



THE YASH BIRLA GROUP

Date: August 13, 2018

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
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Sub: Outcome of Board Meeting held on 13<sup>th</sup> August, 2018

Dear Sir,

The Board of Directors of the Company, at their Meeting held today, have amongst other matters;

1. Considered and approved the Un-audited Financial results for the quarter ended 30<sup>th</sup> June, 2018.

Pursuant to the provisions of the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following documents:

1. A copy of Un-audited Financial results for the quarter ended June 30, 2018 as approved by the Board of Directors and duly signed by the Director duly authorized by the Board.
2. Copy of the Limited Review Report from the Auditors of the Company on Un-audited Financial results for the quarter ended June 30, 2018.

The meeting had started at 5:00 pm and ended at 7:10 pm

Please take the same on your records and 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**

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

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2018**

(Rs. In Lakhs except for per share data)

Sr. No.	Particulars	Quarter ended (Standalone)			Year Ended
		30.06.2018	31.03.2018	30.06.2017	31.03.2018
		Unaudited	Audited	Un audited	Audited
	<b>Income</b>				
I	Revenue From Operations	2,948	3,432	3,981	12,856
II	Other Income	124	1,307	400	1,653
III	<b>Total Income (I+II)</b>	<b>3,072</b>	<b>4,739</b>	<b>4,381</b>	<b>14,509</b>
IV	<b>Expenses</b>				
	Consumption of raw materials and components	2,448	3,442	2,909	9,958
	Purchase of stock-in-trade	57	128	-	481
	Changes in inventories of finished goods, stock-in-trade and semi finished goods		842	(53)	776
	Employee benefits expense	169	101	169	797
	Finance costs	169	172	182	709
	Depreciation and amortisation expense	150	200	179	734
	Other expenses	967	2,991	1,213	5,105
	<b>Total Expenses (IV)</b>	<b>3,960</b>	<b>7,876</b>	<b>4,599</b>	<b>18,560</b>
V	<b>Profit/(Loss) before exceptional items and tax (III - IV)</b>	<b>(888)</b>	<b>(3,137)</b>	<b>(218)</b>	<b>(4,051)</b>
VI	Exceptional Items	9	44	14	60
VII	<b>Profit/(Loss) before tax (V - VI)</b>	<b>(897)</b>	<b>(3,181)</b>	<b>(232)</b>	<b>(4,111)</b>
VIII	<b>Tax expense:</b>				
	Current tax	-	-	-	-
	Provision of earlier period	-	-	-	-
	Deferred tax	-	-	-	-
IX	<b>Profit/(Loss) for the period from continuing operations (VII - VIII)</b>	<b>(897)</b>	<b>(3,181)</b>	<b>(232)</b>	<b>(4,111)</b>
X	<b>Profit/(Loss) for the period from discontinuing operations</b>	-	-	-	-
XI	Other Comprehensive Income	557	(97)	(16)	97
XII	<b>Total Comprehensive Income for the Period (IX + X) (Comprising Profit / (Loss) and Other Comprehensive Income for the period)</b>	<b>(340)</b>	<b>(3,278)</b>	<b>(248)</b>	<b>(4,014)</b>
	Paid-up equity share capital (Face value of Rs.10/- each)	13128	13128	13128	13128
	Reserves excluding revaluation reserves as per balance sheet of previous accounting year				(25,017)
XIII	<b>Earnings per equity share</b>				
	Basic (Rs.)	(0.68)	(2.42)	(0.18)	(3.13)
	Diluted (Rs.)	(0.68)	(2.42)	(0.18)	(3.13)

**Notes :**

- These results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 13th August, 2018
- In accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, the Statutory Auditors have performed a review of the standalone financial results of the Company for Quarter ended 30th June 2018 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 availed optional exemption of using previous GAAP carrying value in respect of its property, Plant & Equipment and non current investment as deemed cost. In accordance with Ind AS the other comprehensive income represents the resultant impact of profit / (loss) on Foreign exchange translation difference for the Quarter ended 30th June, 2018.
- The company has not provided interest to the extent of Rs 9.56 crores for the quarter on certain bank outstanding which were classified as non performing assets during the previous years.
- 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
- Interest amounting to Rs 0.77 crores for the quarter on ICDs given by the company is not considered as income due to realisability not being certain.
- Balance of Subdry Creditors, Debtors, Loans and advances, Deposit, Current Assets and Liabilities , Inter unit, etc. are as per books of accounts in absence of confirmation and reconciliation thereon
- The Accumulated losses till 30th June, 2018, 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.
- The same accounting policies are followed in preparation of the financial statements as those followed in the most recent annual statements.
- The figures of quarter ended 31st March 2018 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 financial year 2017-18
- 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 2018 are not comparable with the corresponding figures of previous year.
- Exceptional item represents prior period adjustments.
- Previous year figures have been regrouped / recasted, 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	13289

