera(PAN: AFNPK5320D)]

Place : Kolkata

Date : 28th May, 2019

FOR AND ON BEHALF OF THE BOARD

Chairman-cum-Managing Director : S.K.Loyalka (DIN: 00006232)

Managing Director: V.Loyalka (DIN: 07315452)

Director : U.Loyalka (DIN: 00009266)

Director : R.K.Sarawgee (DIN: 00559970)

Director : K.K.Jain (DIN: 00551662)

Director : S.Bafna (DIN: 00127681)

Director : S.M.Daga (DIN: 02438798)



Zenith Exports Limited

Statement of Profit & Loss Accounts for the year ended 31st March, 2019

(Amount in ₹)

	Note	Year ended 31st March' 2019	Year ended 31st March' 2018
INCOME			
Revenue from Operations	24	985952678	1095199275
Other Income	25	16060549	53155934
Total Revenue		1002013227	1148355209
EXPENSES			
Cost of materials consumed	26	568342486	685126332
Purchases of Stock-in-Trade		146333716	22303559
Changes in inventories of finished goods & work-in-progress	27	(111615428)	18878167
Employee benefits expense	28	86878575	97935930
Finance costs	29	13189095	8578247
Depreciation and amortization expenses	2	16280614	14133190
Other expenses	30	325125356	308262827
Total expenses		1044534414	1155218252
Profit/(Loss) before exceptional items and tax from Continuing Operations		(42521187)	(6863043)
Exceptional Items			
Voluntary Retirement benefits		(55138191)	-
Profit/(Loss) before tax from Continuing Operation		(97659378)	(6863043)
Tax Expenses			
Current tax		-	-
Deferred Tax expenses/(credit)		(19425957)	945360
Income Tax for earlier year		462254	476
Profit/(Loss) for the period from Continuing Operations [A]		(78695675)	(7808879)
Profit/(Loss) before tax from Discontinuing Operations	32	-	(11754510)
Tax expenses of discontinuing operations	32	-	(766335)
Profit/(Loss) for the period from Discontinuing Operations [B]		-	(10988175)
(I) Profit/(Loss) for the period [A+B]		(78695675)	(18797054)
(II) Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
(i) Change in Fair Value of FVOCI Investment in Mutual Fund		1467843	(6196049)
(ii) Income-Tax relating to these items		(381639)	1610972
Total Other Comprehensive Income		1086204	(4585077)
Total Comprehensive Income for the period [I+II] (Comprising Profit/(Loss) and Other Comprehensive Income for the period)		(77609471)	(23382131)
Earnings per share (for continuing operation):	31	(14.58)	(1.45)
Basic & Diluted (₹)			
Earnings per share (for discontinued operation):	31	-	(2.04)
Basic & Diluted (₹)			
Earnings per share (for discontinued operation & continuing operations):	31	(14.58)	(3.49)
Basic & Diluted (₹)			
SIGNIFICANT ACCOUNTING POLICIES	1		
NOTES ON FINANCIAL STATEMENTS	2-48		

As per our report of even date annexed

For V.Goyal & Associates

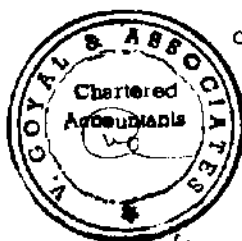
Chartered Accountants

Firm Regn. No.- 312136E

(Vinod Kumar Goyal)

Partner

M.NO. 050670



Company Secretary: Vikram Kumar Mishra
IV.K.Mishra (ACS: 365681)

Chief Financial Officer:
[S.K.Kasera (PAN: AFNPK5320D)]

FOR AND ON BEHALF OF THE BOARD

Chairman-cum-Managing Director : S.K.Loyalka (DIN: 00006232)

Managing Director : V.Loyalka (DIN: 07315452)

Director : U.Loyalka (DIN: 00009266)

Director : R.K.Sarawgee (DIN: 00559970)

Director : K.K.Jain (DIN: 00551662)

Director : S.Bafna (DIN: 00127681)

Director : S.M.Daga (DIN: 02438798)

Place : Kolkata

Date : 28th May, 2019

ZENITH EXPORTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2019

	(Amount in ₹)	
	2018-2019	2017-2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax (including discontinuing operations)	(97659378)	(18617553)
Adjustment for :		
Depreciation	16280614	17080632
Interest income	(13116376)	(9294159)
Interest Expenses	13189095	8578247
(Profit)/Loss on Sale of Fixed Assets (Net)	10954018	2759599
(Profit)/Loss on Sale of Investments (Net)	8205095	(2591082)
Operating Profit/(Loss) before Working Capital changes	(62146932)	(2084316)
Adjustments for (Increase)/decrease in:		
Trade Receivable	31903318	53509591
Other Receivable	22882340	37763133
Inventories ,	(103289346)	10671156
Trade Payable, Other Liabilities and Provisions	23292704	(18173755)
Cash generated from operations	(87357916)	81685809
Income Tax Paid	(1321472)	(1736082)
NET CASH INFLOW FROM OPERATING ACTIVITIES (A)	(88679388)	79949727
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including Capital Work-in-Progress	(5611450)	(3517501)
Purchase of Biological Assets	(789255)	(1684303)
Sales of Fixed Assets	2093799	10930831
Sales of Investments	147377107	45976164
Purchase of Investments	-	(178172884)
Interest Received	13071023	6204479
NET CASH OUTFLOW FROM INVESTING ACTIVITIES (B)	156141224	(120263214)



ZENITH EXPORTS LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

C. CASH FLOW FROM FINANCIAL ACTIVITIES	(Amount in ₹)	
	2018-2019	2017-2018
Borrowings/(Repayments) of Short Term Borrowings	17218829	45009941
Interest Paid	(13189095)	(8578247)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES (C)	4029734	36431694
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS [A+B+C]	71491570	(3881793)
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	66853829	70735622
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	138345399	66853829
NET INCREASE/(DECREASE)	71491570	(3881793)
Note :-		
1. CASH & CASH EQUIVALENTS INCLUDES:		
Cash & Cash Equivalents	31666814	20692792
Balances with Scheduled Banks	106678585	46161037
	138345399	66853829
2. Figures in the brackets represent cash outflows.		
3. Previous year's figures have been re-arranged and re-cast wherever necessary.		
4. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in IND AS 7 on Statement of Cash Flows.		
5. The above Cash Flow Statement should be read in conjunction with the accompanying notes. This is the Cash Flow Statement referred to in our report of even date.		

