



Date:05.09.2020

To, The Dy. Gen. Manager, Corporate Relationship Dept., BSE Limited PJ Tower, Dalal Street, Mumbai-400001 Equity Scrip Code: 531845	To, National Stock Exchange of India Ltd. Exchange Plaza, Plot no. C/1, G Block Bandra-Kurla Complex, Bandra (E) Mumbai-400051 Equity Scrip Name: ZENITHSTL
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Subject -Submission of Annual Report of the Company for the Financial Year 2019-20 pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Dear Sir/Ma'am,

In terms of Regulation 34(1) of the Listing Regulations, please find enclosed the Annual Report for the financial year 2019-20 along with the Notice of the Annual General Meeting being dispatched to shareholders of the Company through electronic mode whose e-mail addresses are registered with the Company / Depository Participants / Registrar and Transfer Agent.

The 58th Annual General Meeting ('AGM') of the Company will be held on Tuesday, September 29, 2020 at 5.00 p.m. (IST) through Video Conference / Other Audio Visual Means, in accordance with the General Circular issued by Ministry of Corporate Affairs dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 and SEBI Circular dated May 12, 2020.

The Annual Report of the Company is also available on the website of the Company at www.zenithsteelpipes.com. Kindly take the aforesaid information on record in compliance of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

Thanking You,

Yours Faithfully,

Zenith Steel Pipes & Industries Limited

(Formerly known as Zenith Birla (India) Limited)

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Digitally signed by
SUNEEL SULLERE
Date: 2020.09.06
15:38:47 +05'30'

Suneel Sullere

Company Secretary

ACS 42922

ZENITH STEEL PIPES & INDUSTRIES LIMITED

(Formerly known as Zenith Birla (India) Limited)

Corp. Off. : Dalamal House, 1st Floor, 206, J.B. Marg, Nariman Point, Mumbai - 400021. India. Tel.: +91 22

6616 8400 **Email:** zenith@zenithsteelpipes.com, www.zenithsteelpipes.com

CIN: L29220MH1960PLCO11773

Registered Office: Industry House, 5th Floor, 159, Churchgate Reclamation, Mumbai 400020.



Zenith Steel Pipes & Industries Limited

(formerly known as Zenith Birla (India) Limited)

Annual report 2019 - 20



ABOUT ZBIL

OVER 58 YEARS EXPERIENCE

The Company has been pioneers in the export of steel pipes & Tubes from India.

Zenith Birla (India) Limited is the pioneers in the field of manufacturing of ERW & HOT DIP GALVANIZED pipes in India. Incorporated 1960, our commercial production commenced in the year 1962. We are one of the largest suppliers of ERW Black & Galvanized pipes of Diameters from ½ inch to 20 inch to the U.S.A market from India.

We are certified for ISO 9001:2008, 14001:2001, OHSAS 18001:2007, UL 852 for Fire Sprinklers and CE certified. We also manufacture Spirally Welded Pipes (HSAW) from 18 inch to 100 inch OD (457 mm to 2540 mm OD) which is used in the bulk transportation of water.

QUALITY POLICY

Our commitment to continuously improve process, services and product by application of skill, knowledge, innovation, adaptation & creativity to design, produce & deliver on time to the customer's needs & requirements.

OUR PRODUCTS

- ◆ ERW BLACK PIPES
- ◆ ERW GI PIPES
- ◆ SQUARE & RECTANGULAR HOLLOW SECTIONS
- ◆ HSAW PIPES

STANDARDS

AMERICAN	ASTM A 53 (Sch 10 to Sch 40), A 500, A 135, A 795, A 513 etc. in Gr A & B
EUROPEAN	EN 10255, EN 39, EN 10217 & EN 10219
GERMAN	DIN 2439, 2440, 2441 (Galvanizing to 2444), 2393, 2394 etc.
BRITISH	BS 1387, BS Extra Light (ISO Light) etc.
AUSTRALIAN	AS 1163 & AS 1074
JAPANESE	G 3442, G 3444, G 3466, G 3472
INDIAN	IS 1239, 1161, 3589, 3601 & 9295



ZENITH STEEL PIPES & INDUSTRIES LIMITED

(formerly known as Zenith Birla (India) Limited)

5th Floor, Industry House, 159, Churchgate Reclamation, Mumbai – 400 020.

CIN : L29220MH1960PLC011773

E-mail: zenith@zenithsteelpipes.com; Website: www.zenithsteelpipes.com

Tel: 022-66168400, Fax: 022-22047835

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CORPORATE INFORMATION

- **Board of Directors**

Minal Pote	Whole time Director w.e.f .14.08.2019
Sadhana Patil	Non Executive Independent Director
Purushottam Sonavane	Non Executive Non Independent Director
Sanjivani Shinde	Non Executive Independent Director resigned on 13.03.2020
Pramod Bhosale	Non Executive Independent Director w.e.f. 13.03.2020

- **Chief Financial Officer**

B. Girvanesh

- **Company Secretary & Compliance Officer**

Mr. Suneel Sullere

- **Auditor**

M/s Thakur, Vaidyanath Aiyer & Co.,
Chartered Accountants

- **Bankers**

State Bank of India
Bank of Baroda
Oriental Bank of Commerce
Axis Bank

- **Works**

- **Khopoli Unit**

Tal. Khopoli
Dist Raigad
Maharashtra -410203
Dist. Thane, Maharashtra

- **Tarapur Unit**

G-38/39, Tarapur Industrial Area,
Village Saravali
Taluka Palghar

- **Murbad Unit**

Survey (Gut) No. 440/441
Village Nhave,
Taluka Murbad,

- **Trichy Unit**

SH No. 71, Survey No. 782,
Village: Kalugar Thogainmalai
Taluka: Madhuranthagam Taluka: Kulithalai,
Tamil Nadu Dist: Karur-639 120, Tamil Nadu

- **Registered Office**

Industry House, 5th Floor,
159, Churchgate Reclamation
Mumbai-400 020,
Tel: 022-66168400, Fax: 022-22047385
Email: zenith@zenithsteelpipes.com

- **Corporate Office**

Dalamal House,
1st Floor, 206, J.B. Marg,
Nariman Point, Mumbai 400 021
Tel: 022-66168400, Fax: 022-22047385

- **Bigshare Services Pvt. Ltd (RTA)**

1st Floor, Bharat Tin Works Building, Opp.
Vasant Oasis, Makwana Road, Marol, Andheri (E) Mumbai – 400059.
P : +91 022 62638204, Fax:022-28475207
Email: Shubhangi@bigshareonline.com
P : +91 022 62638204 M: +917045454394
Fax: 022-28475207 vinod.y@bigshareonline.com



NOTICE

Zenith Steel Pipes & Industries Limited

(formerly known as Zenith Birla (India) Limited)

5th Floor, Industry House,
159, Churchgate Reclamation,
Mumbai – 400 020

CIN: L29220MH1960PLC011773

E-mail: zenith@zenithsteelpipes.com

Website: www.zenithsteelpipes.com

Tel: 022-66168400,

Notice is hereby given that the 58th Annual General Meeting of Zenith Steel Pipes & Industries Limited (formerly known as Zenith Birla (India) Limited) will be held on Tuesday, 29th September, 2020 at 5:00 p.m. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') without the physical presence of the Members at a common venue, in compliance with General Circular No. 14/2020, 17/2020 and 20/2020 issued by Ministry of Corporate Affairs (MCA Circulars). to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:

- a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon; and
- b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 together with the Report of the Auditors thereon.

2. Appointment of M/s. CKSP and CO LLP as Statutory Auditor of the Company

“RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. CKSP and CO LLP, Chartered Accountants, Mumbai (Firm Registration Number: 131228W/W100044) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors of the Company.”

3. To appoint a director in place of Purushottam Digambar Sonavane (DIN: 08405653), Director who retire by rotation and being eligible offers himself for reappointment.

SPECIAL BUSINESS

4. To ratify remuneration of Cost Auditor and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to section 148 and other applicable provisions, if any, of the companies Act, 2013 (“Act”) and the rules made thereunder, as amended from time to time, the company hereby ratifies the remuneration of ₹ 75,000 to M/s. Y. R. Doshi & Co. who are appointed as Cost Auditors of the company to conduct Cost Audit relating to such business of the company as may be ordered by the Central Government under the Act, and the rules made thereunder, for the year ended 31st March, 2021.

5. To regularize the appointment of Bhavika Sharma (DIN: 08846865), additional Director as the Independent Director of the Company and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT Bhavika Sharma, (DIN: 08846865) who was appointed as an Additional Director with effect from 24th August, 2020 on the Board of the Company pursuant to Section 161 of the Companies Act, 2013 and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and



in respect of whom a notice has been received from a member in writing in accordance with Section 160 of the Companies Act, 2013, proposing her candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 to hold office for three (3) consecutive years for a term upto the conclusion of the 61st Annual General Meeting of the Company.”.

6. To regularize the appointment of Kalpesh Dong (DIN: 08095233), additional Director as a Director of the Company and in this regard, pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) 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), Kalpesh Dong (DIN:08095233), who was appointed as an Additional Director by the Board of Directors of the Company w.e.f. 24th August, 2020 and who holds office as such up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company liable to retire by rotation.

7. Issue of Equity Shares on Preferential basis to Birla Precision Technologies Limited and Birla Edutech Limited on conversion of existing loan.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to Sections 42, 62 (1) (c) and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2018 (including any statutory modification(s) or re-enactments thereof for the time being in force), Memorandum and Articles of Association of the Company, Listing Agreement entered into by the Company with Stock Exchanges where the Company’s shares are listed and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the “SEBI (ICDR) Regulations, 2018”) and other applicable regulations of Securities and Exchange Board of India (“SEBI”), if any (for the time being in force) as may be applicable to the preferential issue of equity shares, the applicable rules, notifications, guidelines issued by various authorities including but not limited to the Government of India, SEBI, Reserve Bank of India (“RBI”) and other competent authorities, and subject to the approval(s), consent(s), permission(s) and/or sanction(s) as may be required from the Central Government, RBI, SEBI and/or from any other appropriate authority, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”) which term shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution to offer, issue, and allot in one or more tranches up to 70,00,000 Equity Shares (Seventy Lakhs) of the face value of ₹ 10/- each (Rupees Ten Only) fully paid up at an issue price of ₹ 10.00/- (Ten Rupees) per share aggregating to ₹ 7,00,00,000 (₹ Seven Cr.) to M/s. Birla Precision Technologies Limited and up to 40,00,000 Equity Shares (forty Lakhs) of the face value of ₹ 10/- each (Rupees Ten Only) fully paid up at an issue price of ₹ 10.00/- (Rupees Ten only) per share aggregating to ₹ 4,00,00,000 (₹ Four Cr.) to M/s. Birla Edutech Limited, companies belonging to the promoter group Companies on a preferential basis, in such manner and on such terms and conditions as may be determined by the Board in accordance with Chapter V of the SEBI (ICDR) Regulations, 2018 or any other provisions of law as may be prevailing as on date.

RESOLVED FURTHER THAT the Equity Shares proposed to be allotted in terms of this resolution shall be subject to the following:

- The Equity Shares to be allotted to the Proposed Allottee shall be under lock-in for such period as may be prescribed by the SEBI (ICDR) Regulations, 2018;
- The Equity Shares so allotted to the Proposed Allottee under this resolution shall not be sold, transferred,



hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations, 2018 except to the extent and in the manner permitted thereunder;

- Allotment shall only be made in dematerialized form;
- The ‘**Relevant Date**’ for the purpose of determining the minimum price of the Equity Shares proposed to be allotted to the above mentioned allottee is **28th August, 2020** i.e. being the date which is 30 days prior to the date of this meeting;
- The allotment of Equity Shares is proposed to be completed within a maximum period of 15 days from the date of passing this resolution, provided that where the allotment is pending on account of pendency of any approval by any regulatory authority, or the Central Government then, the allotment shall be completed within 15 days from the date of receipt of such approval;
- The Equity Shares proposed to be issued shall rank pari-passu with the existing Equity Shares of the Company in all respects and that the Equity Shares so allotted during the financial year shall be entitled to the dividend declared, if any, including other corporate benefits, if any, for which the book closure or the record date falls subsequent to the allotment of Equity Shares.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolutions, the Board be and is hereby authorised on behalf of the Company to take all actions and to do all such acts, deeds, matters and things and perform such actions as it may, in its absolute discretion, deem necessary, proper or desirable for such purpose, including to seek listing, apply for in principle listing approval of the Equity Shares to be issued and allotted to the above mentioned allottee upon conversion of their outstanding loan amounts and to modify, accept and give effect to any modifications in the terms and conditions of the issue(s) as may be they deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors/ Key Managerial Personnel/ Officers of the Company.

Notes:

1. In view of the continuing COVID-19 pandemic and restrictions imposed on the movement of people, the Ministry of Corporate Affairs (“MCA”) vide its Circular dated 5 May 2020 read with Circulars dated 8 April 2020 and 13 April 2020 (collectively referred to as “MCA Circulars”) and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020 has permitted the holding of the Annual General Meeting (“AGM”) through Video Conference] Other Audio Visual Means, without the physical presence of the Members at a common venue.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Circulars issued by MCA and SEBI, 58th AGM of the company being conducted through Video Conferencing (VC).

AGM: Company has appointed National Securities Depository Limited (NSDL), Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting.

2. Pursuant to the provisions of the circulars on the VC/OVAM:
 - a. Members can attend the meeting through log in credentials provided to them to connect to Video conference. Physical attendance of the Members at the Meeting venue is not required.
 - b. Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. A proxy is allowed to be appointed under Section 105 of the Companies Act, 2013 to attend and vote at the general meeting on behalf of a member who is not able to attend personally. Since the AGM will be conducted through VC /OAVM, there is no requirement of appointment of proxies. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.



4. The Members can join the e-AGM 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
5. The attendance of the members (members logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013
6. In compliance with MCA Circular No. 20/2020 dated 5May, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1] CIR/P/2020/79 dated 12 May 2020 and owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report), the Annual Report for Financial year ended March 31,2020 and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
7. In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the e-AGM has been uploaded on the website of the Company at www.zenithsteelpipes.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com

8. In case of shareholders have not registered their email addresses:

1. In light of the MCA Circulars, shareholders who have not registered their email address and in consequence could not receive the e-voting notice may temporarily get their email registered with the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited, by clicking the link: <https://bigshareonline.com/InvestorRegistration.aspx> and following the registration process as guided thereafter and mentioned herein below:

Electronic folios:

- (a). Visit the link <https://bigshareonline.com/InvestorRegistration.aspx>
- (b). Select the company name
- (c). Shareholder to enter DPID-CLID / Folio No. and PAN No.
- (d). Shareholder to enter the email id and Mobile No.
- (e). System check the authenticity of the client id and PAN and send the different OTPs to Mobile and Email to Validate.
- (f). Shareholder to enter the OTPs received by SMS and Email to complete the validation process. (OTPs will be valid for 5 min. Only).
- (g). System confirms the email id for the limited purpose of serviced Notice & Annual report 2019-20.
- (h). System will send the notice & procedure for e-voting to the email given by shareholder

Physical folios:

- (a). Visit the link <https://bigshareonline.com/InvestorRegistration.aspx>
- (b). Select company name
- (c). Shareholder to enter physical Folio No and PAN No.
- (d). If PAN No. is not available in the records, shareholder to enter one of the Certificate No.
- (e). Shareholder to enter the email id and Mobile No.
- (f). System check the authenticity of the Folio No. and PAN/Certificate No. and send the different OTPs to Mobile and Email to Validate.



- (g). Shareholder to enter the OTPs received by SMS and Email to complete the validation process. (OTPs will be valid for 5 min. Only).
- (h). If PAN is not available; system will prompt to upload the duly signed scan copy of the PAN.
- (i). System confirm the registration of email id.
- (j). System will send the notice & procedure for e-voting to the “email “given by shareholder.

Post successful registration of the email, the shareholder would get soft copy of the notice and the procedure fore-voting along with the User ID and the Password to enable e-voting for this Annual general Meeting 2019-20. In case of any queries, shareholder may write to investor@bigshareonline.com

- 2. It is clarified that for permanent registration of email address, the shareholders are however requested to register their email address, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company’s Registrar and Share Transfer Agent, Bigshare Services Private Limited.
- 3. Those shareholders who have already registered their email address are requested to keep their email addresses validated with their Depository Participants / the Company’s Registrar and Share Transfer Agent.
- 9. The Register of Members and Share Transfer Books of the Company will remain closed from September 23, 2020 to September 29, 2020 (both days inclusive).
- 10. Members whose name appearing on the Register of Members / List of Beneficial Owners as on the Cut-off date (Record date) i.e Tuesday, 22nd September,2020, shall be eligible for remote e-voting and voting right shall be reckoned on the Paid-up Value of shares registered in the name of the members as on the cut-off date
- 11. The e-voting period commences from 9.00 A.M. (IST) on September 26, 2020 to 5.00 P.M. (IST) on September 28, 2020. During this period, the members of the Company, holding shares either in physical form or in demat form, as on the cut-off date (record date) of <22nd September, 2020> may cast their vote electronically
- 12. M/s Anil Somani & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- 13. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairperson or a person authorized by her in writing, who shall countersign the same.
- 14. The result declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.zenithsteelpipes.com and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

INSTRUCTIONS FOR E-VOTING:

How do I vote electronically using NSDL e-Voting system?

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/>

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



Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

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 hold 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 hold 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 user 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 to enter the ‘initial password’ and the system will force you to change your password.
 - 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, please follow steps mentioned below in process for those shareholders whose email ids are not registered
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.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
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.

Details on Step 2 is given below:

How to 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 for which you wish to cast your vote.
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.
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 corporatesolutions14@gmail.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



INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE e-AGM THROUGH VIDEO CONFERENCE:

1. Members will be able to attend the AGM through VC/ OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.
2. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL
3. Facility of joining the AGM through VC/ OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
4. Members, who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800-222-990.
5. Members who has any query relating to the working of the Company may send it to the Company from their registered e-mail address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number share@zenithsteelpipes.com. The Chairperson would address those queries and give suitable replies during the AGM.

INSTRUCTIONS FOR MEMBERS FOR VOTING DURING THE E-AGM SESSION:

1. The e-voting window shall be activated upon instructions of the Chairman during the e-AGM.
2. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same. The shareholders shall be guided on the process during the e-AGM.
3. Members} shareholders, attending the e-AGM through Video Conference and who have not cast their vote on resolutions through Remote e-Voting shall be eligible to cast their vote through e-voting system available during the e-AGM.
4. Members who have voted through Remote e-Voting will be eligible to attend the e-AGM, however, they shall not be allowed to cast their vote again during the e-AGM.

By Order of the Board of Directors

Suneel Sullere

Company Secretary and Compliance Officer

Mumbai, September 2, 2020

Registered Office:

5th Floor, Industry House, 159,

Churchgate Reclamation, Mumbai – 400020

CIN: L29220MH1960PLC011773

E-mail: zenith@zenithsteelpipes.com;

Website: www.zenithsteelpipes.com

Tel: 022-66168400, Fax: 022-22047835



Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 (“Act”), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 7 of the accompanying Notice:

Item no. 4

TO RATIFY REMUNERATION OF COST AUDITOR

The company is directed, under Section 148 of the Companies Act, 2013 (“Act”) to have the audit of its Cost records conducted by a Cost Accountant in practice. The Board of your Company has, on the recommendation of the Audit Committee, approved the appointment of M/s. Y.R. Doshi & Co. as the cost Auditors of the Company to conduct cost audits relating to such businesses of the Company as may be ordered by Central Government under the Act and the rules made thereunder for the year ending 31st March 2021 at a remuneration of ₹ 75,000/-

M/s. Y.R. Doshi & Co. have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company and have vast experience in the field of cost audit and have conducted the audit of the Cost Records of the Company for the past several years. The Board has approved the remuneration of ₹ 75,000/- to M/s. Y. R. Doshi & Co. as the Cost Auditors.

The Resolution at Item No. 4 is recommended for approval by the members

None of the directors and key managerial personnel of the Company or their respective relatives are concerned or interested in Resolution mentioned at Item No.04 of the notice.

Item no. 5

APPOINTMENT OF BHAVIKA SHARMA AS AN INDEPENDENT DIRECTOR OF THE COMPANY

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the recommendation of the Human Resources, Nomination and Remuneration Committee, the Board of Directors has proposed that Mrs. Bhavika Sharma, be appointed as an Independent Director on the Board of the Company.

The appointment of Mrs. Bhavika Sharma shall be effective upon approval by the members in the Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Bhavika Sharma for the office of Director of the Company. Mrs. Bhavika Sharma is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has received a declaration from Mrs. Bhavika Sharma that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In the opinion of the Board, Mrs. Bhavika Sharma fulfils the conditions for her appointment as an Independent Director as specified in the Act and the Listing Regulations. Mrs. Bhavika Sharma is independent of the management and possesses appropriate skills, experience and knowledge.

Copy of draft letter of appointment of Mrs. Bhavika Sharma setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board commends the Ordinary Resolution set out at Item No.05 of the Notice for approval by the members.



Item no. 6

APPOINTMENT OF KALPESH DONG AS A DIRECTOR OF THE COMPANY

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, Mr. Kalpesh Dong as an Additional Director by Circular Resolution dated 24.08.2020 passed by Directors of the Company through electronic means of communication pursuant to the provisions of Section 161 of the Companies Act, 2013 ('the Act') and the Article of Association of the Company.

Accordingly, in terms of the provisions of Section 161 of the Act, Mr. Kalpesh Dong would hold office upto the date of the ensuing Annual General Meeting and is eligible for appointment as Director with effect from 24th August, 2020. The Company has received a notice in writing from a member proposing his candidature for the office of the Director of the Company as required under the provision of Section 160 of the Act. Given his background and knowledge, the Board considers it desirable that the Company should receive the benefit of his valuable experience and advice and commends his appointment by the members at the Annual General Meeting as an Independent Director.

Except Mr. Kalpesh Dong, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item no.6.

ITEM NO.7

The Chairman informed the Board that the promoters has arranged ₹7.00 crores and ₹4.00 Cr. induced the same as unsecured loan in the Company from Birla Precision Technologies Limited and Birla Edutech Limited respectively, belonging to the promoter group Companies. Companies now requested that this unsecured loan be converted into equity shares. Based on the said request, the Board resolved to issue, offer and allot up to 70,00,000 equity shares (Seventy lacs) of ₹10/- each at par to Birla Precision Technologies Limited and up to 40, 00,000 equity shares (forty lacs) of ₹10/- each at par to Birla Edutech Limited, Promoter group Companies on preferential basis, by conversion of their unsecured loans into equity shares. The special resolution as mentioned under item No.7 proposes to authorize the Board to issue and allot these shares on preferential basis, in such manner and on such terms and conditions as prescribed under ICDR Regulations and in compliance with Sections 42 and 62 and other applicable provisions of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014. The following are the details of the unsecured loan sought to be converted into equity shares pursuant to this resolution:

SN	Name of the proposed allottee	Issue price	Number of equity shares	Amount
1.	Birla Precision Technologies Limited	10	70,00,000	7,00,00,000
2.	Birla Edutech Limited	10	40,00,000	4,00,00,000

The disclosures and information pertaining to the proposed preferential allotment in terms under applicable provisions of Companies Act, 2013 and Chapter V of the SEBI (ICDR) Regulations, 2018 is as stated below:

- Object of the Issue through preferential Allotment:** Promoters has given unsecured loan to Company for immediate requirement of funds for expansion of the existing business of the company. The Board of Directors of the Company in their meeting held on 30th July, 2020 have received the confirmation from both Promoters to convert their Unsecured loans into Equity shares. This allows the Company to carry out its operations smoothly as the Company would not be required to discharge its liability by making the cash payment to this loan to the extent of their conversion of loan to Equity Shares. Further, keeping in view the growing business requirements, and the ability to compete with the peer group in the existing and future markets, the Company needs to strengthen its financial position and net worth by augmenting medium and long-term resources; the company has decided to issue Equity shares on preferential basis.
- Pricing of the Issue and Relevant Date:** The issue of equity shares on preferential basis to the promoter of the company will be in such manner and at such price calculated as per section 165 of the SEBI (ICDR) Regulations, 2018.



The Relevant date as per the ICDR Regulations for the determination of the price per equity share pursuant to the preferential allotment is 28th August, 2020. (Relevant Date) (i.e. more than 30 days prior to date of Annual General Meeting to approve the proposed preferential issue)

The Shares of the Company is infrequently traded as per trading data calculation of National Stock Exchange of India being having the higher trading volume during the relevant period.

The Company has received the valuation certificate dated September 02, 2020 from the Registered Valuer Mr. Sanka Hari Surya. The per share price is coming to ₹ 0.54 rounded off to nearest integer i.e. INR.1.00 per Equity Share which is less than face value of the equity share of the Company i.e. INR 10, therefore, the Company minimum issue price is INR 10 per equity share.

Sr No.	Name of Allottee	Number of equity shares
1.	Birla Precision Technologies Limited	70,00,000
2.	Birla Edutech Limited	40,00,000

3. Maximum Number of specified Securities to be Issued in the proposed issue:

The Company proposed to issue and allot total 1,10,00,000/- equity shares comprising of 70,00,000 equity shares to Birla Precision Technologies Limited and 40,00,000 Equity shares to Birla Edutech Limited, promoters of the Company.

4. Proposed Time within the preferential issue shall be completed:

The allotment of Equity Shares is proposed to be completed within a maximum period of 15 days from the date of passing this resolution, provided that where the allotment is pending on account of pendency of any approval by any regulatory authority, or the Central Government then, the allotment shall be completed within 15 days from the date of receipt of such approval;

There shall be no change in management or control of the Company pursuant to the issue of equity shares.

5. Details of outstanding Loan from both the promoters are as mentioned below:

Sr No.	Name of Allottee	Outstanding amount as on 31.03.2020
1.	Birla Precision Technologies Limited	7,87,98,161
2.	Birla Edutech Limited	4,00,00,000

6. Intent of the promoters, or their associates and relatives, Directors/Key Managerial Persons of the issuer to subscribe to the offer:

Only the following promoter group entity has conveyed to the Company in writing to subscribe to the Equity Shares of the Company on preferential basis as mentioned below:

Sr No.	Name of Allottee	Number of equity shares	Category
1.	Birla Precision Technologies Limited	70,00,000	Promoter
2.	Birla Edutech Limited	40,00,000	Promoter

Except as above, no equity shares are being offered to the other promoters, Promoter Group, Directors or Key Managerial Personnel of the Company.



7. The name of the proposed allottees, the identities of the persons who are the ultimate beneficial owners of the shares and/ or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control: :

Name of the Allottee	Pre-Preferential Holding		Ultimate Beneficiary	Proposed allotment	Post Preferential holding	
	No. of shares	%		No. of shares	No. of shares	%
Birla Precision Technologies Limited	-	-	The Allottee is listed Company. Hence Note applicable.	70,00,000	70,00,000	4.92
Birla Edutech Limited	-	-	Mr. Pushkar Natu	40,00,000	40,00,000	2.81

Shareholding Pattern before and after preferential issue of the capital would be as follows:

SN	Category	Pre-Preferential Holding		Post Preferential holding	
		No. of shares	%	No. of shares	%
A	Promoters' Holding				
	(i) Indian Promoters				
	(a) Individual/HUF	34	0.00	34	0.00
	(b) Bodies Corporate	11257123	8.57	22257123	15.64
	(c) Others	-	-	-	-
	(ii) Foreign Promoters	-	-	-	-
	(a) Individual/HUF	-	-	-	-
	(b) Bodies Corporate	-	-	-	-
	Sub Total (A)	11257157	8.57	22257157	15.64
B	Non-Promoters' Holding				
	Mutual Fund	650	0.00	650	0.00
	FI's Bank / UTI	423094	0.32	423094	0.30
	FII's	-	-	-	-
	Bodies Corporate	16889157	12.86	16889157	11.87
	Residents/ Individuals	96811187	73.74	96811187	68.04
	QIB/Govt.	55	0.00	55	0.00
	NRI	1711906	1.30	1711906	1.20
	NBFC	-	-	-	-
	Overseas Corporate Bodies	-	-	-	-
	Clearing Members	503077	0.38	503077	0.35
	Directors/Relatives	-	-	-	-
	Foreign Trusts	-	-	-	-
	Indian Trusts	1668	0.00	1668	0.00
	HUF	3001845	2.29	3001845	2.11
	IEPF	680652	0.52	680652	0.48
	Sub Total (B)	120023291	91.43	120023291	84.36
	Grand Total (A+B)	131280448	100	142280448	100

Note: The above pre-issue shareholding pattern is prepared as on 30.06.2020.



Lock-in period of shares: The Equity shares to be allotted to the promoters on preferential basis shall be locked-in for a period as per requirements of SEBI (ICDR) Regulations, 2018.

Auditors certificate: The certificate from **Thakur VAIDYANATH AIYAR & Co.**, Chartered Accountants, the Statutory Auditors of the Company, to the effect that the present preferential issue is being made in accordance with the requirements contained in the chapter V of the SEBI (ICDR) Regulations, 2018 shall be placed before shareholders in the Annual General Meeting.

Undertakings:

The Company undertakes to re-compute the price of the equity shares issued in terms of the preferential allotment under this resolution in terms of the SEBI (ICDR) Regulations, 2018 where it is required to do so.

The Company undertakes that if the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2018 the specified equity shares shall continue to be locked-in till the time such amount is paid by the allottees.

Further it is confirmed that Except one promoter of the Allottee (i.e. Birla Precision Technologies Limited) as details given below, the issuer or any of its promoters or directors are not a wilful defaulter.

Disclosures specified in Schedule VI of SEBI (ICDR) Regulations, 2018:

Name of the person declared as a willful defaulter	Shri Yashovardhan Birla
Name of the Bank declaring the person as a willful defaulter	UCO Bank 7th Floor, 10B T.M. Sarani Kolkata-700001
Year in which the person was declared as a willful defaulter:	28.09.2015 (F.Y. 2015-16)
Outstanding amount when the person was declared as a willful defaulter	₹ 67.65 Crore
Steps taken, if any, by the person for removal of its name from the list of willful defaulters	the promoter has submitted the representation to the Bank
Other disclosures, as deemed fit by the issuer, in order to enable investors to take an informed decision	NA
Any other disclosure as specified by the Board	NA

None of the Directors, Key Managerial Personnel or their respective relatives interested in the resolution mentioned as Item No. 7 of the Notice.

By Order of the Board of Directors

Suneel Sullere
Company Secretary and Compliance Officer
Mumbai, September 2, 2020

Registered Office:

5th Floor, Industry House, 159,
Churchgate Reclamation, Mumbai – 400020
CIN: L29220MH1960PLC011773
E-mail: zenith@zenithsteelpipes.com;
Website: www.zenithsteelpipes.com
Tel: 022-66168400


DETAILS OF THE DIRECTOR SEEKING APPOINTMENT OF A NEW DIRECTOR OR RE-APPOINTMENT AT THE 58TH ANNUAL GENERAL MEETING
(PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

Name of the Director	Purushottam Sonavane	Bhavika Sharma	Kalpesh Dong
DIN	08405653	08846865	08095233
Date of Birth	08.04.1966	25.10.1990	25.06.1987
Date of first Appointment on the Board	29.03.2019	24.08.2020	24.08.2020
Directorship held in other Public Limited Companies	02	01	02
Memberships/ Chairmanships of Committees across Public Companies*	01	-	01
Education Qualification	Diploma in electronic engineering	Company Secretary	Semi Qualified Professional
Brief Resume of the Director including nature of expertise in specific function areas and their experience etc	Mr. Purushottam D Sonavane is having Ten years experience in Design new ways to use electrical power to develop or improve products, perform detailed calculations to develop manufacturing, construction, and installation standards and specifications, work with project managers on production efforts to ensure that projects. Also having experience in electrical drawings, planning of projects, erection & maintenanc	Ms Bhavika Sharma Qualified Company Secretary & Member of ICSI having Four years experience in secretarial & legal including governance structures and mechanisms, , board, shareholder and trustee meetings, compliance with legal, regulatory and listing requirements,.	Mr. Kalpesh Dong Semi Qualified having five years experience in Accounting including Detail-oriented, efficient and organized professional with extensive experience in accounting systems and Management of financial departments with responsibility for Budgets, Forecasting, Payroll, Accounts Payable and Receivable
Number of Shares held in the Company:	NIL	NIL	NIL
Relationships between Directors inter-se	No other Directors are related to him	No other Directors are related to her	No other Directors are related to him
Details of remuneration sought to be paid	NIL	NIL	NIL
Remuneration Last drawn	NIL	NIL	NIL



DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the 58th Annual Report and the Company's audited financial statements for the financial year ended March 31, 2020.

