

ZENITH EXPORTS LIMITED



**33rd
Annual Report & Accounts
2014-15**

**BOARD OF DIRECTORS (13.08.2015)**

Mr. S.K. Loyalka, Chairman-cum-Managing Director
Mr. R.K. Loyalka, Jt.Managing Director
Mrs. Urmila Loyalka,
Mr. M.M. Bhagat,
Mr. K.D. Rungta
Mr. M.L. Jain
Mr. D.K. Sarawgee

COMPANY SECRETARY

Mr. Lawkush Prasad

CHIEF FINANCIAL OFFICER

Mr. Sushil Kasera

AUDITORS

M/s. Tiwari & Company
Chartered Accountants
107/1, Park Street
Kolkata, PIN - 700 016

PRINCIPAL BANKERS

Canara Bank
State Bank of India

REGISTERED OFFICE

19, Rajendra Nath Mukherjee Road
First Floor, Kolkata, PIN - 700 001
Phone: 91-33-2248 6936 / 7071 / 9522
Fax: 91-33-2248 0960 / 9853
E-mail: zenith@giascl01.vsnl.net.in
Website: www.zenithexportslimited.com

WORKS**ZENITH SPINNERS**

Dholka Bagodara State Highway
Village - Sarandi, Taluka - Dholka
Dist - Ahmedabad, PIN - 387 810

ZENITH TEXTILES

13, A/B/C, Industrial Area
Nanjangud, Dist - Mysore
Karnataka, PIN - 571 302

REGISTRAR AND TRANSFER AGENT

C.B.Management Services (P) Limited
P-22, Bondel Road, Kolkata-700 019
Telephone-4011-6700 / 2280-6692 / 2282-3643 / 2287-0263
Fax: 4011-6739, E-mail: rta@cbmsl.com
Website: www.cbmsl.com

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NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting of the members of **ZENITH EXPORTS LIMITED** will be held on Wednesday, 30th September, 2015 at 10.30 A.M. at the Auditorium of Birla Academy of Art & Culture, 108, Southern Avenue, Kolkata -700 029 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited statement of Profit & Loss for the year ended 31st March, 2015 and the Balance Sheet as at the date together with the report of Board of directors and Auditors thereon.
2. To appoint a director in place of Mr. Raj Kumar Loyalka (DIN:00006226) director of the Company, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
3. To ratify the appointment of Statutory Auditors of the Company.

Special Business:

4. To appoint Mrs. Urmila Loyalka (DIN:00009266) as a director of the Company liable to retire by rotation.
To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED that Mrs. Urmila Loyalka (DIN: 00009266), who was appointed by the Board of Directors as an Additional Director of the Company with effect from February 13’2015 under Section 161(1) of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act signifying his intention to propose the candidature of Mrs. Urmila Loyalka for the office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation”.

Registered & Head Office
19, R. N. Mukherjee Road
First Floor, Kolkata - 700 001
Dated: 13th August, 2015

By Order of the Board

Lawkush Prasad
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“THE MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company.

The instrument appointing the proxy, in order to be effective, should be deposited, duly completed and signed, at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc. must be supported by an appropriate resolution/authority, as applicable.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The relative explanatory statement pursuant to Section 102, of the Act, in respect to the business mentioned under item no. 4 above, is annexed hereto.
3. Details under clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking



appointment/re-appointment at the Annual General Meeting (AGM), forms integral part of the Notice. The Directors have furnished the requisite declaration for their appointment/re-appointment.