As per our report of even date annexed

For V.Goyal & Associates

Chartered Accountants

Firm Regn. No.- 312136 E

(Vinod Kumar Goyal)

Partner

M.NO. 050670



Company Secretary: Vikram Kumar Mishra
[V.K.Mishra (ACS: 36568)]

Chief Financial Officer: [Signature]
[S.K.Kasera(PAN: AFNPK5320D)]

Place: Kolkata

Date: 28th May, 2019

FOR AND ON BEHALF OF THE BOARD

Chairman-cum-Managing Director: :S.K.Loyalka (DIN: 00006232)

Managing Director: V.Loyalka (DIN: 07315452)

Director: : U.Loyalka (DIN: 00009266)

Director: : R.K.Sarawgee (DIN: 00559970)

Director: : K.K.Jain (DIN: 00551662)

Director: : S.Bafna (DIN: 00127661)

Director: : S.M.Daga (DIN: 02438798)

[Signatures of Board Members]

NOTES TO FINANCIAL STATEMENTS

BACKGROUND

Zenith Exports Limited is a Company limited by shares, incorporated and domiciled in India. The Company is engaged in the business of Leather Goods & Textile Fabrics.

The Company has a weaving unit namely 'Zenith Textiles' located at Nanjangud, Mysore. Another unit namely 'Zenith Spinners' located at village- Dholka, Ahmadabad.

1. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of Preparation

1.1.1 Compliance with Ind AS

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31st March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act.

1.1.2 Classification of current and non-current

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Ind AS 1 - Presentation of financial Statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

1.1.3 Historical Cost Convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- i) certain financial assets and liabilities (including derivative instruments) that is measured at fair value;
- ii) defined benefit plans - plan assets measured at fair value;
- iii) Biological assets are measured at cost incurred for their plantation.

1.2 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief



operating decision maker.

1.3 Foreign Currency Translation

Foreign currency transactions are translated into Indian Rupee (INR) which is the functional currency (i.e. the currency of the primary economic environment in which the entity operates) using year end exchange rates as per IND AS 21.

Foreign Currency loans for financing Property, Plant and Equipment outstanding at the close of financial year are revolarised at appropriate bank exchange at the close of the year. The gain/loss for decrease/increase in rupee liability due to fluctuations in rates of exchange is adjusted to carrying amount of Property, Plant and Equipment acquired out of said loans. Income and Expenditure for the year are recorded as per prevailing bank rate on the date of transaction/negotiation.

As pre usual practice followed by the company, the export sales transaction during the year are accounted for at Custom Rate and at the end of the year at the prevailing bank rate in respect of outstanding debtors. Difference between actual realization at custom rate and/or bank rate is adjusted to Exchange Difference Account in Statement of Profit & Loss Account.

Gain/loss on cancellation of Forward Exchange Contracts are recognized in the Statement of Profit & Loss Account of the year in which they are cancelled.

1.4 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of Export benefits, Incentive and are net of sales return, sales tax/ value added tax/Goods & Service Tax, trade allowances. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risk and reward incidental to sale of products is transferred to the buyer.

Export Sales are recognised on the basis of date as mentioned in Shipping Bill/Bill of Lading. Value of export sales is recognised at Custom Rate mentioned in the Shipping Bill.

Income and Expenditure are recognised on accrual basis. Export entitlements are recognised in Statement of Profit & Loss Account when the right to receive credit as per terms of entitlement in respect of the exports is established.

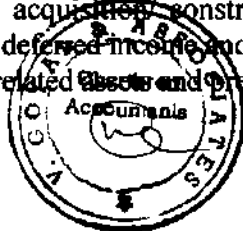
Domestic sales are recorded on raising bills net off discounts, returns and applicable taxes. Accounting for differential Custom Duty on wastage of Imported Raw Silk Yarn determined as per the input/output norms for EOU is accounted as and when the demand is raised by Customs Authorities. Revenue in respect of job charges is recognised based on the work performed and invoiced as per terms of specific contracts.

1.5 Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.

Government grants relating to the acquisition/ construction of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.



However there is no such grant for the company in the current year.

1.6 Accounting for Taxes on Income

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

1.7 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

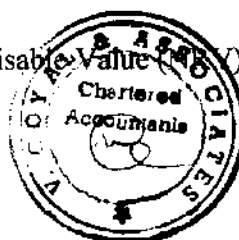
1.8 Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

1.9 Inventories

Inventories are valued as under:

- a) Raw Materials : at cost which is arrived at on average cost basis.
- b) Packing Materials: at average cost basis
- c) Stores, Consumables & Spares: at average cost basis
- d) Semi-finished Goods: at raw material cost and value added thereto up to the state of completion
- e) Finished Goods: at cost or Net Realisable Value (NRV), whichever is lower
- f) Waste: at estimated realizable value



1.10 Biological Assets

Trees planted are measured at cost incurred for plantation.

1.11 Investments and Other Financial Assets

1.11.1 Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit or loss), and
- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

1.11.2 Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through statement profit or loss are expensed in statement of profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into the following categories:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through statement of profit or loss. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments (except subsidiary and associate) at fair value through statement of profit or loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to statement of profit or loss.

1.11.3 Impairment of financial assets



The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

1.11.4 Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

1.11.5 Income Recognition

Interest Income

Interest Income from debt instruments is recognised using the effective interest rate method.

Dividends

Dividends are recognised in statement of profit or loss only when the right to receive payment is established.

1.12 Financial liabilities

1.12.1 Initial recognition and measurement

The Company recognize s all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through Statement of Profit or Loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

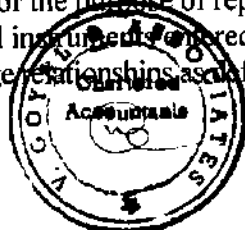
The Companys financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

1.12.2 Subsequent measurement

All the financial liabilities are classified as subsequently measured at amortised cost, except for those mentioned below.

1.12.3 Financial liabilities at fair value through statement of profit or loss

Financial liabilities at fair value through statement of profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Co. that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.



Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

For liabilities designated as Fair Value through statement of profit or loss, fair value gains/ losses attributable to changes in own credit risk are recognized in Other Comprehensive Income. These gains/ losses are not subsequently transferred to Profit or Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

1.13 Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013, which are also supported by technical evaluation. Item of Property, Plant & Equipment for which related actual cost do not exceed Rs 5,000 are fully depreciated in the year of purchase.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit or loss within other gains/ (losses).

1.14 Intangible Assets

Intangible assets are recognised if the Future Economic Benefits attributed to the assets are expected to flow to the company and the cost of assets can be measured reliably. No intangible assets were acquired during the year ended 31st March, 2019.

1.15 Provision, Contingent Liabilities and Contingent Assets, legal or constructive

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.



A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

1.16 Employee Benefits

1.16.1 Short-term Employee Benefits

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

1.16.2 Post-employment Benefit Plans

(a) Defined Contribution Plans

i. Gratuity Plan

- 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 Project Unit Credit method.
- In case of Unfunded Gratuity, payable to all eligible employees of the Company on death, permanent disablement and resignation as 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.

1.16.4 Bonus plans

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

1.16.5 Termination Benefits

During the year 90 workmen availed the benefit under Voluntary Retirement Scheme (VRS) formulated by the Company and were paid Compensation under VRS which is fully charged to Statement of P&L as an Extraordinary item in accordance with Ind AS 19.