1. FINANCIAL RESULTS

PARTICULARS	CONSOLIDATED		STANDALONE	
	YEAR ENDED	YEAR ENDED	YEAR ENDED	YEAR ENDED
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
Revenue from operation	10,137.79	18,362.90	6,164.30	13,895.06
Other Income	1,382.80	1,377.86	762.19	1,112.59
Total Income	11,520.59	19,740.76	6,926.49	15,007.65
PBDIT	(1,478.55)	(10,027.75)	(1,501.94)	(9,990.94)
Interest & Finance Exp.	466.21	728.94	406.46	679.69
PBDT	(1,944.76)	(10,756.69)	(1,908.39)	(10,670.63)
Depreciation	889.70	601.26	889.70	601.26
PBT	(2,834.46)	(11,357.95)	(2,798.10)	(11,271.89)
Less: Current tax	-	-	-	-
Deferred Tax Liability	-	-	-	-
Profit After tax (PAT)	(2,834.46)	(11,357.95)	(2,798.10)	(11,271.89)
Other Comprehensive Income	(0.46)	688.99	(0.46)	688.99
Exceptional Expenses	-	658.88	-	658.88
Profit transferred to reserve	(2,834.92)	(11,327.83)	(2,798.56)	(11,241.78)

2. OPERATING AND FINANCIAL PERFORMANCE

The revenue from operations for the year has been ₹ 6164.30 Lakh as against ₹ 13895.06 Lakh in the previous year. Revenue from operations affected due to continued stiff competition in the market and recessionary trend. The Company also operated at lower capacity utilization due to shortage of working capital which has also impacted the profitability of the Company for the year. Production cost also pushed up due to exorbitant increase in input cost. Your Company has taken several remedial steps to meet the challenges viz. measures in saving cost at all front of operations; optimize use of available resources etc. In absence of profits, your directors are unable to declare any dividend for the year under review. The Company considered the advance given to its subsidiary was doubtful for recovery due to financial meltdown in the Middle East. Hence the board of directors have decided to make provision for such advance

3. DIVIDEND

In view of huge losses and financial crunches, your Directors have not recommended dividend for the year ended March 31, 2020

4. EXPORT PERFORMANCE

Exports turnover increased to ₹1.52 Cr. for the year ended 31st March, 2020 as compared to ₹ 11.41 Cr in previous year.

**5. LOCK - OUT AT KHOPOLI UNIT**

Lock-out, declared by the management at its Khopoli unit in November, 2013 is still continuing.

6. POSSESSION OF IMMOVABLE ASSETS AT KHOPOLI UNIT UNDER SECURITISATION & RECONSTRUCTION OF ASSETS AND ENFORCEMENT OF SECURITY INTEREST ACT, 2002 (SARFAESI).

Pursuant to Company's account becoming NPA, consortium of banks led by State Bank of India had moved its application to District Collector Alibaug for Physical Possession of Company's immovable property at Khopoli unit. As the same was contested by the company and matter is subjudice in DRT court. Meanwhile State Bank of India sold their loan Account to Asset Reconstruction Company.

7. SHARE CAPITAL

There has been no change in the Share Capital of the Company during the financial year ended 31st March, 2020.

8. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company during the year.

9. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF THE FINANCIAL YEAR.

There have been no material changes and commitments, which effect the financial position of the company which have occurred between the end of financial year to which the financial statement relate and the date of this report.

10. EMPLOYEE STOCK OPTIONS PLAN

No shares have been allotted under the ESOP till date. The Company has not granted any stock options during the financial year ended 31st March, 2020.

11. SUBSIDIARY COMPANY

The Company has two wholly owned subsidiaries at UAE and USA which has been setup to develop the overseas market for the Company.

The Accounts of the wholly owned Subsidiaries, namely Zenith (USA) Inc. and Zenith Middle East FZ LLC for the year ended 31st March, 2020 have been received by the Company and a statement pursuant to section 129 of the Companies Act, 2013, forms part of this Annual Report. Your Directors have pleasure in enclosing the consolidated financial statements of the Company in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Indian Accounting standards issued by the Institute of Chartered Accountants of India.

In compliance with the general circular issued by Ministry of Corporate Affairs (MCA), Government of India, the Balance Sheet, Statement of Profit & Loss and other documents of the subsidiary are not attached hereto. As per the general exemption, a statement containing brief financial details of the Company's subsidiary for the year ended 31st March, 2020, is included in this Annual Report. The Annual Accounts of the subsidiary and the related detailed information will be made available to any Member of the Company/its subsidiary seeking such information at any point of time and are also available for inspection by any Member of the Company/its subsidiary at the Registered Office of the Company/its subsidiary.

12. FIXED DEPOSITS:**(i) Details of Deposits Accepted u/s. 58A of the Companies Act, 1956**

The Company has outstanding deposits accepted u/s 58A of the Companies Act, 1956 and Rules made thereunder under Companies (Acceptance of Deposits) Rules, 1975. Accordingly, the details relating to deposits covered under the Companies Act, 1956 are given below:



(₹ in Lakhs)

1.	Deposits Accepted during the year	NIL	
2.	Deposits remained unpaid or unclaimed as at end of the year	2198.54	
3.	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:	Principal	Interest
	I. At the beginning of the year	2,198.82	2,080.65
	ii. Maximum during the year	2,198.82	3,432.88
	III. At the end of the year	2,198.54	3,432.88
4.	The details of deposits which are not in compliance with the requirements of Chapter V of the Act	Not Applicable	

(ii) Details of Deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013

The Company has not accepted any deposits under Companies (Acceptance of Deposits) Rules, 2013. Accordingly, the details relating to deposits, covered under Chapter V of the Companies act, 2013 are not given. Therefore, there are no deposits which are not in compliance with the requirements of Chapter V of the companies Act, 2013

13. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

In compliance with Regulation 34 (2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Management Discussion and Analysis Report which also includes further details on the state of affairs of the Company and Corporate Governance Report, as approved by the Board of Directors is attached herewith **Annexure 'A'** of this report

14. CORPORATE GOVERNANCE

A report on Corporate Governance along with the Compliance Certificate from the Practicing Company Secretary is annexed hereto and forms part of this report as **Annexure 'B'**.

15. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors of the Company state as under that:

1. In the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
2. The selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company for the financial year ended 31st March, 2020 and the Loss of the Company for the financial year ended 31st March, 2020.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual accounts have been prepared on a 'going concern' basis;
5. Internal financial controls had been laid down to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
6. Proper systems had been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



16. AUDITORS

a) Statutory Auditors

M/s. Thakur, Vaidyanath Aiyar & Co, Chartered Accountants, Mumbai will retire as auditors of the Company, at the conclusion of the ensuing Annual General meeting after completion of 10years of Audit in this Company. Pursuant to the provisions regarding rotation of auditors, M/s. Thakur, Vaidyanath Aiyar & Co, is not eligible for re-appointment.

Based on the recommendation of the Audit Committee, the Board of Directors proposes the re-appointment of M/s. CKSP and CO LLP, Chartered Accountants, Mumbai (Firm Registration Number: 131228W/W100044) as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting for the Financial Year 2020-21.

b) Internal and Management Auditors:

The Company has appointed M/s. Kaushik Shahukar & Co., Chartered Accountants as its Internal and Management Auditors to carry out the Internal Audit of various operational Areas of the company.

c) Cost Auditors:

The Board had appointed M/s. Y.R. Doshi & Co. Cost Accountants as the cost Auditor for the F.Y. 2020-21 at a remuneration of RS.75, 000/-subject to ratification by the members in the ensuing Annual General Meeting.

17. SECRETARIAL AUDITORS’ REPORT

Secretarial Audit by Anil Somani Company & Associates, Practicing Company Secretary (CP no. 13379) is attached herewith as an ‘**Annexure C**’ to this Report.

18. AUDITOR’S REMARK

The Board of Director’s explanation to auditor’s remark is as follows

(i) Explanation for Statutory Auditor’s Remark

Sr. No.	Statutory Auditor’s Remark	Directors’ explanation
1	The Company has not complied with the provisions of the section 74 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 with regard to non repayment of deposits and interest on due date, maintenance of liquid assets to the extent required as well as not fully complying with the orders passed by the Company Law Board.	The company has taken action on priority to clear the dues of deposit holders who are incapacitated and to comply with the orders of existing authorities. For the rest, the company has already started the process of settling their dues through sale proceeds of the assets sold by MPID court of the other Company who has given NOC for using the amount towards repayment of the Fixed Deposits of the Zenith Steel pipes & Industries Limited (formerly known as Zenith Birla (India) Limited) and will complete it before the end of Financial Year 2020-21
2	Balance of Sundry Creditors, Debtors, Loans and Advances, deposits, inter units etc being not confirmed by the parties/units and hence our inability to state whether these balance are recoverable/payable to the extent stated.	Reconciliation of balances of sundry creditors are an ongoing basis and the figures would be ascertained only when the reconciliation is finalised. The Company is taking steps to obtain balance confirmation from its parties. However, it will not have any material impact on the state of affairs of the Company.



Sr. No.	Statutory Auditor's Remark	Directors' explanation
3	The Company has accumulated losses exceeding the Share Capital and Reserves and its net worth has been fully eroded. These conditions along with other matters indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said note.	On account of strategic understanding with suppliers/ customers, which is continuing, the Company is on revival mode and is operating its some of the units. In view of the same going concern concept holds good.
4.	Interest payable to Micro, Small and Medium Enterprise parties on delayed payments to them has neither been ascertained nor provided	The declaration received from various suppliers was late and identification of them as MSME was lagged end of the year. However the amount outstanding if any of those MSME have been cleared as on the year end but interest on the same could not be ascertained and there has been no claim loss with the Company by any of the MSME towards interest payable to them
5	<p>According to information and explanations given to us and the records of the Company examined by us, in our opinion except for dues in respect of Dividend Distribution Tax, Tax Deducted at Source, Professional Tax, Tax Collected at Source, Service Tax, Provident Fund, Employees State Insurance, Sales Tax, Labour Welfare Fund, Value Added Tax, Excise Duty and Corporation Tax the Company is generally regular in depositing the undisputed statutory dues including Custom Duty, Cess and other material statutory dues, as applicable. The following balances remain in arrears as at the last day of the financial year for a period exceeding six months from the date they become payable</p> <p>Income Tax Deducted at Source - ₹ 4224510 Income Tax Collected at Source - ₹ 90 Provident Fund - ₹ 3365317 Labour Welfare Fund - ₹ 960 Professional Tax - ₹ 302278 Excise Duty - ₹ 250096 Dividend Distribution Tax - ₹ 3,59,08,091 Interest on Dividend Distribution Tax - ₹ 37703495 GST- ₹ 1625 Wealth Tax- ₹ 187583</p>	The Company has complied with the deposit of taxes now except the once mentioned by the Auditors. Some of them are outstanding due to financial crunch and some of them are really not outstanding but are of excess provisions as well as proper unit wise adjustments were not done. The same is being carried out and will be reflected in the next reporting year.



(ii) Explanation for Secretarial Auditor’s Remark

Sr. No.	Secretarial Auditor’s Remark	Directors’ explanation
1.	Prosecution has been filed against the company by Registrar of Companies, Mumbai for Non Compliance of order of Hon’ble Company Law Board, Mumbai dated 18.08.2014 with regard to payment to depositors.	The Company has taken on priority to clear the dues of deposit holders who are incapacitated and to comply with the orders of existing authorities. For the rest the Company has already started the process of settling their dues and bill completed before the end of financial year 2020-21 No further progress on the matter Case is being heard.

19. NUMBER OF MEETINGS OF THE BOARD

Five meetings of the board were held during the year. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

20. BOARD OF DIRECTORS, EVALUATION ETC.

Company’s Policy on Directors Appointment and Remuneration etc.

The Company has prepared a policy on Director’s appointment and remuneration pursuant to Section 178 of the Act. The Company has also laid down criteria for determining qualifications, positive attributes and independence of Director.

Formal Annual Evaluation

1. The Formal Annual Evaluation has been made as follows

- a. The Company has laid down evaluation criteria separately for Board, Independent Directors, Directors other than Independent Directors and various committees of the Board. The criteria for evaluation of Directors included parameters such as willingness and commitment to fulfil duties, high level of professional ethics, and contribution during meetings and timely disclosure of all the notice/details required under various provisions of laws. Based on such criteria, the evaluation was done in a structured manner through peer consultation & discussion.
- b. Evaluation of the Board was made by a Separate Meeting of Independent Directors
- c. The performance evaluations of all committees were done by the Board of Directors namely:
 - i. Audit Committee
 - ii. Nomination and Remuneration Committee
 - iii. Stakeholders Relationship Committee.
- d. Performance evaluation of non – Independent Directors was done by Separate meeting of Independent Directors.
- e. Evaluation of Independent Directors was done (excluding the Director who was evaluated) by the Board of Directors of the Company.
- f. In addition, the Nomination and Remuneration Committee has carried out evaluation of every Director’s performance as required under Section 178 (2) of Companies Act, 2013.
- g. The Directors expressed their satisfaction with the evaluation process.

2. Number of Board Meetings conducted during the year under review

The Company had 5 (Five) times Board Meetings during the financial year on **7/05/2019, 13/08/2019, 25/09/2019, 14/11/2018 and 12/02/20120** the details of which are given in the Corporate Governance



Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

3. During the year Mrs. Mrs. Sanjivani Bhalchandra Shinde (DIN- 08391062) has resigned from the post of Independent Director of the Company on 13th March,2020 and Mr. Pramod Shivaji Bhosale (DIN: 08669615) appointed as as an Additional Director on the Board of the Company with effect from 13th March,2020 and same has been regularised by the member by circular postal ballot dated 30th June,2020.

Further, Mrs.Bhavika Sharma (DIN: 08846865) has appointed as Non-Executive Independent Directors of the company with effect from 24th August, 2020 and Mr. Kalpesh Dong (DIN: 08095233) appointed as a Non –Independent –Non Executive Director with effect from 24th August, 2020

Further, Ram Shay Jagetiya (DIN: 02719230) resigned from the post of Director with effect from 4th May,2019 due to disqualification under 162(2) of Companies Act,2013 because of common directorship in other companies

21. DECLARATION OF INDEPENDENCE

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued there under.

22. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act, has been disclosed in the corporate governance report, which forms part of the directors' report.

23. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

24. AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

25. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

Risk is an integral part of any business and therefore, Risk Management is an important function that the business management has to perform to ensure sustainable business growth.

The Board of the Company has framed the Risk Management Policy. The details of the policy are as updated on website of the company www.zenithsteelpipes.com. The risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. At present the company has not identified any element of risk which may threaten the existence of the company.

The Company does not fall under the ambit of top 100 listed entities, determined on the basis of market capitalization as at the end of the immediately preceding financial year. Hence, compliance under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

26. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable

**27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

During the year under review, the Company has not given loans, guarantees or investments under Section 186 of the Companies Act, 2013. The details of the investments made by the Company are provided in the accompanying financial statements.

28. TRANSACTIONS WITH RELATED PARTIES

In accordance with the provisions of Section 188 of the Companies Act, 2013 and rules made thereunder, all related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business, the details of which are included in the notes forming part of the financial statements. There were no materially significant related party transactions which may have a potential conflict with the interests of the Company at large. Accordingly, information in Form AOC-2 is not required. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at www.zenithsteelpipes.com.

29. STATEMENT PURSUANT TO SECTION 134(3) (M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGOINGS

Statements pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 on conservation of energy, technology absorption, foreign exchange earnings & outgoings are annexed as **Annexure "E"** and forms part of this report.

30. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The company has a vigil mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement.

31. EMPLOYEES' SAFETY

The Company is continuously endeavouring to ensure safe working conditions for all its employees.

32. CORPORATE SOCIAL RESPONSIBILITY

Since the Company does not qualify any of the criteria as laid down in section 135(1) of the Companies Act, 2013 with regard to Corporate Social Responsibility, provisions of section 135 are not applicable to the Company.

33. EXTRACT OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the extract of annual return is given in **Annexure F** in the prescribed Form MGT-9, which forms part of this report.

34. MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

35. PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

As Directors are not paid any remuneration, except the sitting fees, hence, this clause is not applicable.



- (ii) The percentage increase in remuneration of each director, Chief Executive Officer, Chief Financial Officer Company Secretary in the financial year;

Directors*, Chief Executive Officer, Chief Financial Officer and Company Secretary		% increase in the remuneration in the financial year
Minal Pote	Whole Time Director	NIL
B. Girvanesh	C.F.O.	NIL
Suneel Sullere	Company Secretary	20%

- (iii) The percentage increase in the median remuneration of employees in the financial year: 6.5%
- (iv) The number of permanent employees on the rolls of company: 203
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; the average annual increase was around 5.77%.
- (vi) Affirmation that the remuneration is as per the remuneration policy of the company The Company affirms that the remuneration is as per the remuneration policy of the Company.
- (vii) As none of the employees is drawing remuneration not less than rs.102 Lakhs p.a. or ₹ 8.5 Lakhs p.m., if employed for the part of the year. Hence, the statement containing particulars of the name of top ten employees as required under Section 197(12) of the Act read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.
- (viii) The information required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Having regard to the provisions of Section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to the Members excluding such information. However, the said information is available for inspection by the Members at the registered office of the Company during its working hours up to the date of ensuing Annual General Meeting. Further, any Member interested in obtaining such information may obtain it by writing to the Company Secretary share@zenithsteelpipes.com

36. DISCLOSURE PURSUANT THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has in place a Policy for Prevention Prohibition and Redressal of Sexual Harassment at work place which is in line with the requirements of the Sexual Harassment of women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder. All employees (permanent, contractual, temporary and trainees) are covered under this policy. The Company has constituted an Internal Complaint Committee for its Head Office and branch/sales offices under Section 4 of the captioned Act. No complaint has been filed before the said committee till date.

37. CEO/CFO COMPLIANCE CERTIFICATE

Certificate by the Director and Chief Financial Officer (CFO) pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2020 is provided under Corporate Governance Report.

38. PERSONNEL

Your Directors also wish to place on record their deep sense of appreciation to the contribution made by the employees at all levels who, through their competence, diligence, solidarity, co-operation and support, have enabled the Company to achieve the desired results during the year.

**39. SECRETARIAL STANDARDS**

The Institute of Company Secretaries of India had revised the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) with effect from 1st October 2017. The Company is in compliance with the revised secretarial standards to the extent applicable.

40. NAME CHANGE OF THE COMPANY

Company has changed its name from “Zenith Birla (India) Limited” to “Zenith Steel Pipes & Industries Limited” (formerly known as Zenith Birla (India) Limited) which was approved by the Registrar of Companies vide their Certificate of Incorporation dated 29th July, 2020.

41. ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institution, banks, Government authorities, customers, vendors and members during the year under review.

For and on behalf of the Board**Place:** Mumbai**Date:** September 2, 2020**Minal Pote****Whole time Director****DIN :07163539****Purushottam Sonavane****Director****DIN: 08405653**



MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to the amended Regulation 34 read with the Schedule V of the SEBI (listing Obligations and Disclosure Requirements) Regulation, 2015 your Directors wish to report as follows:

(a) Indian Economy:

Though COVID-19 pandemic has adversely affected all the economies of the world, India has so far managed to keep a relatively flatter infection curve in its battle against the pandemic. Despite a slower curve of infection, the impact has been ruthless in many ways. The initial 21-day lockdown period had been estimated to cost nearly \$4.5 billion every single day. Despite about half of the nation's businesses being adversely affected, and supply chains having fallen victim to the pandemic, there does appear a silver lining in the dark clouds. The Prime Minister Modi has given "Mantra" of "Atmanirbhar Bharat". A shift in manufacturing around a thousand foreign manufacturers want to relocate their production to India, a country they see as an alternative to China. Reportedly, at least 300 are already talking with the Indian government for production in a wide range of sectors, including electronics, medicine, and textiles. Impact Infrastructural development around manufacturing facilities and a boost to employment continues to be one of the fastest growing major economies in the world and is expected to be among the world's top three economic powers in the next 10-15 years.

(b) Industry Structure & Developments:

Steel is a product of large and technologically complex industry having strong forward and backward linkages in terms of material flows and income generation. It is also one of the most important products of the modern world and of strategic importance to any industrial nation. From construction, industrial machinery to consumer products, steel finds its way into a wide variety of applications. It is also an industry with diverse technologies based on the nature and extent of raw materials used.

India's steel production grew 4.2% to its highest ever level of 102 million tonnes in Year 2020. The Government of India has been proactive in addressing the issues faced by domestic steel makers. It has taken major steps to stop unfair trade and to safeguard the interests of domestic players. This has been accompanied by recovery

(c) Opportunities & Threats

In the new environment, the industry has to be steered with appropriate policy support to ensure that production of steel matches the anticipated pace of growth in consumption. Special emphasis is needed to ensure that the industry follows a sustainable path of development in respect of environmental friendliness, mineral conservation, quality of steel products, use of technology and indigenous R&D efforts to ensure that the country can, over time, reach global efficiency benchmarks to become a world leader in steel production technology, as well as in production of high end steel.

As the oil and gas industry is growing rapidly, the demand for steel pipes is also increasing. Features such as reliability and durability are some of the prominent factors driving the global demand for steel pipes. Steel pipes have a wide range of usability; they are used in the automotive, mining and construction industries which drive the manufacturing steel pipe industry. The available range of steel pipes becomes one of the reasons surpassing the demand of residential and non-residential sector of steel pipes. The replacement of ageing pipelines also increases the global demand of steel pipes.

However, substitutes such as iron and plastic pipes, which create diversions for the manufacturer towards other material pipes, are estimated to restrain the market growth. The corrosive behaviour of carbon steel pipes is one of the restraining factors, and the high cost of stainless steel also hinders the growth of the global steel pipe market.

The Indian steel sector is disadvantaged due to limited availability of essential raw material such as high grade Manganese ore & Chromites, cooking coal, steel grade limestone, refractory raw material, Nickel, Ferrous Scrap etc. Due to shortage of domestic coking coal, both in terms of quantity and quality, pig iron producers/ BF



operators in India have to significantly depend on import of coking coal. In the recent past, multiple issues have also adversely impacted the steel sector, viz. cancellations of iron ore and coal mine allocations, delays in land acquisition, environmental clearances, which led to many of the projects facing significant cost and time overruns. Additionally, companies also faced substantially increased operating costs on account of increased logistics & raw material costs and other charges

d) Segment-wise or Product-wise Performance

Since your Company operates only in one Segment, segment-wise or product-wise analysis of performance is not applicable.

e) Outlook

During FY20, India is likely to record a robust GDP growth of 7.4% (Source: IMF). This growth will be driven by structural and wide ranging reforms such as the Goods and Services Tax (GST) to widen the indirect tax base, Insolvency and Bankruptcy Code to address asset quality of banks and formalisation and digitisation of the economy improving business ecosystem, thrust on infrastructure development, and a liberal FDI regime. Banking reforms through recapitalisation and the Insolvency and Bankruptcy Code are expected to resolve the stressed assets of overleveraged corporate and restore lending support to these sectors.

f) Risks & Concerns

Though Regulation 17 & 21 the SEBI (listing Obligations and Disclosure Requirements) Regulation, 2015 is not applicable your Company has duly adopted steps for framing, implementing and monitoring the risk management plan and accordingly of your Directors has put in place critical risk management framework across the Company for identification and evaluation of all potential risks. Your Company is continuously evolving and improving systems and measures to take care of all the risk exigencies involved in the business. All inherent risks are identified, measured, monitored and regularly reported to management. The management decides measures required to overcome these risks and ensure implementation of proper risk mitigation plans. The risk report and mitigation plans are presented to the Board of Directors periodically.

g) Internal Control Systems and their adequacy

Your Company has an effective Internal Control System to prevent fraud and misuse of Company's resources and protect shareholders' interest. Your Company has an independent Internal Audit Department to monitor and review and focus on the compliances of various business processes. The internal audit report along with audit findings and tracking of process improvements & compliances is presented for review to the Audit Committee of Board of Directors.

h) Discussion on Financial Performance with respect to Operational Performance and state of Company's affairs:

The revenue from operations for the year has been RS.6164.29 Lakh as against ₹ 13895.06 Lakh in the previous year. Revenue from operations affected due to continued stiff competition in the market and recessionary trend. The Company also operated at lower capacity utilization due to shortage of working capital which has also impacted the profitability of the Company for the year.



Key Financial Ratio

Particulars	2019-20	2018-19
Return on Net Worth (%)	11.64	48.60
Return on Capital Employed (%)	11.86	64.37
Basic EPS (after exceptional items) (₹)	-2.13	-9.09
Debtors Turnover	2.59	4.07
Inventory Turnover	11.52	143.83
Interest coverage ratio	-5.88	-16.55
Current ratio	0.24	0.31
Debt Equity ratio	-0.68	-1.01
Operating profit margin (%)	-38.80	-80.97
Net profit margin (%)	-45.39	-85.86

Detailed explanation of Ratios

Return on Net Worth

Return on Net worth (RONW) is a measure of profitability of a Company expressed in percentage. It is calculated by dividing total comprehensive income for the year by average Net Worth during the year.

Return on Capital Employed

Return on Capital Employed (ROCE) is a financial ratio that measures a Company's profitability and the efficiency with which its capital is used. In other words, the ratio measures how well a Company is generating profits from its capital. It is calculated by dividing profit before exceptional items and tax by average capital employed during the year.

Basic EPS

Earnings Per Share (EPS) is the portion of a Company's profit allocated to each share. It serves as an indicator of a Company's profitability. It is calculated by dividing Profit for the year by weighted average number of shares outstanding during the year.

Debtors Turnover

The above ratio is used to quantify a Company's effectiveness in collecting its receivables or money owed by customers. The ratio shows how well a Company uses and manages the credit it extends to customers and how quickly that short-term debt is collected or is paid. It is calculated by dividing turnover by average trade receivable.

Inventory Turnover

Inventory Turnover is the number of times a Company sells and replaces its inventory during a period. It is calculated by dividing turnover by inventory.

Interest Coverage Ratio

The Interest Coverage Ratio measures how many times a Company can cover its current interest payment with its available earnings. It is calculated by dividing PBIT by finance cost.

Current Ratio

The Current Ratio is a liquidity ratio that measures a Company's ability to pay short-term obligations or those due within one year. It is calculated by dividing the current assets by current liabilities.

**Debt Equity Ratio**

The ratio is used to evaluate a Company's financial leverage. It is a measure of the degree to which a Company is financing its operations through debt versus wholly owned funds. It is calculated by dividing a Company's total liabilities by its shareholder's equity.

Operating Profit Margin (%)

Operating Profit Margin is profitability or performance ratio used to calculate the percentage of profit a Company produces from its operations. It is calculated by dividing the EBIT by turnover.

Net Profit Margin (%)

The net profit margin is equal to how much net income or profit is generated as a percentage of revenue. It is calculated by dividing the profit for the year by turnover.

i) Human Resources Development and Industrial Relations:

Your Company focuses on developing the most superior workforce so that the organization and individual employees can accomplish their work goals in service to the end users. To improve employee productivity, PMS (Performance Management System) was implemented across the organization.

Your Company has put in place suitable processes and mechanism to ensure that grievances are effectively addressed. Employee Grievance Redressal Committee and the Internal Complaints Committee are intended to facilitate open and structured discussion on work related grievances of employees and Sexual Harassment complaints respectively, to ensure that these are dealt with in a fair and just manner. Our Anti-Sexual Harassment initiatives allow employees to report sexual harassment case at the workplace.

Presently, your Company employs around 450 employees including employees on contract basis. There is Lock-out at factory at Khopoli since December, 2013. The industrial relation continues to remain generally cordial at all locations of the Company except its factory at Khopoli.

(j) Cautionary Statement:

The Management Discussion and Analysis describe Company's projections, expectations or predictions and are forward looking statements' within the meaning of applicable laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand and supply, price conditions in domestic and international market, change in Government regulations, tax regimes, economic developments and other related and incidental factors.



REPORT ON CORPORATE GOVERNANCE

(Pursuant to Regulation 34 (3) and Schedule V (C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015).

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is based on the principal of truth, transparency, accountability, equity and responsibility in all our dealings with our employees, shareholders, customers, suppliers, government, lenders and community at large. The Company believes that better corporate governance can be achieved through increased transparency in its operations and has taken and will continue to take various measures towards achievement of good corporate governance. It is a tool to judge and evaluate the standards and ethics of Corporate Management.

A report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India ("SEBI") in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Regulations") is given below:

2. BOARD OF DIRECTORS

a) Composition of Board:

As on 31st March, 2020, the Board of Directors has 5 (Five) members, out of which 2 (two) are Independent Director, 1(One) is Non-Executive, Non-Independent Director and one is Whole Time Director. The composition of the Board was in conformity with Regulation 17(1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. We are in process to appoint two more Directors as per applicability of regulations to appoint minimum six directors.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Regulation 17(1)), across all the Companies in which they are Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year under review and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in other companies and number of shares held by them are provided in below table:

Name of Director	Category of Directorship	No of share held	No. of Directorship in listed entities	No. of other Committees position		No. of meetings attended during the year	Attendance At the 57th AGM
				Chairman	Members		
SADHANA AVINASH PATIL	Non-Executive - Independent Director	Nil	01	1	1	5	Yes
PURUSHOTTAM D SONAVANE	Non-Executive - Non Independent Director	Nil	01	1	1	5	Yes
MINAL UMESH POTE	Executive Director	Nil	02	0	0	4	Yes
PRAMOD SHIVAJI BHOSALE	Non-Executive - Independent Director	Nil	02	1	3	0	No

**b) Number of Meetings of the Board of Directors held and dates on which held**

Five meetings were held during the year and the gap between two meetings did not exceed 120 days. The dates on which the said meetings were held are as follows:

Sr. No.	Date of Meeting
1	07.05.2019
2	13.08.2019
3	25.09.2019
4	14.11.2019
5	12.02.2020

Information of the Board Meeting and Committee meetings are given well in advance and communicated to all the Directors. Normally, Board Meetings and Committee meetings are held at the registered Office of the Company. The Agenda along with explanatory notes are sent in advance to all the Directors

c) Information placed before the Board of Directors:

All such matters as are statutorily required as per schedule - II & Regulation 17(7) of SEBI (LODR) Regulations, 2015 and also matters relating to Corporate Plans, Mobilisation of Funds, Investments/Loans, Risk Management Policy, Capital Expenditure etc. are considered by the Board.

Besides, the following information is also regularly placed before the Board for its consideration:

1. Annual operating plans and budgets and updates
2. Capital Budgets and updates
3. Minutes of Meetings of committee of the Board
4. Quarterly results of the Company
5. Material Transactions which are not in the ordinary course of business.
6. Compliance with all regulatory and statutory requirements
7. Fatal Accidents, dangerous occurrences, material effluent pollution problems
8. Recruitment and remuneration of senior officers just below the Board level
9. Investments/ Disinvestments
10. Risk Assessment Analysis

The Board periodically reviews compliance report of all applicable laws to the Company. Steps are taken by the Company to rectify the instances of non-compliance, if any. During F.Y. 2019-20, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors.

The company has adopted the code of Conduct and Business Ethics for Executive and Non- Executive Directors and Senior Management Personnel. The Company has received confirmations from all the Directors of the Company as well as Senior Management Personnel, one level below the Directors, regarding compliance of the Code during the year under review. The Code of Conduct and Business Ethics adopted by the Company is posted on the website of the Company at www.zenithsteelpipes.com. The declaration by the Chief Executive Officer & Chief Financial Officer of the Company confirming the same is given below



d) Non-Executive Directors' Compensation and disclosures:

Apart from sitting fees that are paid to the Non-Executive and Independent Directors for attending Board/ Committee meetings, no other fees/commission were paid during the year. During the period under review, there was no pecuniary relationship or business transaction by the Company with any Non-Executive Directors. The details of sitting fees paid to the Directors are given separately in this report

MATRIX OF SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD

In order to effectively discharge its duties, it is necessary that collectively the Board holds the appropriate balance of skills and experience. The Board seeks a complementary diversity of skills and experience across its members. The table below summarizes the key qualifications, skills and attributes which are taken into consideration while nominating a person to serve on the Board

Skills / Expertise / Competencies	Detail for such Skills / Expertise / Competencies
Knowledge	Understanding of the Company's business, policies, and culture (including its mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities) and knowledge of the industry in which the Company operates.
Strategic Leadership	Significant leadership experience to think strategically and develop effective strategies to drive change and growth in context of the Company's overall objectives.
Financial expertise	Qualification and / or experience in accounting and/or finance coupled with ability to analyse the key financial statements; critically assess financial viability and performance; contribute to financial planning; assess financial controls and oversee capital management and funding arrangements.
Diversity	Representation of gender, cultural or other such diversity that expand the Board's understanding and perspective.
Corporate Governance, risk and Compliance	Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates including establishing risk and compliance frameworks, identifying and monitoring key risks.
Behavioral Skills	Attributes and the competencies to use their knowledge and skills to function well as team members and to interact with key stakeholders;

These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein

e) Other Provisions as to Board and Committee:

The Board meets at least once a quarter to review the quarterly performance and the financial results. Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. All the items in the agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, financial results, detailed presentations are made. The agenda and the relevant notes are sent in advance separately to each Director and only in exceptional cases; the same is tabled at the meeting. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman.



