



# ZENITH

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## EXPORTS LIMITED



**42nd ANNUAL REPORT**  
**2023-2024**



# **ZENITH EXPORTS LIMITED**

## **ANNUAL REPORT 2023-24**

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**CORPORATE INFORMATION****Board of Directors*****Managing Director***

Mr. Varun Loyalka

***Women Director***

Mrs. Urmila Loyalka

***Non-Executive Independent Directors***

Mr. Rabindra Kumar Sarawgee

Mr. Surendra Bafna

Mr. Kamal Koomar Jain

Mr. Sanjay Kumar Shaw

**Chief Executive Officer**

Mr. Rajkumar Loyalka

Mr. Surendra Kumar Loyalka

**Company Secretary**

Mrs. Anita Kumari Gupta

**Chief Financial Officer**

Mr. Sushil kumar Kasera

**Board Committees****• *Audit Committee***

Mr. Rabindra Kumar Sarawgee - Chairman

Mr. Kamal Koomar Jain-Member

Mr. Surendra Bafna- Member

Mr. Sanjay Kumar Shaw -Member

**• *Nomination and Remuneration Committee***

Mr. Kamal Koomar Jain-Chairman

Mr. Rabindra Kumar Sarawgee-Member

Mr. Surendra Bafna-Member

**• *Stakeholders Relationship Committee***

Mr. Rabindra Kumar Sarawgee- Chairman

Mr. Kamal Koomar Jain-Member

Mr. Sanjay Kumar Shaw - Member

**Statutory Auditors**

M/s. V. Goyal & Associates

Chartered Accountants

Mercantile Building, A Block, 1st Floor

9, Lalbazar Street, Kolkata- 700001

**Secretarial Auditor**

CS. Asit Kumar Labh

C/o. A.K. Labh & Co.

40, Weston Street, 3rd Floor,

Kolkata-700013

**Internal Auditors**

M/s. Goyal Y. K. & Associates

Chartered Accountants

Mercantile Building, A Block, 1st Floor

9, Lalbazar Street,

Kolkata- 70000

**Registrar and Share Transfer Agent**

C.B. Management Services (P) Ltd.

P-22, Bondel Road, Kolkata- 700019

Ph : 4011-6700/2280-6692/2282-3643

Fax : 4011-6739,

Email : rta@cbmsl.com

Website : www.cbmsl.com

**Registered Office**

19, Rajendra Nath Mukherjee Road,

1st Floor, Kolkata, Pin-700001

Ph : 033-2248-7071/6936

Fax : 033-2243-9003

Email : sec@zenithexportsltd.net

Website : www.zenithexportslimited.com

CIN : L24294WB1981PLC033902

**Principal Banker**

Canara Bank

**Scrip Code**

BSE -512553

NSE - ZENITHEXPO

**Works****Zenith Textiles**

13, A/B/C, Industrial Area

Nanjangud, Dist-Mysore

Karnataka, Pin-571 302

**Zenith Exports Limited**

106, B. T. Road,

Kolkata - 700 108

**Zenith Exports Limited**

515 Anandapur,

106, B T Road, Phase-II,

Kasba Industrial Estate

Kolkata-700 107

**Zenith Exports Limited**

515 Anandapur, P-71, Phase-II,

Kasba Industrial Estate

Kolkata-700 107

**Zenith Exports Limited**

Anandapur,

P-29, Kasba Industrial Estate,

Phase-II,

Kolkata-700 107

**NOTICE**

NOTICE is hereby given that the 42nd Annual General Meeting (“AGM”) of the Members of ZENITH EXPORTS LIMITED (CIN : L24294WB1981PLC033902) will be held on Tuesday, 24th September, 2024 at 11:30 a.m. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”), to transact the following businesses:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2024, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Urmila Loyalka (DIN : 00009266), who retires by rotation and, being eligible, offers herself for re-election.

**SPECIAL BUSINESS :**

3. To re-appoint Mr. Varun Loyalka (DIN:07315452) as Managing Director of the Company and in this regard to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution :

“RESOLVED THAT pursuant to the provisions of section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (“the Act”), and the Rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) read with Schedule-V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, as amended from time to time, and Articles of Association of the Company and subject to the other necessary approval, if any, the approval of members of the Company be and is hereby accorded for re-appointment of Mr. Varun Loyalka (DIN : 07315452) as Managing Director of the Company, liable to retire by rotation for a period of 3 (Three years) effective from September 24, 2024 to September 23, 2027 on such remuneration, terms and conditions as recommended by the Nomination and Remuneration Committee and as set out in the explanatory statement annexed to the notice, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Varun Loyalka.

“RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things which may be necessary for re-appointment of Mr. Varun Loyalka (DIN:07315452) as Managing Director of the Company.”

**Registered & Head Office:**

19, R. N. Mukherjee Road  
First Floor, Kolkata- 700 001  
Dated: 12th August, 2024

By Order of the Board of Directors  
For **ZENITH EXPORTS LIMITED**

Sd/-

**Anita Kumari Gupta**

Company Secretary

FCS: 11369

**Notes :**

1. The Ministry of Corporate Affairs (“MCA”) vide its circular dated May 05, 2020 read with circulars dated April 08, 2020, April 13, 2020, May 05, 2022, December 28, 2022 and September 25, 2023 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“the Meeting”) through Video Conferencing/Other Audio Visual Means (“VC/OAVM”), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM on Tuesday, September 24, 2024 at 11.30 a.m. (IST). Since the AGM is being held through VC/OAVM facility, the route map is not annexed to this Notice. The deemed venue for the AGM shall be the Registered Office of the Company.
2. A statement giving additional details of the Director(s) seeking appointment/re-appointment at this AGM as set out at Item No. 2 of Ordinary Business of this Notice are annexed herewith as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
3. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) setting out material facts concerning the business under Item No. 3 of the Notice is annexed hereto. The relevant details pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.
4. As per the provisions of Clause 3.A.II of the General Circular No. 20/2020 dated 5th May 2020 issued by MCA, the matters of Special Business as appearing at Item No. 3 of the Notice is considered to be unavoidable by the Board and hence, forming part of this Notice.
5. Corporate members intending to send their authorised representative to attend the AGM through VC or OAVM or to vote through remote e-voting, pursuant to Sections 112 and 113 of the Act, are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at [info@mandassociates.in](mailto:info@mandassociates.in) with a copy marked [toevoting@nsdl.co.in](mailto:toevoting@nsdl.co.in), authorising their representative by 16th September, 2024, to attend and vote on their behalf at the AGM.
6. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date of Tuesday, 17th September, 2024.
7. In compliance with the aforesaid MCA Circulars and Securities and Exchange Board of India (“SEBI”) Circular dated May 12, 2020 and May 13, 2022 (“SEBI Circulars”), Notice together with Annual Report for the financial year 2023-24 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories. Copies of the Notice and Annual Report 2023-24 will also be uploaded on the company’s website at [www.zenithexportslimited.com](http://www.zenithexportslimited.com), websites of Stock Exchanges i.e., BSE Ltd and National Stock Exchange of India Ltd., at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.
8. The Members can join the AGM through VC / OAVM 15(fifteen) minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through electronic mode will be made available for 1000 members on first come first serve basis. It may be noted that the large Shareholders (i.e. Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders’ Relationship Committee, Auditors are



allowed to attend the AGM without restriction on account of first come first serve basis.

9. Members attending the meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
10. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [sec@zenithexportsltd.net](mailto:sec@zenithexportsltd.net) from 12th September, 2024 to 16th September, 2024 by 5.00 p.m. The Company will respond to the shareholder suitably. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
11. M/s. C.B. Management Services Pvt. Ltd., having its office at P-22, Bondel Road, Kolkata- 700 019 is the Registrar and Share Transfer Agent (RTA) of the Company,
12. The Register of Members and Share Transfer Book of the Company will remain closed from Wednesday, 18th September, 2024 to Tuesday, 24th September, 2024 (both day sinclusive) for the purpose of AGM.
13. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holding to dematerialized form. Members can contact our RTA M/s. C.B. Management Services Pvt. Ltd. for assistance in this regard.
14. In case of Joint Holders attending the AGM, only such Joint Holder whose name appears first in the order of names will be entitled to vote.
15. All the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act will be available for inspection by the Members in electronic mode during the AGM. Members who seek to inspect, may send their request through an email at [sec@zenithexportsltd.net](mailto:sec@zenithexportsltd.net) upto the date of AGM.
16. Shareholders seeking any information with regard to the Financial Statements, or any other matter to be placed at the AGM, are requested to write to the Company on or before 17th September, 2024 on [sec@zenithexportsltd.net](mailto:sec@zenithexportsltd.net). The Company will respond to the shareholder suitably. Please note that the shareholders' questions will be answered only if the shareholder continues to hold the shares as on the cut-off date i.e. Tuesday, 17th September, 2024.
17. In terms of the MCA Circular No. 14/2020 dated April 08, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the requirement of sending Proxy Forms to holders of securities as per provisions of Section 105 of the Act read with Regulation 44(4) of the SEBI Listing Regulations, has been dispensed with. Therefore, the facility to appoint Proxy by the members will not be available and consequently, the Proxy Form and Attendance Slip are not annexed to this notice convening the 42nd AGM of the Company (the "notice"). However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
18. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their Depository Participants in case the shares are held by them in electronic form and with RTA at [Subhabrata@cbmsl.com](mailto:Subhabrata@cbmsl.com)/ [rta@cbmsl.com](mailto:rta@cbmsl.com) in case the shares are held by them in physical form.