1.17 Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new



shares are shown in equity as a deduction, net of tax, from the proceeds.

1.18 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

1.19 Earnings per Share

1.19.1 Basic earnings per share

Basic earnings per share is calculated by dividing:

The profit/ loss attributable to owners of the Company

By the weighted average number of equity shares outstanding during the financial year.

1.19.2 Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1.20 Rounding off Amounts

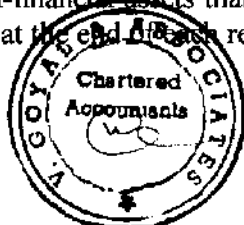
All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

1.21 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement profit or loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

1.22 Impairment of non-financial assets.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.



1.23 Derivatives

- a) The Company enters into Forward Foreign exchange contracts/Option contracts (derivatives) to mitigate the risk of change in Foreign Exchange Rate on forecasted transactions. The company enters into Derivative Financial Contracts where the counterparty is bank. Gain/Losses on ineffective transactions of derivative contracts are recognised in the Statement Profit & Loss Account as they arise.
- 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 statement of profit & Loss. Net gains are ignored.

1.24 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.25 Use of Estimates

The Preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affects the reported amount of assets and liabilities as at the balance sheet date, the reported amount of revenue and expenses for the periods and disclosure of contingent liabilities at the balance sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of financial statements. Actual results could differ from estimates.

1.26 Borrowing costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

1.27 Standards issued but not yet effective

The amendment to Ind AS 7, 'Statement of cash flows', introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. This includes changes arising from cash flows (e.g. drawdowns and repayments of borrowings) and non-cash changes (i.e. changes in fair values). The Company is not expecting any material impact on the standalone financial statements.



2. PROPERTY, PLANT AND EQUIPMENT

(Amount in ₹)

CLASSIFICATION OF ASSETS	GROSS BLOCK						ACCUMULATED DEPRECIATION						NET BLOCK	
	As at 01.04.18	Addition		Sales/ Adjustments		Up to 31.03.19	As at 01.04.18	For the year		Sales/ Adjustments		Up to 31.03.19	As at 31.03.19	As at 31.03.18
		Continuing Operation	Discontinuing Operation	Continuing Operation	Discontinuing Operation			Continuing Operation	Discontinuing Operation	Continuing Operation	Discontinuing Operation			
(A) TANGIBLE														
Leasehold Property	589080	-	-	-	-	589080	200518	7908	-	-	-	208426	380654	388562
Freehold Property	9157265	-	-	-	-	9157265	-	-	-	-	-	-	9157265	9157265
Building	37270123	-	-	-	-	37270123	21243201	354424	-	-	-	21597625	15672498	16026922
Factory Building	136000820	-	-	-	-	136000820	89150583	3753843	-	-	-	92904426	43096394	46850237
Well, Water works & Pipe Line	2530327	-	-	-	-	2530327	2357266	5820	-	-	-	2363086	167241	173061
Plant & Machinery	759734445	2924548	-	93127153	-	669531840	666961000	8908922	-	80079336	-	595790586	73741254	92773445
Electrical Installation	5918847	-	-	-	-	5918847	5432194	95355	-	-	-	5527549	391298	486653
Computer & Accessories	13163062	202213	-	-	-	13365275	12104518	293578	-	-	-	12398096	967179	1058544
Office & Other - Equipments	9666427	2182723	-	-	-	11849150	5919141	1181459	-	-	-	7100600	4748550	3747286
Furniture & Fixture	11547862	301966	-	-	-	11849828	10274914	138165	-	-	-	10413079	1436749	1272948
Site Development	1369483	-	-	-	-	1369483	-	-	-	-	-	-	1369483	1369483
Vehicles	18295564	-	-	-	-	18295564	11957181	1541140	-	-	-	13498321	4797243	6338383
Total	1005243305	5611450	-	93127153	-	917727602	825600516	16280614	-	80079336	-	761801794	155925808	179642789
Previous Year	1217154929	3376298	141203	7147834	208281291	1005243305	1010258579	14133190	2947442	6103659	195635036	825600516	179642789	



ZENITH EXPORTS LIMITED**Notes on Financial Statements for the year ended 31st March, 2019****(Amount in ₹)**

3. BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS	As at 31st March, 2019	As at 31st March, 2018
Biological Assets [Refer Note-1]	2473558	1684303
	2473558	1684303

Note:-

1. Biological Assets represent Plantation Expenditure on Eucalyptus trees.

4. NON-CURRENT LOANS		
Unsecured, Considered Doubtful Loan		
Loan to Body Corporate	6555625	6555625
Less:- Provision for Doubtful Loan	6555625	6555625
	-	-

5. NON-CURRENT INVESTMENTS

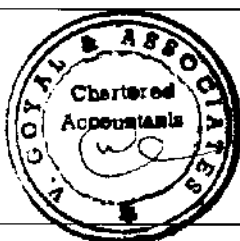
Mutual Fund Investments Designated at FVOCI Unquoted	Face Value	As at 31st March, 2019		As at 31st March, 2018	
		Units	Value	Units	Value
Reliance Regular Saving Fund-Debt Growth	10/-	-	-	188705.486	9999900
UTI Income Opportunity Fund-Growth Plan	10/-	-	-	-	-
ABSL Credit Risk Fund-Gr. Regular	10/-	1016324.632	12499800	1016324.632	12499800
Birla Sunlife Medium Term Plan Growth-Regular Plan	10/-	-	-	868345.767	18499800
ICICI Prudential Corporate Bond Fund-Growth	10/-	-	-	40692.602	4999900
Birla Sun Life Balanced Advantage Fund-Growth	10/-	-	-	373170.545	18499700
Reliance Diversified Power Sector Fund-Growth	10/-	-	-	82269.602	10544552
L&T Infrastructure Fund-Growth	10/-	-	-	1458684.299	27499700
SBI Magnum Multicap Fund-RP-Growth	10/-	-	-	212269.288	9999900
Kotak Select Focus Fund-Growth	10/-	-	-	612544.358	19999700
Aditya Birla Sun Life Top 100 Fund-Growth	10/-	-	-	219904.195	12499800
SBI Blue Chip Fund-Growth	10/-	193191.783	7499800	193191.783	7499800
Aditya Birla Sun Life Advantage Fund-Growth-RP	10/-	-	-	16919.087	7499800
Reliance Top 200 Fund-Growth	10/-	-	-	149290.787	4999800
Aditya Birla Sun Life Infrastructure Fund-Growth	10/-	-	-	265721.656	10539650
Total Non-Current Investments			19999600		175581802
Aggregate amount of Unquoted Non-Current Investments			19999600		175581802