To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting, on the overall performance of the Company, with presentations by functional heads. Senior management is invited to attend the Board Meetings so as to provide additional inputs to the items being discussed by the Board.

The Board's role, functions, responsibility and accountability are clearly defined, in addition to matters statutorily requiring Board's approval, all major decisions involving policy formulation, strategy and business plans, annual operating and capital expenditure budgets, new investments, compliance with statutory/regulatory requirements, major accounting provisions and write-offs are considered by the Board.

The minutes of the Board Meeting are circulated in advance to all Directors and confirmed at subsequent Meeting. The Board also reviews the declarations made by the Chief Financial Officer and the Company Secretary of the Company regarding compliance of all applicable laws on quarterly basis.

3. AUDIT COMMITTEE

Composition, Meetings and attendance during the year

The Audit Committee invites such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at its meetings. Chief Financial Officer of the Company attends the meetings. The Statutory Auditors and Internal Auditors attend the meetings on invitation from the Company. The Company Secretary acts as the Secretary to the Audit Committee.

i. The audit committee of the Company is constituted in line with the provisions of Regulation 18 of the SEBI, LODR entered into with the stock exchanges read with Section 177 of the Companies Act.

ii. The terms of reference of the audit committee are broadly as under:

- Reviewing Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommend the appointment, remuneration and terms of appointment of auditors of the Company; Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
- Matters required being included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section 3 of section 134 of the Act
- Changes, if any, in accounting policies and practices and reasons for the same major accounting entries involving estimates based on the exercise of judgment by Management Significant adjustments made in the financial statements arising out of audit findings Compliance with listing and other legal requirements relating to financial statements Disclosure of any related party transactions qualifications in the draft audit report reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Review and monitor the auditors' independence and performance, and effectiveness of audit process; Approval or any subsequent modification of transactions of the Company with related parties; Scrutiny of inter-corporate loans and investments;



- Valuation of undertakings or assets of the Company, wherever it is necessary; Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed;
- To review the functioning of whistle blower mechanism;
- The audit committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the board and may also discuss any related issues with the internal and statutory auditors and the management of the Company;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee; Oversee financial reporting controls and process for material subsidiaries;
- To mandatorily review the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors; Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the internal auditor.

iii. The composition of the audit committee and the details of meetings attended by its members are given below

The Audit Committee consists of three members. It is composed of two members, being Independent, Non-Executive Directors and one member, being Non-Executive – Non-Independent Director. All the members of the Audit Committee have adequate accounting and financial knowledge.

Mrs. Sadhana Patil, Non-Executive Independent Director is the Chairman of the Committee During the year ended 31st March, 2020; the Committee met 5 times on **7th May 2019, 13th August, 2019, 25th September, 2019 at, 11th November, 2019, and 12th February 2020.**



The composition of the Audit Committee and the attendance of members during the accounting period are as under:

Name of the Member	Category	No. of Meetings attended during the F.Y. 2019-20
Mrs. Sadhana Patil (Chairman)	Independent Non-Executive	5
Mr. Sanjivani Shine (up to 13.03.2020)	Independent Non-Executive	5
Mr. Purushottam Sonavane	Non Executive & Non-Independent	5
Mr. Pramod Bhosale (w.i.e. 13.03.2020)	Independent Non-Executive	0

- iv The Audit Committee Meetings are usually held at the Corporate Office of the Company and are normally attended by Chief financial Officer of the Company, representatives of the Statutory Auditors, Internal Auditors and Cost auditors. The Company Secretary acts as the secretary to the audit committee.

4. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted Whistle Blower policy, which was further aligned with the requirements under the Companies Act, 2013 and the Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations 2015 of the Listing agreement and approved by the Audit Committee and the Board of Directors of the Company. The said policy provides for mechanism for all the employees of the Company to approach the Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behaviour, actual or suspected fraud and violation of the Company's Code of Conduct and business ethics. Under the policy, each employee of the Company has an assured access to the Chairman of the Audit Committee.

5 NOMINATION AND REMUNERATION COMMITTEE.

In accordance with the provisions of Section 178(3) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Nomination and Remuneration Committee is vested with all the necessary powers and authorities to recommend and ensure appropriate disclosure on the remuneration of Managing Director, Whole-time Director and other Directors. The remuneration policy of the Company is based on several criterions which include responsibility, performance, potentials of the director and growth of the Company.

- a. The composition of the nomination and remuneration committee and the details of meetings attended by its members are given below**

Name of Members & Designation in Committee	Category in the Board	No. of Meetings attended during the F.Y. 2019-20
Mrs. Sadhana Patil	Independent Non-Executive	4
Mr. Sanjivani Shinde (Chairman) (Up to 13.03.2020)	Independent Non-Executive	4
Mr. Purushottam Sonavane	Non Executive Non-Independent	4
Mr. Pramod Bhosale (Chairman) (w.e.f. 13.03.2020)	Independent Non-Executive	0

The Quorum of the Committee is of two members.

The Company Secretary acts as secretary of the Committee.



b. Meetings of Nomination & Remuneration Committee

During the year, four meetings of the nomination and remuneration committee were held on **07.05.2019, 13.08.2019, 11.11.2018 and 12.02.2020** and were attended by members of the Nomination & Remuneration Committee.

c. Terms of Reference

The terms of reference of the Nomination and Remuneration Committee cover all the areas mentioned under Section 178 of the Companies Act, 2013 and Regulation 19 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The scope of Nomination and Remuneration Committee shall include, but shall not be restricted, to the following:

1. Identify Individual qualified to be become Director and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
2. Carry out evaluation of every director's performance
3. Formulate criteria for determining qualification, 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
4. While formulating the policy shall ensure that
 - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate director of the quality required to run the company successfully.
 - b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 - c) Remuneration to directors, key managerial personnel and senior managerial management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal.
5. Formulation of the criteria for evaluation of Performance of Independent Directors and the Board
6. Devising a Policy on Board Diversity
7. Review key corporate governance processes not specifically assigned to other committees, and recommend changes needed to ensure that the company is at best practice;

Examine the impact of significant regulatory and statutory changes applicable to the governance practices of the Company, and to recommend measures to implement the same;
8. Examine all major aspects of the Company's organizational health, and recommend changes as necessary, including
 - Organization design;
 - Management and employee hiring, training, development, deployment and motivation;&
 - Internal communication and culture building.
9. The Company does not have any employee stock option scheme

d. Remuneration policy:

1. attract, recruit, and retain good and exceptional talent;
2. list down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;



3. ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognizes their merits and achievements and promotes excellence in their performance;
4. motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;
5. ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and
6. fulfill the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

e. Details of sitting fees for the year ended March 31, 2019:

During the year 2019-20, the Company paid sitting fees of ₹10, 000/- per meeting to its non-executive directors for attending meetings of the board and ₹5, 000/- for attending meetings of audit committee of the Board. The Company also reimburses the out-of-pocket expenses incurred by the directors for attending the meetings.

Name of Director	Sitting Fees paid during 1st April, 2019 to 31 st March, 2020 (₹ In Lakhs)
Mrs. Sadhana Patil	0.60
Mr. Sanjivani Shinde (up to 13.03.2020)	0.60
Mr. Purushottam Sonavane (chairman)	0.60
Mr. Pramod Bhosale (w.e.f. 13.03.2020)	NIL

f. None of the Directors is holding equity shares of the Company as on 31.03.2020.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

- a. The Company had a shareholders / investors grievance committee of directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend / notices / annual reports, etc. The nomenclature of the said committee was changed to stakeholders' relationship committee in the light of provisions of the Act and revised Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
- b. **The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:**

Name of the Member	Category	No. of Meetings Attended
Mrs. Sadhana Patil	Independent Non-Executive	4
Mr. Sanjivani Shinde (up to 13.03.2020)	Independent Non-Executive	4
Mr. Purushottam Sonavane	Non Executive - Non-Independent	4
Mr. Pramod Bhosale (w.e.f. 13.03.2020)	Independent Non-Executive	0

The Company Secretary acts as the Secretary to the Stakeholders Relationship Committee

- c. The Company has always valued its customer relationships. This philosophy has been extended to Stakeholders Relationship. It focuses on servicing the needs of various stakeholders' viz. investors, Depositors, analysts, brokers and the general public. The Committee also monitors implementation and compliance with Company's Code of Conduct for Prohibition of Insider Trading in pursuance to SEBI (Prohibition of Insider Trading) Regulations.



- d. Name, designation and address of Compliance Officer: Mr. Suneel Sullere, Company Secretary of Zenith Steel Pipes & Industries Limited (formerly known as Zenith Birla (India) Limited) 5th Floor, Industry House 159, Churchgate Reclamation, Mumbai 400 020. Telephone: 022-66168400.
- e. **Details of investor complaints received and redressed during the year 2019-20 are as follows:**

The total number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up is provided as under

Type of Complaints	No. of Complaints		
	Received	Resolved	Pending
Legal Cases / Court Cases	0	0	-
Non receipt of Certificates after transfer / after exchange	0	0	-
Non receipt of Dividend Warrants	2	2	-
Non receipt of Annual Report	2	2	-
Non receipt of Bonus Shares	0	0	-
Non receipt of Demat Credit	1	1	-
Non receipt of Demat Rejection Documents	1	1	-
SEBI	2	2	-
Total	8	8	-

f. **Meetings of Stakeholders Relationship Committee**

Four (4) Stakeholders Relationship Committee Meetings were held during the year 2019-20 on **07.05.2019, 13.08.2019, 11.11.2018 and 12.02.2020.**

g. **Terms of Reference**

The terms of reference of the Stakeholders Relationship Committee cover all the areas mentioned under Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The scope of the Stakeholders Relationship Committee shall include, but shall not be restricted, to the following:

1. Efficient transfer of shares, including review of cases for refusal of transfer/ transmission of shares and debentures.
2. Redressal of shareholder and investors complaints like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividends etc.;
3. Issue of duplicate/Split/Consolidated Share Certificates;
4. Allotment and listing of Shares;
5. Review of cases for refusal of transfer/ transmission of Shares and Debentures;
6. Reference to statutory and regulatory authorities regarding investor grievances;
7. To ensure proper and timely attendance and Redressal of investor queries and grievance



7. SUBSIDIARY COMPANY

The Company has two foreign subsidiary companies. However, the Company does not have any material non-listed Indian subsidiary whose turnover or net worth (i.e. paid-up capital and free reserves) exceed 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding year

Sr. No.	Name of the Subsidiary	Date of Incorporation	Country in which incorporated
1.	Zenith (USA) Inc.	June 18, 1970	USA
2.	Zenith Middle East FZ LLC	November 27, 2013	Dubai - UAE

Financial Statements of Subsidiary Companies are reviewed by the Audit Committee of the Company.

The Company has a policy for determining 'material subsidiaries' which is disclosed on its website at the following Link <http://www.zenithsteelpipes.com>

8 GENERAL MEETINGS

(a) Details of location, time and date of last three Annual General Meetings (AGM) are given below:-

Year	AGM	Location	Day, Date & Time
2018-2019	56th	2nd Floor, Library Hall, IMC Building, IMC Marg, Churchgate, Mumbai – 400020.	Friday, 27.09.2019 at 11:30am
2017-2018	56th	2nd Floor, Kilachand Conference Room, IMC Building, IMC Marg, Churchgate, Mumbai – 400020.	Thursday, 27.09.2018 at 1:30pm
2016-2017	55th	2nd Floor, Kilachand Conference Room, IMC Building, IMC Marg, Churchgate, Mumbai – 400020.	Friday, 29.09.2017 at 2:00 p.m.

(b) Extra Ordinary General Meeting

There was no Extra Ordinary General Meeting held during the Financial Year 2019-20

(c) Details of Special Resolution passed during last three years at the Annual General Meetings:

Date of AGM	Particulars of Special Resolutions Passed
2018-2019	No Special resolution passed
2017-2018	No Special resolution passed
2016-2017	Issue of shares on preferential basis

(d) Postal Ballot

During the year under review, there was no Special Resolution proposed and/ or transacted through Postal Ballot. No Special resolution requiring postal ballot being proposed for the ensuing Annual General Meeting.

9. DISCLOSURES:

a. Related Party Transaction:

The Board has received disclosures from key managerial personnel relating to material, financial and commercial transactions where they and / or relatives have personal interest. There were no materially significant related party transactions i.e. transactions of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. Related Party Transactions have been included in the notes to the Annual Accounts of the Company for the year ended 31st March, 2020.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web as required under Listing Regulations is as under: www.zenithsteelpipes.com.



b. Details of non-compliance

The Company has complied with requirements of the Stock Exchanges, SEBI and other authorities on all matters relating to capital markets during the last three years.

The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviour. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link [http:// www.zenithsteelpipes.com](http://www.zenithsteelpipes.com).

c. All mandatory requirements as per SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 have been complied with by the company.

d. All assets of the Company whether movable or immovable are sufficiently insured. All foreseeable risk whether in terms of foreign currency exposure, data and record management etc. are being managed effectively by the Company. The Risk Management Policy as approved by the Board of Directors and amended from time to time is being adhered to.

e. Policies adopted during the year:

There is no policy adopted during the Financial Year 2019-20

f. Disclosures regarding commodity risks by listed entities:

Our export contracts generally match and align with local procurement / imported contracts so as to mitigate the risk. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk through its sales and purchases from overseas suppliers in foreign currencies. The company measures risk through sensitivity analysis.

10. RECONCILIATION OF SHARE CAPITAL

A qualified Company Secretary carried out an audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the total number of shares in physical and the total number of dematerialized shares held with NSDL and CDSL.

Pursuant to Regulation 40(9) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015 with the Stock Exchanges, certificate on half yearly basis have been issued by a Company Secretary in Practice for due compliance of share transfer formalities of the Company

11. MEANS OF COMMUNICATION:

a. Results: The unaudited quarterly financial statements are announced within forty-five days of the end of each quarter and the audited annual results are announced within sixty days from the end of the last quarter. The aforesaid financial statements after being taken on record by the Audit Committee and Board of Directors are communicated to the Stock Exchanges where the shares of the Company are listed.

Quarterly and Annual Results are published in newspapers viz., The Financial Express and lakshdweep in the format prescribed under Regulation 33 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015 with the stock exchanges where the shares of the Company are listed.

b. Management Discussion & Analysis Report

The Management discussion & analysis Report forms part of the Directors' Report. All matters pertaining to industry structure and developments, opportunities and threats, outlook risks and concerns, internal control and systems etc. are discussed in the said report.

**c. Company's Corporate Website:**

The financial results are also posted on the Company's Website www.zenithsteelpipes.com. The Company's website provides information about its business and the Section on "Investor's Information" serves to inform and service the Shareholders allowing them to access information at their convenience.

d. Annual Report: Annual Report is circulated to all the members within the required time frame.

e. Investor Email ID of the Registrar & Share Transfer Agents: All the share related requests/ queries/ correspondence, if any, are to be forwarded by the investors to the Registrar and Transfer Agents of the Company Bigshare Services Private Limited and/ or email them to investor@bigshareonline.com

f. Designated Email ID for Complaints/ Redressal: The Company has designated an email ID share@zenithsteelpipes.com exclusively for the purpose of registering complaints/ grievances by investors. Investors whose requests/ queries/correspondence remain unresolved can send their complaints/ grievances to the above referred e-mail ID and the same would be attended to promptly by the Company.

12. GENERAL SHAREHOLDER'S INFORMATION:

The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L29220MH1960PLC011773

1. Annual General Meeting

Day, Date & Time : Tuesday, 29th September, 2020 at 5:00 PM.

Book Closure Date: From Wednesday, 23rd September 20120 to Tuesday, 29th September, 2020(both days inclusive).

2. Financial Calendar for the year 2020-21 (Tentative)

Accounting Year	:	April 1, 2020 to March 31, 2021
First Quarter Results	:	On or before 14th August, 2020
Second Quarter Results	:	On or before 14th November, 2020
Third Quarter Results	:	On or before 14th February, 2021
Fourth Quarter & Annual Results	:	On or before 30th May, 2021
Mailing of Annual Report	:	July/August, 2021
Annual General Meeting	:	On or before 30th September, 2021

Registered Office 5th Floor, Industry House, 159, Churchgate Reclamation, Mumbai – 400 020

Stock Exchange

Bombay Stock Exchange Ltd- P. J. Towers, Dalal Street, Mumbai 400 023

Stock Code : 531845

National Stock Exchange of India Ltd.- Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051

Stock Code : ZENITHSTL

ISIN No. for the Company INE318D01020

Depositories connectivity : NSDL and CDSL



Dividend policy:

Dividends, other than interim dividend(s), are to be declared at the annual general meetings of shareholders based on the recommendation of the board of directors. Generally, the factors that may be considered by the board of directors before making any recommendations for dividend include, without limitation, the Company's future expansion plans and capital requirements, profits earned during the fiscal year, cost of raising funds from alternate sources, liquidity position, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time and general market conditions. The board of directors may also from time to time pay interim dividend(s) to shareholders.

Stock Price Data and Comparison to broad –based indices:

Market Price Data: High, Low during each month in the financial year.

Monthly High/ Low of market price of the Company's shares traded on the Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Limited (NSE) during the financial year ended 31st March, 2020 is furnished below:

Months	NSE		BSE		Months	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)		High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2019	0.75	0.50	0.62	0.55	October, 2019	0.75	0.50	0.81	0.40
May, 2019	0.65	0.45	0.60	0.53	November, 2019	0.75	0.50	0.76	0.56
June, 2019	0.60	0.40	0.53	0.40	December, 2019	0.65	0.45	0.65	0.53
July, 2019	0.50	0.30	0.42	0.35	January, 2020	0.60	0.45	0.58	0.47
August, 2019	0.40	0.30	0.42	0.37	February, 2020	0.55	0.35	0.56	0.47
September, 2019	0.45	0.35	0.48	0.38	March, 2020	0.40	0.25	0.49	0.44

Registrar & Share Transfer Agents	
For Electronic & Physical Mode:	Bigshare Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai -59 Tel. Nos.: 022 62638204 Mobile No.: 7045454394 Email: shubhangi@bigshareonline.com

Shareholders can login in to www.bigshareonline.com, the website of our Registrar and Share Transfer Agents, M/s. Bigshare Services Private Limited for assistance.

Share Transfer System

The Board has delegated the authority for approving transfer, transmission etc. of Company's securities to the Stakeholders Relationship Committee, who in turn has authorized the Company Secretary and officials of the Secretarial Department to carry this work. The share transfer formalities are completed on a weekly basis. The Shares sent for transfer in physical form are sent to Registrars and Share Transfer Agents, and returned between 15 to 30 days from the date of receipt, if Documents are in order in all respects. Shares under objections are returned within 2 weeks.

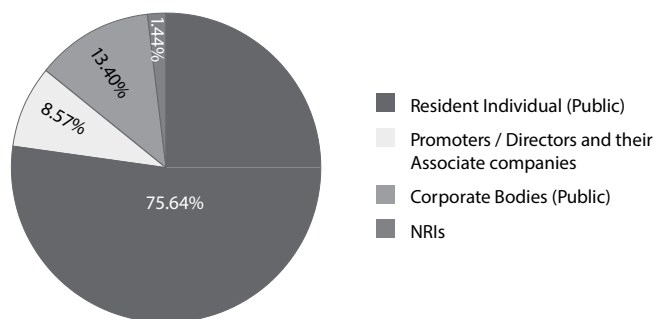
In compliance with Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company obtains a certificate from practicing Company Secretary on a half-yearly basis confirming that all certificates have been issued within one month from the date of lodgements for transfer, sub-division, consolidation etc.


Distribution of Shareholding as on 31st March, 2020

No. of Equity Shares held	Total No. of Shareholders	No. of Shares held	Shareholding In %
1 to 500	44527	3732099	2.8428
501 to 1000	3833	3117716	2.3749
1001 to 2000	2666	4090485	3.1158
2001 to 3000	1125	2849629	2.2049
3001 to 4000	512	1871528	1.4256
4001 to 5000	629	3037464	2.3137
50001 to 10000	1010	7728392	5.8869
10001 to 9999999999	1161	104808135	79.8353
Total	55463	131280448	100

Share holding Pattern of the Company as on 31st March, 2020 (including Demat)

Categories	No. of Shareholders	No. of shares held	Percentage of total Shares
Promoters / Directors and their Associate companies	11	1,12,57,157	8.5749
Corporate Bodies (Public)	241	16809900	12.8046
NRIs	303	1775618	1.3525
Banks/ FIs and Insurance Companies	28	4,23,094	0.3223
Mutual Funds	4	650	0.0005
Resident Individual (Public)	54825	99982336	76.1594
Clearing Members	41	349318	0.2661
Trusts	7	1668	0.0013
Foreign Companies	-		
FIs	-		
Unit Trust of India	-		
Government Companies	2	55	0.0000
IEPF	1	680652	0.5185
Total	55463	131280448	100



Note: Figure will not match with shareholding pattern for the quarter ended March 31 2020 as Pan No. of Shareholders not merged.



Shareholding of Non executive Directors of the Company as on 31st March, 2020

Name of the Non Executive Directors	No. of shares held	Percentage of total Shares
Mr. Purushottam Sonavane	Nil	Nil
Mrs. Sanjivani Shinde (up to 13.03.2020)	Nil	Nil
Mrs. Sadhana Patil	Nil	Nil
Mr. Pramod Bhosale (wef 13.03.2020)	Nil	Nil
Total	Nil	Nil

Dematerialization of shares and liquidity

99.28% of the total Equity Capital is held in dematerialized form with NSDL and CDSL as on 31.03.2020. Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by Securities and Exchange Board of India (SEBI).

Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity: The Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

Plant Location

a) Khopoli Unit

Tal Khopoli Dist. Raigad, Maharashtra-410203

b) Tarapur Unit

G-38/39, M.I.D.C., Tarapur, Dist. Palghar Maharashtra- 401506

c) Murbad Unit

Survey (Gut) No. 440/441, Nhave, Kakadpada, Murbad District, Thane, Maharashtra

d) Trichy Mobile Unit

SH No. 71, Survey No. 782, Village: Kalugar Thogainmala, Taluka: Kulithalai, Dist: Karur-639 120, Tamil Nadu

For Investor Correspondence and Compliance related query

Address for Correspondence Mr. Suneel Sullere

Company Secretary & Compliance Officer

159, Industry House, 5th Floor, Churchgate Reclamation, Mumbai-20

Tel No.: 022-66168400; Fax No.: 022-22047835

E.mail: share@zenithsteelpipes.com

Equity shares in the suspense account:

In term of Regulation 39(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company reports the following details in respect of equity shares lying in the suspense account which were issued in dematerialized form pursuant to the public issue of the Company:

Aggregate No. of Share Holders whose shares are lying in the Suspense Account as on 01.04.2018	8
Aggregate No. of Shares are lying in the Suspense Account as on 01.04.2018	1449
Number of shareholders who approached issuer for transfer of shares from Suspense Account during the year	Nil
Number of shareholders to whom shares were transferred from Suspense Account during the year	Nil
Aggregate No. of Share Holders whose shares are lying in the Suspense Account as on 31.03.2019	8
Aggregate No. of Shares are lying in the Suspense Account as on 31.03.2019	1449



In term of Regulation 39(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 with respect to shares issued in physical form which and remains unclaimed

The Company is in the process of opening of Suspense Account in the Dematerialized account with one of the depository. The voting rights as shown in the Suspense Account shall remain frozen till the rightful owners claim the shares.

Transfer of unclaimed dividend to Investor Education and Protection Fund

Pursuant to sections 124 of the Companies Act, 2013 and other applicable provisions, if any, of the Act, all unclaimed / unpaid dividend, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, in relation to the Company, have been transferred to the IEPF established by the Central Government.

46(2)(B) To (I) of compliance of Corporate Governance Requirements Specified In Regulation 17 To 27 And Regulation Listing Regulation.

Sr. No.	Particulars	Regulation	Compliance status Yes/ No/N.A	Compliance observed for the following
1.	Board of Directors	17	Yes	<ul style="list-style-type: none"> ➤ Composition ➤ Meetings ➤ Review of compliance report ➤ Plans for orderly succession for appointments ➤ Code of Conduct ➤ Fees/compensation to Non –Executive Directors ➤ Minimum information to be placed before the Board ➤ Compliance Certificate ➤ Risk assessment and management ➤ Performance evolution of Independent Directors
2.	Related Party Transaction	23	Yes	<ul style="list-style-type: none"> ➤ Policy on Materiality of Related party Transactions and dealing with Related Party Transactions ➤ Approval including omnibus approval of Audit Committee ➤ Review of related Party Transactions ➤ There were no Material RPT
3.	Subsidiaries of the Company	24	Yes	<ul style="list-style-type: none"> ➤ There was no material subsidiary of the Company and as a result the other compliance in respect of material subsidiary were not applicable ➤ Review of financial statements of unlisted subsidiary by the Audit Committee ➤ Significant transactions and arrangement of unlisted subsidiary
4.	Obligation with respect to Independent Directors	25	yes	<ul style="list-style-type: none"> ➤ Maximum Directorship and tenure ➤ Meeting of Independent Directors ➤ Familiarisation of Independent Directors



Sr. No.	Particulars	Regulation	Compliance status Yes/ No/N.A	Compliance observed for the following
5	Obligation with respect to Directors and Senior Managements	26	Yes	<ul style="list-style-type: none">➤ Memberships /Chairpersonship in Committees➤ Affirmation on Compliance of Code of Conduct by directors and Senior Management➤ Discloser of shareholding by Non – Executive Directors➤ Discloser by Senior Management about potential conflicts of interest
6.	Other Corporate Governance requirements	27	yes	<ul style="list-style-type: none">➤ Compliance with discretionary requirements➤ Filing of quarterly compliance report on Corporate Governance
7.	Website	46(2)(b) to (i)	Yes	<ul style="list-style-type: none">➤ Terms and conditions for appointment of Independent Directors➤ Composition of various Committees of the Board of Directors➤ Code of Conduct of Board of Directors and Senior Management personnel➤ Details of establishment of Vigil Mechanism/ Whistle Blower policy➤ Policy on dealing with Related Party Transactions➤ Policy for determining material subsidiaries➤ Details of familiarisation programmes imparted to Independent Directors



DIRECTOR & CFO CERTIFICATION

The Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the board in terms of Regulation 17(8) of the Listing Regulations. Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations. The annual certificate given by the Director and the Chief Financial Officer is published in this Report

Certificate by the Whole time Director and Chief Financial Officer (CFO) pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 on the Audited Financial Statement for the year 2019-20.

We, Minal Pote Whole time Director and B. Girvanesh – CFO of the Company hereby certify that:-

1. We have reviewed the Financial Statements and Cash Flow Statement for the year ended on 31st March, 2020 and that to the best of our knowledge and belief:
 - I. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - II. these statements together present a true & fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
2. To the best of our knowledge and belief, there were no transactions entered into by the Company during the year, which were fraudulent, illegal or which violated the Company's Code of Conduct.
3. We are responsible for establishing and maintaining internal control for the financial reporting and we have;
 - (a) Evaluated the effectiveness of internal control system of the Company pertaining to financial reporting
 - (b) Not found any deficiencies in the design or operation of the internal control.
4. We have indicated to the Company's Statutory Auditors, internal auditors and the audit committee of the Board of Directors
 - (a) Significant changes that have occurred in the internal control over financial reporting during the year;
 - (b) There have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
 - (c) There have been no instances of significant fraud nor there was any involvement of the management or an employee having a significant role in the Company's internal control system over financial reporting; and
 - (d) There were no deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data nor there were any material weakness in internal controls over financial reporting nor any corrective actions with regards to deficiencies, as there none.

**For Zenith Steel Pipes & Industries Limited
(formerly known as Zenith Birla (India) Limited)**

**Place: Mumbai
Date: 2nd September, 2020**

Sd/-	Sd/-
Minal Pote	B. Girvanesh
Whole time Director	Chief Financial Officer



CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT FOR BOARD OF DIRECTOR AND SENIOR MANAGEMENT PERSONNEL

To
The Member of
M/S. Zenith Steel Pipes & Industries Limited,
(formerly known as Zenith Birla (India) Limited)

I, Purushottam Sonavane, Director, declare that all the Board Members and senior management personnel of the Company have complied with the Code of Conduct of the Company for the period from 1st April, 2019 to 31st March, 2020.

For Zenith Steel Pipes & Industries Limited
(formerly known as Zenith Birla (India) Limited)

Place: Mumbai
Date: 2nd September, 2020

Sd/-
Purushottam Sonavane
Director

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
Zenith Steel Pipes & Industries Limited
(formerly known as Zenith Birla (India) Limited)

As required by item 10(i) of Part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 we certify that none of the directors on the board of Zenith Steel Pipes & Industries Limited (formerly known as Zenith Birla (India) Limited) have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

For Anil Somani & Associates
Company Secretaries

Place: Mumbai
Date: 2nd September, 2020

CS Anil Kumar Somani
ACS: 36055
COP: 13379

**CERTIFICATE ON CORPORATE GOVERNANCE**

The Members of
Zenith Steel Pipes & Industries Limited
(formerly known as Zenith Birla (India) Limited)

We have examined the compliance of conditions of Corporate Governance by Zenith Steel Pipes & Industries Limited (formerly known as Zenith Birla (India) Limited) for the year ended on 31st March 2020 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement and listing regulations.

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

For Anil Somani & Associates
Company Secretaries

CS Anil Kumar Somani
ACS: 36055
COP: 13379

Place: Mumbai
Date: 2nd September, 2020

Annexure-D

Form AOC-2

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2)
of the Companies (Accounts) Rules, 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 arms length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: None

For Zenith Steel Pipes & Industries Limited
(Formerly known as Zenith Birla (India) Limited)

Place: Mumbai
Date: 2nd September, 2020

Sd/-
Minal Pote
Whole time Director

Sd/-
Purushottam Sonavane
Director



ANIL SOMANI & ASSOCIATES

B-4, Ganpati Complex, Near Vishal Mega Mart, Pur Road, Bhilwara, Rajasthan-311001
Email Id: corporatesolutions14@gmail.com, (M) 09166611876

Form No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Zenith Steel Pipes & Industries Limited
(formerly known as Zenith Birla (India) Limited)
5th Floor, Industry House,
159, Church gate Reclamation, Mumbai City (MH) 400020.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Zenith Steel Pipes & Industries Limited (formerly known as Zenith Birla (India) Limited) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliance's and expressing our opinion thereon.

Management's Responsibility for Secretarial Compliance's

The company's Management is responsible for preparation and maintenance of secretarial records and for devising proper system to ensure compliance with the provisions of applicable laws and regulations.

Auditor's Responsibility

My responsibility is to express an opinion on the Secretarial records, Standards, Procedures followed by the company with respect to Secretarial Compliance's.

I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.

Opinion

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed here-under 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:



ANIL SOMANI & ASSOCIATES

B-4, Ganpati Complex, Near Vishal Mega Mart, Pur Road, Bhilwara, Rajasthan-311001

Email Id: corporatesolutions14@gmail.com, (M) 09166611876

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; N. A.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; N.A.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; N. A.
- (vi) The Environment (Protection) Act, 1986
- (vii) The EPF & Misc. Provisions Act, 1952;
- (viii) Employees' state Insurance Act, 1948;
- (ix) The Payment of Bonus Act, 1965;
- (x) The payment of Gratuity Act, 1972

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;



ANIL SOMANI & ASSOCIATES

B-4, Ganpati Complex, Near Vishal Mega Mart, Pur Road, Bhilwara, Rajasthan-311001

Email Id: corporatesolutions14@gmail.com, (M) 09166611876

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

- Prosecution has been filed against the company by Registrar of Companies, Mumbai for Non Compliance of order of Hon'ble Company Law Board, Mumbai dated 18.08.2014 with regard to payment to depositors.
- The company has defaulted in payment of principal amount as well as interest to depositors. The Registrar of Companies, Mumbai has issued show cause notice to company and officer in default under Section 74(3) of the Companies Act, 2013.
- The Serious Fraud Investigation Office (SFIO) has issued a notice dated 25.03.2019 under Section 212(1) of the Companies Act, 2013 to the Company for investigation of affairs of the Company and the company replied the same.
- SEBI has issued a show cause notice dated 02.04.2019 to the company under Section 11(1), 11(4) and 11B of the Securities and Exchange Board of India Act, 1992 in the matter of GDR issue by the Company.

