

Zenith Grande, 30, MIDC, Central Road, Andheri (E), Mumbai - 400 093.
Tel.: 28377300 / 28366030 Fax : 28364859 E-mail : mumbai@zenith-india.com Website : www.zenith-india.com

REGD. OFFICE : B-5, 'ELECTRONIC SADAN'-1, M.I.D.C., MAHAPE, NAVI MUMBAI 400 710

The Manager,
Department of Corporate Services / Listing Dept.,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers, Dalal Street, Fort,
MUMBAI 400 001.

May 28, 2014

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Dear Sir,

We hereby inform you in accordance with Clauses 41 and 20 and other applicable clauses of the Listing Agreement as follows:-

1. Pursuant to **Clause 41** of the Listing Agreement, the Statement showing Audited Financial Results of the company for the Fourth Quarter and for the financial year, both ended 31st March, 2014 - which includes the financial data in respective of the Company's Fourth Quarter Results - were duly taken on record by the Board of Directors in its meeting held on Wednesday, 28th May, 2014. The Statement is enclosed herewith as (**Annexure 1**) for your ready reference, information and record.
2. The **Auditors' Report** in respect of the Audited Accounts for the year ended 31st March, 2014 is enclosed herewith (enclosed as **Annexure 2**).
3. Pursuant to **Clause 20** of the Listing Agreement, the statement showing details of turnover, profit before tax, profit after tax, transfer of profits to general reserves etc., is enclosed as (**Annexure 3**) herewith for your information and record.
4. The Board of Directors has not recommended any Dividend in respect of the year ended 31st March, 2014. Hence there is no Dividend in respect of the said financial year.

Kindly acknowledge the receipt.

Yours faithfully,

RAMESH SANGHVI

SENIOR MANAGER, LISTING DEPARTMENT, BOMBAY STOCK EXCHANGE LIMITED,
Exchange of India Ltd., Mumbai

Branches:

Ahmedabad : 26853486 / 1348
Bangalore : 22264999 / 305 / 6588
Chennai : 24349661 / 24349323

Chandigarh : 2615496 / 2605496
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Kolkata : 24860182
Lucknow : 2328988

New Delhi : 26387154 / 3702
Pune : 26133306
Secunderabad : 27903256 / 0779



ANNEXURE - 1

Zenith Computers Ltd., Zenith House, 29, MIDC, Central Road, Andheri (E), Mumbai 400 093.
Tel.: 28377300 / 28366030 • Fax: 28364859 • E-mail: info@zenith-india.com • Website: www.zenithpc.com
Registered Office: B-5, Electronic Sadan-1, TTC Area, MIDC, Mahape, Navi Mumbai, 400710

Statement of Audited Results for the year ended 31/3/2014

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(Rupees in lakhs)

