



THE YASH BIRLA GROUP

Date: May 07, 2019

| | |
|---|--|
| 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: ZENITHBIR |
|---|--|

Sub: Outcome of Board Meeting held on 07th May, 2019

Dear Sir/Ma'am,

The Board of Directors of the Company, at their Meeting held today, considered and approved, inter alia, the following:

1. Appointed Ram Sahay Jagetiya as a Chief Executive Officer of the Company.
2. Considered and approved the Audited Financial Results (Standalone & Consolidated) of the Company for the quarter and year ended 31st March, 2019.

Pursuant to the provisions of the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith a copy of Audited Financial results (Standalone & Consolidated) for the quarter and year ended March 31, 2019 as approved by the Board of Directors and duly signed by the Directors authorized by the Board.

The Board Meeting commenced on 05:20 p.m. and concluded on 11:20 p.m.

Kindly take the same on your records & oblige.

Thanking you,

Yours faithfully,

For Zenith Birla (India) Limited

(Suneel Sullere)
Company Secretary & Compliance Officer
ACS: 42922
Encl: As Above



ZENITH BIRLA (INDIA) LIMITED

ZENITH BIRLA (INDIA) LIMITED

Regd. Office : 5th Floor Industry House, 159, Churchgate Reclamation, Mumbai-400 020.

CIN: L29220MH1960PLC011773

email ID: zenith@zenithsteelpipes.com Web: www.zenithsteelpipes.com Tel:022-66168400 Fax: 02222047835

Manufacturers of Black & Galvanized Pipes

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2019

| Sr. No. | Particulars | Quarter Ended (Standalone) | | | Year Ended (Standalone) | | Year Ended (Consolidated) | |
|---------|--|----------------------------|----------------|----------------|-------------------------|----------------|---------------------------|----------------|
| | | 31.03.2019 | 31.12.2018 | 31.03.2018 | 31.03.2019 | 31.03.2018 | 31.03.2019 | 31.03.2018 |
| | | Audited | Unaudited | Audited | Audited | Audited | Audited | Audited |
| | Income | | | | | | | |
| I | Revenue From Operations | 3,471 | 3707 | 3,432 | 13,895 | 12,856 | 18,363 | 16,965 |
| II | Other Income | 1,063 | (120) | 1,307 | 1,112 | 1,653 | 1,425 | 1,676 |
| III | Total Income (I+II) | 4,534 | 3,587 | 4,739 | 15,007 | 14,509 | 19,787 | 18,641 |
| IV | Expenses | | | | | | | |
| | Consumption of raw materials and components | 2,009 | 1,904 | 3,442 | 8,087 | 9,958 | 11,115 | 13,471 |
| | Purchase of stock-in-trade | 149 | 425 | 128 | 746 | 481 | 746 | 481 |
| | Changes in inventories of finished goods, stock-in-trade and semi finished goods | (0.8) | | 842 | (0.8) | 776 | (0.8) | 707 |
| | Excise Duty | - | - | - | - | - | - | - |
| | Employee benefits expense | 178 | 202 | 101 | 773 | 797 | 848 | 760 |
| | Finance costs | 165 | 170 | 172 | 679 | 709 | 729 | 769 |
| | Depreciation and amortisation expense | 151 | 150 | 200 | 601 | 734 | 601 | 733 |
| | Other expenses | 9,945 | 976 | 2,991 | 15,349 | 5,105 | 27,302 | 5,623 |
| | Total Expenses (IV) | 12,596 | 3,827 | 7,876 | 26,234 | 18,560 | 41,340 | 22,544 |
| V | Profit/(Loss) before exceptional items and tax (III - IV) | (8,062) | (240) | (3,137) | (11,227) | (3,051) | (21,553) | (3,903) |
| VI | Exceptional Items | 1 | 633 | 44 | 659 | 60 | 659 | 60 |
| VII | Profit/(Loss) before tax (V - VI) | (8,063) | (873) | (3,181) | (11,886) | (4,111) | (22,212) | (3,963) |
| VIII | Tax expense: | | | | | | | |
| | Current tax | - | - | - | - | - | - | - |
| | Provision of earlier period | - | - | - | - | - | - | - |
| | Deferred tax | - | - | - | - | - | - | - |
| IX | Profit/(Loss) for the period (VII - VIII) | (8,063) | (873) | (3,181) | (11,886) | (4,111) | (22,212) | (3,963) |
| X | Other Comprehensive Income | 224 | (1,543) | (97) | (136) | 97 | (136) | (72) |
| XI | Total Comprehensive Income for the Period (IX + X) (Comprising Profit / (Loss) and Other Comprehensive Income for the period) | (7,839) | (2,416) | (3,278) | (12,022) | (4,014) | (22,348) | (4,035) |
| | Paid-up equity share capital (Face value of Rs. 10/- each) | 13,128 | 13,128 | 13,128 | 13,128 | 13,128 | 13,128 | 13,128 |
| | Reserves excluding revaluation reserves as per balance sheet of previous accounting year | (36,084) | | | (36,084) | (25,017) | (47,398) | (25,978) |
| XII | Earnings per equity share | | | | | | | |
| | Basic (Rs.) | (8.76) | (6.07) | (2.42) | (9.05) | (3.13) | (16.92) | (3.02) |
| | Diluted (Rs.) | (8.76) | (6.07) | (2.42) | (9.05) | (3.13) | (16.92) | (3.02) |