Statutory Auditors observation:

1. Balance of Sundry Creditors, Debtors, Loans and Advances, Deposits, Current Liabilities, inter units etc being not confirmed by the parties/units and hence our inability to state whether these balance are recoverable/payable to the extent stated.
2. Company has accumulated losses exceeding the Share Capital and Reserves and its net worth has been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said note.

We further report that

1. 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.
2. 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.
3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Bhilwara

Date: 2nd September,2020

For **Anil Somani & Associates**
Company Secretaries

Anil Kumar Somani

ACS: 36055

COP: 13379

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.



ANIL SOMANI & ASSOCIATES

B-4, Ganpati Complex, Near Vishal Mega Mart, Pur Road, Bhilwara, Rajasthan-311001

Email Id: corporatesolutions14@gmail.com, (M) 09166611876

ANNEXURE - A

To,
The Members,
Zenith Steel Pipes & Industries Limited
(Formerly known as Zenith Birla (India) Limited)
5th Floor, Industry House,
159, Church gate Reclamation,
Mumbai City (MH) -400020.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Bhilwara
Date: 2nd September,2020

For **Anil Somani & Associates**
Company Secretaries

Anil Kumar Somani
ACS: 36055
COP: 13379



ANNEXURE-E

Statement pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 on conservation of energy, technology absorption, foreign exchange earnings & outgoings

(A) Conservation of energy-

(i) the steps taken or impact on conservation of energy;

Reorientation of power distribution to minimize losses

(ii) the steps taken by the company for utilizing alternate sources of energy;

NIL

(iii) the capital investment on energy conservation equipments;

Nil

(B) Technology absorption-

(i) the efforts made towards technology absorption;

Nil

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution; Nil

(ii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

N/A

(a) the details of technology imported;

(b) the year of import;

(c) Whether the technology been fully absorbed;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;

(iii) the expenditure incurred on Research and Development.

Nil

(C) Foreign exchange earnings and Outgo

(₹ In Lacs)

Particular	2019-20	2018-19
Total Foreign Exchange Earnings (earned)	151.66	1139.29
Total Foreign Exchange	7.37	7.09



**Form No. MGT-9 EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2020**

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

I. REGISTRATION AND OTHER DETAILS: i) CIN:-L29220MH19601960PLC011773

i) **Registration Date:** 05/08/1960

ii) **Name of the Company:** ZENITH STEEL PIPES & INDUSTRIES LIMITED

iii) **Category / Sub-Category of the Company:** Manufacturing

iv) **Address of the registered office and contact details:**

Industry House, 5th Floor, 159, Churchgate Reclamation,
Mumbai-400 020. Email: zenith@zenithsteelpipes.com,
Website: www.zenithsteelpipes.com Phone: 022-66168400

v) **Whether listed company** Yes

vi) **Name, Address and Contact details of Registrar and Transfer Agent, if any: Bigshare Services Pvt. Ltd**

1st Floor | Bharat Tin Works Building | Opp.Vasant Oasis |
Makwana Road Marol | Andheri (E) Mumbai - 400059| Maharashtra | India.
P: +91 022 62638204
M: +917045454394
Fax: 022-28475207
vinod.y@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing of Steel Pipes	24106	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Zenith (USA) Inc. 4950, 34th Street North, Arlington, VA,22207, USA	N.A.	Subsidiary	100	2(87)(ii)
2	Zenith Middle East FZ LLC. P.O.Box, 4422, Fujairah.	N.A.	Subsidiary	100	2(87)(ii)



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: 01/04/2019				No. of Shares held at the end of the year: 31/03/2020				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(A)	Shareholding of Promoter and Promoter Group 2									
Indian										
(a)	INDIVIDUAL / HUF	34	0	34	0	34	0	34	0	0
(b)	Central / State government(s)	0	0	0	0	0	0	0	0	0
(c)	BODIES CORPORATE	11257123	0	11257123	8.57	11257123	0	11257123	8.57	0
(d)	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0	0	0	0	0	0
(e)	ANY OTHERS (Specify)									
	(i) GROUP COMPANIES	0	0	0	0	0	0	0	0	0
	(ii) TRUSTS	0	0	0	0	0	0	0	0	0
	(iii) DIRECTORS RELATIVES	0	0	0	0	0	0	0	0	0
SUB TOTAL (A)(1):		11257157	0	11257157	8.57	11257157	0	11257157	8.57	0
Foreign										
(a)	BODIES CORPORATE	0	0	0	0	0	0	0	0	0
(b)	INDIVIDUAL	0	0	0	0	0	0	0	0	0
(c)	INSTITUTIONS	0	0	0	0	0	0	0	0	0
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
(e)	ANY OTHERS (Specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL (A)(2):		0	0	0	0	0	0	0	0	0
Total holding for promoters (A)=(A)(1)+(A)(2)		11257157	0	11257157	8.57	11257157	0	11257157	8.57	0
(B) Public shareholding										
Institutions										
(a)	Central / State government(s)	55	0	55	0	55	0	55	0	0
(b)	FINANCIAL INSTITUTIONS / BANKS	398171	24923	423094	0.32	398171	24923	423094	0.32	0
(c)	MUTUAL FUNDS / UTI	572	78	650	0	572	78	650	0	0
(d)	VENTURE CAPITAL FUNDS	0	0	0	0	0	0	0	0	0
(e)	INSURANCE COMPANIES	0	0	0	0	0	0	0	0	0
(f)	FII'S	0	0	0	0	0	0	0	0	0
(g)	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0	0	0	0	0	0
(h)	QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
(i)	ANY OTHERS (Specify)	0	0	0	0	0	0	0	0	0
(j)	FOREIGN PORTFOLIO INVESTOR	0	0	0	0	0	0	0	0	0
(k)	ALTERNATE INVESTMENT FUND	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1):		398798	25001	423799	0.32	398798	25001	423799	0.32	0



Category of Shareholder		No. of Shares held at the beginning of the year: 01/04/2019				No. of Shares held at the end of the year: 31/03/2020				% Change
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
Non-institutions										
(a)	BODIES CORPORATE	17576286	22532	17598818	13.41	16787368	22532	16809900	12.8	-0.6
(b)	INDIVIDUAL									
	(i) (CAPITAL UPTO TO ` 1 Lakh)	24651716	897884	25549600	19.46	23904273	892067	24796340	18.89	-0.57
	(ii) (CAPITAL GREATER THAN ` 1 Lakh)	70383431	0	70383431	53.61	72066498	0	72066498	54.9	1.28
	(iii) HUF	3379403	0	3379403	2.57	3119498	0	3119498	2.38	-0.2
(c)	ANY OTHERS (Specify)									
	(i) TRUSTS	1668	0	1668	0	1668	0	1668	0	0
	(ii) CLEARING MEMBER	103946	0	103946	0.08	349318	0	349318	0.27	0.19
	(iii) NON RESIDENT INDIANS (NRI)	1901197	777	1901974	1.45	1774841	777	1775618	1.35	-0.1
	(iv) DIRECTORS RELATIVES	0	0	0	0	0	0	0	0	0
	(v) EMPLOYEE	0	0	0	0	0	0	0	0	0
	(vi) OVERSEAS BODIES CORPORATES	0	0	0	0	0	0	0	0	0
	(vii) INVESTOR EDUCATION AND PROTECTION FUND.	680652	0	680652	0.52	680652	0	680652	0.52	0
(d)	QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(2):		118678299	921193	119599492	91.10	118684116	915376	119599492	91.10	0
Total Public Shareholding (B)=(B) (1) + (B)(2)		119077097	946194	120023291	91.43	119082914	940377	120023291	91.43	0
(C) Shares held by Custodians and against which Depository Receipts have been issued										
	SHARES HELD BY CUSTODIANS	0	0	0	0	0	0	0	0	0
	(i) Promoter and Promoter Group	0	0	0	0	0	0	0	0	0
	(ii) Public	0	0	0	0	0	0	0	0	0
SUB TOTAL (C)(1):		0	0	0	0	0	0	0	0	0
(C)=(C)(1)		0	0	0	0	0	0	0	0	0
Grand Total (A) + (B) + (C)		130334254	946194	131280448	100	130340071	940377	131280448	100	0



(ii) SHAREHOLDING OF PROMOTER

Sr. No	NAME	Shareholding at the beginning of the year 01/04/2019			Shareholding at the end of the year 31/03/2020			% Change in shareholding during the year
		Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	BIRLA BOMBAY PRIVATE LIMITED	8171397	6.2244	0.0000	8171397	6.2244	0.0000	0.0000
2	AISIAN DISTRIBUTORS PRIVATE LIMITED	141979	0.1081	0.0000	141979	0.1081	0.0000	0.0000
3	ARUNKUMAR GANGAPRASAD SINGHI	34	0.0000	0.0000	34	0.0000	0.0000	0.0000
4	BIRLA SHLOKA EDUTECH LIMITED	694	0.0005	0.0000	694	0.0005	0.0000	0.0000
5	BIRLA INDUSTRIES GROUP CHARITY TRUST	17840	0.0136	0.0000	17840	0.0136	0.0000	0.0000
6	SHEARSON INVESTMENT& TRADING CO PVT LTD	23193	0.0177	0.0000	23193	0.0177	0.0000	0.0000
7	MATRI SEVA SADAN CHARITY TRUST	31851	0.0243	0.0000	31851	0.0243	0.0000	0.0000
8	M/S BIRLA INTERNATIONAL PVT LTD	45000	0.0343	100.0000	45000	0.0343	100.0000	0.0000
9	YASH SOCIETY	75169	0.0573	0.0000	75169	0.0573	0.0000	0.0000
10	NIRVED TRADERS PRIVATE LIMITED	2750000	2.0948	0.0000	2750000	2.0948	0.0000	0.0000
Total		11257157	8.5750	100.00	11257157	8.5750	100.00	0.0000

(iii) Change in Promoters' Shareholding

Name of Promoter	Share holding at the beginning of the year 01/04/2018		Share holding at the end of the year 31/03/2019		% change in share-holding
	Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company	
NIL					

(iv) Shareholding pattern of Top 10 Shareholders (other than directors, promoters and holders of GDRs and ADRs)

Sr. No.	NAME	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		Number of Shares	Percentage of total Shares of the Company	Number of Shares	Percentage of total shares of the company
1	HARBHAJANSINGH MALIKSINGH RAJPAL				
	At the beginning of the year	7,406,422	5.64		
	At the end of the year			7,406,422	5.64



2	SANJAY PURANLAL AGRAWAL				
	At the beginning of the year	3,947,920	3.01		
	At the end of the year			3,947,920	3.01
3	HITESH RAMJI JAVERI				
	At the beginning of the year	4,300,000	3.28		
	Purchase of shares on 01.11.2019	259171	3.47	4559171	-
	Purchase of shares on 22.11.2019	829	3.47	4560000	
	Purchase of shares on 07.02.2020	55357	3.52	4615357	
	Purchase of shares on 14.02.2020	114295	3.60	4729652	
	At the end of the year			4729652	3.60
4	ENDOGRAM LEASING AND TRADING CO PVT LTD				
	At the beginning of the year	3,923,846	2.99		
	Purchase/ Sales	-	-	-	-
	At the end of the year			3,923,846	2.99
5.	NEW AGRO WAREHOUSING PRIVATE LIMITED				
	At the beginning of the year	3,778,440	2.88		
	Purchase/ Sales	-	-	-	-
	At the end of the year			3,778,440	2.88
6	SUNIL TALWAR				
	At the beginning of the year	2,644,634	2.01		
	Purchase/ Sales	-	-	-	-
	At the end of the year			2,644,634	2.01
7.	OVERSKUD MULTI ASSET MANAGEMENT PRIVATE LIMITED				
	At the beginning of the year	2,610,100	1.99		
	At the end of the year			2,610,100	1.99
8	HARSHA HITESH JAVERI				
	At the beginning of the year	2,200,000	1.68		
	Purchase/ Sales	-	-	-	-
	At the end of the year			2,200,000	1.68



9	VSS METALS PRIVATE LIMITED				
	At the beginning of the year	1,721,041	1.31		
	Purchase/ Sales	-	-	-	-
	At the end of the year			1,721,041	1.31
10	THIAGARAJAN ARAVAMUDAN				
	At the beginning of the year	15,20,000	1.16		
	Purchase/ Sales	-	-	-	-
	At the end of the year			15,20,000	1.16

(v) Shareholding of Directors and Key Managerial Personnel as on 31.03.2020

Sr. No.	Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Purushotam Sonavane	-	-	-	-
	At the beginning of the year	-	-	-	-
	Sales / Purchase	-	-	-	-
	At the End of the year	-	-	-	-
2	Mrs. Sanjivani Shinde (up to 13.03.2020)	-	-	-	-
	At the beginning of the year	-	-	-	-
	Sales / Purchase	-	-	-	-
	At the End of the year	-	-	-	-
3	Mrs. Sadhana Patil	-	-	-	-
	At the beginning of the year	-	-	-	-
	Sales / Purchase	-	-	-	-
	At the End of the year	-	-	-	-
4	Mr. Pramod Bhosale (w.e.f. 13.03.2020)	-	-	-	-
	At the beginning of the year	-	-	-	-
	Sales / Purchase	-	-	-	-
	At the End of the year	-	-	-	-



Sr. No.	KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mrs. Minal Pote (Whole time Director)	-	-	-	-
	At the beginning of the year	-	-	-	-
	Sales / Purchase	-	-	-	-
	At the End of the year	-	-	-	-
2	Suneel Sullere (Company Secretary)	-	-	-	-
	At the beginning of the year	-	-	-	-
	Sales / Purchase	-	-	-	-
	At the End of the year	-	-	-	-
3	Mr. B. Girvanesh (CFO)	-	-	-	-
	At the beginning of the year	-	-	-	-
	Sales / Purchase	-	-	-	-
	At the End of the year	-	-	-	-

V. INDEBTEDNESS

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

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	23,400.27	2,170.69	2,199.09	27,770.05
ii) Interest due but not paid	162.11	-	3,161.07	3,323.18
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	23,562.38	2,170.69	5,360.16	31,093.23
Change in Indebtedness during the financial year				
• Addition	-	-	271.81	271.81
• Reduction	3053.46	717.27	0.55	3771.28
Net Change	(3053.46)	(717.27)	271.26	(3499.47)
Indebtedness at the end of the financial year				
i) Principal Amount	20508.92	1453.42	2198.54	24160.88
ii) Interest due but not paid	-	-	3432.88	3432.88
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	20508.92	1453.42	5631.42	27593.76



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. no.	Particulars of Remuneration	Minal Pote (Whole Time Director)	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	200000	200000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- as % of profit	-	-
	- others, specify...		
5.	Others, please specify	-	-
	Total	200000	200000
	Ceiling as per the Act	As per schedule V of the Act	

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Purushottam Sonavane	Sanjivani Shinde	Sadhana Patil
1	Independent Directors	0	60,000	60,000
	• Fee for attending board committee meetings			
	• Commission	0	0	0
	• Others, please specify	0	0	0
	Total (1)	0	60,000/-	60,000/-
2	Other Non-Executive Directors			
	• Fee for attending board committee meetings	60,000	0	0
	• Commission	0	0	0
	• Others, please specify	0	0	0
	Total (2)	60,000	0	0
	Total (B)=(1+2)	60,000/-	60,000/-	60,000/-
Total Managerial Remuneration (A+B)				
Overall Ceiling as per the Act				

- Sanjivani Shinde has resigned on 13.03.2020

- Pramod Bhosale appointed as an Additional Director on 13.03.2020 & he has not attended any meeting during the year.

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

Sr. No.	Particulars of Remuneration	Company Secretary	CFO	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,76,952	11,61,912	18,38,864
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5.	Others, please specify	-	-	-
	Total	6,76,952	11,61,912	18,38,864

By Order of the Board

Place: Mumbai
Date: September 2, 2020

Minal Pote
 Whole time Director
DIN : 07163539

Purushottam Sonavane
 Director
DIN : 08405653



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INDEPENDENT AUDITOR'S REPORT

To the Members of
Zenith Steel Pipes & Industries Limited
(formerly known as Zenith Birla (India) Limited)

Report on the Audit of the Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the Standalone Ind AS financial statements of **Zenith Steel Pipes & Industries Limited** (formerly known as Zenith Birla (India) Limited) ('the Company'), which comprise the balance sheet as at 31st March 2020, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the cash flow statement for the year then ended, and notes to the Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as 'Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, subject to the effect of the matters described in the Basis for Qualified opinion paragraph below the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, its Loss (including their comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. The Company has not complied with the provision of section 74 or any other relevant provision of the Act, and the Companies (Acceptance of Deposits) Rules, 2014 with regard to non repayment of deposits and interest on due date, maintenance of liquid assets to the extent required as well as not fully complying with the orders passed by the Company Low Board.
2. With reference to Note No 43 regarding the balance of Trade Payables, Trade Receivables, Loans, Advances, Deposits, Currents Liabilities, Current Assets, Balance with Government authorities, intergroup etc being not confirmed by the parties and hence our inability to state whether these balances are recoverable/payable to the extent stated.
3. Material uncertainty related to going concern

With reference to Note No 49 which indicates that the company has accumulated losses exceeding the share capital and reserves and its Net worth has been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. However the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

4. Interest payable to Micro, Small and medium enterprises parties, on delayed payments to them has neither been ascertained nor provided.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Emphasis of Matter

We draw attention to the following:

1. The Company's Stock records pertaining to production for the year have been maintained on a consolidated basis as there were transactions of purchase / sale of steel / pipes & zinc by other companies in the Group using the same manufacturing facilities on job work basis. The stock quantity for the Company have been derived by the management from the stock records maintained from which balances have been derived and certified by the management & relied on by us.

Further, our attendance at the physical inventory verification done by the management was impracticable under the current restrictions imposed by the Government and we have relied on the related alternate audit procedures.

2. During the previous year the Company has entered into an agreement with M/S Tribus Real Estate Pvt. Ltd. for taking over the Company's bank outstanding as reflected earlier in the company's books on terms agreed to between the Company and Tribus Real Estate Pvt. Ltd irrespective of the amount settled with the bank. Consequently the outstanding of the banks in the books of the Company are transferred to Tribus Real Estate Pvt. Ltd and hence now classified as "Secured Loan from others" though the security for the loan continue to be in favor of the Banks.
3. We draw to attention to Note No. 57 of the Financial Statements, which states the impact of Coronavirus (COVID – 19) on the operations of the Company.

Our opinion is not modified in respect of these matters.

Key Audit Matters

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

Description of Key Audit Matter:

SNo.	Key Audit Matters	Auditors Response
1.	Going Concern Basis of Accounting	
	The Company has accumulated losses exceeding its Share Capital and Reserves and its Net Worth has been fully eroded.	Our procedures included: Discussion with management about their assessment of the Company's ability to continue as a going concern and management's plans to address the problems.
2.	Unable to fully pay Public Deposit	
	The company has been unable to fully pay its public deposit holders	Evaluating the forecasted future cash flows prepared by the management. Understanding the arrangements made with third parties for settlement of the Company's public deposit holders.



3.	Balance confirmation	
	Balances of Trade Payables, Trade Receivables, Loans, Advances, Deposits, Currents Liabilities, Current Assets, Balance with Government authorities, intergroup etc. are not confirmed by the parties and hence their recoverability/playability is uncertain	Verifying the financing plans proposed by the management as well as the strategic understanding with suppliers/customers.
4.	Labour Problems	
	Labour problems at the company main factory.	Verifying the financing plans proposed by the management as well as the strategic understanding
5.	Other Matters	
	All the above circumstances cast a doubt on the Company's ability to continue as a going concern.	Concluding, on the basis of evidence obtained, on the appropriateness' of management's use of the going concern basis of accounting in the preparation of the financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears 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.

Management's Responsibility for the Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and Board of Directors are 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 is also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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 Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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

- 1) As required by the Companies (Auditors' Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143 (11) of the Act, we give in the 'Annexure A' a statement on the matters specified in



paragraphs 3 and 4 of the Order, to the extent applicable.

- A) As required by Section 143(3) of the Act we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the cash flow statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act;
 - e) On the basis of the written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.
- B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i). The Company has disclosed the impact of pending litigations as at 31st March 2020 on its financial position in its Ind AS financial statements - Refer Note 33 to the Ind AS financial statements;
 - ii). The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii). There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
- C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For, Thakur, VaidyanathAiyar & Co.
Chartered Accountants
Firms Registration No. 000038N

C. V. Parameswar
Partner

Membership No. 11541

UDIN No. 20011541AAAABX5976

Place: Mumbai

Date: 30.07.2020



Annexure A to the Independent Auditors' Report

The Annexure referred to in Standalone Ind AS Independent Report to the members of **Zenith Steel Pipes & Industries Limited** (formerly known as Zenith Birla (India) Limited) on the Standalone Ind AS Financial statements for the year ended 31st March 2020):

- 1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets from the financial year 2016-17 onwards. We are informed that the fixed assets records pertaining to the earlier periods have been lost in transit and hence not available. The records for the year 2019-20 are in the process of being updated.
 - (b) The Fixed Assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which in our opinion is reasonable having regard to the size of the company and nature of its assets. However, physical verification of fixed Assets has not been carried out during the year
 - (c) As per the information and explanations provided to us, title deeds of immovable properties are generally in the name of the Company except in case of one freehold property valued at ₹ 325.90 Lacs.
- 2) The inventory (excluding stock with third parties) has been physically verified by the management during the year. In respect of inventories lying with third parties these have been confirmed by them. In our opinion the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- 3) The Company had granted an unsecured loan in the earlier years to a Subsidiary Company and to another Company during the year covered in the register maintained under section 189 of the Companies Act, 2013
 - (i). The terms and conditions of such loan were not prejudicial to the company's interest.
 - (ii). The schedule of repayment of principal and payment of interest has not been stipulated.
 - (iii). As there is no stipulation about repayment of principal and payment of interest, there is no overdue amount.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of Loans, investments, guarantees, and security, where applicable.
- 5) In our opinion and according to the information and explanations given to us, in respect of compliance by the Company with the directive issued by the Reserve Bank of India, the provisions of Sections 74 or any other relevant provisions of the Act and the rules framed thereunder, with regard to the deposits accepted from the public, we have to state that these have not been complied with in respect to non repayment of deposits and interest on due date and maintenance of liquid assets to the extent required as per Rule 13 of the Companies (Acceptance of Deposit) Rules, 2014. The Company has also not fully complied with orders passed by Company Law Board / NCLT.
- 6) We have broadly reviewed the books of accounts maintained by the Company in respect of products where, pursuant to the rules made by Central Government of India, the maintenance of cost records has been prescribed under sub section (i) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 7) (a) According to the information and explanations given to us and the records of the Company examined by us in our opinion except for dues in respect of Dividend Distribution Tax, Tax Deducted at Source, Profession tax, Tax Collected at Source, Provident Fund, Labour Welfare Fund and Excise Duty the Company is generally regular in depositing the undisputed statutory dues including Custom Duty, Cess and other material statutory dues, as applicable. The following balances remained in arrears as at the last day of the financial year for a period exceeding six months from the date they become payable:



SNo.	Nature of Due	Amount Outstanding (₹ in Lacs)
1.	Income Tax Deducted at Source	36.04
2.	Provident Fund	31.35
3.	Maharashtra Labour Welfare Fund	0.01
4.	Profession Tax	2.84
5.	Excise Duty	2.50
6.	Dividend Distribution Tax	359.08
7.	Interest on Dividend Distribution Tax	377.03

- (b) According to the information and explanation given to us and the records of the Company examined by us, there were no disputed dues in respect of Service Tax. The particulars of Dues of Customs Duty, Excise Duty, Sales Tax, Value added tax and Income Tax as at March 31, 2020, which have not been deposited on account of disputes are as follows:

Name of the Statute	Nature of Dues	Period to which the matter pertains to	Forum where dispute is pending	Amount (₹ in Lacs)
Custom Act, 1962	Custom Duty	1985-86	High Court	3.45
		1998-99	Tribunal	82.00
Central Excise Act, 1959	Excise Duty	1995-96	Commissioner Appeal	129.78
Central Sales Tax Act, 1956	Central Sales Tax	1995-96	Tribunal	78.88
Maharashtra Value Added Tax, 2002	Value Added Tax	2006-07	Joint Commissioner Appeal	1,739.30
		2007-08	Joint Commissioner Appeal	2,577.63
		2009-10	Deputy Commissioner for Reassessment	6,215.77
		2011-12	Tribunal	50.98
		2012-13	Joint Commissioner Appeal	330.30
		2013-14	Joint Commissioner Appeal	30.67
Income Tax Act, 1961	Income Tax	2008-09	CIT (Appeal)	2,545.08
		2009-10	CIT (Appeal)	102.01
		2010-11	CIT (Appeal)	1,108.80
		2011-12	CIT (Appeal)	189.88
		2013-14	CIT (Appeal)	2.18

- 8) According to the records of the Company examined by us and the information and explanations given to us, there has been default in payments to the banks since August 2012. During the previous year under audit the Company has entered into an agreement with Tribus Real Estate Pvt. Ltd. for taking over the company's bank outstanding as reflected earlier in the company books on terms agreed to between the Company and Tribus Real Estate Pvt. Ltd.

Consequently, there are no Bank loan / outstanding in the Books of the Company as this has been transferred to Tribus Real Estate Pvt Ltd during the previous year.



- 9) Based upon the audit procedure performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and not availed term loan during the year. Accordingly, the provisions of clause 3(ix) of the order are not applicable to the Company.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 11) In our opinion and according to the information and explanations given to us, Managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly the provisions of clause 3 (xiv) of the order are not applicable to the Company.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the order are not applicable to the Company.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the order are not applicable to the Company.

For, Thakur, VaidyanathAiyar & Co.
Chartered Accountants
Firms Registration No. 000038N

Place: Mumbai
Date: 30.07.2020

C. V. Parameswar
Partner
Membership No. 11541
UDIN No. 20011541AAAABX5976



Annexure B to the Independent Auditor's Report of even date on the Ind AS Financial Statements of Zenith Steel pipes & industries Limited (formerly known as Zenith Birla (India) Limited) for the year ended 31st March 2020

Report on the Internal Financial Controls over financial reporting 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 Steel pipes & industries Limited** (formerly known as Zenith Birla (India) Limited) ("the Company") as of 31st March, 2020 in conjunction with our audit of the 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of



the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020 except for the facts the Company maintains Stock records pertaining to production on a consolidated basis with other companies in the Group using the same manufacturing facilities on job work basis, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, Thakur, Vaidyanath Aiyar & Co.
Chartered Accountants
Firms Registration No. 000038N

Place: Mumbai
Date: 30.07.2020

C. V. Parameswar
Partner
Membership No. 11541
UDIN No. 20011541AAAABX5976


Statement on impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020

[See regulation 33 of the SEBI(LODR)(Amendment) Regulations,2016]

	SR. No.	Particulars	Audited Figures ₹ in Lacs (as reported before adjusting for qualifications)	Adjusted Figures ₹ in lacs (audited figures after adjusting for qualifications)
I	1.	Turnover/ Total Income	6926.47	6926.47
	2.	Total Expenditure	9724.57	9724.57
	3.	Net Profit/(Loss)	(2798.57)	(2798.57)
	4.	Earnings Per Share (Rupees)		
	5.	Total Assets	16408.39	16408.39
	6.	Total Liabilities	40449.85	40449.85
	7.	Net Worth	(24041.46)	(24041.46)
	8.	Any other financial item(s)(as felt appropriate by the management)	-	-

II Audit Qualification (each audit qualification Separately):
a. Details of Audit Qualification:

1. The Company has not complied with the provisions of the section 74 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 with regard to non repayment of deposits and interest on due date, maintenance of liquid assets to the extent required as well as not fully complying with the orders passed by the Company Law Board.
2. With reference to Note No. 7 regarding the balance of Sundry Creditors, Debtors, Loans and Advances, Deposits, Current Liabilities , inter units etc being not confirmed by the parties/units and hence our inability to state whether these balance are recoverable/payable to the extent stated.
3. With reference to Note No. 8 which indicates that the Company has accumulated losses exceeding the Share Capital and Reserves and its net worth has been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said note.
4. Interest payable to Micro, Small and Medium Enterprise parties on delayed payments to them has neither been ascertained nor provided.

b. Type of Audit Qualification: Qualified/ Disclaimer of Opinion/ Adverse Opinion
c. Frequency of Qualification

Qualification no. 1 to 4 is repetitive.

d. For Audit Qualification(s) where the impact is not quantified by the auditor:
(i) Management's estimation on the impact of audit qualification:
(ii) If management is unable to estimate the impact, reasons for the same:



For qualification on balances of sundry creditors, debtors, etc:

Reconciliation of balances of sundry creditors, debtors and other parties are an ongoing basis and the figures would be ascertained only when the reconciliation is finalised. Hence at this stage, impact of the same is not ascertainable.

For qualification on non compliance of section 74(2) of the Companies Act, 2013:

The company has taken action on priority to clear the dues of deposit holders who are incapacitated and to comply with the orders of existing authorities. For the rest, the company has already started the process of settling their dues through sale proceeds of the assets sold by MPID court of the other Company who has given NOC for using the amount towards repayment of the Fixed Deposits of the Zenith Birla (India) Limited and will complete it before the end of Financial Year 2020-21.

For qualification on accounting ongoing concern basis:

On account of strategic understanding with suppliers/ customers, which is continuing, the Company is on revival mode and is operating some of its units. In view of the same going concern concept holds good.

For qualification on Interest payable to Micro, Small and Medium Enterprise:

Company ensures to pay all MSME's within the stipulated credit period except in case of parties where there are certain claims/legal issues. Company is of the view that Interest on such outstanding being disputed is not payable and hence not determined on such out standings

(iii) Auditors' Comments on (I) or (iv) above

No further comments

III Signatories:

- Director : (Minal Pote)
- Chief Financial officer : (B. Girvanesh)
- Audit Committee Chairman : (Sadhana A Patil)
- Statutory Auditor : (C. V. Parameswar)
(M/s Thakur, Vaidyanath Aiyar & Co. Chartered Accountants, Mumbai)

Partner

Place: Mumbai

Date: 30.07.2020



Standalone Balance sheet as at 31st March, 2020

		₹ in lacs		
Sr. No.	Particulars	Note No.	As at 31st March, 2020	As at 31st March 2019
I.	ASSETS			
	NON-CURRENT ASSETS			
(a)	Property, Plant & Equipment	2	6,580.29	7,449.14
(b)	Capital work in progress	3	-	1,443.71
(c)	Intangible Assets	4	6.43	5.60
(d)	Financial Assets			
(e)	(i) Investments	5	260.59	260.59
	(ii) Loans	6	157.56	157.91
(f)	Other Non-Current Assets	7	204.80	204.80
	Total Non - Current Assets		7,209.67	9,521.74
	CURRENT ASSETS			
(a)	Inventories	10	535.21	96.62
(b)	Financial Assets			
	(i) Trade Receivables	11	1,034.98	3,733.28
	(ii) Cash and Cash Equivalents	12	209.23	264.30
	(III) Bank Balances other than (II) above	13	24.24	1.85
	(iv) Loans	6	3,927.15	6,392.26
	(v) Other Financial Assets	7	-	-
(c)	Other Current Assets	8	3,189.88	3,227.84
(d)	Current tax assets (Net)	9	278.01	220.94
	Total - Current Assets		9,198.70	13,937.09
	Total Assets		16,408.37	23,458.83
II.	EQUITY AND LIABILITIES			
	EQUITY			
(a)	Equity share capital	14	13,128.04	13,128.04
(b)	Other equity	15	(37,169.52)	(36,259.20)
	Total - Equity		(24,041.48)	(23,131.16)
	LIABILITIES			
A	Non-Current Liabilities			
(a)	Financial liabilities			
	(i) Borrowings	16	893.42	961.83
(b)	Provisions	20	599.31	650.87
(c)	Deferred tax liabilities (Net)	21	504.86	504.86
	Total Non - Current Liabilities		1,997.59	2,117.56
B	Current Liabilities			
(a)	Financial liabilities			
	(i) Borrowings	16	21,068.92	24,609.13
	(ii) Trade payables	17	5,026.84	8,119.62
	(iii) Other financial liabilities	18	5,632.17	5,360.91
(b)	Other current liabilities	19	4,884.36	5,248.68
(c)	Provisions	20	1,101.98	439.18
(d)	Current tax liabilities (Net)	22	737.99	694.91
	Total - Current Liabilities		38,452.26	44,472.43
	Total Equity and Liabilities		16,408.37	23,458.83

As Per Our Attached Report of Even Date

For Thakur Vaidyanath Aiyar & Co.