6. OTHER NON-CURRENT FINANCIAL ASSETS	As at 31st March, 2019	As at 31st March, 2018
Unsecured Considered Good		
Bank Fixed Deposit with original maturity for more than 12 months (Pledge of Fixed Deposit ag. overdraft facility)	1404276	4884641
	1404276	4884641
7. DEFERRED TAX ASSETS		
Difference between Book & Tax Depreciation	6923025	5814082
Disallowance under Section 43B	7833656	10260855
Unabsorbed Depreciation	10213561	7089545
Unabsorbed Business Loss	10049029	3678500
Short Term Capital Loss	1279995	-
Amortization of VRS under section 35DDA	11468744	-
Financial Assets at FVOCI	(381639)	1499071
	47386371	28342053

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 is provided in full on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or subsequently enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.
- (c) Deferred tax assets in respect of Unabsorbed Depreciation and Brought forward losses has been considered only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

8. OTHER NON-CURRENT ASSETS		
Deposit with Govt. Authorities	2519261	2503771
Deposit with others	1488337	1529112
Prepaid Expenses	-	16742
Others	25897291	53120319
	29904889	57169944



ZENITH EXPORTS LIMITED**Notes on Financial Statements for the year ended 31st March, 2019**

	As at 31st March, 2019	As at 31st March, 2018
9. INVENTORIES		
(At cost or net reliable value whichever is lower)		
Raw materials	118497796	124950993
Dyes & Chemicals	895840	1222113
Semi-Finished Goods	43266933	33424057
Finished Goods (including in transit ₹ 2281287 in March'19 and ₹ 2513082 in March'18)	263935169	162162617
Packing Materials	4048980	7073012
Stores & Spares	8935062	7457644
	439579782	336290436
10. TRADE RECEIVABLE		
Secured, Considered Good	39568647	50871230
Unsecured, Considered Good	97209093	117809828
	136777740	168681058
11. CASH & CASH EQUIVALENT		
Balances with Banks		
In Current Accounts	3023774	6367643
In E.E.F.C Accounts - Canara Bank (\$)	13971	9192
Fixed Deposit with maturity of less than three months (Pledge of Fixed Deposit ag. Overdraft facility)	28342640	13648129
Cash-in-hand	286429	667828
	31666814	20692792
12. OTHER BANK BALANCES		
Deposits with original maturity for more than 3 months but less than 12 months (Pledge of Fixed Deposit ag. Overdraft facility)	106678585	46161037
	106678585	46161037
13. OTHER CURRENT FINANCIAL ASSETS		
Interest Receivable from Banks on Deposit	7675168	7629815
	7675168	7629815
14. CURRENT TAX ASSETS (NET)		
Advance Income Tax (Net of Provision)	859218	1735606
	859218	1735606
15. OTHER CURRENT ASSETS		
Export Benefit Receivable	27446091	3423334
Stamp Stock	577	357
Advance to Suppliers	19080233	32193985
Balance with Govt. Authorities	5122105	208022
Prepaid Expenses	3121750	1991631
Vat Credit Receivable	1010234	2905978
GST Input Receivable	25512258	29316103
Cenvat Service Tax Input Receivable	1065991	1065991
Deposit with related party	9000000	9000000
Income -Tax Refundable	-	1721620
Interest Receivable	267350	-
Other Advance	3472142	3673024
	95098731	85500045



16. <u>EQUITY SHARE CAPITAL</u> <u>SHARE CAPITAL</u> <u>AUTHORISED</u> 1,00,00,000 (1,00,00,000) Equity Shares of ₹10/- each <u>ISSUED, SUBSCRIBED & PAID UP CAPITAL</u> 53,96,250 (53,96,250) Equity Shares of ₹10/- each	As at 31st March, 2019	As at 31st March, 2018
	100000000	100000000
	53962500	53962500

(a) Reconciliation of number of Share Outstanding:

	As at 31st March, 2019	As at 31st March, 2018
Opening Balance	5396250	5396250
Share Issued during the year	-	-
Shares Outstanding at the end of the year	5396250	5396250

(b) Equity shareholder holding more than 5% of equity share capital of the company:

Name of the Shareholder	As at 31st March, 2019		As at 31st March, 2018	
	% of Holding	Number of Shares	% of Holding	Number of Shares
Urmila Loyalka	11.66	629150	11.66	629150
Bhutnath Vaniya Vyapaar Pvt.Ltd.	10.80	582586	10.80	582586
Surendra Kumar Loyalka (HUF)	10.40	561420	10.40	561420
Omkara Vincorn Private Limited	10.23	551949	6.11	329890
Surendra Kumar Loyalka	8.92	481496	8.92	481496
Zenith Credit Ltd.	6.98	376482	-	-
Purotech Sales Pvt.Ltd.	6.60	356000	6.60	356000
Guiness Securities Limited	-	-	9.74	525792
A.C.Roy & Co.Pvt.Ltd.	5.64	304490	5.64	304490

(c) Rights Preferences and Restrictions attached to shares

The Company has only one class of equity shares having a par value of Rs.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.

17. OTHER EQUITY

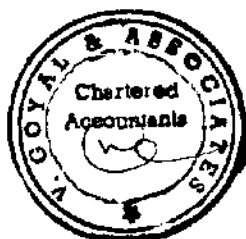
Particulars	Capital Reserve	Security Premium Reserve	General Reserve	Cash Subsidy	FVOCI Investments	Retain Earnings	Total
Balance as at 1st April' 2018	22413021	27737500	461276596	2500000	5765659	307963081	827655857
Profit/(Loss) for the year	-	-	-	-	-	(77609471)	(77609471)
Addition/(Deletion) for the year	-	-	-	-	(7233502)	5765659	(1467843)
Balance as at 31st March' 2019	22413021	27737500	461276596	2500000	(1467843)	236119269	748578543

18. PROVISIONS

(A) <u>Long-Term Provisions</u> Provision for Employees Benefits	As at 31st March, 2019	As at 31st March, 2018
	21012652	29800648
Total (A)	21012652	29800648
(B) <u>Short-Term Provisions</u> Provision for Employees Benefits	As at 31st March, 2019	As at 31st March, 2018
	2561171	3108555
Total (B)	2561171	3108555

19. OTHER NON-CURRENT LIABILITIES

	As at 31st March, 2019	As at 31st March, 2018
Security Deposits	594113	597058
Advance from Customers	3576435	4125755
Others	4170548	4722813



ZENITH EXPORTS LIMITED**Notes on Financial Statements for the year ended 31st March, 2019****20. CURRENT BORROWINGS**

	As at 31st March, 2019	As at 31st March, 2018
Secured		
Loan repayable on demand from banks		
(a) Packing Credit		
Canara Bank [Refer Note below]	130183291	112964462
	130183291	112964462

Note:-

Working Capital Loans from Canara Bank are secured by hypothecation of Stock & book debts of Main Division, Kolkata & Textile Division, Mysore and Personal Guarantee of Promoter Directors and further by second charge on the entire Property, Plant & Equipment of the Company.