Date : 13th August, 2018  
Place : Mumbai



For and on behalf of the Board of Directors

*Ram Sahay Jagetiya*  
RAM SAHAY JAGETIYA  
Whole Time Director  
DIN: 02719230

*Durosh Jadhav*  
DURORSH JADHAV  
Director  
DIN: 08000007

**ZENITH BIRLA (INDIA) LIMITED**

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**EXTRACT OF THE AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2018**

(Rs. in Lakhs, except per share data)

Sr. No.	Particulars	Quarter Ended(Standalone)			Year Ended (Standalone)
		30/06/2018	31/03/2018	30/06/2017	31/03/2018
		Unaudited	Audited	Unaudited	Audited
1	Total Income from operations	3072	4739	4,381	14509
2	Net Profit / (Loss) for the period (before tax, exceptional and/or extraordinary items)	(888)	(3137)	(218)	(4051)
3	Net Profit / (Loss) for the period before tax (after exceptional and/or extraordinary items)	(897)	(3181)	(218)	(4111)
4	Net Profit / (Loss) for the period after tax (after exceptional and/or extraordinary items)	(897)	(3181)	(232)	(4111)
5	Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period (after tax) and Other Comprehensive Income (after tax))	(340)	(3278)	(248)	(4014)
6	Equity Share Capital	13128	13128	13,128	13128
7	Reserves (excluding revaluation reserve) as shown in the Audited Balance Sheet of the previous year				(25017)
8	Earnings Per Share (before extraordinary items) (Face value of Rs. 10/- each)				
	Basic	(0.68)	(2.39)	(0.17)	(3.09)
	Diluted	(0.68)	(2.39)	(0.17)	(3.09)
9	Earnings Per Share (after extraordinary items) (Face value of Rs. 10/- each)				
	Basic	(0.68)	(2.42)	(0.18)	(3.13)
	Diluted	(0.68)	(2.42)	(0.18)	(3.13)

**Notes:**

1	The above is an extract of the detailed format for Quarterly 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 ended 30th June, 2018 are available on the Stock Exchange website (www.bseindia.com) and on Company's website (www.zenithsteelpipes.com).
2	The Company has adopted Ind-AS from 1st April, 2017. The Company has availed optional exemption of using the previous GAAP carrying value in respect of its property, plant and equipment and non current investments as deemed cost.
3	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 quarter ended 30th June 2018 are not comparable with the corresponding figures of previous quarters.
4	In accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, the Statutory Auditors have performed an a limited review of the standalone financial results of the Company for quarter ended 30th June 2018. and issued their modified report thereon

For and on behalf of the Board of Directors



  
**RAM SAHAY JAGETIYA**  
 Whole Time Director  
 DIN: 02719230

  
**DURGESH JADHAV**  
 Director  
 DIN: 08000007

Date: 13th August, 2018  
Place: Mumbai



**INDEPENDENT AUDITOR'S REVIEW REPORT ON INTERIM FINANCIAL RESULTS  
TO THE BOARD OF DIRECTORS OF ZENITH BIRLA (INDIA) LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **ZENITH BIRLA (INDIA) LIMITED** ("the Company") for the Quarter ended 30<sup>th</sup> June, 2018 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Basis for Modified Opinion

We draw to attention to

- (i) Note no. 5 regarding the non provision by the Company of the interest amounting of Rs. 9.56 Crores for the quarter on its working capital / term loan facilities from Banks.
- (ii) The Company has not complied with the provisions of Sec. 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.
- (iii) Note No. 9 regarding the balances of Sundry Creditors, Debtors, Loan & Advances, Deposits, Current Assets and Liabilities, Inter Unit, etc. being not confirmed by the parties/units and hence our inability to state whether these balances are recoverable/payable to the extent stated.
- (iv) Note No. 10 which indicates that the Company has prepared its accounts on a going concern basis though its Net Worth is fully eroded, for reasons stated in Note No. 10.



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

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5. Based on our review conducted as stated above, subject to the effect of the matters described in the Basis for Modified Opinion paragraph above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



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

Place: Mumbai  
Date: 13<sup>th</sup> August 2018