Chartered Accountants

Firm Registration No.: 000038N

C.V. Parameswar

Partner

Membership No: 11541

Place: Mumbai

Date: 30th July, 2020

For and on behalf of Board of Directors

Purushottam Sonavane**Director****DIN. 08405653****B. Girvanesh**

Chief Financial Officer

Minal Pote**Whole time Director****DIN. 07163539****Suneel Sullere**

Company Secretary

ACS.42922



Standalone Statement of Profit and Loss for the Period ended 31st March, 2020

₹ in lacs

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March 2019
I.	INCOME			
	Revenue from operations	23	6,164.30	13,895.06
	Other income	24	762.19	1,112.59
	Total Income		6,926.49	15,007.65
II.	EXPENSES			
	Cost of Raw Materials and Components Consumed	25	2,943.89	8,086.87
	Purchases of Stock-in-Trade	26	114.60	745.99
	Changes in Inventories of Finished Goods, Semi-Finished Goods and Stock-in-Trade	27	(218.57)	(0.80)
	Employee benefits expense	28	825.56	814.63
	Finance costs	29	406.46	679.69
	Depreciation and amortization expense	30	889.70	601.26
	Other expenses	31	4,762.95	15,351.90
	Total Expenses		9,724.59	26,279.54
III.	Profit / (Loss) before exception items and tax		(2,798.10)	(11,271.89)
IV.	Exceptional items		-	658.88
V.	Profit / (Loss) before tax (III - IV)		(2,798.10)	(11,930.77)
VI.	Tax expense:			
	(1) Current tax			
	(2) Deferred tax			
VII.	Profit/(Loss) for the period (V-VI)		(2,798.10)	(11,930.77)
VIII.	OTHER COMPREHENSIVE INCOME			
	(i) Items that will not be reclassified to profit or loss			
	Related to employee benefits		(0.46)	38.32
	Foreign Translation Difference		-	650.67
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Total Other Comprehensive Income net of tax		(0.46)	688.99
	Total Comprehensive income for the year, net of tax VII+VIII		(2,798.56)	(11,241.78)
	Earnings per equity share:			
	(1) Basic		(2.13)	(9.09)
	(2) Diluted		(2.13)	(9.09)

As Per Our Attached Report of Even Date
For Thakur Vaidyanath Aiyar & Co.
Chartered Accountants
Firm Registration No.: 000038N

C.V. Parameswar
Partner
Membership No: 11541
Place: Mumbai
Date: 30th July, 2020

For and on behalf of Board of Directors

Purushottam Sonavane
Director
DIN. 08405653

B. Girvanesh
Chief Financial Officer

Minal Pote
Whole time Director
DIN. 07163539

Suneel Sullere
Company Secretary
ACS.42922



Cash Flow Statement for the year ended 31st March, 2020

(₹ in Lakhs)

Sr. No.	Particulars	For the year ended 31st March,2020	For the year ended 31st March,2019
A. CASH FLOW FROM OPERATING ACTIVITIES:			
	Net profit before exceptional item, taxation and prior period adjustments	(2,798.10)	(11,271.89)
	Adjustments for:		
	Depreciation and Amortization	889.70	601.26
	Prior period items	-	(658.88)
	Finance Costs	406.46	679.69
	Interest Income	(6.78)	-
	Other Comprehensive Income	(0.46)	688.99
	Adj. in Gen Res. Of old liab.	1,888.25	-
	Sub-total	3,177.17	1,311.06
	Operating Profit Before Working Capital Changes	379.07	(9,960.83)
	Adjustments for changes in working capital :		
	Inventories	(438.60)	(230.36)
	Trade Receivables	2,698.30	641.79
	Loans	2,465.11	(10,861.68)
	Other Current Assets	37.96	273.44
	Trade Payables	(3,092.78)	(596.57)
	Provisions	662.80	36.40
	Other Financial Liabilities	271.26	(378.13)
	Loans In Financial Assets	0.35	(8.48)
	Other Current Liabilities	(364.32)	(871.05)
	Current Tax Liabilities	43.08	(43.09)
	Provisions In Non -Current Liabilities	(51.55)	(21.93)
	Direct Taxes Paid (Net of Refund)	(57.07)	26.21
	Sub-total	2,174.55	(12,033.43)
	Net Cash Flow From Operating Activities After Exceptional Item.....(A)	2,553.62	2,072.61
B. CASH FLOW FROM INVESTING ACTIVITIES:			
	Payments made for Property, Plant and Equipment	(20.86)	32.86
	Payments made in CWIP	1,443.72	12.99
	Payments made for Intangible Assets	(0.83)	(0.66)
	Proceeds from sale of Property, Plant and Equipment	-	(8.86)
	Other Non-Current Assets	-	(25.47)
	Interest Received	6.78	-
	Sub-total	1,428.81	10.86
	Net Cash used for Investing Activities..... (B)	1,428.81	10.86



(₹ in Lakhs)

Sr. No.	Particulars	For the year ended 31st March,2020	For the year ended 31st March,2019
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from Borrowings	-	101.74
	Repayment of Borrowings	(3,608.61)	(1,469.00)
	Interest Paid	(406.46)	(679.69)
	Sub-total	(4,015.07)	(2,046.95)
	Net Cash used for Financing Activities.....(C)	(4,015.07)	(2,046.95)
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(32.64)	14.79
	Cash and Cash Equivalents as at 01.04.2019	264.30	251.31
	Add: (Increase) / Decrease in Fixed Deposit accounts kept as margin money with banks	(22.39)	(1.80)
	Add: Decrease in Dividend accounts with bank	-	-
		241.91	249.51
	Cash and Cash Equivalents as at 31.03.2020	209.23	264.30
		209.27	264.30
	Reconciliation of Cash and Bank Balances given in Note No. 12 of Balance Sheet is as follows:		
	Cash and Bank Balances	233.47	266.15
	Less:		
	Balance in Fixed Deposit accounts with banks having a maturity period of more than three months	24.24	1.85
	Cash and Cash Equivalents as at 31.03.2020	209.23	264.30

As Per Our Attached Report of Even Date
For Thakur Vaidyanath Aiyar & Co.
Chartered Accountants
Firm Registration No.: 000038N

C.V. Parameswar
Partner
Membership No: 11541
Place: Mumbai
Date: 30th July, 2020

For and on behalf of Board of Directors

Purushottam Sonavane
Director
DIN. 08405653

B. Girvanesh
Chief Financial Officer

Minal Pote
Whole time Director
DIN. 07163539

Suneel Sullere
Company Secretary
ACS.42922


Statement of Changes in Equity For the period ended 31st March, 2020

(A)	EQUITY SHARE CAPITAL			
Sr. No.	Particulars	Nos.	Amount in ₹	Amount in Lakhs
	Equity shares of ₹ 10/- each Issued, Subscribed and Fully Paid up			
	As at April 1, 2018	13,12,80,448.00	1,31,28,04,480.00	13,128.04
	Change in Equity Share Capital during the year	-	-	-
	As at March 31, 2019	13,12,80,448.00	1,31,28,04,480.00	13,128.04
	Change in Equity Share Capital during the year	-	-	-
	As at March 31, 2020	13,12,80,448.00	1,31,28,04,480.00	13,128.04
	On 10-01-2011 the Company issued 1,08,10,000 Convertible Equity Share Warrants which were convertible into 1 Equity Share of ₹ 10 each at a price calculated in accordance with SEBI regulation 25% of the issue price was payable at the time of allotment of warrants and the balance 75% at the time of allotment of Equity Share . On 25-03-2011 , 15,60,000 warrants were convertible into Equity Share before 09-07-2012.			

(B) OTHER EQUITY
For the year ended March 31, 2020

Sr. No.	Particulars	Securities Premium Reserve	General Reserves	Retained Earnings	Total Other Equity
	As at April 1, 2019	14,308.30	552.12	(51,119.62)	(36,259.20)
Add:	Profit for the year	-	-	(2,798.10)	(2,798.10)
Add:	FDR Adjustments	-	-	-	-
Add:	Other Comprehensive Income	-	1,888.24	(0.46)	1,887.78
	Total Comprehensive Income	14,308.30	2,440.36	(53,918.18)	(37,169.52)
Less:	Issue of Bonus shares	-	-	-	-
Less:	Transfer to general reserves	-	-	-	-
	As at March 31, 2020	14,308.30	2,440.36	(53,918.18)	(37,169.52)

Sr. No.	Particulars	Securities Premium Reserve	General Reserves	Retained Earnings	Total Other Equity
	As at April 1, 2018	14,308.30	552.12	(39,877.84)	(25,017.42)
Add:	Profit for the year	-	-	(11,930.77)	(11,930.77)
Add:	FDR Adjustments	-	-	-	-
Add:	Other Comprehensive Income	-	-	688.99	688.99
	Total Comprehensive Income	14,308.30	552.12	(51,119.62)	(36,259.20)
Less:	Issue of Bonus shares	-	-	-	-
Less:	Transfer to general reserves	-	-	-	-
	As at March 31, 2019	14,308.30	552.12	(51,119.62)	(36,259.20)



Notes on Standalone financial statements for the year ended 31st March, 2020

1. General Information:

Zenith Steel Pipes & industries Limited (the Company) is a Public Limited Company incorporated in India having its registered office at Industry House, 5th Floor, 159, Churchgate Reclamation Mumbai-400 020, India. The Company is engaged in the manufacturing and selling of ERW And SAW Pipes.

Significant accounting policies followed by the Company

(A) Basis of preparation of financial statements:

(i) 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 and other relevant provisions of the Act.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities

- a) Certain Financial assets and liabilities that are measured at fair value
- b) Derivative Financial instruments

(iii) Functional and Presentaion Currency

These financial statements are presented in Indian Rupees. This is also the functional currency of the company. All financial information are presented in Indian Rupees has been rounded off to decimals in lacs.

(iv) Current and Non current Classification

All assets and Liabilities have been classified as Current and Non Current as per the company's normal operating cycle (12 months) and other criteria set out in schedule III to the Act.

(B) Use of estimates:

An 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. The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made by the management that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are crystallized.

(C) Revenue recognition:

- (a) Revenue from the sale of goods is recognized upon the passage of title to the customers, which generally coincides with delivery.
- (b) Export sales are accounted based on the dates of Bill of Lading.
- (c) Interest Income is accrued on time proportion basis over the period of loan / deposit / investment except in case of significant uncertainties.

(D) Property, Plant and Equipment:

- (a) All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include hedges of foreign currency purchases of property, plant and equipment. 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 associates with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(b) Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April 2017 and use that carrying value as the deemed cost of the property, plant and equipment.

(c) Depreciation methods, estimated useful lives and residual value:

(i) Depreciation: The Company has ascertained the useful life of its various assets and charged depreciation in accordance with Schedule II of the Companies Act, 2013.

(ii) Leasehold Land is amortized over the period of lease.

(iii) The useful lives have been determined based on technical evaluation done by the management's expert in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

(iv) 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.

(v) Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

(E) Intangible Assets:

(i) Computer Software and Technical Know-How are amortized over a period of 3 years from the date of acquisition.

(ii) Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1st April 2017 and use that carrying value as the deemed cost of intangible assets.

(F) Capital Work in Progress:

Expenditure during construction period including development cost incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets and are included under "Capital Work in Progress". These expenses are apportioned to fixed assets on commencement of commercial production.

(G) Impairment of Assets:

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss, if any, is charged to statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(H) Valuation of Inventory:

(a) Raw Materials and components, semi-finished goods, finished goods, stores and spares, goods for trade are valued at cost or net realizable value whichever is lower. Cost formula used is weighted average cost. Cost comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventory to its present location and condition.



- (b) Goods / Materials in Transit are valued at cost to date.
- (c) Scrap is valued at its estimated realizable value.
- (d) Adequate provisions are made for obsolete inventory based on technical estimates made by the Company.

(I) Foreign Currency Transactions:

Transactions arising in foreign currencies during the year are converted at the rates closely approximating the rates ruling on the transaction dates. Liabilities and receivables in foreign currency are restated at the year end exchange rates. All exchange rate differences arising from conversion in terms of the above are included in the statement of profit and loss.

In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

(J) Employee Benefits:

(i) Short-term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The Liabilities are presented under current liabilities in the balance sheet.

(ii) Other long-term employee benefit obligations:

The liabilities for earned leave are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

(iii) Post-employment obligations:

- (a) Defined contribution plans: Company's contribution to the provident fund scheme is recognized during the year in which the related service is rendered.
- (b) Defined benefit plans: The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using projected unit credit method.
- (c) The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.
- (d) Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.
- (e) Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.
- (f) Long Term compensated absences are provided on the basis of an actuarial valuation.

**(K) Research and Development Costs:**

Revenue expenditure, including overheads on research and development, is charged as an expense through the natural heads of account in the year in which incurred. Expenditure incurred at development phase, where it is reasonably certain that outcome of research will be commercially exploited to yield economic benefits to the Company, is considered as an Intangible assets and depreciation is provided on such assets as applicable.

(L) Investments:

Current investments are carried at lower of cost or fair value. Long term investments are carried at cost less provision for other than temporary decline in the value of such investments.

(M) Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

(N) Taxation:

Income tax expense comprises Current tax and Deferred tax charge or credit. Provision for Current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax.

Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably. The deferred tax asset and/or deferred tax liability is calculated by applying substantively enacted rate as at balance sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation is recognized if and only if there is virtual certainty backed by convincing evidence of its realization. At each balance sheet date, carrying amount of deferred tax assets is reviewed to reassure realization.

(O) Share Issue Expenses:

Issue expenses are adjusted against the Share Premium.

(P) Government Grant/Loan:

Capital grants for project capital subsidy are credited to capital reserve.

The Company has availed mandatory exemption under Ind AS 101 and accordingly, there is no change in accounting treatment on the amount carried forward on the date of transition for sales tax deferral loan / incentive.

(Q) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.



Amount ₹ in Lacs

Note No.	Particulars	As at 31st March, 2020	As at 31st March 2019
2	PROPERTY, PLANT & EQUIPMENT		
	Gross Block	15,047.13	15,028.28
	Less : Accumulated Depreciation	8,466.84	7,579.15
	Net Block	6,580.29	7,449.13
	Note* Please refer note no. 2 Property, Plant & Equipment		
3	CAPITAL WORK IN PROGRESS		
	Capital Work-in-Progress	-	1,443.71
	Total	-	1,443.71
	Note* Please refer note no. 3 Capital Work in Progress		
4	INTANGIBLE ASSETS		
	Gross Block	32.92	30.20
	Less : Acc. Depreciation	26.49	24.60
	Net Block	6.43	5.60
	Note* Please refer note no. 4 Intangible Assets		
5	INVESTMENT		
	Quoted Investments		
A)	In Equity Share-Quoted, Fully Paid up		
	4,35,350 Birla Transasia Carpets Limited Or ₹ 10/Each	-	63.70
	(4,35,350) less: Provision for diminution in value	-	63.70
	Unquoted Investments	-	-
B)	In Equity Share of Subsidiary Company		
	1000 Zenith (Usa), Inc. New York, A wholly owned Subsidiary company (1000) Nominal value of Shares in Us \$ 30,000	2.28	2.28
	2 UAE Dirham 2 Million of Zenith Middle East FZE, A wholly owned Subsidiary (2) of the Company, Further UAE Dirham 0.22 million is pending Allotment	257.31	257.31
		259.59	259.59



Amount ₹ in Lacs

Note Particulars No.	As at 31st March, 2020	As at 31st March 2019
C) Other Investment -Unquoted Fully Paid up		
236 US \$ 1,000 each of P.T. Horizon Syntex , Indonesia , continue to be held in the (236) name of erstwhile The India Tool Manufactures Limited and the same are still In process of being transferred in the name of the company pending receipt of the necessary approval from Reserve Bank of India less provision for diminution in value	19.31	19.31
	19.31	19.31
	0.00	0.00
2000 Tima CETP Co-op Society Ltd. Of ₹ 10/each (2000)	0.20	0.20
2000 Thed Shamrao Vithal Co-Op Bank Ltd. Of ₹25/Each (2000)	0.50	0.50
	0.70	0.70
D) In Government securities - Unquoted		
National Saving Certificate	0.30	0.30
	0.30	0.30
Total	260.59	260.59
Aggregate amount of quoted investments	63.70	63.70
Market value of quoted Investments	32.65	32.65
Aggregate amount of unquoted investments	279.90	279.90
Aggregate provision for diminution in value of investments	83.01	83.01
6 LOANS		
Non-Current		
Unsecured; considered good :		
Other Loans and Advance (Includes ₹2.56 lacs due from related parties and previous year Amount ₹ Nil)	157.56	157.91
Other Loans and Advance (Considered Doubtful)	-	486.57
Less : - Provision for Doubtful Advances	-	(486.57)
Loans and Advance which have significant increase in Credit Risk	-	-
Loans and Advance - credit impaired	-	-
Total Non - Current	157.56	157.91



Amount ₹ in Lacs

Note Particulars No.	As at 31st March, 2020	As at 31st March 2019
Current		
Unsecured; considered good :		
Loan & Advance to Employees	19.07	27.76
Loan & Advance to Inter Corporate Loan	834.44	834.44
Loan & Advance to Others (Includes ₹1.04 lacs due from related parties and previous year Amount ₹ Nil)	3,073.64	5,530.06
Loan & Advance to Others which have significant increase in credit risk	11,655.19	11,655.19
Less :- Provision for Doubtful Advances	11,655.19	11,655.19
Total - Current	3,927.15	6,392.26
7 OTHER NON-CURRENT ASSETS		
Non-Current		
Unsecured; considered good :		
Deposits with Others	204.80	204.80
Total Non - Current	204.80	204.80
Current		
Unsecured; considered good :		
Deposits with Others	-	-
Total - Current	-	-
8 OTHER ASSETS		
Non-Current		
Unsecured; considered good :		
Capital Advances	-	-
Total Non - Current	-	-
Current		
Unsecured; considered good :		
A) Advances Paid to Suppliers/Services	47.37	22.78



Amount ₹ in Lacs

Note Particulars No.	As at 31st March, 2020	As at 31st March 2019
B) Balances with Government Authorities :		
Deposits with Government Authorities	169.19	256.19
TDS Receivable	142.84	76.47
Cenvat Credit and export incentive receivable	3.06	34.62
Value Added Tax Receivable	2,000.82	2,056.82
Other Receivable	0.36	0.36
Goods & Service Tax	808.47	768.86
Sub Total (B)	3,124.74	3,193.31
C) Others :		
Pre-paid Expenses	11.59	11.74
Interest accrued on fixed deposits and others	6.18	-
Sub Total (C)	17.77	11.74
Total - Current	3,189.88	3,227.83
9 CURRENT TAX ASSETS (NET)		
Advance Income Tax	278.01	220.94
Total	278.01	220.94
10 INVENTORIES		
Raw Materials and Components	207.28	-
Semi-Finished Goods	-	-
Finished Goods	199.77	-
Stores and Spare Parts	108.56	95.82
Other (Scrap)	19.60	0.80
Total	535.21	96.62
11 TRADE RECEIVABLES		
Unsecured, considered good :		
Outstanding for a period exceeding six months from the date they are due for payment		
Trade Receivables Considered good	123.27	2,222.08
Trade Receivables which have significant increase in credit risk	2,268.57	2,268.57
Less: Provision for doubtful debts	2,268.57	2,268.57
Debts outstanding for a period exceeding six months	123.27	2,222.08
Other considered good	911.70	1,511.20
Total (Includes ₹ Nil due from related parties and previous year Amount ₹ 2101.17 Lacs)	1,034.98	3,733.28



Amount ₹ in Lacs

Note Particulars No.	As at 31st March, 2020	As at 31st March 2019		
12 CASH AND CASH EQUIVALENTS				
A) Balances with Banks in Current Accounts	203.97	263.79		
B) Cash on Hand	5.26	0.51		
Total	209.23	264.30		
13 OTHER BANK BALANCES				
A) Balances in Margin Money Account	24.24	1.85		
Total	24.24	1.85		
14 EQUITY SHARE CAPITAL				
A) AUTHORISED SHARE CAPITAL				
15,55,00,000 (15,55,00,000) Equity Shares of ₹ 10/- each	15,550.00	15,550.00		
Total	15,550.00	15,550.00		
B) ISSUED, SUBSCRIBED & PAID UP SHARE CAPITAL				
13,12,80,448 (13,12,80,448) Equity Shares of ₹ 10/- each	13,128.04	13,128.04		
Total	13,128.04	13,128.04		
14.1 The reconciliation of the number of shares outstanding is set out below:	No. of Shares	No. of Shares		
Shares outstanding at the beginning of the year	13,12,80,448	13,12,80,448		
Shares outstanding at the end of the year	13,12,80,448	13,12,80,448		
14.2 The details of Shareholders holding more than 5% share	No. of Shares	%	No. of Shares	%
		Held		Held
Birla Bombay Pvt. Ltd.	8171397	6.22	8171397	6.22
Harhbhajansingh Maliksingh Rajpal	7406422	5.64	7406422	5.64
14.3 On 10-01-2011 the Company issued 1,08,10,000 Convertible Equity Share Warrants which convertible into 1 Equity Share of ₹ 10 each at a price calculated in accordance with SEBI regulation. 25% of the issue price was payable at the time of allotment of warrants and the balance 75% at the time of allotment of Equity Shares. On 25-03-2011, 15,60,000 warrants were converted into Equity Shares. The remaining 92,50,000 warrants were convertible into Equity Share before 09-07-2012.				



Amount ₹ in Lacs

Note Particulars No.	As at 31st March, 2020	As at 31st March 2019
15 OTHER EQUITY		
A) Securities Premium	14,308.30	14,308.30
B) General Reserves	2,440.36	552.12
C) Retained Earnings		
Balance As per last Account	(51,119.62)	(39,877.84)
Add: Profit / (Loss) for the current year	(2,798.10)	(11,930.77)
Add: Amount Transferred to Other Units	-	-
Add: Other Comprehensive Income	(0.46)	688.99
Closing Balance (Retained Earnings)	<u>(53,918.18)</u>	<u>(51,119.62)</u>
Total (A to D)	<u>(37,169.52)</u>	<u>(36,259.20)</u>
16 BORROWINGS		
Non-Current		
A) Secured Loans		
Term Loans :		
Sub Total (A)	<u>-</u>	<u>-</u>
B) Unsecured Loans		
From Others	893.42	961.83
Total Non - Current	<u>893.42</u>	<u>961.83</u>
Current		
A) Secured Loans		
From Others (Refer note (a))	20,508.92	23,400.27
Subtotal (A)	<u>20,508.92</u>	<u>23,400.27</u>
B) Unsecured Loans		
Deferred Payment Liabilities	150.00	150.00
From Others	410.00	1058.86
Subtotal (B)	<u>560.00</u>	<u>1,208.86</u>
Total - Current	<u>21,068.92</u>	<u>24,609.13</u>



Amount ₹ in Lacs

Note Particulars No.	As at 31st March, 2020	As at 31st March 2019
Security and Salient Terms:		
(a) Loans repayable on demand from Banks are secured by hypothecation of inventories and / or book debts and export incentives recoverable etc. and collaterally secured by way of first charge on the Fixed Assets.		
Note* Please refer annexure no. 16 for Secured Loan & Unsecured		
17 TRADE PAYABLES		
Current		
Micro, Small and Medium Enterprises	34.11	
Others	4,992.73	8,119.62
Total - Current	5,026.84	8,119.62
18 OTHER FINANCIAL LIABILITIES		
Current		
Current maturities of Fixed Deposits	2,198.54	2,199.09
Interest payable on Fixed Deposit	3,432.88	3,161.07
Security Deposits from Others	0.75	0.75
Total - Current	5,632.17	5,360.91
19 OTHER CURRENT LIABILITIES		
Current		
Advances from Customers (including ₹539.47 Lakh due to related parties and previous Amount Nil)	3,922.17	3,174.67
Payable to employees	126.96	118.13
Statutory Liabilities	96.88	221.39
Other Payable	738.35	1,734.49
Total - Current	4,884.36	5,248.68
20 PROVISIONS		
Non-Current		
Provision for Employee Benefits		
Gratuity	276.38	319.69
Leave benefits	28.81	37.06
Provision for Contingencies	294.12	294.12
Total Non - Current	599.31	650.87



Amount ₹ in Lacs

Note Particulars No.	As at 31st March, 2020	As at 31st March 2019
Current		
A) Provision for Employee Benefits		
Provision for Employee Benefits	3.31	16.53
Contribution to Provident Fund	3.04	3.26
Gratuity	24.10	41.38
Leave benefits	5.96	10.24
Sub Total	36.41	71.41
B) Provision for expenses	1,063.07	365.27
Provision for Excise Duty	2.50	2.50
Total - Current	1,101.98	439.18
21 DEFERRED TAX LIABILITIES		
Deferred Tax Liability		
Related to fixed assets	504.86	504.86
Deferred Tax Assets		
Disallowances under the Income Tax Act, 1961		
Total	504.86	504.86
22 CURRENT TAX LIABILITIES (NET)		
Provision for Wealth Tax	1.88	1.88
Dividend Tax on Dividend	359.08	359.08
Provision for Interest on Dividend Tax	377.03	333.95
Total	737.99	694.91
23 REVENUE FROM OPERATIONS		
Sale of Products (Including excise duty)	3,664.68	11,070.50
Other operating revenue	2,499.62	2,824.56
Revenue from operations	6,164.30	13,895.06



Amount ₹ in Lacs

Note Particulars No.	As at 31st March, 2020	As at 31st March 2019
24 OTHER INCOME		
Interest:		
From Others	6.78	0.93
Excess Provision Written back	718.90	952.25
Net Gain on Foreign Currency Translation & Transaction	-	73.66
Profit/(Loss) on Sale of Assets	0.19	
Other Non Operating Income	36.32	85.75
Total	762.19	1,112.59
25 COST OF RAW MATERIALS AND COMPONENTS CONSUMED		
Opening Stock	-	234.50
Add : Purchase	3,151.17	7,852.37
Less : Closing Stock	207.28	-
Cost of Raw Materials and Components Consumed	2,943.89	8,086.87
26 PURCHASES OF STOCK-IN-TRADE		
Pipes	114.60	745.99
TOTAL	114.60	745.99
27 CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS AND STOCK-IN-TRADE		
Inventories at the beginning of the year		
Finished Goods/Stock -in -Trade	-	-
Semi-Finished Goods	-	-
Scrap etc.	0.80	-
	0.80	-
Inventories at the end of the year		
Finished Goods/Stock -in -Trade	199.77	-
Semi-Finished Goods	-	-
Scrap etc.	19.60	0.80
	219.37	0.80



Amount ₹ in Lacs

Note Particulars No.	As at 31st March, 2020	As at 31st March 2019
Change in Inventories		
Finished Goods	(199.77)	-
Semi-Finished Goods	-	-
Stock-in-Trade	(18.80)	(0.80)
	(218.57)	(0.80)
TOTAL	(218.57)	(0.80)
28 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	785.01	769.11
Contribution to Provident and Other Funds	20.34	18.58
Staff Welfare Expenses	20.21	26.94
Sub Total (A)	825.56	814.63
29 FINANCE COSTS		
Interest Expenses	387.66	679.05
Bank Charges	18.80	0.64
Total	406.46	679.69
30 DEPRECIATION AND AMORTIZATION EXPENSES		
Depreciation on Tangible Assets	887.81	599.95
Amortisation of Intangible Assets	1.89	1.31
Total	889.70	601.26
31 OTHER EXPENSES		
A) Manufacturing Expenses		
Consumption of Stores and Spares	441.57	483.22
Power, fuel and water	362.68	446.53
Repairs and maintenance:		
Buildings	4.94	1.91
Plant and machinery	18.62	19.84
Conversion, Octroi and Other manufacturing expenses	1,156.11	1,755.92
Sub Total (A)	1,983.92	2,707.42



Amount ₹ in Lacs

Note Particulars No.	As at 31st March, 2020	As at 31st March 2019
B) Selling and Distribution Expenses		
Freight, Forwarding, Handling Expenses & Others	39.19	18.65
Commission	2.88	109.24
Sub Total (B)	42.07	127.89
C) Establishment Expenses		
Rent	2.85	13.40
Insurance	4.96	4.69
Rates and taxes	7.10	45.63
Miscellaneous expenses	699.02	959.43
Foreign Exchange Loss	49.20	
Payment to Auditor		
Auditors' remuneration (excluding service tax)		
As Auditor	9.00	9.00
For Limited Review	1.50	1.50
For Reimbursement of Expenses	0.25	0.56
For Certifications	0.10	-
Other Repairs	4.43	7.71
Bad Debts, irrecoverable advances and claims written off	1,958.55	11,474.67
Sub Total (B)	2,736.96	12,516.59
Total (A+B)	4,762.95	1,5351.90

32. Earnings per share (EPS):

(₹in Lakhs)

Particulars	31st March, 2020	31st March, 2019
Net Profit / (Loss) after tax attributable to Equity Shareholders (A)	(2798.10)	(11930.77)
No. of Equity Shares outstanding during the year for calculating Basic EPS (B)	131280448	131280448
No. of Equity Shares outstanding during the year for calculating Diluted EPS (C)	131280448	131280448
Nominal Value of Equity Shares (₹)	10/-	10/-
Basic EPS (₹) (A / B)	(2.13)	(9.09)
Diluted EPS (₹) (A / C)	(2.13)	(9.09)


33. Contingent liabilities and Commitments (to the extent not provided for)

(₹ in Lakhs)

(a) Estimated amount of contracts remaining to be executed on capital account (net of advances), not provided for:	NIL	NIL
(b) Contingent liabilities not provided for		
1. Disputed Demands on account of		
a) Maharsahtra VAT	10944.65	17882.12
b) Income Tax	3947.95	3947.95
Total	14892.60	21830.07
(c) The Company is a party to various legal proceedings in the normal course of business and does not except the outcome of the proceedings to have any adverse effect on its financial conditions, results of operations or cash flows.		

34. Utilization of proceeds of public/ right issue as on 31st March, 2020 is as under:

During the year 2006-07 the Company made a Follow on Public Issue and consequently raised an amount of ₹ 13100 Lacs.

The shareholders of the company at the Annual General Meeting held on 17th September, 2012 approved variation in utilization of follow on public offer proceeds, so that the company can also utilize the proceeds for. Manufacturing of SAW & ERW pipes at Chennai or at such other locations as may be decided by the Board. Out of ₹ 13500 Lacs, ₹ 8036 Lacs will be utilized from the unutilized proceeds of public issue and balance ₹ 5464 Lacs will be from unutilized proceeds of GDR issue. The detail of utilization of proceeds of ₹ 13500 lakh is given here below.

(₹ in Lakhs)

Description	Total Estimated Cost	To be Deployed as on 31st March, 2020	To be Deployed as on 31st March, 2019
Land and Building	1000.00	1000.00	1000.00
Plant and Machinery(Imported&Indigenous)	8532.00	8321.00	8321.00
Miscellaneous Fixed Assets	3696.00	3696.00	3696.00
Contingencies	272.00	272.00	272.00
Balance amount to be spent	13500.00	13289.00	13289.00

Pending full utilization, the balance amount is held in Current/Fixed deposit /loan/advances accounts. There is Provision for doubtful advances to the tune of ₹ 109.25 crores(Refer Note 6 of Notes on Standalone financial statements for the year ended 31st March,2020) .Pending recovery of that advance, the amount available for deployment will be at lesser amount to that extent.

- 35.** The title deeds for land (freehold and leasehold), building, residential flats, licenses, agreements and loan documents etc. are in the process of being transferred in the name of the Company on amalgamation of Tungabhadra Holdings Private Limited. Stamp duty and other levies arising out of the Scheme of Amalgamation, if any, shall be accounted on determination and completion of transfer formalities.
- 36.** The outflow of the resources in respect of pending disputed matters in respect of Sales Tax, Income Tax, VAT and Excise Duty would depend on the ultimate outcome of the disputes lying before various authorities amounting to ₹ 15,186.71 Lacs (previous year ₹ 22124.18 Lacs) However company has made the provisions of ₹ 294.11 Lacs. The Company has taken legal and other steps necessary to protect its position in respect of these claims.



37. Employee Benefits:

(A) Defined Contribution Plans:

The Company has recognized the following amounts in statement of profit and loss for the year:

	(₹in Lakhs)	
Particulars	31st March, 2020	31st March, 2019
Contribution to Employees Provident Fund and Other Funds	20.34	18.58
Total	20.34	18.58

(B) Defined Benefit Plans :

I. (a) Contribution to Gratuity:

Provision for Gratuity has been made in the accounts based on an actuarial valuation carried out at the close of the year. The Company does not have any funding arrangement and the liability is discharged to the employees in the year of retirement/ cessation of employment.