21. TRADE PAYABLE

Other Trade Payable	61649302	35745490
	61649302	35745490

Note:-

Out of above, ₹ 1766310/- (Previous Year- ₹ 1487915/-) 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- ₹ Nil)

22. OTHER CURRENT FINANCIAL LIABILITIES

Bank Overdraft with Banks [Refer Note below]	33838117	20755407
Salary & Wages Payable	3519271	5532612
	37357388	26288019

Note:-

Bank overdraft includes ₹6015779 (Previous year ₹1909421) overdraft with bank against Pledge of Fixed Deposit

23. OTHER CURRENT LIABILITIES

Advance from Customers	6519442	9031006
Government Statutory Dues	1769263	1756683
Others	7666440	8960288
	15955145	19747977



ZENITH EXPORTS LIMITED**Notes on Financial Statements for the year ended 31st March, 2019****(Amount in ₹)**

24. REVENUE FROM OPERATIONS		Year ended 31st March' 2019	Year ended 31st March' 2018
(A) SALES OF PRODUCTS			
Export		870552170	978496652
Indigenous		41589848	33612999
Total (A):-		912142018	1012109651
(B) SALE OF SERVICES			
Job Charges-Export		-	736583
Job Charges-Indigenous		193600	1597608
Total (B):-		193600	2334191
(C) OTHER OPERATING REVENUE			
Export Incentives		73617060	80755433
Total (C):-		73617060	80755433
TOTAL(A+B+C)		985952678	1095199275
25. OTHER INCOME			
Interest Income		13116376	7229794
Exchange Fluctuation (net)		-	40665856
Excess Provision W/Back		960153	758811
Miscellaneous Receipts		19276	14180
Sundry Balance W/Back		-	710382
Profit on Sale of Fixed Assets		-	1185829
Gain on Sale of Investments		1964744	2591082
		16060549	53155934
26. COST OF MATERIAL CONSUMED			
(A) RAW MATERIAL CONSUMED			
Opening Stock		124950993	116256436
Add: Purchases		554872603	688225557
Less: Closing Stock		(118497798)	(124950993)
Total:- (A)		561325798	679531000
(B) DYES & CHEMICALS CONSUMED			
Opening Stock		1222113	1160642
Add: Purchases		6690415	5656803
Less: Closing Stock		(895840)	(1222113)
Total:- (B)		7016688	5595332
TOTAL:- (A+B)		568342486	685126332
27. CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS			
(A) Inventories (at commencement)			
Finished Goods		162162617	182346682
Work-in-Progress		33424057	32118159
Total:-		195586674	214464841
(B) Inventories (at close)			
Finished Goods		263935169	162162617
Work-in-Progress		43266933	33424057
Total:-		307202102	195586674
Net (Increase)/Decrease in Stock (A-B+C)		(111615428)	18878167
28. EMPLOYEE BENEFITS EXPENSE			
Salaries and Wages		78758126	86540829
Contribution to Provident & Other Funds		5988770	8017431
Staff welfare Expenses		2131679	3377670
Total:-		86878575	97935930



ZENITH EXPORTS LIMITED**Notes on Financial Statements for the year ended 31st March, 2019****(Amount in ₹)**

	Year ended 31st March' 2019	Year ended 31st March' 2018
29. FINANCE COSTS		
(A) Interest to Bank		
On Working Capital	6982797	6424269
On Bill Discounting	2899112	2109160
Total:- (A)	9881909	8533429
(B) Interest to Others	3307186	44818
Total:- (A+B)	13189095	8578247
30. OTHER EXPENSES		
(A) Manufacturing Expenses		
Carriage	1901287	2663151
Designing & Sampling Charges	5040164	4370474
Material Processed	129444648	138767079
Power, Fuel & Water	10574827	13410190
Repairs and Maintenance		
Factory Buildings	1214376	86038
Machinery	1634986	780711
Stores & Spares Consumed	7043937	8941835
Testing Charges	2155839	1557783
Other Manufacturing Expenses	11830333	8273566
Total:- (A)	170840397	178850827
(B) Selling & Distribution Expenses		
Advertisement	107158	147835
Commission and Discount	31180049	43000235
Export Promotion	1137477	518097
Foreign Travel	7711358	4214644
Freight Forwarding & Insurance Expenses	14476319	18094363
Packing Charges		
Packing Material Consumed	10956007	7776721
Packing Expenses	36529	35142
Participation in Trade Fair	1883362	3857813
Quality Control & Inspection	2710374	7230242
Total:- (B)	70198633	84875092
(C) Administrative Expenses		
Adjustment Relating to Prior Year (net)	2314544	190907
Auditors Remuneration	305800	251600
Bank Charges	3277595	5065485
ECGC Premium & Certificates	804094	777524
Directors Sitting Fees	163000	217000
Donation	-	106000
Electricity	3564319	2215651
Insurance	1033165	802387
Legal & Professional Charges	7380470	4248079
Loss on Sale of Fixed Assets	10954018	97388
Loss on Sale of Investments	10169839	-
Exchange Fluctuation (net)	2550571	-
Miscellaneous Expenses	8823455	7711271
Motor Car Upkeep	2842600	2396288
Printing & Stationary	9423592	5962241
Postage, Courier & Telephone	2738029	1915510
Rates, Taxes & Fees	2337112	1219903
GST/VAT Input W/off	601891	5688512
Rent	1597021	1576243
Repairs & Maintenance		
Building	6063503	539639
Others	4510002	1789531
Travelling & Conveyance	2631706	1815749
Total:- (C)	84086326	44536908
Total:- (A+B+C)	325125356	308262827

31. Earning Per Share (EPS)

	2018-2019		2017-2018	
	Continuing Operation	Discontinuing Operation	Continuing Operation	Discontinuing Operation
(a) Total Number of Equity Share Outstanding at the end of the year	5396250	-	5396250	5396250
(b) Net Profit after tax	(78695675)	-	(7808879)	(10988175)
(c) Nominal value per Equity Shares (₹)	10	-	10	10
(d) Basic/Diluted Earnings per Shares (₹)	(14.58)	-	(1.45)	(2.04)



ZENITH EXPORTS LIMITED**Notes on Financial Statements for the year ended 31st March, 2019****32. Discontinuing Operations:-**

Due to unfavorable market conditions and steep competition from the modern units, one of the Company's unit Zenith Spinners at Dholka, Ahmedabad manufacture of yarns is no more viable to operate. Hence the management had decided to suspend operation since December'2015. The said undertaking is disclosed as "Discontinued Operations" as a separate business segment as per IND AS-108 "Segment Reporting".