Notes :

- These results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 7th May, 2019
- In accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, the Statutory Auditors have performed an audit of the standalone and consolidated financial results of the Company for year ended 31st March 2019, and issued their modified report thereon
- The Company operates in a single segment namely Pipes and hence the segment information is not furnished in the above result.
- 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. 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.
- Consortium of banks has initiated action under Secularization & Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 in February 2014 and called upon the company to repay the amount of RS. 193.19 crores towards the dues as on 31.01.2014. There after, they 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 the Bank as on 31-03-2018.
- The company has declared a lockout of its Khopoli unit in November, 2013
- Balance of Sundry Creditors, Debtors, Loans and advances, Deposit, Current Liabilities, Inter unit, etc. are as per books of accounts in absence of confirmation and reconciliation thereon
- The Accumulated losses till 31st March, 2019, 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 which is continuing. 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.
- Interest amounting to Rs 3.06 crores on ICDs given by the company is not considered as income due to realisability not being certain.
- The same accounting policies are followed in preparation of the financial statements as those followed in the most recent annual statements.
- The figures of last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
- Previous year figures have been regrouped / recast, wherever necessary.
- 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 Company can also utilize the proceeds for manufacturing of SAW and ERW pipes at Chennai or at such other location as may be decided by Board. Out of Rs. 13500 lacs, Rs. 8036 lacs will be utilized from the unutilized proceeds of public issue and balance Rs. 5464 lacs will be from unutilized proceeds of GDR issue. The details of utilization of proceeds of Rs. 135 crores is given hereunder:

(Rs. in Lakhs)

| Particulars | Projected Amount | Amount to be Spent |
|---|------------------|--------------------|
| Land and Building | 1000 | 1000 |
| Plant and Machinery (Imported & Indigenous) | 8532 | 8321 |
| Miscellaneous Fixed assets | 3696 | 3696 |
| Contingency | 272 | 272 |
| Balance amount to be spent | 13500 | 15289 |

Date : 7th May, 2019
Place: Mumbai

For and on behalf of the Board of Directors

 Purushottam Sankhane

Director
 DIN:08405653

ZENITH BIRLA (INDIA) LIMITED

CIN : L29220MH1960PLCO11773

Regd. Office : 5th Floor Industry House, 159, Churchgate Reclamation, Mumbai-400 020.

Tel : +91 022 66168400, Fax : +91 022 22047835, E-mail : zenith@zenithsteelpipes.com, Web : www.zenithsteelpipes.com