Details under Ind AS-19, to the extent applicable is furnished below:

	(₹in Lakhs)	
Particulars	31st March, 2020	31st March, 2019
Amount recognised in Balance Sheet		
Present value of defined benefit obligation	243.63	251.34
Fair value of plan assets	-	-
Funded Status		
Expense recognised in the Statement of Profit and Loss		
Current service cost	13.05	13.09
Net Interest	18.88	23.37
Total expense charged to Profit and Loss Account	31.93	36.46
Amount recorded as Other Comprehensive Income		
Actuarial (Gain)/Loss recognised for the period	5.53	(38.32)
Return on Plan Assets excluding net interest		
Total Actuarial (Gain)/Loss recognised in OCI	5.53	(38.32)
Reconciliation of net liability/(Asset)		
Opening net liability	251.34	311.26
Provision no longer required/additional provision required		
Adjustment to opening balance		
Expenses charged to the Statement of Profit and Loss	31.93	36.46
Contribution paid	(45.17)	(58.06)
Other Comprehensive Income (OCI)	5.53	(38.32)
Closing net defined benefit liability/(asset)	243.63	251.34
Movement in benefit obligation		
Opening defined benefit obligation	251.34	311.26
Interest on defined benefit obligation	18.88	23.37
Current service cost	13.05	13.09
Benefits paid	(45.17)	(58.06)



	(₹ in Lakhs)	
Particulars	31st March, 2020	31st March, 2019
Actuarial (Gain)/Loss on obligation	5.53	(38.32)
Closing of defined benefit obligation	243.63	251.34
Movement in Plan Assets		
Opening fair value of plan assets	-	-
Adjustment to opening fair value of plan assets	-	-
Return on plan assets excluding interest income	-	-
Interest Income	-	-
Contribution by employer	-	-
Benefits paid	-	-
Closing fair value of plan assets	-	-
Asset Information		
Insurer managed funds	-	-
Others	-	-
Grand Total	-	-
Principal actuarial assumptions		
Discount rate (p.a.)	5.75 % to 7.75%	7.50% to 7.75%
Salary escalation rate (p.a.)	4.50 % to 8 %	5.50% to 7%
Expected contribution to the fund in the next year		
Gratuity		
A quantitative sensitivity analysis for significant assumption as at march 31 March 2020 is as shown below	Employee's Gratuity Fund	
Impact on defined benefit obligation		
Discount Rate		
1% Increase	17.85	16.66
1% Decrease	(15.85)	(14.83)
Rate of Increase in Salary		
1% Increase	17.88	16.82
1% Decrease	(16.16)	(15.23)
Maturity Profile of defined benefit obligation		
From The Fund		
Year		
1st following Year	20.41	37.85
2nd following Year	14.16	28.03
3rd following Year	11.58	10.55
4th following Year	23.90	20.71
5th following Year	11.78	24.58
Sum of 6 to 10 Years	161.80	129.64



II. Leave Encashment:

The leave encashment provision for the year ended 31st March, 2020, based on actuarial valuation carried out using projected unit credit method amounting to ₹ 3.65 Lakhs (Previous Year ₹ 1.59 Lakhs) has been recognized in statement of profit and loss.

38. Related party disclosures:

(A) Name of related parties and nature of relationships:

As per Ind AS 24, the disclosures of transactions with the related parties are given below.

Name of the Related Party	Relationship
1. Zenith (USA) Inc.(Wholly owned)	Subsidiaries
2. Zenith Middle East FZE (Wholly owned)	
3. Akshaya Exploration Private Limited	Enterprise Owned or significantly influenced by Key Managerial personnel or their relatives where transactions have taken place.
4. Alosm Infotech Private Limited	
5. Bhilwara Infraestate Private Limited	
6. Birla Art Lifestylepvt Ltd	
7. Birla Capital And Financial Serviceslimited	
8. Birla Electricals Limited	
9. Birla Energy Infra Limited	
10. Birla Integrated Textile Park Limited	
12. Birla Viking Travels Limited	
13. Birladp Carpets Private Limited	
14. Erene Microorganic Chemicals Privatelimited	
15. Esspal Agro Private Limited	
16. Esspal Infratech Llp	
17. Esspal International Private Limited	
18. Godavari Corporation Private Limited	
19. Khopoli Investments Limited	
20. Melstar Information Technologies Limited	
22. Sambhav Hytech Cements Private Limited	
23. Sambhav Quartzite Private Limited	
24. Shearson Investments And Trading Company Private Limited	
25. Shreenath Integrated Apparel Textilepark Private Limited	
26. Shri Radheygovindam Resort Privatelimited	
27. Sparion Infrastructure Private Limited	
28. Voilet Finance Private Limited	



29. Suneel Sullere	Key Management Personnel
30. B. Girvanesh	
31. Pramod Bhosale	
32. Minal Pote	
33. Sanjeevni shinde	
34. Sadhna patil	
35. Purshottam sonawane	

Net Balance of Receivable, Payable, Deposits, Loan etc. where Transction have Taken Place		Balance Carried to Balance Sheet (Net)		Balance Carried to Balance Sheet (Net)	
		as at 31-03-2020		as at 31-03-2019	
		Receivable	Payable	Receivable	Payable
(i) Key Management Personnel		-	1.55	-	6.74
(ii) Enterprises Owned or significantly influenced by key management personnel or their relatives.	1. Melstar Information Technologies Ltd	3.60		-	-
	2. Zenith (USA) Inc. (Wholly owned) (Net.of provisions)		539.47	895.81	-
	3. Zenith Middle East FZE (Wholly owned)	10905.1932*		10905.1932*	-

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

1. Full provision for doubtful advance has been made against this amount

(B) Transactions during the year ended 31st March, 2020 with related parties : (₹in Lakhs)

Particulars	Key Management Personnel		Enterprise owned and significantly influenced by Key Management personnel or their relatives	
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
Advance Given/Payment			0.00	1.47
Advance Received			0.00	196.82
Services Received:			0.00	4.13
Sale of Goods	-	-	0	
Rental Income	-	-		
Remuneration	18.39	38.11		



(C) Disclosure in respect of material transaction with related parties during year included in (B) above:

Particulars	(₹ in Lacs)	
	2019-20	2018-19
1. Advance Given		
Godavari Corporation Pvt. Ltd	0.00	0.97
Birla Global Corporate Ltd	0.00	0.50
2. Sale of Goods		
Zenith (USA) Inc.	0.00	0.00
3. Rental Income		
4. Services received		
Godavari Corporation Private Limited	0.00	4.13
5. Advance Received		
Melstar Information Technologies Ltd.	0.00	17.44
Asian Distributors Pvt Ltd.	0.00	179.38
6. Remuneration Paid	18.39	38.11

39. In the opinion of the Board, Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

40. Disclosures in respect of Derivatives Instruments:

I Derivative instruments outstanding as at 31st March 2020 ₹ NIL. (Previous Year NIL)

ii Foreign currency exposure that are not hedged by forward contracts as at 31st March,2020.

Particulars	Amount (USD) 2019-20	Amount (USD) 2018-19
1. Term Loan	-	48,11,593.49
2. Debtors	-	15,19,250.49
3. Other Payables	7,23,183.86	-
4. Other Receivables	15765488.29 *	15765488.29 *

* Full provision for doubtful advance has been made against this amount

41. Till previous year the Company has recognised exchange differences arising on long term foreign currency monetary items in line with para 29A of IND AS 21 . For Current year refer to Pont. No 48(i) below

There are no long term foreign currency monetary items which require exchange differences to be amortised.

42. In accordance with IND-AS 108 “Segment Reporting”, segment information has been given in the consolidated financial statement of the Company and therefore, no separate disclosure on segment information is given in these financial statements.

43. Balances of Sundry Creditors, Debtors, Loans and Advances, Deposits and Current Liabilities are as per books of accounts in absence of confirmation and reconciliation thereon.



44. The company has declared a lockout at its Khopoli Unit since November. 2013
45. The Company has entered into an agreement with M/S Tribus Real Estate Pvt. Ltd. for taking over the company's bank outstanding as reflected earlier in the company books on terms agreed to between the Company and Tribus Real Estate Pvt. Ltd. Consequently the outstanding of the banks in the books of the company are transferred to Tribus Real Estate Pvt. Ltd. and hence now classified as "secured loan from others". The security on the loans continue to be in favor of the banks
46. Consortium of banks has taken action under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 in February, 2014 and called upon the company to repay the amount of ₹ 193.19 Crores towards the dues as on 31.01.2014 within sixty days. Thereafter the consortium of banks have taken symbolic possession on 29.05.2014 of the immovable assets at the Khopoli unit and filed a case for taking physical possession, which will be reviewed afresh by Invent Assets Securitisation and Reconstruction Private Limited since the loan has been assigned to them by bank on 31-03-2018
47. Interest amounting to ₹ 2.84 crores (previous year ₹ 3.63 crores) during the year on ICD's given by the company is not considered as income due to realisability not being certain.
48. (i) The amounts written off during the year includes the amounts reflected as capital work in progress of ₹14.77 cr. representing accumulated foreign translation difference of ₹13.48 crores since 2010 as the foreign currency loan due to which this translation difference has arisen in terms of notification to AS 11 loan has been fully repaid and ₹1.29 crores being the expenditure incurred on a project which could not take place due to lockout of the plant since 2013.
- (ii) Various parties balances also has been written off to the tune of ₹ 4.80 crores. as a prudent measure. (Previous Year ₹ 4.40 Crores) There has also been write back of liabilities no longer required to the tune of ₹ 7.18 crores for the year under consideration
49. The accumulated losses till 31st March, 2020, has exceeded the share capital value including other reserves, thereby the net worth of the company has been completely eroded. However on account of strategic understanding with suppliers/customers the company is on the revival mode and is operating some of the units. In view of the same the going concern concept holds good.

50. Fair values of financial assets and financial liabilities:

The fair value of other current financial assets, cash and cash equivalents, trade receivables, trade payables, short term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortised cost using effective interest rate (EIR) of non current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired includes cash and cash equivalents, security deposits, term deposits and other financial assets.

The impact of fair value on non current borrowings, non current security deposits and non current term deposits are not significant and therefore the impact of fair value is not considered for above disclosure.



51. Fair value hierarchy:

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

*Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

*Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

*Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 level2 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(₹in Lakhs)

Particulars	31st March, 2020	31st March, 2019
Level 1 (Quoted price in active markets)	-	-
Level 2		
Financial assets measured at fair value through profit or loss	-	-
Financial liability measured at fair value through profit or loss	-	-
Level 3	-	-
Financial assets measured at fair value through profit or loss	-	-
Trade receivables	1034.98	3,733.28
Cash and cash equivalents	209.23	264.30
Bank balances other than cash and cash equivalent	24.24	1.85
Loans and advances	4084.71	6550.17
Other financial assets	-	0.00
Other current assets	3189.88	3227.84

The carrying amounts of trade receivables, cash and cash equivalents and other bank balances, loans and advances, other financial assets and other current assets are considered to approximate their fair values due to their short term nature.

52. Financial liability measured at amortized cost

Borrowings	21,962.34	25,570.95
Trade Payables	5,026.84	8,119.62
Other financial liabilities	5,632.17	5,360.91
Other current liabilities	4,884.36	5,248.68

The carrying amounts of borrowings, trade payables, other financial liabilities and other current liabilities are considered to approximate their fair values due to their short term nature. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

**52. Financial risk management objectives and policies:**

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk:

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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

(ii) Foreign currency risk:

The Company is exposed to foreign currency risk arising mainly on borrowing, export of finished goods and import of raw material. Foreign currency exposures are managed within approved policy parameters utilising forward contracts.

(B) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does not foresee any credit risks on deposits with regulatory authorities.

(C') Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

53. Capital management:

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt mainly comprises of borrowings from banks, financial institutions and Unsecured Loans. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.



Particulars	31st March, 2020	31st March, 2019
(i) Total equity	(24,041.48)	(23,131.16)
(ii) Total debt	21,962.34	25,570.95
(iii) Overall financing (i+ii)	(2,079.14)	2,439.79
(iv) Gearing ratio (ii/iii)	(10.56)	10.48

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020, 31 March 2019.

54. Corporate social responsibility:

(A) The provisions stipulated under section 135 of the Companies Act 2013 are not applicable to the company for the year as the has been no profits for the last three years ,negative net worth ,and the turnover os below thew limit specefied negative net worth ,and the turnover os below thew limit specefied

(B) No expenditure has been paid to a related party, in relation to CSR expenditure as per Ind-AS 24, Related Party Disclosures.

55. Disclosure under MSME Act,2006

The Principal amount due to suppliers registered under MSMED Act and remaining unpaid as at year end is ₹ 34.10 Lacs. However interest on late payment to such parties could not be ascertained due to identification of them was at very fag end but there has been no claim lodged by any of them with the company.

56. Amendments to IND AS:

Ministry of Corporate Affairs (“MCA”) has notified following amendments to Ind AS on March 30, 2019 which is effective for the annual period beginning on or after April 01, 2019:

(a) Ind AS 116 Leases:

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees.

The Company will recognize a lease liability measured at the present value of the minimum lease payments. The right-of-use asset is recognised at its carrying amount as if the Standard had been applied since the commencement date, but discounted using the lessee’s incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

The Company will adopt Ind AS 116 effectively for the annual reporting period beginning April 1, 2019.

Except for the disclosure requirement, the new standard will not impact the company’s financial statements, as most of the Company’s leases are short term leases and the underlying assets is of low value.

**(b) Ind AS 12 - Appendix C, Uncertainty over Income Tax Adjustments**

The amendment requires an entity to determine probability of the relevant tax authority accepting the uncertain tax treatment that the Company have used in tax computation or plan to use in their income tax filings.

(c) Amendment to Ind AS 12 – Income taxes

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

(d) Ind AS 19 - Plan amendment, curtailment or settlement

The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Based on preliminary assessment, the Company does not expect any significant impact on its financial statements on account of above amendments.

57. Covid Note

In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. Consequent to this, Government of India declared a national lock down on March 24, 2020, which has impacted the business activities of the Company. The Company has been taking various precautionary measures to protect employees and their families from COVID- 19. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial statements, in determination of the recoverability and carrying value of property, plant and equipment, other intangible assets and in relation to other financial statement captions. The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare the Company's financial statements, which may differ from that considered as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions.

58. Note on Prior Period Items

Exceptional item relates to reclassification of prior period expenses in last quarter of March 2020

59. Previous year figures have been regrouped/ reclassified to conform presentation as per Ind AS as required by Schedule III of the Act.

As Per Our Attached Report of Even Date

For Thakur Vaidyanath Aiyar & Co.

Chartered Accountants

Firm Registration No.: 000038N

C.V. Parameswar

Partner

Membership No: 11541

Place: Mumbai

Date: 30th July, 2020

For and on behalf of Board of Directors

Purushottam Sonavane

Director

DIN. 08405653

B. Girvanesh

Chief Financial Officer

Minal Pote

Whole time Director

DIN. 07163539

Suneel Sullere

Company Secretary

ACS.42922



Additional Note No.-2, 3 & 4

2] PROPERTY, PLANT & EQUIPMENT As on 31st March 2020

Assets	GROSS BLOCK		DEPRECIATION				NET BLOCK			
	As on 01.04.2019	Addition	Deductions / Adjustments	As on 31.03.2020	Upto 01.04.2019	For the Year	Deduction / Adjustment	Upto 31.03.2020	As on 31.03.2020	As on 31.03.2019
Tangible Assets										
Freehold Land	1,696.59	-	-	1,696.59	-	-	-	-	1,696.59	1,696.59
Leasehold Land	199.23	-	-	199.23	39.17	6.39	-	45.56	153.67	160.06
Buildings	5,284.59	2.67	-	5,287.26	2,934.21	290.92	-	3,225.13	2,062.13	2,350.38
Plant & Machinery	7,191.52	16.01	-	7,207.53	4,038.25	571.32	-	4,609.57	2,597.96	3,153.27
Furniture & Fixtures	399.02	-	0.67	398.35	341.07	12.95	-	354.02	44.33	57.95
Vehicles	25.49	0.32	-	25.81	18.88	2.86	-	21.74	4.07	6.61
Office Equipments	26.28	0.67	-	26.95	25.13	0.54	-	25.68	1.28	1.15
Computer	205.56	0.11	0.26	205.41	182.43	2.84	0.13	185.14	20.26	23.13
Total	15,028.28	19.79	0.93	15,047.13	7,579.15	887.81	0.13	8,466.84	6,580.29	7,449.13
Previous Year	15,174.07	32.86	178.65	15,028.28	7,147.69	601.26	169.79	7,579.15	7,449.13	8,026.38

2] PROPERTY, PLANT & EQUIPMENT As on 31st March 2019

Assets	GROSS BLOCK		DEPRECIATION				NET BLOCK			
	As on 01.04.2018	Addition	Deductions / Adjustments	As on 31.03.2019	Upto 01.04.2018	For the Year	Deductions / Adjustments	Upto 31.03.2019	As on 31.03.2019	As on 31.03.2018
Tangible Assets										
Freehold Land	1,696.59	-	-	1,696.59	-	-	-	-	1,696.59	1,696.59
Leasehold Land	192.89	6.34	-	199.23	32.79	6.39	-	39.17	160.06	160.10
Buildings	5,277.56	7.03	-	5,284.59	2,643.45	290.76	-	2,934.21	2,350.38	2,634.11
Plant & Machinery	7,175.25	16.27	-	7,191.52	3,758.71	279.54	-	4,038.25	3,153.27	3,416.54
Furniture & Fixtures	398.86	0.16	-	399.02	323.67	17.40	-	341.07	57.95	75.19
Vehicles	204.14	-	178.65	25.49	185.42	2.90	169.44	18.88	6.61	18.72
Office Equipments	25.69	0.59	-	26.28	23.64	1.84	0.35	25.13	2.45	2.05
Computer	203.09	2.47	-	205.56	180.00	2.43	-	182.43	21.83	23.09
Total	15,174.07	32.86	178.65	15,028.28	7,147.69	601.26	169.79	7,579.15	7,449.13	8,026.38
Previous Year	15,635.97	281.89	743.79	15,174.07	6,445.05	731.88	29.23	7,147.69	8,026.38	9,190.92


3] Capital Work In Progress As on 31st March 2020

Assets	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As on	Additions / Deductions / Adjustments	As on	Upto	For the Year	Upto
	01.04.2019		31.03.2020	01.04.2019		31.03.2020
Plant & Machinery	1,443.71	-	1,443.71	-	-	-
Total	1,443.71	-	1,443.71	-	-	-
Previous Year	1,278.06	165.65	1,443.71	-	-	1,278.06

3] Capital Work In Progress As on 31st March 2019

Assets	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As on	Additions / Deductions / Adjustments	As on	Upto	For the Year	Upto
	01.04.2018		31.03.2019	01.04.2018		31.03.2019
Plant & Machinery	1,278.06	165.65	1,443.71	-	-	-
Total	1,278.06	165.65	1,443.71	-	-	1,278.06
Previous Year	1,270.46	7.60	1,278.06	-	-	1,270.46

4] Intangible Assets As on 31st march 2020

Assets	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As on	Additions / Deductions / Adjustments	As on	Upto	For the Year	Upto
	01.04.2019		31.03.2020	01.04.2019		31.03.2020
Computer Software	30.20	2.83	32.92	24.60	1.89	26.49
Total	30.20	2.83	32.92	24.60	1.89	26.49
Previous Year	29.55	0.65	30.20	23.29	1.31	24.60

4] Intangible Assets As on 31st march 2019

Assets	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As on	Additions / Deductions / Adjustments	As on	Upto	For the Year	Upto
	01.04.2018		31.03.2019	01.04.2018		31.03.2019
Computer Software	29.55	0.65	30.20	23.29	1.31	24.60
Total	29.55	0.65	30.20	23.29	1.31	24.60
Previous Year	29.05	0.50	29.55	21.72	1.57	23.29



Additional Note No.-16

16. LONG TERM BORROWINGS

Note : Terms of Borrowing

SN	Nature of Security	Original Amount of borrowing (₹ In Lacs)	Tenor since Inception (In Years)	Terms of Repayment	Month in which last installment is due	Repayment schedule Installments (₹ In Lacs)	Balance as on 31st March 2020	Balance as on 31st March 2019	Prevailing Interest Per Annum
1	Loan from other is secured by First charge (hypothecation) of all movable asset, including Specific Plant and Machinery purchased out of this term loan with a second charge over these assets to existing working capital bankers, and second charge (hypothecation) on overall existing movable and immovable assets including Plant and Machinery.	5625	8.5	Quarterly	Jul-15	153	0.00	2558.48	3 Month Libor + 3.25%
	Sub-Total						0.00	2558.48	
	Total						0.00	2558.48	

As Per Our Attached Report of Even Date
For Thakur Vaidyanath Aiyar & Co.
Chartered Accountants
Firm Registration No.: 000038N

C.V. Parameswar
Partner
Membership No: 11541
Place: Mumbai
Date: 30th July, 2020

For and on behalf of Board of Directors

Purushottam Sonavane
Director
DIN. 08405653

B. Girvanesh
Chief Financial Officer

Minal Pote
Whole time Director
DIN. 07163539

Suneel Sullere
Company Secretary
ACS.42922



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INDEPENDENT AUDITOR'S REPORT

To the Members of
Zenith Steel Pipes & Industries Limited
(formerly known as Zenith Birla (India) Limited)

Report on the Audit of the Consolidated Ind AS Financial Statements

Qualified Opinion

We have audited the Consolidated Ind AS financial statements of **Zenith Steel Pipes & industries Limited** (formerly known as Zenith Birla (India) Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprises the Consolidated Balance Sheet as at 31st March 2020, the consolidated statement of Profit and Loss (including other Comprehensive Income), the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, subject to the effect of the matters described in the Basis for Qualified Opinion paragraph below, The aforesaid consolidated Ind AS 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2020, of consolidated loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

1. The Company has not complied with the provision of section 74 or any Other relevant provisions of the Act, and the Companies (Acceptance of Deposits) Rules, 2014 with regard to non-repayment of deposits and interest on due date, maintenance of liquid assets to the extent required as well as not fully complying with the orders passed by the Company Law Board.
2. With reference to Note No 43 regarding the balance of Trade Payables, Trade Receivables, Loans, Advances, Deposits, Currents Liabilities, Current Assets, Balance with Government authorities, intergroup etc being not confirmed by the parties and hence our inability to state whether these balances are recoverable/payable to the extent stated.
3. Material uncertainty related to going concern:
With reference to Note No 49 which indicates that the company has accumulated losses exceeding the share capital and reserves and its Net worth has been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.
4. Interest payable to Micro, Small and medium enterprises parties, on delayed payments to them has neither been ascertained nor provided.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the consolidated Ind AS financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.


Emphasis of Matter
We draw attention to the following:

1. The Company's Stock records pertaining to production for the year have been maintained on a consolidated basis as there were transactions of purchase / sale of steel / pipes & zinc by other companies in the Group using the same manufacturing facilities on job work basis. The stock quantity for the Company have been derived by the management from the stock records maintained from which balances have been derived and certified by the management & relied on by us.

Further, our attendance at the physical inventory verification done by the management was impracticable under the current restrictions imposed by the Government and we have relied on the related alternate audit procedures.

2. During the previous year the Company has entered into an agreement with M/S Tribus Real Estate Pvt. Ltd. for taking over the Company's bank outstanding as reflected earlier in the company's books on terms agreed to between the Company and Tribus Real Estate Pvt. Ltd irrespective of the amount settled with the bank. Consequently the outstanding of the banks in the books of the Company are transferred to Tribus Real Estate Pvt. Ltd and hence now classified as "Secured Loan from others" though the security for the loan continue to be in favor of the Banks
3. We draw to attention to Note No. 57 of the Financial Statements, which states the impact of Coronavirus (COVID – 19) on the operations of the Company.

Our opinion is not modified in respect of these matters.

Key Audit Matters

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

Description of Key Audit Matters:

S No.	Key Audit Matters	Auditors Response
1.	Going Concern Basis of Accounting	
	The Company has accumulated losses exceeding its Share Capital and Reserves and its Net Worth has been fully eroded.	Our procedures included: Discussion with management about their assessment of the Company's ability to continue as a going concern and management's plans to address the problems.
2.	Unable to fully pay Public Deposit	
	The company has been unable to fully pay its public deposit holders	Evaluating the forecasted future cash flows prepared by the management. Understanding the arrangements made with third parties for settlement of the Company's public deposit holders.
3.	Balance confirmation	
	Balances of Trade Payables, Trade Receivables, Loans, Advances, Deposits, Currents Liabilities, Current Assets, Balance with Government authorities, intergroup etc. are not confirmed by the parties and hence their recoverability/ playability is uncertain	Verifying the financing plans proposed by the management as well as the strategic understanding with suppliers/customers.



4.	Labour Problems	
	Labour problems at the company main factory.	Verifying the financing plans proposed by the management as well as the strategic understanding
5.	Other Matters	
	All the above circumstances cast a doubt on the Company's ability to continue as a going concern.	Concluding, on the basis of evidence obtained, on the appropriateness' of management's use of the going concern basis of accounting in the preparation of the financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated Ind AS financial statements and our auditors' report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance /conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears 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.

Management's Responsibility for the consolidated Ind AS Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated Ind AS financial statements, the respective managements and Board of Directors of the Companies included in the group are responsible for assessing the ability of the group 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 group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 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 Ind AS financial statements.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 Groups 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 consolidated Ind AS 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the holding company 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 Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Others Matters

We did not audit the Financial Information of two wholly owned foreign subsidiaries included in the Consolidated Ind AS financial statements, whose Financial Information reflect total assets of ₹ 23.81 Crores as at 31 March, 2020, total revenues of ₹ 45.94 Crores, and net cash flows amounting to ₹ 4.40 Crores for the year ended on that date, as considered in the Consolidated Ind AS financial statements. The Consolidated Ind AS financial statements also include the Group's share of net loss of ₹ 0.36 Crores for the year ended 31 March, 2020, as considered in the consolidated Ind AS financial statements, in respect of the subsidiaries whose financial information have not been audited by us. This financial information is unaudited and has been furnished to us by the management and our opinion disclosers included in respect of this subsidiary, is based solely on the unaudited financial information approved by the management. In our opinion and according to the information and explanations given to us by the managements, this financial information is not material to the Group.

Our opinion on the consolidated Ind AS financial statement, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the financial information as certified by the Management.



Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
 - b. In our opinion, proper books of account as required by law have been kept so far as it appears from our examination of those books.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company, none of the director of the Group Companies incorporated in India, is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g. 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 and based on consideration of financial information of the subsidiaries as noted in "Other Matter's Paragraph":
 1. The Group has disclosed the impact of pending litigations as at 31st March, 2020 on its financial positions in its consolidated Ind AS financial statements refer Note no. 33 to the consolidated Ind AS financial statements;
 2. The Group did not have any long-term Contracts including derivate contracts for which there were any material foreseeable losses.
 3. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company; and its subsidiary Companies during the year ended March 31, 2020.

With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For, Thakur, VaidyanathAiyar & Co.
Chartered Accountants
Firms Registration No. 000038N

Place: Mumbai
Date: 30.07.2020

C. V. Parameswar
Partner
Membership No. 11541
UDIN No. 20011541AAAABX5976

**Annexure A to the Independent Auditor's Report of even date on the Ind AS Financial Statements of Zenith Steel Pipes & industries Limited(formerly known as Zenith Birla (India) Limited) for the year ended 31st March 2020**

(Referred to in paragraph 1(f) under 'Report on Other Legal & Regulatory Requirement' of our report of even date)

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

In conjunction with our audit of the consolidated Ind. AS financial statements of the Company as of and for the year ended March 31, 2020, we have audited the Internal Financial Controls over financial reporting of **Zenith Steel Pipes & industries Limited** (formerly known as Zenith Birla (India) Limited) (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, and its subsidiaries, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities, 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 Holding 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10)of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 assets risk. 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.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide



reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Holding 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, 2020 except for the facts the Company maintains Stock records pertaining to production on a consolidated basis with other companies in the Group using the same manufacturing facilities on job work basis, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, Thakur, VaidyanathAiyar & Co.
Chartered Accountants
Firms Registration No. 000038N

Place: Mumbai
Date: 30.07.2020

C. V. Parameswar
Partner
Membership No. 11541
UDIN No. 20011541AAAABX5976


Statement on impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020

[See regulation 33 of the SEBI(LODR)(Amendment) Regulations,2016]

	SR. No.	Particulars	Audited Figures ₹ in Lacs (as reported before adjusting for qualifications)	Adjusted Figures ₹ in lacs (audited figures after adjusting for qualifications)
I	1.	Turnover/ Total Income	11520.58	11520.58
	2.	Total Expenditure	14355.01	14355.01
	3.	Net Profit/(Loss)	(2834.43)	(2834.43)
	4.	Earnings Per Share		
	5.	Total Assets	17989.98	17989.98
	6.	Total Liabilities	43114.92	43114.92
	7.	Net Worth	(25124.94)	(25124.94)
	8.	Any other financial item(s)(as felt appropriate by the management)	-	-

II Audit Qualification(each audit qualification Separately):
a. Details of Audit Qualification:

1. The Company has not complied with the provisions of the section 74 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 with regard to non repayment of deposits and interest on due date, maintenance of liquid assets to the extent required as well as not fully complying with the orders passed by the Company Law Board.
2. With reference to Note No. 7 regarding the balance of Sundry Creditors, Debtors, Loans and Advances, Deposits, Current Liabilities , inter units etc being not confirmed by the parties/units and hence our inability to state whether these balance are recoverable/payable to the extent stated.
3. With reference to Note No. 8 which indicates that the Company has accumulated losses exceeding the Share Capital and Reserves and its net worth has been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said note.
4. Interest payable to Micro, Small and Medium Enterprise parties on delayed payments to them has neither been ascertained nor provided.

b. Type of Audit Qualification: Qualified/ Disclaimer of Opinion/ Adverse Opinion

c. Frequency of Qualification

Qualification no. 1 to 3 is repetitive.

d. For Audit Qualification(s)where the impact is not quantified by the auditor:
(i) Management's estimation on the impact of audit qualification:
(ii) If management is unable to estimate the impact, reasons for the same:



For qualification on balances of sundry creditors, debtors, etc:

Reconciliation of balances of sundry creditors, debtors and other parties are an ongoing basis and the figures would be ascertained only when the reconciliation is finalised. Hence at this stage, impact of the same is not ascertainable.

For qualification on non compliance of section 74(2) of the Companies Act, 2013:

The company has taken on priority to clear the dues of deposit holders who are incapacitated and to comply with the orders of existing authorities. For the rest the company has already started the process of settling their dues through sale proceeds of the assets sold by MPID court of the other Company who has given NOC for using the amount towards repayment of the Fixed Deposits of the Zenith Birla (India) Limited and will complete it before the end of Financial Year 2020-21

For qualification on accounting ongoing concern basis:

On account of strategic understanding with suppliers/ customers, which is continuing, the Company is on revival mode and is operating some of its units. In view of the same going concern concept holds good.

For qualification on Interest payable to Micro, Small and Medium Enterprise:

Company ensures to pay all MSME's within the stipulated credit period except in case of parties where there are certain claims/legal issues. Company is of the view that Interest on such outstanding being disputed is not payable and hence not determined on such out standings

(iii) Auditors' Comments on (I) or (II) above

No further comments

III Signatories:

- Director : (Minal Pote)
- Chief Financial officer : (B. Girvanesh)
- Audit Committee Chairman : (Sadhana A Patil)
- Statutory Auditor : (C. V. Parameswar)
(M/s Thakur, Vaidyanath Aiyar & Co. Chartered Accountants, Mumbai)

Partner

Place: Mumbai

Date: 30.07.2020


Consolidated Balance sheet as at 31st March, 2020

		₹ in lacs		
Sr. No.	Particulars	Note No.	As at 31st March, 2020	As at 31th March 2019
I. ASSETS				
NON-CURRENT ASSETS				
(a)	Property, Plant & Equipment	2	6,580.31	7,449.13
(b)	Capital work in progress	3	-	1,443.71
(c)	Intangible Assets	4	6.43	5.60
(d)	Financial Assets			
(e)	(i) Investments	5	1.00	1.00
	(ii) Loans	6	157.56	157.91
(f)	Other Non-Current Assets	7	204.80	204.80
	Total Non - Current Assets		6,950.10	9,262.15
CURRENT ASSETS				
(a)	Inventories	10	535.21	96.62
(b)	Financial Assets			
	(i) Trade Receivables	11	881.79	3,605.51
	(ii) Cash and Cash Equivalents	12	253.18	452.56
	(III) Bank Balances other than (II) above	13	24.24	1.85
	(iv) Loans	6	5,877.57	6,740.12
	(v) Other Financial Assets	7	-	-
(c)	Other Current Assets	8	3,189.88	3,227.84
(d)	Current tax assets (Net)	9	278.01	220.94
	Total - Current Assets		11,039.88	14,345.44
	Total Assets		17,989.98	23,607.59
II. EQUITY AND LIABILITIES				
EQUITY				
(a)	Equity share capital	14	13,128.04	13,128.04
(b)	Other equity	15	(38,252.97)	(37,306.30)
	Total - Equity		(25,124.93)	(24,178.26)
LIABILITIES				
A Non-Current Liabilities				
(a)	Financial liabilities			
	(i) Borrowings	16	1,423.08	961.83
(b)	Provisions	20	599.31	650.87
(c)	Deferred tax liabilities (Net)	21	504.86	504.86
	Total Non - Current Liabilities		2,527.25	2,117.56
B Current Liabilities				
(a)	Financial liabilities			
	(i) Borrowings	16	21,068.92	25,162.50
	(ii) Trade payables	17	5,416.27	6,945.76
	(iii) Other financial liabilities	18	5,632.17	5,360.91
(b)	Other current liabilities	19	6,630.33	5,482.69
(c)	Provisions	20	1,101.98	2,021.52
(d)	Current tax liabilities (Net)	22	737.99	694.91
	Total - Current Liabilities		40,587.66	45,668.30
	Total Equity and Liabilities		17,989.98	23,607.59

As Per Our Attached Report of Even Date

For Thakur Vaidyanath Aiyar & Co.