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

	(Amount in ₹)	
	Year ended 31st March' 2019	Year ended 31st March' 2018
INCOME		
Revenue from Operations	-	-
Other Income	-	2140143
Total Revenue	-	2140143
EXPENSES		
Cost of materials consumed	-	-
Purchases	-	-
Changes in inventories of finished goods & work-in-progress	-	-
Employee benefits expense		914074
Other expenses		10033137
Total expenses	-	10947211
Profit/(Loss) before interest, tax, and depreciation and amortisation (EBITDA)	-	(8807068)
Depreciation and amortization expenses (Refer Note No.2)	-	2947442
Finance costs	-	-
Profit/(Loss) before tax from discontinuing operations	-	(11754510)
Tax Expenses		
Current tax	-	-
Deferred Tax expenses/(credit)	-	(766335)
Profit/(Loss) for the year from discontinuing operations after tax	-	(10988175)

Note:- With effect from 01.01.2019 one of the Company Unit: Zenith Spinners Dholka, Ahmedabad has started operations of trading and other activities. Accordingly the results therefrom have been reclassified and included under income from continuing operation.



ADDITIONAL NOTES TO FINANCIAL STATEMENTS

33. Exemptions and Exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

33.1 Ind AS optional exemptions

33.1.1 Prospective application of Ind AS 21 to business combinations

The Company has elected to apply this exemption..

33.1.2 Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 *Intangible Asset*.

Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value. The Company does not have any de-commissioning liabilities as on the date of transition and accordingly no adjustment have been made for the same.

33.1.3 Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The Company has elected to apply this exemption for its investment in mutual funds.

33.2 Ind AS mandatory exceptions

33.2.1 Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1st April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- i Investment in Mutual Fund carried at FVOCI;
- iii Biological asset measured expenses at incurred for plantation.

33.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.



34.1 Fair valuation of Investments

Under the previous GAAP, investments in Mutual Fund were classified as long-term investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, these investments are required to be measured at fair value.

Fair value changes with respect to investments in Mutual Fund designated as at FVOCI have been recognised in FVOCI - Mutual Fund (net of tax) as comprehensive income for the year ended 31 st March 2019.

34.2 Inventories

Inventories are valued as under:

- a) Raw Materials : at cost which is arrived at on average cost basis.
- b) Packing Materials: at average cost basis
- c) Stores, Consumables & Spares: at average cost basis
- d) Semi-finished Goods: at raw material cost and value added thereto upto the state of completion
- e) Finished Goods: at cost or Net Realisable Value (NRV), whichever is lower
- f) Waste: at estimated realizable value

34.3 Deferred Tax

Under previous GAAP, no deferred tax asset/ liability was recognized since the co. opted for Cost Model for recognition of Property, Plant and Equipment since this was considered as permanent difference. Under Ind AS, deferred tax liability was recognized on such revalued amount, with tax base being Rs. NIL.

34.4 Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of statement of profit or loss. However , there is no change or effect in the Statement of Profit & Loss for the year.

34.5 Other Comprehensive Income

Under Ind AS, all items of income and expense recognised in a period should be included in statement of profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and fair value gains or (losses) on FVOCI Mutual Funds. The concept of other comprehensive income did not exist under previous GAAP.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019**35. Derivative instruments and unhedged foreign currency exposure****(a) Forward Exchange Contracts :**

Currency	2018-2019		2017-2018	
	No. Of Contracts	Amount in Foreign Currency	No. Of Contracts	Amount in Foreign Currency
EURO	16	828360	39	1956019
USD	32	3013731	51	4950000

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

Category	Currency	2018-2019	2017-2018
		Amount in Foreign Currency	Amount in Foreign Currency
Exports	EURO	701792	546108
Exports	USD	1013528	1761538
Exports	GBP	61842	25337
Others	EURO	56652	58920
Others	USD	90372	124674
Others	GBP	8107	9872

36. Expenditure in Foreign Currencies**Amount in ₹**

	2018-2019	2017-2018
Foreign Travel & Participation in Exhibitions and Trade Fair	6521928	6476229
Commission	25406960	37128895
Design Purchase	2591047	2173294
Others	248477	48443
	34768412	45826861

37. Earnings in Foreign Currencies**Amount in ₹**

	2018-2019	2017-2018
Exports of Goods on F.O.B. Basis	863645740	966763989
Others	22406	-
	863668146	966763989

38. Value of Imports on CIF Basis**Amount in ₹**

	2018-2019	2017-2018
Raw Materials	23047086	52764844
Stores, Spares & Components	963186	221026

39. Commitment and Contingent Liabilities

(i) Commitments/Contingent Liabilities	As at 31st March, 2019 Amount in ₹	As at 31st March, 2018 Amount in ₹
a. Foreign Bills discounted through banks	74301331	63756488
(ii) Claims against the company not acknowledged as debts in respect of		
a. Income-Tax demand under CIT(Appeal) Kolkata	681510	1932010
b. Service Tax Appellate Tribunal-Kolkata	-	48543



40. Employee Benefits
Defined Contribution Plans

Contribution to Recognised Provident Fund & Pension Fund

2018-2019	2017-2018
Amount in ₹	Amount in ₹
3986451	5207341

Defined Benefits Plans

Gratuity Benefits are as follows

Description	2018-2019		2017-2018	
	GRATUITY		GRATUITY	
	Funded Amount in ₹	Unfunded Amount in ₹	Funded Amount in ₹	Unfunded Amount in ₹
Reconciliation of opening and closing balances of obligation				
a. Present value of the beginning of the year	4808647	24083472	3391793	21641660
b. Current service cost	193585	1027576	120412	1425228
c. Interest cost	360649	1354311	271343	1420040
d. Actuarial (gain)/loss	227268	2265042	1114551	1418845
e. Benefits paid	-	(12827174)	(89452)	(1822301)
f. Present value of the end of the year	5590149	16203227	4808647	24083472
Change in fair value of plan assets				
a. Fair value of plan assets as at the beginning of the year	3678394	-	3357370	-
b. Expected return on plan assets	380435	-	276329	-
c. Actuarial gain/(loss)	-	-	-	-
d. Contributions/refunds made by/to the company	1292735	-	134147	-
e. Benefits paid	-	-	(89452)	-
f. Fair value of plan assets as at the end of the year	5351564	-	3678394	-
Reconciliation of fair value of plan assets and obligations				
a. Fair value of plan assets as at year end	5351564	-	3678394	-
b. Present value of obligation as at the year end	(5590149)	(16203227)	(4808647)	(24083472)
c. Amount recognised in the balance sheet	(238585)	(16203227)	(1130253)	(24083472)
Expenses recognised during the year				
a. Current service cost	193585	1027576	120412	1425228
b. Interest cost	360649	1354311	271343	1420040
c. Expected return on plan assets	(380435)	-	(276329)	-
d. Actuarial (gains)/loss	227268	2265042	1114551	1418845
e. Expenses recognised during the year	401067	4646929	1229977	4264113
Investment details				
a. Others (fund with life Insurance Corporation of India)	5351564	-	3678394	-
Assumptions:				
a. Discount rate (per annum)	7.50%	7.60%	7.50%	7.60%
b. Estimated rate of return on plan assets (per annum)	9.00%	-	9.00%	-
c. Rate of escalation in salary	3.25%	8.00%	3.00%	8.00%

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.