Sr. No.	Particulars	Three months ended 31/3/2014 (Audited)	Three months ended 31/12/2013 (Audited)	Three months ended 31/3/2013 (Audited)	Year ended 31/03/2014 (Audited)	Year ended 31/03/2013 (Audited)
	PART I	(Refer Note no. 2)				
1	Income from Operations					
	Net sales/ Income from Operations	2128.54	1675.86	2428.17	8235.29	10716.52
	Total income from operations (net)					
2	Expenses					
	(a) Cost of sales and services	2275.25	2225.79	2345.02	9415.39	8957.19
	(b) Excise duty & Service tax	54.85	109.59	159.60	414.27	632.13
	(c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(35.80)	(0.87)	727.53	96.69	621.43
	(d) Employee benefits expense	157.24	114.72	123.49	486.11	453.64
	(e) Depreciation and amortization expense	20.54	27.40	8.15	102.72	114.14
	(f) Assets written off	530.35	0.00	644.49	530.35	1505.87
	(g) Other Expenses	190.34	101.78	181.64	854.69	772.62
	(h) Total Expenditure	3192.77	2578.41	4189.92	11900.22	13057.02
3	Profit/(Loss) from operations before other income and finance costs (1-2)	(1064.23)	(902.55)	(1761.75)	(3664.93)	(2340.50)
4	Other Income	36.89	5.58	7.70	81.98	62.97
5	Profit/(Loss) from ordinary activities before finance costs (3+4)	(1027.34)	(896.97)	(1754.05)	(3582.95)	(2277.53)
6	Finance costs:					
	a) Forex loss	0.11	2.09	26.81	25.52	496.09
	b) Other finance costs	155.94	173.50	167.53	685.68	612.82
7	Profit/(Loss) from ordinary activities before tax (5-6)	(1183.39)	(1072.56)	(1948.39)	(4294.15)	(3386.44)
8	Tax Expense	0.00	0.00	0.00	0.00	0.00
9	Profit/(Loss) from ordinary activities for the period (7-8)	(1183.39)	(1072.56)	(1948.39)	(4294.15)	(3386.44)
10	Paid up Equity Share capital (Face value Rs. 10 per share)	1548.08	1548.08	1548.08	1548.08	1548.08
11	Reserves (excluding Revaluation Reserves)				(4828.41)	(534.25)
12	Basic & Diluted E.P.S. [not annualised] (Rs.)	(7.64)	(6.93)	(12.59)	(27.74)	(21.88)

PART II

A	PARTICULARS OF SHAREHOLDING					
1	Public Shareholding					
	(a) Number of Shares	7071085	7071085	7071085	7071085	7071085
	(b) Percentage of Shareholding	45.68%	45.68%	45.68%	45.68%	45.68%
2	Promoters and promoter group shareholding					
	(a) Pledged/ Encumbered :					
	(i) Number of shares	NIL	NIL	NIL	NIL	NIL
	(ii) Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL
	(iii) Percentage of shares (as a % of the total share capital of the Company)	NIL	NIL	NIL	NIL	NIL
	(b) Non-encumbered :					
	(i) Number of shares	8409755	8409755	8409755	8409755	8409755
	(ii) Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	(iii) Percentage of shares (as a % of the total share capital of the Company)	54.32%	54.32%	54.32%	54.32%	54.32%



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Statement of Assets and Liabilities

(Rupees in lakhs)

Sr. No.	Particulars	Year ended 31/03/2014	Year ended 31/03/2013
		(Audited)	(Audited)
A	EQUITY AND LIABILITIES		
1	Shareholder's Funds		
	(a) Share capital	1550.00	1550.00
	(b) Reserves and surplus	(4822.15)	(527.98)
	Sub-total - Shareholder's funds	(3272.15)	1022.02
2	Non-Current Liabilities		
	(a) Long-term borrowings	5655.77	5655.77
	(b) Deferred tax liabilities (Net)	474.21	474.21
	(c) Other long term liabilities	6.05	60.43
	(d) Long term provisions	112.84	171.5
	Sub-total - non-current liabilities	6248.87	6361.91
3	Current Liabilities		
	(a) Short-term borrowings	3802.57	3972.35
	(b) Trade payables	2441.48	1143.41
	(c) Other current liabilities	642.07	185.61
	(d) Short-term provisions	-	-
	Sub-total - current liabilities	6886.12	5301.37
	TOTAL - EQUITY AND LIABILITIES	9862.84	12685.30
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	4671.94	5307.74
	(b) Non-current investments	-	-
	(c) Deferred tax assets (net)	-	-
	(d) Long term loans and advances	107.03	146.37
	(e) Other non-current assets	478.02	532.68
	Sub-total - Non-current assets	5256.99	5986.79
2	Current assets		
	(a) Current investments	505.90	250.00
	(b) Inventories	1183.67	2566.86
	(c) Trade receivables	1404.84	2573.13
	(d) Cash and cash equivalents	448.61	805.28
	(e) Short-term loans and advances	565.92	57.25
	(f) Other current assets	496.91	445.99
	Sub-total - current assets	4605.85	6698.51
	TOTAL - ASSETS	9862.84	12685.30

Notes :

- The above results were reviewed and recommended by the audit committee and approved by the Board of Directors on 28th May, 2014.
- The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
- The Company operates in a single business segment : Manufacture, sales and service of Electronic Equipments viz. Computers/ Micro-processor based systems and peripherals.