EXTRACT OF THE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2019

(Rs. in Lakhs, except per share data)

| Sr. No. | Particulars | Quarter Ended(Standalone) | | | Year Ended (Standalone) | | Year Ended (Consolidated) | |
|---------|--|---------------------------|------------|------------|-------------------------|------------|---------------------------|------------|
| | | 31/03/2019 | 31/12/2018 | 31/03/2018 | 31/03/2019 | 31/03/2018 | 31/03/2019 | 31/03/2018 |
| | | Audited | Unaudited | Audited | Audited | Audited | Audited | Audited |
| 1 | Total Income from operations | 4534 | 3587 | 4739 | 15007 | 14509 | 19787 | 18641 |
| 2 | Net Profit / (Loss) for the period (before tax, exceptional and/or extraordinary items) | (8062) | (240) | (3137) | (11227) | (4051) | (21553) | (3903) |
| 3 | Net Profit / (Loss) for the period before tax (after exceptional and/or extraordinary items) | 1 | 633 | (3181) | (11886) | (4111) | (22212) | (3963) |
| 4 | Net Profit / (Loss) for the period after tax (after exceptional and/or extraordinary items) | (8063) | (873) | (3181) | (11886) | (4111) | (22212) | (3963) |
| 5 | Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax)) | (7839) | (2416) | (3278) | (12022) | (4014) | (22348) | (4035) |
| 6 | Equity Share Capital | 13128 | 13128 | 13128 | 13128 | 13128 | 13128 | 13128 |
| 7 | Reserves (excluding revaluation reserve) as shown in the Audited Balance Sheet of the previous year | | | | (36084) | (25017) | (47396) | (25978) |
| 8 | Earnings Per Share (before extraordinary items) (Face value of Rs. 10/- each) | | | | | | | |
| | Basic | (6.14) | (0.18) | (2.39) | (8.55) | (3.09) | (16.42) | (2.97) |
| | Diluted | (6.14) | (0.18) | (2.39) | (8.55) | (3.09) | (16.42) | (2.97) |
| 9 | Earnings Per Share (after extraordinary items) (Face value of Rs. 10/- each) | | | | | | | |
| | Basic | (6.14) | (0.66) | (2.42) | (9.05) | (3.13) | (16.92) | (3.02) |
| | Diluted | (6.14) | (0.66) | (2.42) | (9.05) | (3.13) | (16.92) | (3.02) |

Notes:

- The above is an extract of the detailed format for Quarterly & Yearly Financial Results filed with the Stock Exchange under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the financial results for the quarter and year ended 31st March, 2019 are available on the Stock Exchange website (www.bscindia.com) and on Company's website (www.zenithsteelpipes.com).
- Effective from 1st July 2017, sales are recorded net of Goods and Service Tax (GST) whereas prior to 1st July 2017, sales were recorded gross of excise duty which formed part of expenses. Hence, revenue from operations for the three months and year ended 31st March 2019 are not comparable with the corresponding figures of previous year.
- In accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, the Statutory Auditors have performed an audit of the standalone and consolidated financial results of the Company for year ended 31st March 2019. and issued their modified report thereon

For and on behalf of the Board of Directors

Purushottam Sonavane
Purushottam Sonavane
Director
DIN:08405653



Date: 7th May, 2019
Place: Mumbai



ZENITH BIRLA (INDIA) LIMITED

Balance sheet as at 31st March, 2019

(Rs. in Lakhs)