41. Segment Reporting**(i) Business Segments**

Amount in ₹

	Silk Fabrics & Made-ups	Industrial Leather H/Gloves Made-ups	Yarns	Weavings Silk Fabrics (100% EOU)	Unallocable	Total (Continuing Operations)	Discontinuing Operations	Total (Including Discontinuing Operations)
	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019	2018-2019
(a) Revenue								
External	105283202	733916601	21183185	128513863		988996851	-	988996851
(Previous Year)	104190940	901875626	-	135058848	-	1141125414	-	1141125414
(b) Results								
Segment Result before interest & tax	13015082	(21451147)	(16806758)	(64567906)	-	(89810729)	-	(89810729)
(Previous Year)	35565076	23759702	-	(51539306)	-	7785472	(13818875)	(6033403)
Unallocated Expenses net of unallocated income	-	-	-	-	(7775930)	(7775930)	-	(7775930)
(Previous Year)	-	-	-	-	(13300062)	(13300062)	-	(13300062)
Interest Expenses	-	-	-	-	-	(13189095)	-	(13189095)
(Previous Year)	-	-	-	-	-	(8578247)	-	(8578247)
Interest Income	-	-	-	-	-	13116376	-	13116376
(Previous Year)	-	-	-	-	-	7229794	2064365	9294159
Profit/(Loss) before tax	-	-	-	-	-	(97659378)	-	(97659378)
(Previous Year)	-	-	-	-	-	(6863043)	(11754510)	(18617553)
Income Tax for Earlier Years	-	-	-	-	-	462254	-	462254
(Previous Year)	-	-	-	-	-	476	-	476
Provision for current tax	-	-	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-	-	-
Provision for deferred tax	-	-	-	-	-	(19425957)	-	(19425957)
(Previous Year)	-	-	-	-	-	945360	(766335)	179025
Net Profit/(Loss) after tax	-	-	-	-	-	(78695675)	-	(78695675)
(Previous Year)	-	-	-	-	-	(7808879)	(10988175)	(18797054)
Other Information								
(c) Segment Assets	206462712	469700101	155831220	243104831	331676	1075430540	-	1075430540
(Previous Year)	202280273	605569342	-	235133696	4299099	1047282410	66713911	1113996321
(d) Segment Liabilities	63066848	109538526	78869	99590158	615076	272889497	-	272889497
(Previous Year)	55551752	84568661	-	89611312	1994419	231726144	651820	232377964
(e) Capital Expenditure	-	-	1004716	837724	3369010	5211450	-	5211450
(Previous Year)	-	-	-	-	3376298	3376298	-	3376298
(f) Depreciation	-	-	2487535	10705569	3087510	16280614	-	16280614
(Previous Year)	-	-	-	11203456	2929734	14133190	2947442	17080632
(g) Non-cash expenses other than depreciation	-	11276678	10954018	-	-	22230696	-	22230696
(Previous Year)	-	-	-	-	-	-	-	-

(ii) Geographical Segments

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

Sales	2018-2019	2017-2018
India	41589848	33612999
Outside India	870552170	978496652
Total:-	912142018	1012109651

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.



ZENITH EXPORTS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

42 Auditors Remuneration

(Amount in ₹)

	2018-2019	2017-2018
As Statutory Audit	195000	175000
As Tax Audit	75000	55000
For Certification & Other Services	25800	12100
For Out of Pocket Expenses	10000	9500
	305800	251600

43 Purchase of Finished Goods

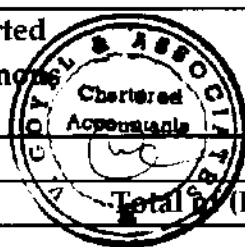
Class of Goods	2018-2019	2017-2018
	Value	Value
Silk/Cotton/Viscose Fabrics	26138316	21013749
Silk Made-ups	2534824	1289810
Cotton Fibre	117660576	-
Total :-	146333716	22303559

44 Consumption of Raw Materials and Dyes & Chemicals

Class of Goods	2018-2019		2017-2018	
	%	Value	%	Value
(A) RAW MATERIALS				
Raw Leather		495554707		599052213
Clothes		11667788		11953160
Yarn		54103303		68525627
Total of (A) :-		561325798		679531000
Imported	3.76	21116725	6.87	46655098
Indigenous	96.24	540209073	93.13	632875902
	100.00	561325798	100.00	679531000
(B) Dyes & Chemicals		7016688		5595332
Indigenous	100.00	7016688	100.00	5595332
	100.00	7016688	100.00	5595332
Total of (A+B) :-		568342486		685126332

45 Consumption of Stores & Spares and Packing Materials

Class of Goods	2018-2019		2017-2018	
	%	Value	%	Value
(A) Stores & Spares				
Thread		2068970		3012595
Rubb, Cuff, back & Components		2611551		3701406
Spares parts		2363416		2227834
Total of (A) :-		7043937		8941835
Imported	12.21	859917	8.56	765206
Indigenous	87.79	6184020	91.44	8176629
	100.00	7043937	100.00	8941835
(B) Packing Materials		10956007		7776721
Total of (B) :-		10956007		7776721



46. List of Related Parties**(a) Key Management Personnel (KMP)-as per Companies Act, 2013**

- (i) Shri Surendra Kr. Loyalka (SKL)- Chairman Cum-Managing Director
 (ii) Shri Varun Loyalka (VL)-Managing Director (w.e.f. 29/05/2018)
 (iii) Shri R.K. Loyalka (RKL)-Chief Executive Officer
 (iv) Shri Vikram Kr. Mishra (VKM)- Company Secretary (w.e.f. 08/11/2018)
 (v) Shri Govind Pandey (GP)- Company Secretary (Resigned from the post w.e.f. 07/11/2018)
 (vi) Shri Sushil Kumar Katera (SKK)-Chief Financial Officer

Additional KMPs (Pursuant to Ind AS 24)

- (i) Shri Mangilal Jain (MLJ)- Independent & Non Executive Director (Resigned from the post w.e.f. 14/02/2019)
 (ii) Shri Devendra Kumar Sarawgee (DKS)- Independent & Non Executive Director (Resigned from the post w.e.f. 13/11/2018)
 (iii) Shri Mudhukar Manilal Bhagat (MMB)- Independent & Non Executive Director (Resigned from the post w.e.f. 14/02/2019)
 (iv) Smt. Urmila Loyalka (UL)- Non Executive Director
 (v) Shri Rabindra Kr. Sarawgee (RKS)- Independent & Non Executive Director (w.e.f. 12/11/2018)
 (vi) Shri Kamal Kr. Jain (KKJ)- Independent & Non Executive Director (w.e.f. 13/02/2019)
 (vii) Shri Surendra Bafna (SB)- Independent & Non Executive Director (w.e.f. 12/11/2018)
 (viii) Shri Sampat Mal Daga (SMD)- Independent & Non Executive Director (w.e.f. 13/02/2019)