By order of Board of Directors
 For Zenith Computers Ltd

Rajkumar Saraf
 Chairman & Managing Director

Place : Mumbai
 Date : 28th May, 2014

INDEPENDENT AUDITOR'S REPORT

To the Members of
Zenith Computers Limited

ANNEXURE - 2

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Report on the Financial Statements

We have audited the accompanying financial statements of Zenith Computers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and the related accounting policies.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014.
- (b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the account as required by law have been furnished adequate for the far as ~~as~~ ~~known~~ ~~from~~ have been received from branches.

c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches.

d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 except as referred to in notes on financial statements and more particularly described hereunder:

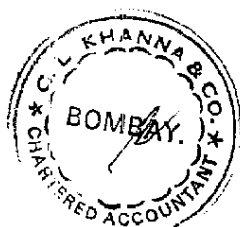
(i) Term Loan of Rs.20 crores from Indian bank, which fell due in March 2013 and the Interest accrued and due thereon upto 31.3.2014 of Rs.3.32 crores has not been repaid till date. The said bank has claimed further accrued interest of Rs.0.59 crores which is disputed by the company. The same is disclosed under contingent liability referred to in Note no.34 in Notes to financial statements.

(ii) The Working Capital Borrowing of Rs.21.19 crores from Indian bank, and the interest accrued and due thereon upto 31.3.2014 of Rs.1.96 crores has not been repaid till date. The said bank has claimed further accrued interest of Rs.2.14 crores which is not accepted by the company. The same is disclosed under contingent liability referred to in Note no.34 in Notes to financial statements.

(iii) The 0.50% Foreign Currency Convertible Bonds (due 2011) appearing under Note no.3 are yet to be paid.

The FCCB principal, the accreted value thereon appearing under Note no.3 and 34 and the coupon interest for the period 4.2.2011 to 4.8.2011 amounting to Rs.9.14 lakhs appearing under Note no.9 has not been restated as at the Balance Sheet date, though required under AS11.

As per information given by the company, a petition has been filed in the Bombay High Court by State Bank of India for recovery of their part of the alleged investment in the said FCCB, which is disputed by the company.



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e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place: Mumbai
Date: 28th May, 2014



For C.L. Khanna & Co.
Chartered Accountants

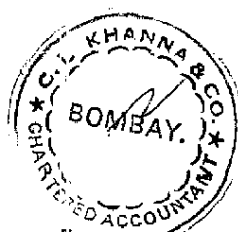
(C.L. KHANNA)
Proprietor
(MEM.SHIP NO.004988)

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ANNEXURE TO THE INDEPENDENT AUDITORS REPORT**Re: Zenith Computers Limited**

(Referred to in paragraph 3 of our report of even date)

- (i) The nature of the Company's business activities during the year is such that Clauses (xiii) and (xiv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company for the year ended 31st March, 2014.
- (ii) In respect of Fixed Assets:
 - (a) The Company has maintained proper records to show full particulars, including quantitative details wherever feasible and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the Management periodically and the frequency of verification of fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) In our opinion and according to the information and explanations given to us, the Company has not made any substantial disposals during the year..
- (iii) In respect of Inventories:
 - (a) The stocks of finished goods, stores, spare parts and raw materials have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company, and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) According to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act 1956.
- (v) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services.
- (vi) In respect of particulars of contracts or arrangements entered in the register maintained in pursuance of Section 301 of the Companies Act 1956;
 - (a) To the best of our knowledge and belief and according to the information and explanations given to us, particulars of contracts or arrangements that needed to be entered into the register have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions of purchase of goods and materials and sale of goods, materials and



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services aggregating during the year in excess of Rs. 5 Lakhs in respect of each party have been made at prices that are reasonable having regard to the prevailing market prices of such goods, materials or services on the market prices.

Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable.

- (viii) The Company's internal audit work is being carried out by M/s S R M & co., Chartered Accountants, Mumbai. In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (ix) The books of account maintained by the Company pursuant to the rules made by the Central Government for maintenance of cost records in respect of the Company's products under Section 209(1)(d) of the Companies Act, 1956, are broadly reviewed by us and we are of the opinion that prima facie, the prescribed accounts and records are maintained. We have not, however, made a detailed examination of the records, with a view to determining whether they are accurate or complete.
- (x) According to the information and explanations given to us in respect of Statutory dues:
- (a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-tax, Sales-tax, VAT, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess/LBT and any other statutory dues with the appropriate authorities during the year.
- (b) The disputed statutory dues that are pending before appropriate authorities are as under:

SR.NO.	NAME OF THE STATUTE	NATURE OF DUES	AMOUNT (RS. IN LAKHS)	FORUM WHERE DISPUTE IS PENDING
1	Central Sales tax Act, 1956 and Sales tax & VAT Acts of various States	Sales tax	168.39	Appellate Authorities/ Tribunal
2	Customs Act, 1962	Custom duty	305.72	Dy Commissioner of Customs, Adjudication Cell, Mumbai
3	Central Excise Act, 1944	Excise duty	517.15	Assistant Commissioner of Central Excise (Adj), Goa
4	Finance Act, 1994	Service tax	109.63	Appellate Authorities/ Tribunal
5	BMC Act, 1888	Property tax	0.91	Local Authority
6	NMMC Act, 1992	Property tax	0.30	Local Authority



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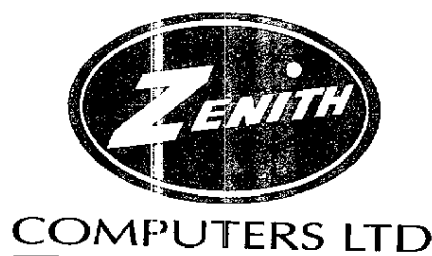
- (xi) The Company has accumulated losses as at 31.3.2014. The company incurred cash losses during the current year, and, had also incurred cash losses in the immediately preceding financial year.
- (xii) Based on the Audit procedures and on the information and explanation given by the Management, we understand that the company has defaulted in the repayment to Indian Bank of Term Loan, Working Capital Borrowing and interest accrued thereon. Refer Notes to the Financial Statements.
- (xiii) According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiv) The term loan taken was applied for the purpose for which it was taken.
- (xv) According to the Cash Flow Statement and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment.
- (xvi) The Company has not made any preferential allotment during the year.
- (xvii) No securities have been created by issue of debentures during the year.
- (xviii) The Company has not raised any money by public issue during the year.
- (xix) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

Place: Mumbai
Date : 28th May, 2014



For C.L. Khanna & Co.
Chartered Accountants


(C.L. KHANNA)
Proprietor
(MEM.SHIP NO.004988)



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ANNEXURE -3

STATEMENT SHOWING DETAILS OF TURNOVER, PROFITS, TRANSFERS TO RESERVES, ETC., PURSUANT TO CLAUSE 20 OF THE LISTING AGREEMENT

	(Rs. In Lacs)	
	2013-2014	2012-2013
1. Dividend recommended % / Amount	NIL / NIL	NIL / NIL
2. Dividend per Equity Share	NIL	NIL
3. Turnover	7821.02	10084.39
4. Gross Profit	(1691.06)	505.77
5. Provision for Depreciation	102.72	114.14
6. Provision for Tax	NIL	NIL
7. Net Profit	(4294.17)	(3386.44)
8. Amount transferred to / (from) Reserves	NIL	2573.11
9. Profit brought forward from previous year	(534.25)	279.08

For ZENITH COMPUTERS LIMITED

RAJ SARAF
CHAIRMAN & MANAGING DIRECTOR

Branches:

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