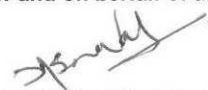
| Sr. No. | Particulars | STANDALONE | | CONSOLIDATED | |
|-----------|---|---------------------|---------------------|---------------------|---------------------|
| | | As at 31st Mar 2019 | As at 31st Mar 2018 | As at 31st Mar 2019 | As at 31st Mar 2018 |
| I | ASSETS | | | | |
| | NON-CURRENT ASSETS | | | | |
| (a) | Property, plant and equipment | 7449 | 8026 | 7449 | 8026 |
| (b) | Capital work-in-progress | 1444 | 1278 | 1444 | 1278 |
| (c) | Intangible assets | 6 | 6 | 6 | 6 |
| (d) | Intangible assets under development | | | | |
| (e) | Financial assets | | | | |
| | (i) Investments | 261 | 261 | 1 | 1 |
| | (ii) Loans | 158 | 167 | 158 | 167 |
| (f) | Other non-current assets | 205 | 230 | 205 | 230 |
| | Total Non - Current Assets | 9523 | 9968 | 9263 | 9708 |
| | CURRENT ASSETS | | | | |
| (a) | Inventories | 97 | 327 | 97 | 396 |
| (b) | Financial assets | | | | |
| | (i) Trade receivables | 3734 | 3091 | 2888 | 11601 |
| | (ii) Cash and cash equivalents | 265 | 251 | 448 | 431 |
| | (iii) Bank balances other than (ii) above | 2 | | 2 | |
| | (iv) Loans | 6392 | 18113 | 6728 | 7001 |
| | (v) Other Financial Assets | 0 | 0 | 0 | 0 |
| (c) | Other current assets | 3291 | 2095 | 3291 | 5295 |
| (d) | Current tax assets | 195 | 195 | 194 | 195 |
| | Total - Current Assets | 13975 | 24072 | 13648 | 24919 |
| | Total Assets | 23498 | 34040 | 22911 | 34627 |
| II | EQUITY AND LIABILITIES | | | | |
| A | EQUITY | | | | |
| (a) | Equity share capital | 13128 | 13128 | 13128 | 13128 |
| (b) | Other equity | (36084) | (25017) | (47396) | (25978) |
| | Total - Equity | (22956) | (11889) | (34268) | (12850) |
| | LIABILITIES | | | | |
| B | Non-Current Liabilities | | | | |
| (a) | Financial liabilities | | | | |
| | (i) Borrowings | 962 | 2278 | 962 | 2278 |
| (b) | Provisions | 601 | 639 | 601 | 639 |
| (c) | Deferred tax liabilities (Net) | 505 | 505 | 505 | 505 |
| | Total Non - Current Liabilities | 2068 | 3422 | 2068 | 3422 |
| C | Current Liabilities | | | | |
| (a) | Financial liabilities | | | | |
| | (i) Borrowings | 24919 | 24507 | 24918 | 25051 |
| | (ii) Trade payables | 8120 | 7523 | 16856 | 7851 |
| | (iii) Other financial liabilities | 5397 | 4983 | 5626 | 4983 |
| (b) | Other current liabilities | 4795 | 4378 | 6555 | 5054 |
| (c) | Provisions | 460 | 465 | 460 | 465 |
| (d) | Current tax liabilities (Net) | 695 | 651 | 695 | 651 |
| | Total - Current Liabilities | 44386 | 42507 | 55110 | 44055 |
| | Total Equity and Liabilities | 23498 | 34040 | 22911 | 34627 |

Note:

Corresponding previous year figures have been regrouped/recast and reclassified wherever necessary to make them comparable.

Date: 07th May, 2019
Place: Mumbai

For and on behalf of the Board of Directors


Purushottam Sonavane
Director
DIN:08405653



INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF
ZENITH BIRLA (INDIA) LIMITED

1. We have audited the accompanying Statement of Standalone Financial Results of **ZENITH BIRLA (INDIA) LIMITED** ("the Company") for the year ended 31st March, 2019 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.
3. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the statement.

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

4. Emphasis of Matter.

We draw attention to the following matters .

- i).The outstanding of Rs. 109.05 crores from the Company's 100 % subsidiary in Dubai (Zenith Middle East FZE.) has been considered as irrecoverable and hence provided for as doubtful during the year .



- ii) During the year the Company has entered into an agreement with M/S. Tribus Real Estate Pvt.Ltd for taking over the Company's bank outstandings as reflected earlier in the Company's books on terms agreed to between the Company and Tribus Real Estate Pvt.Ltd . Consequently the outstandings of the banks in the books of the Company are transferred to Tribus Real Estate Pvt Ltd. hence now classified as Secured Loans from Others. The security on the Loans continue to be in favour of the banks .

Our opinion is not modified in respect of these matters .

5. Basis for Qualified Opinion

- i). Interest payable to Micro, Small and Medium Enterprise parties on delayed payments to them has neither been ascertained nor provided .
- ii). 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/ National Company Law Tribunal.
- iii). With reference to Note No. 7 regarding the balance of Sundry Creditors, Debtors, Loans and Advances, Deposits, Current Liabilities , intergroup etc being not confirmed by the parties and hence our inability to state whether these balances are recoverable/payable to the extent stated.
- iv). 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.

6. Qualified Opinion

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 above, the statement:

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, and
- (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, of the net Loss and Total comprehensive income and other financial information of the company for the year ended March 31, 2019.