4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, September 21, 2015 to Wednesday, September 30, 2015 (both days inclusive)
6. Members holding shares in electronic form are requested to intimate immediately any change in their Address, Email ID, Bank particulars to their Depository Participants with whom they are maintaining their De-mat accounts. Members holding shares in physical form are requested to report of change of any of the above details immediately to the Company's Registrars and Transfer Agents, M/s. C. B. Management Services Private Ltd., P-22, Bondel Road, Kolkata - 700019.
7. Queries on accounts and operation of the Company, if any, may please be sent at the Corporate Office of the Company at 19 R. N. Mukherjee Road, Kolkata - 700001, at least seven days in advance of the meeting so that the answers may be made readily available at the meeting.
8. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrars and Share Transfer Agents, M/s. C. B. Management Services Private Ltd., P-22, Bondel Road, Kolkata - 700 019.
10. Electronic copy of the Notice of the aforesaid Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the Members whose email IDs are registered with the Company's Registrar and Share Transfer Agents/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email IDs, a physical copy of the Notice of the aforesaid AGM of the inter alia indicating the process and manner of e-voting along with the Attendance slip and Proxy Form is being sent.
11. In accordance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and applicable provisions of the listing agreements with Stock Exchanges, the Company has engaged the services of NDSL to provide Electronic Voting ("e-voting") facility to all the members to enable them to cast their votes electronically in respect of all the business to be transacted at the aforesaid Annual General Meeting. Members who cast their vote through e-voting mechanism shall not be able to vote at the Annual General Meeting.
12. In keeping with the Ministry of Corporate Affairs' Green Initiative measures, the Company hereby requests members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, circulars etc. from the Company electronically. The member holding share in De-mat mode may register their Email ID with their Depository Participants and the shareholders holding shares in Physical Form may request to register their Email ID with Company's Registrars and Share Transfer Agents, M/s. C. B. Management Services Private Ltd., P-22, Bondel Road, Kolkata - 700 019.
13. Relevant documents referred to in the accompanying notice/explanatory statement including the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 are open for inspection by the members at the registered office of the Company on all working days, between 11:00 a.m. and 1:00 p.m. up to the date of the ensuing Annual General Meeting. Further, the Notice for this 33rd Annual General Meeting along with the Annual Report for the financial year ended 2014-15 shall also be available on the Company's website, www.zenithexportslimited.com.



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14. The Board of Directors of your Company has appointed CS Sandip Kejriwal, (Membership No. 5152) FCS, Practicing Company Secretary as the Scrutinizer for conducting the remote E-voting & voting process at the AGM in fair and transparent manner.
15. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder will be available for inspection by the members at the Annual General Meeting.
16. The Results of E-voting and poll shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorised in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the website of the Company & NSDL next day of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
17. The instructions for shareholders voting electronically are as under:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on 27th September, 2015 (9:00 am) and ends on 29th September, 2015 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24th September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "Zenith Exports Limited".



- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to sandipkej@yahoo.co.in with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
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 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 24th September, 2015.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 24th September, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or rta@cbmsl.com
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Sandip Kumar Kejriwal, Company Secretaries (FCS No. 5152, CP No.3821) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” or “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two



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witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.zenithexportslimited.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the NSE & BSE Limited, Mumbai.

18. **Members who do not have any access to e-voting, may requisite a Physical Ballot Form from the Office of the Registrars & Share Transfer Agents of the Company. Members are required to fill the Physical Ballot Form and enclose it in a sealed envelope and send it "TO THE SCRUTINIZER. CS Sandip Kejriwal (UNIT: ZENITH EXPORTS LIMITED) C/O. C B MANAGEMENT SERVICES (P) LIMITED, P-22, BONDEL ROAD, KOLKATA - 700019. Unsigned / wrongly signed, incomplete or incorrectly ticked forms shall be rejected. The Scrutinizer's decision on the validity of the form will be final. Members are required to vote either through the electronic system or through physical ballot and not in any other mode. In the event of Members casting votes through both the processes, the votes in the electronic system will be considered only. The Physical Ballot Form must be received by the Scrutinizer on or before 29th September, 2015 (5.00 p.m.).**

Attendance Slip and Proxy Form in the prescribed format are being attached to this Notice of the 33rd Annual General Meeting for the convenience of the shareholders.

19. As you are aware as per Section 88 of the Companies Act' 2013, every company having share capital is required to include / update more details in the Register of Member. Members are requested to update their PAN card, Aadhar card, Address & Bank account details in the "Shareholders Information Form" enclosed with the Annual Report. Shareholders Information Form, duly filled & signed by the shareholder & enclosed with a self-certified copy of PAN Card and Adhar Card may be submitted with the Registrar & Transfer Agents of the Company M/s. C B Management Services (P) Ltd. at their office at P – 22, Bondel Road, Kolkata – 700019. Shareholders holding shares in electronic mode may update the above details with their Depository Participant (DP).

Request to the Members:

- (I) Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for ensuring easy identification of attendance at the Meeting.
- (II) For convenience of Members, Attendance Slip is attached to the Proxy Form. Members are requested to fill in and affix their signatures at the space provided therein and handover the Attendance Slip at the entrance of the place of meeting. Proxy/Representative of a member should mark on the Attendance Slip as "Proxy" or "Representative", as the case may be.

Explanatory Statement Pursuant to the provisions of Section 102 of the Companies Act, 2013

As required under Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all material facts relating to the Special Business set out from Item No. 4 of the accompanying Notice dated August 13, 2015.