(b) Relatives/Associates of Key Management Personnel

- (i) Shri B.R. Loyalka- Father of Shri Surendra Kr. Loyalka
 (ii) SKL Exports Ltd.- Shri Surendra Kr. Loyalka is Common Director
 (iii) Capital Limited- Shri Varun Loyalka is Common Director
 (iv) A.C. Roy & Co. Pvt. Ltd.- Shri Varun Loyalka is Common Director

Amount in ₹

(I) Nature of Transactions	2018-19				2017-18			
	Shri B.R. Loyalka	SKL Exports Ltd.	Capital Limited	A.C. Roy & Co. Pvt. Ltd.	Shri B.R. Loyalka	SKL Exports Ltd.	Capital Limited	A.C. Roy & Co. Pvt. Ltd.
Professional Expenses								
Advisory Service	900000	-	-	-	900000	-	-	-
Sales								
Goods, Materials and Services	-	20558917	-	-	-	14494740	-	-
Purchases/Job work charges								
Goods and Materials /	-	14737360	-	-	-	19974739	-	-
Manpower Providing Charges								
Manpower Charges	-	-	613640	-	-	-	572211	-
Rent Paid								
Licence Fees for Office Space	-	-	1320000	90000	-	-	1245000	88500
Outstanding as at year end								
Receivable/(Payable)	-	(10668943)	-	9000000	-	11492324	-	9000000

(II) Key Management Personnel Compensation

	2018-19		2017-18	
	Transaction Value	Outstanding as at year end Receivable/(Payable)	Transaction Value	Outstanding as at year end Receivable/(Payable)
Short Term Employee benefits				
SKL	3516000	(200700)	2016000	(92215)
VL	1268000	(62275)	-	-
RKL	2800000	-	1800000	-
VKM	204864	-	-	-
GP	400632	-	487335	-
SKK	382078	-	377451	-
Other Benefits				
SKL	530790	-	600196	-
RKL	108167	-	76536	-

(III) Transactions with Non-Executive Directors

	2018-19	2017-18
Sitting Fees		
MLJ	47000	53000
DKS	36000	45000
MMB	54000	61000
SB	13000	-
RKS	13000	-
KDR	-	58000



ZENITH EXPORTS LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

47 Financial instruments and Risk management

47.1 Capital management

Capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Management seeks to maintain a prudent balance between different components of the Company's capital. The Management monitors the capital structure and the net financial debt. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and shortterm investments. The debt equity ratio highlights the ability of a business to repay its debts. Accordingly the management periodically reviews and sets prudent limit on overall borrowing limits of the Company.

47.2 Categories of financial instruments

The following table provides categorisation of all financial instruments at carrying value.

Particulars	As at 31st March, 2019	As at 31st March, 2018
Financial assets		
Non Current Financial Assets		
Investments	19999600	175581802
Other Financial Assets	1404276	4884641
Current Financial Assets		
Trade Receivables	136777740	168681058
Cash and Cash Equivalents	31666814	20692792
Bank Balances other than above	106678585	46161037
Other Financial Assets	7675168	7629815
Total Financial Assets	304202183	423631145
Financial liabilities		
Current Financial Liabilities		
Borrowings	130183291	112964462
Trade Payable	61649302	35745490
Other Financial Liabilities	37357388	26288019
Total Financial Liabilities	229189981	174997971

47.3 Financial risk management

The financial risks emanating from the Company's operating business include market risk, credit risk and liquidity risk. These risks are managed by the Company using appropriate financial instruments. The Company has laid down written policies to manage these risks.

47.4 Market risk management

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of Currency risk, Interest rate risk and other price risk.

47.5 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Company operates internationally and is exposed to the foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EURO and GBP. Foreign exchange risk arises from future commercial transactions. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Company, as risk management policy, hedges foreign currency transactions to mitigate the risk exposure and reviews periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed.



ZENITH EXPORTS LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

47.6 Credit Risk

Credit risk refers to the risk of financial loss arising from default / failure by the counterparty to meet financial obligations as per the terms of contract. The Company is exposed to credit risk for receivables, cash and cash equivalents, financial guarantees and derivative financial instruments. None of the financial instruments of the Company result in material concentration of credit risks.

Credit risk on receivables is minimum since sales through different mode are made after judging credit worthiness of the customers, advance payment or against letter of credit by banks. The history of defaults has been minimal and outstanding receivables are regularly monitored. For credit risk on the loans to parties, the Company is not expecting any material risk on account of non-performance by any of the parties.

For derivative and financial instruments, the Company manage its credit risks by dealing with reputable banks and financial institutions.

Credit risk from balances with banks is managed by constant monitoring in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The carrying value of the financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

47.7 Interest rate risk management

The Company does not have interest rate risk exposure at the end of the year.

47.8 Price risk

The Company is not an active investor in equity markets; so it is not exposed to price risk.

47.9 Other Financial Assets

The Company maintains exposure in cash and cash equivalents, fixed deposits with banks. Investment of surplus funds are made only with approved counterparties. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

47.10 Agricultural Risk

Cultivation of Eucalyptus trees being an agricultural activity, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, logistic problems and fire hazards.

The Company manages the above financial risks by keeping Sufficient inventory levels of agro chemicals, fertilisers and other inputs so that timely corrective action can be taken in case of adverse weather conditions.

47.11 Liquidity risk management

The objective of liquidity risk management is to maintain sufficient liquidity to meet financial obligations of the Company as they become due. The Treasury Risk Management Policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements. The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

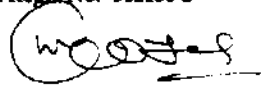
48. Previous year's figures have been re-grouped/re-classified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date annexed

For V.Goyal & Associates

Chartered Accountants

Firm Regn. No.- 312136 E



(Vinod Kumar Goyal)

Partner

M.NO. 050670



Company Secretary: Vikram Kumar Mishra,
(V.K.Mishra (ACS: 36568))

Chief Financial Officer: [Signature]
(S.K.Kasera (PAN: AFINPK5320D))

FOR AND ON BEHALF OF THE BOARD

Chairman-cum-Managing Director: S.K.Loyalka (DIN: 00006232)

Managing Director : V.Loyalka (DIN: 07315452)

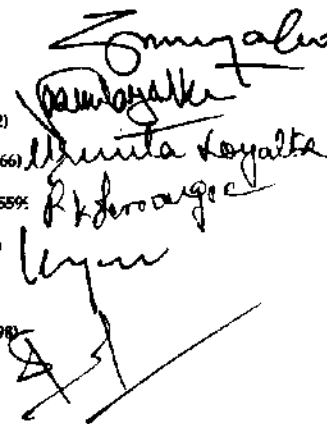
Director : U.Loyalka (DIN: 00009266)

Director : R.K.Sarawgee (DIN: 00559)

Director : K.K.Jain (DIN: 00551662)

Director : S.Bafna (DIN: 00127681)

Director : S.M.Daga (DIN: 02438798)



Place : Kolkata

Date : 28th May, 2019