THAKUR, VAIDYANATH AIYAR & CO.
CHARTERED ACCOUNTANTS
NEW DELHI, MUMBAI, KOLKATTA, PATNA,
CHENNAI AND CHANDIGARH

PHONE: 2284 25 02, 2287 00 67
11 - B, VATSA HOUSE,
JANMABHOOMI MARG, FORT,
MUMBAI-- 400 001.
E-mail: tvamum@gmail.com

7. The Statement includes the results for the Quarter ended March 31, 2019 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For, THAKUR, VAIDYANATH AIYAR & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number: 000038N



C.V.PARAMESWAR

Partner

Membership. No.:11541

Place: Mumbai
Date: 7th May 2019



**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF
ZENITH BIRLA (INDIA) LIMITED**

1. We have audited the accompanying Statement of Consolidated Financial Results of **ZENITH BIRLA (INDIA) LIMITED** ("the Company") for the year ended 31st March, 2019 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related consolidated Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.
3. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the statement.

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



4. Emphasis of Matter.

We draw attention to the following matters.

- i). The outstanding of Rs. 109.05 crores due from the Company's 100 % subsidiary in Dubai (Zenith Middle East FZE) has been considered as irrecoverable and hence provided for as doubtful during the year. On consolidation of the accounts of the subsidiary with the Company this outstanding is set off.
- ii). During the 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. 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 Loans from Others'. The security on the Loans continue to be in favour of the banks .

Our opinion is not modified in respect of these matters.

5. Basis for Qualified Opinion

- i). Interest payable to Micro, Small and Medium Enterprise parties on delayed payments to them has neither been ascertained nor provided .
- ii). 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/ National Company Law Tribunal.
- iii). With reference to Note No. 7 regarding the balance of Sundry Creditors, Debtors, Loans and Advances, Deposits, Current Liabilities , intergroup etc being not confirmed by the parties and hence our inability to state whether these balances are recoverable/payable to the extent stated.
- iv). 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.

6. Qualified Opinion

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 above, the statement:



THAKUR, VAIDYANATH AIYAR & CO.
CHARTERED ACCOUNTANTS
NEW DELHI, MUMBAI, KOLKATTA, PATNA,
CHENNAI AND CHANDIGARH

PHONE: 2284 25 02, 2287 00 67
11 - B, VATSA HOUSE,
JANMABHOOMI MARG, FORT,
MUMBAI-- 400 001.
E-mail: tvamum@gmail.com

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, and
- (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, of the net Loss and Total comprehensive income and other financial information of the company for the year ended March 31, 2019.
7. The Statement includes the results for the Quarter ended March 31, 2019 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For, THAKUR, VAIDYANATH AIYAR & CO.
CHARTERED ACCOUNTANTS
Firm's Registration Number: 000038N



C.V. PARAMESWAR
Partner
Membership. No.:11541

Place: Mumbai
Date: 7th May 2019



**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, 2019 [See regulation 33 of the SEBI(LODR)(Amendment) Regulations,2016] | | | | |
|--|---|---|---|---|
| | SR. No. | Particulars | Audited Figures Rs in lacs (as reported before adjusting for qualifications) | Adjusted Figures Rs in lacs (audited figures after adjusting for qualifications) |
| I | 1. | Turnover/ Total Income | 15007 | 15007 |
| | 2. | Total Expenditure | 26234 | 26234 |
| | 3. | Net Profit/(Loss) | (12022) | (12022) |
| | 4. | Earnings Per Share (Rupees) | (9.05) | (9.05) |
| | 5. | Total Assets | 23498 | 23498 |
| | 6. | Total Liabilities | 46453 | 46453 |
| | 7. | Net Worth | (22956) | (22956) |
| | 8. | Any other financial item(s)(as felt appropriate by the management) | - | - |
| II | <p>Audit Qualification(each audit qualification Separately):</p> <p>a. Details of Audit Qualification:</p> <ol style="list-style-type: none"> 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. 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. 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. The outstanding of Rs.109.05 Cr. From the company's 100% subsidiary in Dubai (Zenith Middle East FZE) has been considered as irrecoverable and hence provided for as doubtful during the year.

5. 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 quantified by the auditor, Management views:

The Subsidiary Company was following up with its customer for its receivables but due to financial meltdown in Dubai and Middle East Countries in the year under consideration they have found it difficult to recover outstanding amount recoverable from its customers as most of the Companies had got liquidated. In view of the same, the parent Company advanced to its subsidiary is doubtful of recovery and hence provision of the same has been made.

e. 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 2019-20

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.