Item No. 4

The Board of Director had appointed Mrs. Urmila Loyalka as additional director of the Company with effect from February 13, 2015 pursuant to Section 161 of the Companies Act, 1956 ("the Act") read with Article 82 of the Articles of Association of the Company.

As per provisions of Section 149(1) of the Act and amended clause 49 of the Listing Agreement, the Company should



have at-least one women director on the Board of Directors of the Company. The said legal requirement is fulfilled by the appointment of Mrs. Urmila Loyalka as a Director of the Company.

Mrs. Urmila Loyalka has more than 10 years of experience in export business and serving on the Board of 2 nos. of Limited companies.

Save and except Mrs. Urmila Loyalka, Mr. Surendra Kumar Loyalka & Mr. Raj Kumar Loyalka and their relatives, to extent of their shareholding interest, none of the directors and/or Key Managerial Personnel of the Company or their relatives, are in any way interested or concerned, financially or otherwise, in the resolution set out in item No. 4 of the Notice.

The Board recommends the resolutions set forth in item no. 4 for the approval of the members.

Registered & Head Office
19, R. N. Mukherjee Road
First Floor, Kolkata - 700 001

By Order of the Board

Lawkush Prasad
Company Secretary

Dated: 13th August, 2015

**Annexure to the Notice**

Particulars of Directors proposed to be appointed/re-appointed at the 33rd Annual General Meeting of the Company to be held on Wednesday, the 30th day of September, 2015 at 10.30 a.m.

1. Mr. Raj Kumar Loyalka aged 71 years has done his Bachelor in Engineering from Jadavpur University, Kolkata. He has knowledge, experience & expertise in areas relating to Production, Marketing & Administration. He holds 20,000 shares of the Company in his name as on 31st march, 2015.

Mr. Loyalka is a director in S. M. Loyalka Hospital, a charitable organization. He is not a member of any committee of the Board of Directors in any company.

2. Mrs. Urmila Loyalka aged 57 years has done Higher Secondary. She has knowledge, experience & expertise in Administration & Exports. She holds 6,29,150 shares of the Company in her name as on 31st march, 2015.

Mrs. Loyalka is a director in Zenith Koplavitch Exports Limited & Loyalka Leclercq Textiles Limited. She is not a member of any committee of the Board of Directors in any company.



DIRECTORS' REPORT

Your Directors have pleasure in presenting the 33rd Annual Report on the business and operations of the Company and the audited financial results for the year ended 31st March, 2015.

FINANCIAL HIGHLIGHTS

(₹. in lacs)

	Current Year ended 31.03.2015	Previous Year ended 31.03.2014
Turnover and other Income	27292.02	31681.87
Profit before Depreciation and Tax	435.73	929.28
Depreciation	455.72	646.42
Profit before Tax	-19.99	282.86
Income Tax for earlier years	5.15	-0.69
	-25.14	283.55
Tax Expenses (Current & Deferred)	-33.61	116.93
Net Profit After Tax	8.47	166.62
Add: Surplus Brought Forward	4013.84	3847.22
Less: Depreciation in respect of assets whose useful life is over (net of deferred tax)	520.16	0
Surplus Carried to Balance Sheet	3502.15	4013.84

OPERATIONAL REVIEW AND FUTURE OUTLOOK

The operation of the Company has been adversely affected by the adverse Global Market during the year under review. The sales of the year under review were ₹. 24,867 lacs compared to ₹. 29,718 lacs in the previous year showing decrease of 16% compared to previous year. The Company has incurred loss before tax of ₹. 20 lacs compared to profit of ₹. 283 lacs in the previous year showing decrease of 107% compared to previous year. The Net profit after Tax (including deferred tax) of the year under review is ₹. 8 lacs compared to ₹. 167 lacs in the previous year showing decrease of 95% compared to previous year.

WEAVING DIVISION

Demands of the Silk & velvet fabrics were under pressure due to financial crisis in the European continent. In spite of pressure in the Global market the financials of the Divisions for the year under review has been improved compared to previous year mainly due to correction in raw material costs.

SPINNING DIVISION

Crash of the price of raw cotton in the international market & lower demand has seriously impacted the bottom line of the Division during the year under review. The management has taken necessary steps to improve the operations of the division in the future.

EXPANSION PROJECT

No expansion projects were initiated by the Company at its Weaving Division, Mysore or Spinning Divisions at Ahmedabad during the year under review due to low demand and sufficient installed capacity.

DIVIDEND

To conserve the resources of the Company, the Board of Directors do not recommend any dividend for this year also.