Chartered Accountants

Firm Registration No.: 000038N

C.V. Parameswar

Partner

Membership No: 11541

Place: Mumbai

 Date: 30th July, 2020

For and on behalf of Board of Directors

Purushottam Sonavane
Director
DIN. 08405653
B. Girvanesh

Chief Financial Officer

Minal Pote
Whole time Director
DIN. 07163539
Suneel Sullere

Company Secretary

ACS.42922



Consolidated Statement of Profit and Loss for the Period ended 31st March, 2020

₹ in lacs

Sr. No.	Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March 2019
I.	INCOME			
	Revenue from operations	23	10,137.79	18,362.90
	Other income	24	1,382.80	1,377.86
	Total Income		11,520.59	19,740.76
II.	EXPENSES			
	Cost of Raw Materials and Components Consumed	25	6,174.41	11,046.13
	Purchases of Stock-in-Trade	26	114.60	745.99
	Changes in Inventories of Finished Goods, Semi-Finished Goods and Stock-in-Trade	27	(218.57)	68.32
	Employee benefits expense	28	969.89	888.79
	Finance costs	29	466.21	728.94
	Depreciation and amortization expense	30	889.70	601.26
	Other expenses	31	5,958.81	17,019.28
	Total Expenses		14,355.05	31,098.71
III.	Profit / (Loss) before exception items and tax		(2,834.46)	(11,357.95)
IV.	Exceptional items		-	658.88
V.	Profit / (Loss) before tax (III - IV)		(2,834.46)	(12,016.83)
VI.	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
VII.	Profit/(Loss) for the period (V-VI)		(2,834.46)	(12,016.83)
VIII.	OTHER COMPREHENSIVE INCOME			
	(i) Items that will not be reclassified to profit or loss			
	Related to employee benefits		(0.46)	38.32
	Foreign Translation Difference		-	650.67
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total Other Comprehensive Income net of tax		(0.46)	688.99
	Total Comprehensive income for the year, net of tax (VII+VIII)		(2,834.92)	(11,327.83)
	Earnings per equity share:			
	(1) Basic		(2.16)	(9.15)
	(2) Diluted		(2.16)	(9.15)

As Per Our Attached Report of Even Date
For Thakur Vaidyanath Aiyar & Co.
Chartered Accountants
Firm Registration No.: 000038N

C.V. Parameswar
Partner
Membership No: 11541
Place: Mumbai
Date: 30th July, 2020

For and on behalf of Board of Directors

Purushottam Sonavane
Director
DIN. 08405653

B. Girvanesh
Chief Financial Officer

Minal Pote
Whole time Director
DIN. 07163539

Suneel Sullere
Company Secretary
ACS.42922



Consolidated Cash Flow Statement for the year ended 31st March, 2020

(₹ in Lakhs)

Sr. No.	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
A. CASH FLOW FROM OPERATING ACTIVITIES:			
	Net profit before exceptional item, taxation and prior period adjustments	(2,834.46)	(11,357.95)
	adjustment for		
	Depreciation and Amortization	889.70	601.26
	Prior period items	-	(658.88)
	Finance Costs	466.21	728.94
	Interest Income	(6.78)	-
	Other Comprehensive Income	(0.46)	688.99
	Adj. in Gen Res. Of old liab.	1,888.25	-
	Sub-total	3,236.92	1,360.31
	Operating Profit Before Working Capital Changes	402.46	(9,997.63)
	Adjustments for changes in working capital :		
	Inventories	(438.59)	(299.48)
	Trade Receivables	2,723.71	(7,994.97)
	Loans	862.55	(261.18)
	Other Current Assets	37.96	(2,067.47)
	Trade Payables	(1,529.50)	905.07
	Provisions	(919.54)	(1,545.94)
	Other Financial Liabilities	271.26	(378.13)
	Loans In Financial Assets	0.35	(8.48)
	Other Current Liabilities	1,147.63	(428.57)
	Current Tax Liabilities	43.08	(43.09)
	Provisions In Non -Current Liabilities	(51.55)	(21.93)
	Direct Taxes Paid (Net of Refund)	(57.07)	26.21
	Sub-total	2,090.29	(12,117.95)
	Net Cash Flow From Operating Activities After Exceptional Item.....(A)	2,492.74	2,120.31
B. CASH FLOW FROM INVESTING ACTIVITIES:			
	Payments made for Property, Plant and Equipment	(20.88)	32.86
	Payments made in CWIP	1,443.71	12.99
	Payments made for Intangible Assets	(0.83)	(0.66)
	Proceeds from sale of Property, Plant and Equipment	-	(8.86)
	Other Non-Current Assets	-	(25.47)
	Interest Received	6.78	-
	Sub-total	1,428.78	10.86
	Net Cash used for Investing Activities..... (B)	1,428.78	10.86



(₹ in Lakhs)

Sr. No.	Particulars	For the year ended 31st March,2020	For the year ended 31st March,2019
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from Borrowings	-	111.73
	Repayment of Borrowings	(3,632.33)	(1,469.00)
	Interest Paid	(466.21)	(728.94)
	Sub-total	(4,098.54)	(2,086.22)
	Net Cash used for Financing Activities.....(C)	(4,098.54)	(2,086.22)
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(177.02)	23.23
	Cash and Cash Equivalents as at 01.04.2019	452.56	431.16
	Add: (Increase) / Decrease in Fixed Deposit accounts kept as margin money with banks	(22.39)	(1.80)
	Add: Decrease in Dividend accounts with bank	-	
		430.17	429.36
	Cash and Cash Equivalents as at 31.03.2020	253.18	452.56
		253.18	452.56
	Reconciliation of Cash and Bank Balances given in Note No. 12 of Balance Sheet is as follows:		
	Cash and Bank Balances	277.42	454.41
	Less:		
	Balance in Fixed Deposit accounts with banks having a maturity period of more than three months	24.24	1.85
	Cash and Cash Equivalents as at 31.03.2020	253.18	452.56

As Per Our Attached Report of Even Date
For Thakur Vaidyanath Aiyar & Co.
Chartered Accountants
Firm Registration No.: 000038N

C.V. Parameswar
Partner
Membership No: 11541
Place: Mumbai
Date: 30th July, 2020

For and on behalf of Board of Directors

Purushottam Sonavane
Director
DIN. 08405653

B. Girvanesh
Chief Financial Officer

Minal Pote
Whole time Director
DIN. 07163539

Suneel Sullere
Company Secretary
ACS.42922



Statement of Changes in Equity For the period ended 31st March, 2020

(A)	EQUITY SHARE CAPITAL			
Sr. No.	Particulars	Nos.	Amount in ₹	Amount in Lakhs
	Equity shares of ₹ 10/- each Issued, Subscribed and Fully Paid up			
	As at April 1, 2018	13,12,80,448.00	1,31,28,04,480.00	13,128.04
	Change in Equity Share Capital during the year	-	-	-
	As at March 31, 2019	13,12,80,448.00	1,31,28,04,480.00	13,128.04
	Change in Equity Share Capital during the year	-	-	-
	As at March 31, 2020	13,12,80,448.00	1,31,28,04,480.00	13,128.04
On 10-01-2011 the Company issued 1,08,10,000 Convertible Equity Share Warrants which were convertible into 1 Equity Share of ₹ 10 each at a price calculated in accordance with SEBI regulation 25% of the issue price was payable at the time of allotment of warrants and the balance 75% at the time of allotment of Equity Share . On 25-03-2011 , 15,60,000 warrants were convertible into Equity Share before 09-07-2012.				

(B) OTHER EQUITY
For the year ended March 31, 2020

Sr. No.	Particulars	Securities Premium Reserve	General Reserves	Retained Earnings	Total Other Equity
	As at April 1, 2019	14,308.30	552.12	(52,166.71)	(37,306.30)
Add:	Profit for the year	-	1,888.24	(2,834.46)	(946.22)
Add:	FDR Adjustments	-	-	-	-
Add:	Other Comprehensive Income	-	-	(0.46)	(0.46)
	Total Comprehensive Income	14,308.30	2,440.36	(55,001.63)	(38,252.97)
Less:	Issue of Bonus shares	-	-	-	-
Less:	Transfer to general reserves	-	-	-	-
	As at March 31, 2020	14,308.30	2,440.36	(55,001.63)	(38,252.97)

Sr. No.	Particulars	Securities Premium Reserve	General Reserves	Retained Earnings	Total Other Equity
	As at April 1, 2018	14,308.30	552.12	(40,838.84)	(25,978.42)
Add:	Profit for the year	-	-	(12,016.86)	(12,016.86)
Add:	FDR Adjustments	-	-	-	-
Add:	Other Comprehensive Income	-	-	688.99	688.99
	Total Comprehensive Income	14,308.30	552.12	(52,166.71)	(37,306.30)
Less:	Issue of Bonus shares	-	-	-	-
Less:	Transfer to general reserves	-	-	-	-
	As at March 31, 2019	14,308.30	552.12	(52,166.71)	(37,306.30)



Notes on consolidated financial statements for the year ended 31st March, 2020

1. General Information:

Zenith Birla (India) Limited (the Company) is a Public Limited Company incorporated in India having its registered office at Industry House, 5th Floor, 159, Churchgate Reclamation Mumbai-400 020, India. The Company is engaged in the manufacturing and selling of ERW And SAW Pipes.

Significant accounting policies followed by the Company

(A) Basis of preparation of financial statements:

(i) Basis Of Accounting

- a) The financial statements of the subsidiaries used in the consolidation are drawn upto the same reporting date as that of the parent company i.e for the period ended 31st March,2020.The foreign subsidiary in USA follows January to December as its financial year.In case of the foreign subsidiary the company has redrawn its financial statement for the period ended 31st March 2020.
- b) The financial statement have been prepared under the historical cost conversion convention and on the accrual basis of accounting.The accounts of Parent company have been prepared in accordance of Indian Accounting Standards and those of foreign subsidiaries have been prepared in accordance with local laws and the applicable Accounting Standards/Generally accepted Accounting Principles.

(ii) Principles of Consolidation

- a) The financial statements of the Parent Company and its subsidiaries have been consolidated on a line by line basis by adding together the book value of like items of assets ,liabilities, income and expenses after fully eliminating intra group balance,intra group transactions. and the unrealized profits
- b) The financial statement of the parent company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances
- c) The financial statements of foreign subsidiaries is translated into Indian Rupees as under:
 - i) Assets and liabilities at the rate prevailing at the end of the period.
 - ii) Revenue and Expenditure at the yearly average exchange rates prevailing during the period

(i) 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 and other relevant provisions of the Act.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis ,except for the following assets and liabilities

- a) Certain Financial assets and liabilities that are measured at fair value
- b) Derivative Financial instruments

(iii) Functional and Presentation Currency

These financial statements are presented in Indian Rupees, this is also the functional currency of the company.All financial information are presented in Indian Rupees has been rounded off to two decimals in lacs.

**(iv) Current and Non current Classification**

All assets and Liabilities have been classified as Current and Non Current as per the company's normal operating cycle (12 months) and other criteria set out in schedule III to the Act.

(B) Use of estimates:

An estimate 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. The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made by the management that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are crystallized.

(C) Revenue recognition:

- (a) Revenue from the sale of goods is recognized upon the passage of title to the customers, which generally coincides with delivery.
- (b) Export sales are accounted based on the dates of Bill of Lading.
- (c) Interest Income is accrued on time proportion basis over the period of loan / deposit / investment except in case of significant uncertainties.

(D) Property, Plant and Equipment:

- (a) All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include hedges of foreign currency purchases of property, plant and equipment. 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 associates with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(b) Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April 2017 and use that carrying value as the deemed cost of the property, plant and equipment.

(c) Depreciation methods, estimated useful lives and residual value:

- (i) Depreciation: The Company has ascertained the useful life of its various assets and charged depreciation in accordance with Schedule II of the Companies Act, 2013.
- (ii) Leasehold Land is amortized over the period of lease.
- (iii) The useful lives have been determined based on technical evaluation done by the management's expert in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
- (iv) 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.
- (v) Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.



(E) Intangible Assets:

- (i) Computer Software and Technical Know-How are amortized over a period of 3 years from the date of acquisition.
- (ii) Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1st April 2017 and use that carrying value as the deemed cost of intangible assets.

(F) Capital Work in Progress:

Expenditure during construction period including development cost incurred on the projects under implementation are treated as pre-operative expenses pending allocation to the assets and are included under "Capital Work in Progress". These expenses are apportioned to fixed assets on commencement of commercial production.

(G) Impairment of Assets:

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss, if any, is charged to statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(H) Valuation of Inventory:

- (a) Raw Materials and components, semi-finished goods, finished goods, stores and spares, goods for trade are valued at cost or net realizable value whichever is lower. Cost formula used is weighted average cost. Cost comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventory to its present location and condition.
- (b) Goods / Materials in Transit are valued at cost to date.
- (c) Scrap is valued at its estimated realizable value.
- (d) Adequate provisions are made for obsolete inventory based on technical estimates made by the Company.

(I) Foreign Currency Transactions:

Transactions arising in foreign currencies during the year are converted at the rates closely approximating the rates ruling on the transaction dates. Liabilities and receivables in foreign currency are restated at the year end exchange rates. All exchange rate differences arising from conversion in terms of the above are included in the statement of profit and loss.

In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

(J) Employee Benefits:

(i) Short-term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The Liabilities are presented under current liabilities in the balance sheet.

(ii) Other long-term employee benefit obligations:

The liabilities for earned leave are measured as the present value of expected future payments to be made



in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit and loss.

(iii) Post-employment obligations:

- (a) Defined contribution plans: Company's contribution to the provident fund scheme is recognized during the year in which the related service is rendered.
- (b) Defined benefit plans: The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using projected unit credit method.
- (c) The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.
- (d) Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.
- (e) Changes in present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.
- (f) Long Term compensated absences are provided on the basis of an actuarial valuation.

(K) Research and Development Costs:

Revenue expenditure, including overheads on research and development, is charged as an expense through the natural heads of account in the year in which incurred. Expenditure incurred at development phase, where it is reasonably certain that outcome of research will be commercially exploited to yield economic benefits to the Company, is considered as an Intangible assets and depreciation is provided on such assets as applicable.

(L) Investments:

Current investments are carried at lower of cost or fair value. Long term investments are carried at cost less provision for other than temporary decline in the value of such investments.

(M) Borrowing Cost:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

(N) Taxation:

Income tax expense comprises Current tax and Deferred tax charge or credit. Provision for Current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Minimum alternative tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax.

Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably. The deferred tax asset and/or deferred tax liability is calculated by applying substantively enacted rate as at balance sheet



date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation is recognized if and only if there is virtual certainty backed by convincing evidence of its realization. At each balance sheet date, carrying amount of deferred tax assets is reviewed to reassure realization.

(O) Share Issue Expenses:

Issue expenses are adjusted against the Share Premium.

(P) Government Grant/Loan:

Capital grants for project capital subsidy are credited to capital reserves.

The Company has availed mandatory exemption under Ind AS 101 and accordingly, there is no change in accounting treatment on the amount carried forward on the date of transition for sales tax deferral loan / incentive.

(Q) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.



		Amount ₹ in Lacs	
Note No.	Particulars	As at 31st March, 2020	As at 31st March 2019
2	PROPERTY, PLANT & EQUIPMENT		
	Gross Block	15,049.55	15,030.48
	Less : Accumulated Depreciation	8,469.24	7,581.35
	Net Block	6,580.31	7,449.13
	Note* Please refer note no. 2 Property, Plant & Equipment		
3	CAPITAL WORK IN PROGRESS		
	Capital Work-in-Progress	-	1,443.71
	Total	-	1,443.71
	Note* Please refer note no. 3 Capital Work in Progress		
4	INTANGIBLE ASSETS		
	Gross Block	32.92	30.20
	Less : Acc. Depreciation	26.49	24.60
	Net Block	6.43	5.60
	Note* Please refer note no. 4 Intangible Assets		
5	INVESTMENT		
	Quoted Investments		
A)	In Equity Share-Quoted, Fully Paid up		
	4,35,350 Birla Transasia Carpets Limited Or ₹ 10/Each	-	63.70
	(4,35,350) less: Provision for diminution in value	-	63.69
	Unquoted Investments	-	0.00
B)	Other Investment -Unquoted Fully Paid up		
	236 US \$ 1,000 each of P.T. Horizon Syntex , Indonesia , continue to be held in the (236) name of erstwhile The India Tool Manufactures Limited and the same are still In process of being transferred in the name of the company pending receipt of the necessary approval from Reserve Bank of India less provision for diminution in value	19.31	19.31
		19.31	19.31
		0.00	0.00
	2000 Tima CETP Co-op Society Ltd. Of ₹ 10/each (2000)	0.20	0.20
	2000 Thed Shamrao Vithal Co-Op Bank Ltd. Of ₹25/Each (2000)	0.50	0.50
		0.70	0.70



Amount ₹ in Lacs

Note No.	Particulars	As at 31st March, 2020	As at 31st March 2019
C)	In Government securities - Unquoted		
	National Saving Certificate	0.30	0.30
		0.30	0.30
	Total	1.00	1.00
	Aggregate amount of quoted investments	63.70	63.70
	Market value of quoted Investments	32.65	32.65
	Aggregate amount of unquoted investments	20.31	20.31
	Aggregate provision for diminution in value of investments	-	83.01
6	LOANS		
	Non-Current		
	Unsecured; considered good :		
	Other Loans and Advance (Includes ₹2.56 lacs due from related parties and previous year Amount ₹ Nil)	157.56	157.91
	Other Loans and Advance (Considered Doubtful)	-	486.57
	Less : - Provision for Doubtful Advances	-	(486.57)
	Loans and Advance which have significant increase in Credit Risk	-	-
	Loans and Advance - credit impaired	-	-
	Total Non - Current	157.56	157.91
	Current		
	Unsecured; considered good :		
	Loans and advances to Related Parties	378.33	345.86
	Loan & Advance to Employees	19.07	27.76
	Loan & Advance to Inter Corporate Loan	834.44	834.44
	Loan & Advance to Others (Includes ₹1.04 lacs due from related parties and previous year Amount ₹ Nil)	4,645.73	5,532.06
	Loan & Advance to Others which have significant increase in credit risk	-	750.00
	Less :- Provision for Doubtful Advances	-	(750.00)
	Total - Current	5,877.57	6,740.12



Amount ₹ in Lacs

Note No.	Particulars	As at 31st March, 2020	As at 31st March 2019
7	OTHER NON-CURRENT ASSETS		
	Non-Current		
	Unsecured; considered good :		
	Deposits with Others	204.80	204.80
	Total Non - Current	204.80	204.80
	Current		
	Unsecured; considered good :		
	Deposits with Others	-	-
	Total - Current	-	-
8	OTHER ASSETS		
	Non-Current		
	Unsecured; considered good :		
	Capital Advances	-	-
	Total Non - Current	-	-
	Current		
	Unsecured; considered good :		
A)	Advances Paid to Suppliers/Services	47.37	22.78
B)	Balances with Government Authorities :		
	Deposits with Government Authorities	169.19	256.19
	TDS Receivable	142.84	76.47
	Cenvat Credit and export incentive receivable	3.06	34.62
	Value Added Tax Receivable	2,000.82	2,056.82
	Other Receivable	0.36	0.36
	Goods & Service Tax	808.47	768.86
	Sub Total (B)	3,124.74	3,193.32
C)	Others :		
	Pre-paid Expenses	11.59	11.74
	Interest accrued on fixed deposits and others	6.18	0.00
	Sub Total (C)	17.77	11.74
	Total - Current	3,189.88	3,227.84
9	CURRENT TAX ASSETS (NET)		
	Advance Income Tax	278.01	220.94
	Total	278.01	220.94



Amount ₹ in Lacs

Note No.	Particulars	As at 31st March, 2020	As at 31st March 2019
10	INVENTORIES		
	Raw Materials and Components	207.28	-
	Semi-Finished Goods	-	-
	Finished Goods	199.77	-
	Stores and Spare Parts	108.56	95.82
	Other (Scrap)	19.60	0.80
	Total	535.21	96.62
11	TRADE RECEIVABLES		
	Unsecured, considered good :		
	Outstanding for a period exceeding six months from the date they are due for payment		
	Trade Receivables Considered good	509.56	2,493.62
	Trade Receivables which have significant increase in credit risk	2,268.57	2,268.57
	Less: Provision for doubtful debts	2,268.57	2,268.57
	Debts outstanding for a period exceeding six months	509.56	2,493.62
	Other considered good	372.23	1,111.89
	Total (Includes ₹ Nil due from related parties and previous year Amount ₹ 2101.17 Lacs)	881.79	3,605.51
12	CASH AND CASH EQUIVALENTS		
A)	Balances with Banks in Current Accounts	247.92	445.36
B)	Cash on Hand	5.26	7.20
	Total	253.18	452.56
13	OTHER BANK BALANCES		
A)	Balances in Margin Money Account	24.24	1.85
	Total	24.24	1.85
14	EQUITY SHARE CAPITAL		
A)	AUTHORISED SHARE CAPITAL		
	15,55,00,000 (15,55,00,000) Equity Shares of ₹ 10/- each	15,550.00	15,550.00
	Total	15,550.00	15,550.00



Amount ₹ in Lacs

Note No.	Particulars	As at 31st March, 2020	As at 31st March 2019
B)	ISSUED, SUBSCRIBED & PAID UP SHARE CAPITAL		
	13,12,80,448 (13,12,80,448) Equity Shares of ₹ 10/- each	13,128.04	13,128.04
	Total	13,128.04	13,128.04
14.1	The reconciliation of the number of shares outstandingis set out below:	No of Shares	No of Shares
	Shares outstanding at the beginning of the year	13,12,80,448.00	13,12,80,448.00
	Shares outstanding at the end of the year	13,12,80,448.00	13,12,80,448.00
14.2	The details of Shareholders holding more than 5% share	No of Shares	% Held
	Birla Bombay Pvt. Ltd.	8171397	6.22
	Harhbhajansingh Maliksingh Rajpal	7406422	5.64
		8171397	6.22
		7432422	5.66
14.3	On 10-01-2011 the Company issued 1,08,10,000 Convertible Equity Share Warrants which convertible into 1 Equity Share of ₹ 10 each at a price calculated in accordance with SEBI regulation. 25% of the issue price was payable at the time of allotment of warrants and the balance 75% at the time of allotment of Equity Shares. On 25-03-2011, 15,60,000 warrants were converted into Equity Shares. The remaining 92,50,000 warrants were convertible into Equity Share before 09-07-2012.		
15	OTHER EQUITY		
A)	Securities Premium	14,308.30	14,308.30
B)	General Reserves	2,440.36	552.12
C)	Retained Earnings	-	-
	Balance As per last Account	(52,166.71)	(40,838.84)
	Add: Profit / (Loss) for the current year	(2,834.46)	(12,016.86)
	Add: Amount Transferred to Other Units	-	-
	Add: Other Comprehensive Income	(0.46)	688.99
	Closing Balance (Retained Earnings)	(55,001.63)	(52,166.71)
	Total (A to D)	(38,252.97)	(37,306.30)
16	BORROWINGS		
	Non-Current		
A)	Secured Loans		
	Term Loans :		
	Sub Total (A)	-	-



Amount ₹ in Lacs

Note No.	Particulars	As at 31st March, 2020	As at 31st March 2019
B)	Unsecured Loans		
	From Others	1,423.08	961.83
	Total Non - Current	1,423.08	961.83
	Current		
A)	Secured Loans		
	From Others (Refer note (a))	20,508.92	23,400.27
	Subtotal (A)	20,508.92	23,400.27
B)	Unsecured Loans		
	Deferred Payment Liabilities	150.00	150.00
	From Others	410.00	1,762.23
	Subtotal (B)	560.00	1,762.23
	Total - Current	21,068.92	25,162.50
	Security and Salient Terms:		
	(a) Loans repayable on demand from Banks are secured by hypothecation of inventories and / or book debts and export incentives recoverable etc. and collaterally secured by way of first charge on the Fixed Assets.		
	Note* Please refer annexure no. 16 for Secured Loan & Unsecured		
17	TRADE PAYABLES		
	Current		
	Micro, Small and Medium Enterprises	34.11	-
	Others (including ₹ Nil due to related parties and previous Amount 1.06.00 lacs)	5,382.16	6,945.76
	Total - Current	5,416.27	6,945.76
18	OTHER FINANCIAL LIABILITIES		
	Current		
	Current maturities of Fixed Deposits	2,198.54	2,199.09
	Interest payable on Fixed Deposit	3,432.88	3,161.07
	Security Deposits from Others	0.75	0.75
	Total - Current	5,632.17	5,360.91



		Amount ₹ in Lacs	
Note No.	Particulars	As at 31st March, 2020	As at 31st March 2019
19	OTHER CURRENT LIABILITIES		
	Current		
	Advances from Customers (including ₹539.47 Lakh due to related parties and previous Amount Nil)	3,946.05	3,174.67
	Payable to employees	170.98	170.26
	Statutory Liabilities	96.88	403.27
	Other Payable	2,416.42	1,734.49
	Total - Current	6,630.33	5,482.69
20	PROVISIONS		
	Non-Current		
	Provision for Employee Benefits		
	Gratuity	276.38	319.69
	Leave benefits	28.81	37.06
	Provision for Contingencies	294.12	294.12
	Total Non - Current	599.31	650.87
	Current		
A)	Provision for Employee Benefits		
	Provision for Employee Benefits	3.31	16.54
	Contribution to Provident Fund	3.04	3.26
	Gratuity	24.10	41.38
	Leave benefits	5.96	10.24
	Sub Total	36.41	71.42
		-	
B)	Provision for expenses	1,063.07	1,947.60
	Provision for Excise Duty	2.50	2.50
	Total - Current	1,101.98	2,021.52
21	DEFERRED TAX LIABILITIES		
	Deferred Tax Liability		
	Related to fixed assets	504.86	504.86
	Deferred Tax Assets	-	-
	Disallowances under the Income Tax Act, 1961	-	-
	Total	504.86	504.86



Amount ₹ in Lacs

Note No.	Particulars	As at 31st March, 2020	As at 31st March 2019
22	CURRENT TAX LIABILITIES (NET)		
	Provision for Wealth Tax	1.88	1.88
	Dividend Tax on Dividend	359.08	359.08
	Provision for Interest on Dividend Tax	377.03	333.95
	Total	737.99	694.91
23	REVENUE FROM OPERATIONS		
	Sale of Products (Including excise duty)	7,638.17	15,538.34
	Other operating revenue	2,499.62	2,824.56
	Revenue from operations	10,137.79	18,362.90
24	OTHER INCOME		
	Interest:		
	From Others	6.78	0.93
	Excess Provision Written back	718.90	952.25
	Net Gain on Foreign Currency Translation & Transaction	(0.35)	27.01
	Profit/(Loss) on Sale of Assets	0.19	-
	Other Non Operating Income	657.28	397.66
	Total	1,382.80	1,377.86
25	COST OF RAW MATERIALS AND COMPONENTS CONSUMED		
	Opening Stock	-	234.50
	Add : Purchase	6,381.69	10,811.63
	Less : Closing Stock	207.28	-
	Cost of Raw Materials and Components Consumed	6,174.41	11,046.13
26	PURCHASES OF STOCK-IN-TRADE		
	Pipes	114.60	745.99
	TOTAL	114.60	745.99



Amount ₹ in Lacs

Note No.	Particulars	As at 31st March, 2020	As at 31st March 2019
27	CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS AND STOCK-IN-TRADE		
	Inventories at the beginning of the year		
	Finished Goods/Stock -in -Trade	-	69.12
	Semi-Finished Goods	-	-
	Scrap etc.	0.80	-
		<u>0.80</u>	<u>69.12</u>
	Inventories at the end of the year		
	Finished Goods/Stock -in -Trade	199.77	-
	Semi-Finished Goods	-	-
	Scrap etc.	19.60	0.80
		<u>219.37</u>	<u>0.80</u>
	Change in Inventories		
	Finished Goods	(199.77)	69.12
	Semi-Finished Goods	-	-
	Stock-in-Trade	(18.80)	(0.80)
		<u>(218.57)</u>	<u>68.32</u>
	TOTAL	<u>(218.57)</u>	<u>68.32</u>
28	EMPLOYEE BENEFITS EXPENSE		
	Salaries, Wages and Bonus	929.34	843.27
	Contribution to Provident and Other Funds	20.34	18.58
	Staff Welfare Expenses	20.21	26.94
	Sub Total(A)	<u>969.89</u>	<u>888.79</u>
29	FINANCE COSTS		
	Interest Expenses	443.22	724.68
	Bank Charges	22.99	4.26
	Total	<u>466.21</u>	<u>728.94</u>
30	DEPRECIATION AND AMORTIZATION EXPENSES		
	Depreciation on Tangible Assets	887.81	599.95
	Amortisation of Intangible Assets	1.89	1.31
	Total	<u>889.70</u>	<u>601.26</u>



Amount ₹ in Lacs

Note No.	Particulars	As at 31st March, 2020	As at 31st March 2019
31	OTHER EXPENSES		
A)	Manufacturing Expenses		
	Consumption of Stores and Spares	441.57	483.22
	Power, fuel and water	362.68	446.53
	Repairs and maintenance:		
	Buildings	4.94	1.91
	Plant and machinery	18.62	19.84
	Conversion, Octroi and Other manufacturing expenses	1,156.11	1,755.92
	Sub Total (A)	1,983.92	2,707.42
B)	Selling and Distribution Expenses		
	Freight, Forwarding, Handling Expenses & Others	39.19	154.08
	Commission	2.88	109.24
	Sub Total (B)	42.07	263.32
c)	Establishment Expenses		
	Rent	2.85	13.40
	Insurance	4.96	4.69
	Rates and taxes	7.10	45.63
	Miscellaneous expenses	1,894.86	2,382.38
	Foreign Exchange Loss	49.20	
	Payment to Auditor		
	Auditors' remuneration (excluding service tax)		
	As Auditor	9.00	9.00
	For Limited Review	1.50	1.50
	For Reimbursement of Expenses	0.25	0.82
	For Certifications	0.10	
	Other Repairs	4.43	73.17
	Bad Debts, irrecoverable advances and claims written off	1,958.56	11,517.95
	Sub Total (B)	3,932.81	14,048.54
	Total (A+B)	5,958.81	17,019.28


32. Earnings per share (EPS):

(₹ in Lakhs)

Particulars	31st March, 2020	31st March, 2019
Net Profit / (Loss) after tax attributable to Equity Shareholders (A)	(2,834.46)	(12,016.83)
No. of Equity Shares outstanding during the year for calculating Basic EPS (B)	13,12,80,448	13,12,80,448
No. of Equity Shares outstanding during the year for calculating Diluted EPS (C)	13,12,80,448	13,12,80,448
Nominal Value of Equity Shares (₹)	10/-	10/-
Basic EPS (₹) (A / B)	(2.16)	(9.15)
Diluted EPS (₹) (A / C)	(2.16)	(9.15)

33. Contingent liabilities and Commitments (to the extent not provided for)

(₹ in Lakhs)

(a) Estimated amount of contracts remaining to be executed on capital account (net of advances), not provided for:	NIL	NIL
(b) Contingent liabilities not provided for		
1. Non Provision of Interest Post NPA Claims Not Acknowledged as Debts	-	-
2. Disputed Demands on account		
a) Maharsahtra VAT	10,944.65	17,882.12
b) Income Tax	3,947.95	3,947.95
Sub Total	14,892.60	21,830.07
Total	14,892.60	21,830.07
(c) The Company is a party to various legal proceedings in the normal course of business and does not except the outcome of the proceedings to have any adverse effect on its financial conditions, results of operations or cash flows.		

34. Utilization of proceeds of public/ right issue as on 31st March, 2020 is as under:

During the year 2006-07 the Company made a Follow on Public Issue and consequently raised an amount of ₹ 13100 Lacs.

The shareholders of the company at the Annual General Meeting held on 17th September, 2012 approved variation in utilization of follow on public offer proceeds, so that the company can also utilize the proceeds for. Manufacturing of SAW & ERW pipes at Chennai or at such other locations as may be decided by the Board. Out of ₹ 13500 Lacs, ₹ 8036 Lacs will be utilized from the unutilized proceeds of public issue and balance ₹ 5464 lacs will be from unutilized proceeds of GDR issue. The detail of utilization of proceeds of ₹ 13500 lakh is given here under.



(₹in Lakhs)

Description	Total Estimated Cost	To be Deployed as on 31st March, 2020	To be Deployed as on 31st March, 2019
Land and Building	1,000	1,000	1,000
Plant and Machinery(Imported&Indigenous)	8,532	8,321	8,321
Miscellaneous Fixed Assets	3,696	3,696	3,696
Contingencies	272	272	272
Balance amount to be spent	13,500	13,289	13,289

Pending full utilization, the balance amount is held in Current/Fixed deposit /loan/advances accounts. There is Provision for doubtful advances to the tune of ₹ 109.25 crores(Refer Note 6 of Notes on Standalone financial statements for the year ended 31st March,2020) .Pending recovery of that advance, the amount available for deployment will be at lesser amount to that extent.

35 Subsidiaries

- (a) The consolidated financial statements presents the consolidated accounts of Zenith Birla (India) Limited with its following foreign subsidiary

Name of the subsidiary	Country of Incorporation	Proportion of Ownership Interest
Zenith USA	United States Of America	100%
Zenith Middle East FZE	United Arab of Emirates	100%

- b) Significant accounting policies and notes to these consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the company. Recognising this purpose ,the company has disclosed only such policies and notes from the individual financial statements, which fairly present the needed disclosures
- (c) Summarised Financial Position of the subsidiaries

(₹in lakhs)

Particular	Zenith USA INC		Zenith Middle East FZE	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Non -current assets	-	-	-	-
Current assets	2,380.66	1,822.31	-	8.68
Total Assets (A)	2,380.66	1,822.31	-	8.68
Non -current liabilities	529.66	-	-	-
Current liabilities	2,674.88	2,606.10	-	12.45
Total Liabilities (B)	3,204.54	2,606.10	-	12.45
Net Assets(A-B)	(823.89)	(783.79)	-	(3.77)
The Company's Share of net assets (carrying amount of interest in joint venture)	100%	100%	100%	100%
Contigent liability	0.00	0.00	0.00	0.00
Commitments	0.00	0.00	0.00	0.00



(d) Summarised Financial Position of the subsidiaries

(₹in lakhs)

Particular	Zenith USA INC		Zenith Middle East FZE	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Total revenue	4,590.33	5,163.13	3.77	2.36
Total expenses	4,630.43	5,208.30	-	43.29
Profit/Loss before tax	(40.10)	(45.20)	3.77	(40.93)
Tax expenses	-	-	-	-
Profit/Loss for the year	(40.10)	(45.20)	3.77	(40.93)
Other comprehensive income(OCI)	-	-	-	-
total comprehensive income for the year	(40.10)	(45.20)	3.77	(40.93)
Company's share in profit/loss	100%	100%	100%	100%
company's share in OCI	100%	100%	100%	100%
Companys shares in total comprehensive income	100%	100%	100%	100%

(e) Additional information of Consolidated Entities, as required under schedule III to the Companies Act,2013.

(₹in lakhs)

Particular	Net Assets		Share in Profit or loss		Share in other Comprehensive income		Share in total Comprehensive income	
	AS % of consolidated net assets	As at 31.03.2020	AS % of consolidated profit or loss	As at 31.03.2020	AS % of consolidated OCI	As at 31.03.2020	AS % of total comprehensive income	As at 31.03.2020
Parent	95.69	(24,041.46)	98.72	(2,798.13)	100.00	(0.46)	98.72	(2,798.59)
Zenith USA INC	3.28	(823.89)	1.41	(40.12)	0.00	-	1.41	(40.10)
Zenith Middle East FZE	0.00	-	(0.13)	3.77	0.00	-	(0.13)	3.77
Adjustment on account of consolidation	1.03	(259.58)	0.00		0.00		0.00	-
Total	100.00	(25,124.93)	100.00	(2,834.46)	100.00	(0.46)	100.00	(2,834.92)

(₹in lakhs)

Particular	Net Assets		Share in Profit or loss		Share in other Comprehensive income		Share in total Comprehensive income	
	AS % of consolidated net assets	As at 31.03.2019	AS % of consolidated profit or loss	As at 31.03.2019	AS % of consolidated OCI	As at 31.03.2019	AS % of total comprehensive income	As at 31.03.2019
Parent	95.67	(23,131.14)	99.28	(11,930.77)	100.00	688.99	99.24	(11,241.78)
Zenith USA INC	3.24	(783.79)	0.38	(45.18)	0.00	-	0.40	(45.18)
Zenith Middle East FZE	0.02	(3.77)	0.34	(40.93)	0.00	-	0.36	(40.93)
Adjustment on account of consolidation	1.07	(259.58)	0.00	-	0.00	-	0.00	-
Total	100.00	(24,178.28)	100.00	(12,016.88)	100.00	688.99	100.00	(11,327.88)

36. The title deeds for land (freehold and leasehold), building, residential flats, licenses, agreements and loan documents etc. are in the process of being transferred in the name of the Company on amalgamation of Tungabhadra Holdings Private Limited. Stamp duty and other levies arising out of the Scheme of Amalgamation, if any, shall be accounted on determination and completion of transfer formalities.



37. The outflow of the resources in respect of pending disputed matters in respect of Sales Tax, Income Tax, VAT and Excise Duty would depend on the ultimate outcome of the disputes lying before various authorities amounting to ₹ 15,186.71 Lacs (previous year ₹ 22124.18 Lacs) However company has made the provisions of ₹ 294.11 Lacs. The Company has taken legal and other steps necessary to protect its position in respect of these claims.

38. Related party disclosures:

(A) Name of related parties and nature of relationships:

As per Ind AS 24, the disclosures of transactions with the related parties are given below.

Name of the Related Party	Relationship
1. Akshaya Exploration Private Limited	Enterprise Owned or significantly influenced by Key Managerial personnel or their relatives where transactions have taken place.
2. Alosm Infotech Private Limited	
3. Bhilwara Infraestate Private Limited	
4. Birla Art Lifestylepvt Ltd	
5. Birla Capital And Financial Serviceslimited	
6. Birla Electricals Limited	
7. Birla Energy Infra Limited	
8. Birla Integrated Textile Park Limited	
9. Birla Viking Travels Limited	
10. Birladp Carpets Private Limited	
11. Erene Microorganic Chemicals Privatelimited	
12. Esspal Agro Private Limited	
13. Esspal Infratech Llp	
14. Esspal International Private Limited	
15. Godavari Corporation Private Limited	
16. Khopoli Investments Limited	
17. Melstar Information Technologies Limited	
18. Sambhav Hytech Cements Private Limited	
19. Sambhav Quartzite Private Limited	
20. Shearson Investments And Trading Company Private Limited	
21. Shreenath Integrated Apparel Textilepark Private Limited	
22. Shri Radheygovindam Resort Privatelimited	
23. Sparion Infrastructure Private Limited	
24. Voilet Finance Private Limited	
25. Suneel Sullere	Key Management Personnel
26. B. Girvanesh	
27. Pramod Bhosale	
28. Minal Pote	
29. Sanjeevni Shinde	
30. Sadhna Patil	
31. Purshottam Sonawane	



Net Balance of Receivable, Payable, Deposits, Loan etc. where Transaction have Taken Place	Balance Carried to Balance Sheet (Net)		Balance Carried to Balance Sheet (Net)	
	as at 31-03-2020		as at 31-03-2019	
	Receivable	Payable	Receivable	Payable
(i) Key Management Personnel	-	1.55	-	6.74
(ii) Enterprises Owned or significantly influenced by key management personnel or their relatives.				
1. Melstar Information Technologies Ltd	3.60		-	-

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

(B) Transactions during the year ended 31st March, 2020 with related parties : (₹ in Lakhs)

Particulars	Key Management Personnel		Enterprise owned and significantly influenced by Key Management personnel or their relatives	
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
Advance Given/Payment			0.00	1.47
Advance Received			0.00	196.82
Services Received:			0.00	4.13
Sale of Goods	-	-	0	
Rental Income	-	-		
Remuneration	18.39	38.11		

(C) Disclosure in respect of material transaction with related parties during year included in (B) above:

Particulars	(₹ in Lacs)	
	2019-20	2018-19
1. Advance Given		
Godavari Corporation Pvt. Ltd	0.00	0.97
Birla Global Corporate Ltd	0.00	0.50
2. Sale of Goods		
Zenith (USA) Inc.	0.00	0.00
3. Rental Income	0.00	0.00
4. Services received		
Godavari Corporation Private Limited	0.00	4.13
5. Advance Received		
Melstar Information Technologies Ltd.	0.00	17.44
Asian Distributors Pvt Ltd.	0.00	179.38
6. Remuneration Paid	18.39	38.11



39. In the opinion of the Board, Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

40. Segment Reporting:

(a) Primary Business Segments:

The Company operates in a single segment namely Pipes and hence the Primary Business segment information is not applicable.

Particulars	(₹ in Lacs)	
	2019-20	2018-19
Segment Revenue		
a) In India	6926.47	14575.27
b) Outside India	4594.10	5165.49
Total Income from operations	11520.57	19740.76
Segment Assets :- Carrying Cost of Assets by Location of Assets		
a) In India	15609.32	21776.58
b) Outside India	2380.66	1831.00
c) Unallocated Assets	0.00	0.00
Total	17989.97	23607.58
Additional to Assets and Intangible Assets		
a) In India	22.84	40.10
b) Outside India	0.00	0.00
Total	22.84	40.10

41. Disclosures in respect of Derivatives Instruments:

i Derivative instruments outstandings as at 31st March 2020 ₹ NIL.(Previous year ₹ NIL)

ii Foreign currency exposure that are not hedged by forward contracts as at 31st March, 2020.

Particulars	Amount (USD) 2019-20	Amount (USD) 2018-19
1. Term Loan	-	48,11,593.49
2. Debtors	-	15,19,250.49
3. Other Payables	7,23,183.86	-
4. Other Receivables	15765488.29 *	15765488.29 *

* Full provision for doubtful advance has been made against this amount



- 42.** The Company has recognised exchange differences arising on long term foreign currency monetary items in line with para 29A of IND AS 21

The amounts written off during the year includes the amounts reflected as capital work in progress of ₹ 14.77 cr. representing accumulated foreign translation difference of ₹13.48 crores since 2010 as the foreign currency loan due to which this translation difference has arisen in terms of notification to AS 11 loan has been fully repaid and ₹1.29 crores being the expenditure incurred on a project which could not take place due to lockout of the plant since 2013.

There are no long term foreign currency monetary items which require exchange differences to be amortised.

- 43.** Balances of Sundry Creditors, Debtors, Loans and Advances, Deposits and Current Liabilities are as per books of accounts in absence of confirmation and reconciliation thereon.

- 44.** The company has declared a lockout at its Khopoli Unit since November. 2013

- 45.** The Company has entered into an agreement with M/S Tribus Real Estate Pvt. Ltd. for taking over the company's bank outstanding as reflected earlier in the company books on terms agreed to between the Company and Tribus Real Estate Pvt. Ltd. Consequently the outstanding of the banks in the books of the company are transferred to Tribus Real Estate Pvt. Ltd. and hence now classified as "secured loan from others". The security on the loans continue to be in favor of the banks

- 46.** Consortium of banks has taken action under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 in February, 2014 and called upon the company to repay the amount of ₹ 193.19 Crores towards the dues as on 31.01.2014 within sixty days. Thereafter the consortium of banks have taken symbolic possession on 29.05.2014 of the immovable assets at the Khopoli unit and filed a case for taking physical possession, which will be reviewed afresh by Invent Assets Securitisation and Reconstruction Private Limited since the loan has been assigned to them by bank on 31-03-2018

- 47.** Interest amounting to ₹2.84 crores (previous Year ₹ 3.63 crores) during the year on ICD's given by the company is not considered as income due to realisability not being certain.

- 48.** Various parties balances has been written off to the tune of ₹ 4.80 crores. as a prudent measure. (Previous Year ₹ 4.40 Crores) There has also been write back of liabilities no longer required to the tune of ₹ 7.18 crores.

- 49.** The accumulated losses till 31st March, 2020, has exceeded the share capital value including other reserves, thereby the net worth of the company has been completely eroded. However on account of strategic understanding with suppliers/customers the company is on the revival mode and is operating some of the units. In view of the same the going concern concept holds good.



50. Fair values of financial assets and financial liabilities:

The fair value of other current financial assets, cash and cash equivalents, trade receivables, trade payables, short term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortised cost using effective interest rate (EIR) of non current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired includes cash and cash equivalents, security deposits, term deposits and other financial assets.

The impact of fair value on non current borrowings, non current security deposits and non current term deposits are not significant and therefore the impact of fair value is not considered for above disclosure.

51. Fair value hierarchy:

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

*Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

*Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

*Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 and level2 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(₹in Lakhs)		
Particulars	31st March, 2020	31st March, 2019
Level 1 (Quoted price in active markets)	-	-
Level 2		
Financial assets measured at fair value through profit or loss	-	-
Financial liability measured at fair value through profit or loss	-	-
Level 3		
Financial assets measured at fair value through profit or loss	-	
Trade receivables	881.79	3,605.51
Cash and cash equivalents	253.18	452.56
Bank balances other than cash and cash equivalent	24.24	1.85
Loans and advances	5,877.57	6,898.03
Other financial assets	-	-
Other current assets	3,189.88	3,227.84

The carrying amounts of trade receivables, cash and cash equivalents and other bank balances, loans and advances, other financial assets and other current assets are considered to approximate their fair values due to their short term nature.



Financial liability measured at amortized cost		
Borrowings	21,068.92	26,124.32
Trade Payables	5,416.29	6,945.76
Other financial liabilities	5,632.17	5,360.91
Other current liabilities	6,630.33	5,482.69

The carrying amounts of borrowings, trade payables, other financial liabilities and other current liabilities are considered to approximate their fair values due to their short term nature. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

52. Financial risk management objectives and policies:

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk:

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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

(ii) Foreign currency risk:

The Company is exposed to foreign currency risk arising mainly on borrowing, export of finished goods and import of raw material. Foreign currency exposures are managed within approved policy parameters utilising forward contracts.

(B) Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does not foresee any credit risks on deposits with regulatory authorities.

(C) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.



53. Capital management:

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt mainly comprises of borrowings from banks, financial institutions and Unsecured Loans. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	31st March, 2020	31st March, 2019
(i) Total equity	(25,124.93)	(24,178.26)
(ii) Total debt	22,492.00	26,124.32
(iii) Overall financing (i+ii)	(2,632.93)	1,946.06
(iv) Gearing ratio (ii/iii)	(8.54)	13.42

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020, 31 March 2019

54. Corporate social responsibility:

(A) The provisions stipulated under section 135 of the Companies Act 2013 are not applicable to the company for the year as the has been no profits for the last three years ,negative net worth ,and the turnover os below thew limit specefied negative net worth ,and the turnover os below thew limit specefied

(B) No expenditure has been paid to a related party, in relation to CSR expenditure as per Ind-AS 24, Related Party Disclosures.

55. Disclosure under MSME Act, 2006

The Principal amount due to suppliers registered under MSME Act and remaining unpaid as at year end is ₹ 34.10 Lacs. However interest on late payment to such parties could not be ascertained due to identification of them was at very fag end but there has been no claim lodged by any of them with the company

56. Amendments to IND AS:

Ministry of Corporate Affairs ("MCA") has notified following amendments to Ind AS on March 30, 2019 which is effective for the annual period beginning on or after April 01, 2019:

(a) Ind AS 116 Leases:

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees.



The Company will recognize a lease liability measured at the present value of the minimum lease payments. The right-of-use asset is recognised at its carrying amount as if the Standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

The Company will adopt Ind AS 116 effectively for the annual reporting period beginning April 1, 2019.

Except for the disclosure requirement, the new standard will not impact the company's financial statements, as most of the Company's leases are short term leases and the underlying assets is of low value.

(b) Ind AS 12 - Appendix C, Uncertainty over Income Tax Adjustments

The amendment requires an entity to determine probability of the relevant tax authority accepting the uncertain tax treatment that the Company have used in tax computation or plan to use in their income tax filings.

(c) Amendment to Ind AS 12 – Income taxes

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

(d) Ind AS 19 - Plan amendment, curtailment or settlement

The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Based on preliminary assessment, the Company does not expect any significant impact on its financial statements on account of above amendments.

57. Covid Note

In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. Consequent to this, Government of India declared a national lock down on March 24, 2020, which has impacted the business activities of the Company. The Company has been taking various precautionary measures to protect employees and their families from COVID- 19. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial statements, in determination of the recoverability and carrying value of property, plant and equipment, other intangible assets and in relation to other financial statement captions. The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare the Company's financial statements, which may differ from that considered as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions.

58. Note on Prior Period Items

Exceptional item relates to reclassification of prior period expenses in last quarter of March 2020



59. Previous year figures have been regrouped/ reclassified to conform presentation as per Ind AS as required by Schedule III of the Act.

As Per Our Attached Report of Even Date
For Thakur Vaidyanath Aiyar & Co.
Chartered Accountants
Firm Registration No.: 000038N

C.V. Parameswar
Partner
Membership No: 11541
Place: Mumbai
Date: 30th July, 2020

For and on behalf of Board of Directors

Purushottam Sonavane
Director
DIN. 08405653

B. Girvanesh
Chief Financial Officer

Minal Pote
Whole time Director
DIN. 07163539

Suneel Sullere
Company Secretary
ACS.42922



Additional Note No.-2, 3 & 4

2] PROPERTY, PLANT & EQUIPMENT As on 31st March 2020

Assets	GROSS BLOCK		DEPRECIATION				NET BLOCK			
	As on 01.04.2019	Addition	Deductions / Adjustments	As on 31.03.2020	Upto 01.04.2019	For the Year	Deduction / Adjustment	Upto 31.03.2020	As on 31.03.2020	As on 31.03.2019
Tangible Assets										
Freehold Land	1,696.59	-	-	1,696.59	-	-	-	-	1,696.59	1,696.59
Leasehold Land	199.23	-	-	199.23	39.17	6.39	-	45.56	153.67	160.06
Buildings	5,284.59	2.67	-	5,287.26	2,934.21	290.92	-	3,225.13	2,062.13	2,350.38
Plant & Machinery	7,191.52	16.01	-	7,207.53	4,038.25	571.32	-	4,609.57	2,597.96	3,153.27
Furniture & Fixtures	399.02	-	0.67	398.35	341.07	12.95	-	354.02	44.33	57.95
Vehicles	25.49	0.32	-	25.81	19.11	2.86	-	21.97	3.84	6.38
Office Equipments	28.25	0.89	-	29.14	27.30	0.54	-	27.85	1.30	1.15
Computer	205.79	0.11	0.26	205.64	182.43	2.84	0.13	185.14	20.49	23.36
Total	15,030.48	20.01	0.93	15,049.55	7,581.55	887.81	0.13	8,469.24	6,580.31	7,449.13
Previous Year	15,176.27	32.86	178.65	15,030.48	7,149.89	601.26	169.79	7,581.35	7,449.13	8,026.38

2] PROPERTY, PLANT & EQUIPMENT As on 31st March 2019

Assets	GROSS BLOCK		DEPRECIATION				NET BLOCK			
	As on 01.04.2018	Addition	Deductions / Adjustments	As on 31.03.2019	Upto 01.04.2018	For the Year	Deductions / Adjustments	Upto 31.03.2019	As on 31.03.2019	As on 31.03.2018
Tangible Assets										
Freehold Land	1,696.59	-	-	1,696.59	-	-	-	-	1,696.59	1,696.59
Leasehold Land	192.89	6.34	-	199.23	32.79	6.39	-	39.17	160.06	160.10
Buildings	5,277.56	7.03	-	5,284.59	2,643.45	290.76	-	2,934.21	2,350.38	2,634.11
Plant & Machinery	7,175.25	16.27	-	7,191.52	3,758.71	279.54	-	4,038.25	3,153.27	3,416.54
Furniture & Fixtures	398.86	0.16	-	399.02	323.67	17.40	-	341.07	57.95	75.19
Vehicles	204.14	-	178.65	25.49	185.65	2.90	169.44	19.11	6.38	18.49
Office Equipments	27.66	0.59	-	28.25	25.61	1.84	0.35	27.10	2.45	2.05
Computer	203.32	2.47	-	205.79	180.00	2.43	-	182.43	22.06	23.32
Total	15,176.27	32.86	178.65	15,030.48	7,149.89	601.26	169.79	7,581.35	7,449.13	8,026.38
Previous Year	15,638.17	281.89	743.79	15,176.27	6,447.25	734.08	31.43	7,149.89	8,026.38	9,190.92



3] Capital Work In Progress As on 31st March 2020

Assets	GROSS BLOCK		DEPRECIATION		NET BLOCK			
	As on	Additions / Deductions / Adjustments	As on	Upto	For the Year Deductions / Adjustments	Upto	As on	As on
	01.04.2019		31.03.2020	01.04.2019		31.03.2020	31.03.2020	31.03.2019
Plant & Machinery	1,443.71	-	1,443.71	-	-	-	-	1,443.71
Total	1,443.71	-	1,443.71	-	-	-	-	1,443.71
Previous Year	1,278.06	165.65	1,443.71	-	-	-	1,443.71	1,278.06

3] Capital Work In Progress As on 31st March 2019

Assets	GROSS BLOCK		DEPRECIATION		NET BLOCK			
	As on	Additions / Deductions / Adjustments	As on	Upto	For the Year Deductions / Adjustments	Upto	As on	As on
	01.04.2018		31.03.2019	01.04.2018		31.03.2019	31.03.2019	31.03.2018
Plant & Machinery	1,278.06	165.65	1,443.71	-	-	-	-	1,278.06
Total	1,278.06	165.65	1,443.71	-	-	-	-	1,278.06
Previous Year	1,270.46	7.60	1,278.06	-	-	-	-	1,270.46

4] Intangible Assets As on 31st march 2020

Assets	GROSS BLOCK		DEPRECIATION		NET BLOCK			
	As on	Additions / Deductions / Adjustments	As on	Upto	For the Year Deductions / Adjustments	Upto	As on	As on
	01.04.2019		31.03.2020	01.04.2019		31.03.2020	31.03.2020	31.03.2019
Computer Software	30.20	2.83	32.92	24.60	1.89	26.49	6.43	5.60
Total	30.20	2.83	32.92	24.60	1.89	26.49	6.43	5.60
Previous Year	29.55	0.65	30.20	23.29	1.31	24.60	5.60	6.26

4] Intangible Assets As on 31st march 2019

Assets	GROSS BLOCK		DEPRECIATION		NET BLOCK			
	As on	Additions / Deductions / Adjustments	As on	Upto	For the Year Deductions / Adjustments	Upto	As on	As on
	01.04.2018		31.03.2019	01.04.2018		31.03.2019	31.03.2019	31.03.2018
Computer Software	29.55	0.65	30.20	23.29	1.31	24.60	5.60	6.26
Total	29.55	0.65	30.20	23.29	1.31	24.60	5.60	6.26
Previous Year	29.05	0.50	29.55	21.72	1.57	23.29	6.26	7.33



Additional Note No.-16

16. LONG TERM BORROWINGS

Note : Terms of Borrowing

SN	Nature of Security	Original Amount of borrowing (₹ In Lacs)	Tenor since Inception (In Years)	Terms of Repayment	Month in which last installment is due	Repayment schedule Installments (₹ In Lacs)	Balance as on 31st March 2020	Balance as on 31st March 2019	Prevailing Interest Per Annum
1	Loan from other is secured by First charge (hypothecation) of all movable assest, including Specific Plant and Machinery purchased out of this term loan with a second charge over these assets to existing working capital bankers, and second charge (hypothecation) on overall existing movable and immovable assets including Plant and Machinery.	5625	8.5	Quarely	Jul-15	153	0.00	2558.48	3 Month Libor + 3.25%
	Sub-Total						0.00	2558.48	
	Total						0.00	2558.48	

As Per Our Attached Report of Even Date
For Thakur Vaidyanath Aiyar & Co.
 Chartered Accountants
 Firm Registration No.: 000038N

C.V. Parameswar
 Partner
 Membership No: 11541
 Place: Mumbai
 Date: 30th July, 2020

For and on behalf of Board of Directors

Purushottam Sonavane
Director
DIN. 08405653

B. Girvanesh
 Chief Financial Officer

Minal Pote
Whole time Director
DIN. 07163539

Suneel Sullere
 Company Secretary
 ACS.42922



Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

PART "A" : Subsidiaries

(Information in respect of each subsidiary)

Sl. No.	Name of the Subsidiary :	Zenith Middle East FZ-LLC
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March 2020
	Reporting currency and Exchange rate as on the date of the relevant Financial year in the case of foreign subsidiaries	AED
	Share Capital	AED 2216670
	Reserves & Surplus	AED (2216670)
	Total Assets	-
	Total Liabilities	-
	Investments	-
	Turnover	-
	Profit / (Loss) before Taxation	AED (20009.06)
	Provision for Taxation	-
	Profit / (Loss) after Taxation	AED (20009.06)
	Proposed Dividend	-
	% of shareholding	100%

Sl. No.	Name of the Subsidiary :	Zenith (USA) Inc.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st December 2019
	Reporting currency and Exchange rate as on the date of the relevant Financial year in the case of foreign subsidiaries	USD
	Share Capital	USD 30000
	Reserves & Surplus	USD (1828842.93)
	Total Assets	USD 3748224.17
	Total Liabilities	USD 5547067.10
	Investments	-
	Turnover	USD 8087906.86
	Profit before Taxation	USD 185455.35
	Provision for Taxation	-
	Profit after Taxation	USD 185455.35
	Proposed Dividend	-
	% of shareholding	100%



Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations.
2. Names of subsidiaries which have been liquidated or sold during the year.

Part B Associates and Joint Ventures

Statement Pursuant to section 129(3) of the Company 2013 related to to associate compliance and joint ventures.

The Company does not have any associate compliance and joint ventures.

For and on behalf of Board of Directors

Purushottam Sonavane
Director
DIN. 08405653

Minal Pote
Whole time Director
DIN.07163539

B. Girvanesh
Chief Financial Officer

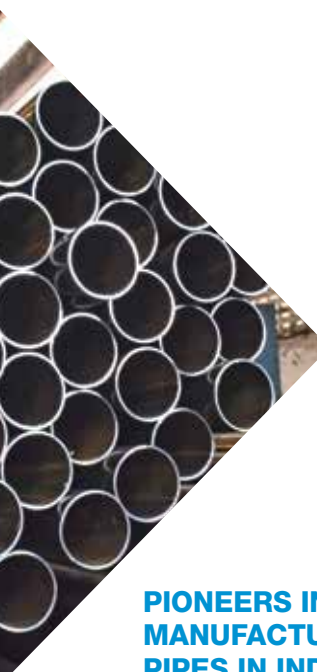
Suneel Sullere
Company Secretary
ACS. 42922

Place: Mumbai

Date: 30th July, 2020

WHY ZBIL

- ◆ Pioneers in the manufacture of ERW pipes in India
- ◆ Imported machinery from M/S Mannesmann A.G. Germany
- ◆ Producer of a wide range of quality products: ERW Black & G.I. pipes and Spiral Pipes along with types of coatings for various kinds of critical & non critical applications
- ◆ Awarded with various Export Excellency Awards (awards)
- ◆ Single Largest exporter of galvanized pipes to US from India
- ◆ Capability to plan & execute large sized orders for client specific requirements (e.g. executed the single largest order to supply 16,000 MT ERW pipes for Saudi - Iraq Border)
- ◆ Global supplier of ERW pipes to more than 83 countries for various prestigious projects
- ◆ Extensive dealer network across India
- ◆ Provides value for money
- ◆ Reliable source of quality pipes
- ◆ Trusted brand for more than 50 years in the global market



BEST MATERIALS

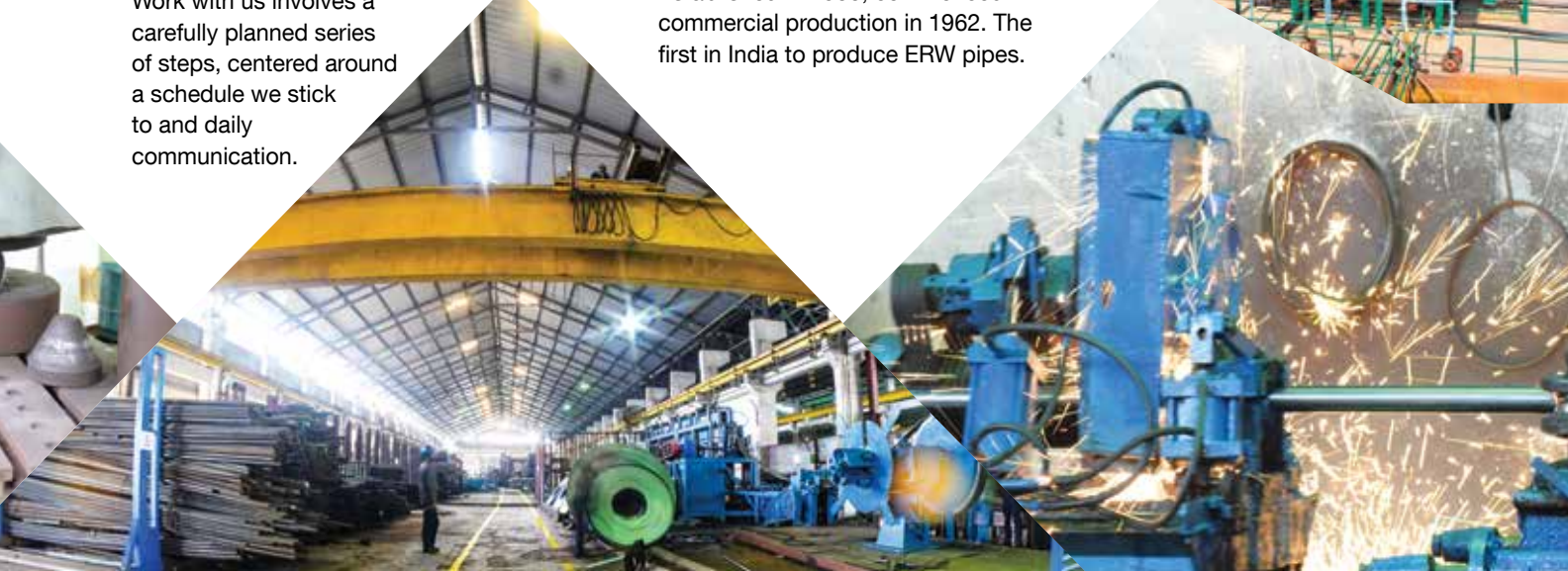
Reliable Source of quality Pipes.

PROFESSIONAL STANDARDS

Work with us involves a carefully planned series of steps, centered around a schedule we stick to and daily communication.

PIONEERS IN THE MANUFACTURE OF ERW PIPES IN INDIA

Established in 1960, commenced commercial production in 1962. The first in India to produce ERW pipes.



COURIER / REGISTERED POST / SPEED POST



WE HAVE EXECUTED SEVERAL DOMESTIC & INTERNATIONAL PRESTIGIOUS PROJECTS, TO NAME A FEW:

1. Barricade Fencing Project at White House, Washington, USA.
2. Saudi-Iraq Border Fencing Project 16100 Metric tons
3. Kuwait-Iraq Border Fencing Project 2500 MT
4. Burj Dubai Development – The Resident Phase – I, II & III
5. World Trade Centre, Dubai
6. Emirates Aviation College Extension Deira, Dubai.
7. Supplied Black & Galvanized Pipes for Burj Khalifa Tower Project, Dubai.
8. D.Y. Patil Stadium, Nerul, Mumbai, India.
9. Magarpatta, Pune, India.
10. Irrigation & Public Health Department, Himachal Pradesh, India 12650 Metric Tons.
11. L&T for Transmission of water in Tamilnadu, India TWAD 26000 M Tons.

EXPORT EXCELLENCE AWARDS



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(formerly known as Zenith Birla (India) Limited)

Industry House, 5th Floor, 159, Churchgate Reclamation Mumbai -400 020,
CIN : L29220MH1960PLC011773 Tel.: 022 22026340 ♦ Fax: +91 22 2204 7385

zenith@zenithsteelpipes.com | www.zenithsteelpipes.com