19. Members holding shares in electronic mode are requested to intimate immediately any change in their address, email-id, and bank particulars to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to Registrars and Share Transfer Agents, M/s. C.B. Management Services Pvt Ltd, P-22, Bondel Road, Kolkata- 700 019.
20. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/65 dated May 18, 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be. The said form can be downloaded from the website of the Company.
21. SEBI vide circular dated November 3, 2021 and December 14, 2021 has mandated furnishing of Permanent Account Number (PAN), KYC details (i.e. Postal Address with pin code, email address, mobile number, bank account details and Nomination / opt out of Nomination by holders of physical securities. Folios where in any one of the above mentioned details are not registered by October 1, 2023 shall be frozen. Members are requested to intimate changes, if any, pertaining to their name, postal address, telephone/ mobile numbers, PAN, mandates, nominations, power of attorney, to their DP in case the shares are held by them in dematerialized form and to C.B. Management Services Pvt Ltd. (RTA) in case the shares are held by them in physical form.
22. Members holding equity shares in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI., Folios where in the shares held in physical mode and for which any documents of shareholders viz PAN, KYC, Bank account particulars, Specimen Signature update & Nomination form etc. is not available with RTA on or after October 01, 2023, shall be frozen pursuant to, SEBI Circular No. SEBI/HO/MIRSD/MIRSDPOd-1/P/ CIR/2023/37 dated 16th March, 2023. Any payments including dividend in respect of such frozen folios shall only be made electronically with effect from April 1, 2024.
23. Pursuant to Section 72 of the Act, Members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH-13, to the RTA of the Company. Further, Members desirous of cancelling/varying nomination are requested to send their requests in Form ISR-3 or Form No. SH-14 as the case may be, to the M/s. C.B. Management Services Pvt. Ltd. (RTA) of the Company. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.
24. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circular issued by the Ministry of Corporate Affairs dated 13th January, 2021 read with Circulars dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on



the date of the AGM will be provided by NSDL.

25. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13th April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [zenithexportslimited.com](http://zenithexportslimited.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](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

**26. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER :-**

- a) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- b) The remote e-voting period commences on Saturday, September 21, 2024 (9:00 a.m. IST) and ends on Monday, September 23, 2024 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, 17th September, 2024 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- c) The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- d) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date being 17th September, 2024.
- e) Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.com](mailto:evoting@nsdl.com). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER :-**

The remote e-voting period begins on Saturday, September 21, 2024 at 9:00 A.M. and ends on Monday, September 23, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, 17th September, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, 17th September, 2024.

**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 : Access to NSDL e-Voting system**

- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat









mode.

In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Login method for Individual shareholders holding securities in demat mode is given below :**

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li data-bbox="750 571 1437 1176">1. If you are already registered for NSDL IdeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IdeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider – NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li data-bbox="750 1176 1437 1366">2. If the user is not registered for IdeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IdeAS” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li><li data-bbox="750 1366 1437 2002">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or <b>e-Voting service provider – NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li></ol>



Type of shareholders	Login Method
	<p>Shareholders/Members can also download NSDL Mobile App “NSDL Speed” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>       <b>Google Play</b></p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>



**Important note :** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

<b>Login type</b>	<b>Helpdesk</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**c) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**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 ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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 e services 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 :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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..... then user ID is 101456001***



5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use 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](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - 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.

### **Step 2 : Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

#### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select **EVEN 130065 of Zenith Exports Limited** to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.



5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. 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 [info@mandassociates.in](mailto:info@mandassociates.in) with a copy marked to [evoting@nsdl.co.in](mailto: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](http://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](http://www.evoting.nsdl.com) or call on toll free no.: 1800-1020-990 and 1800- 224-430 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**27. Process for those members whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this Notice :**

- a) In case shares are held in physical mode, please provide Folio No., Name of members, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [sec@zenithexportsltd.net](mailto:sec@zenithexportsltd.net).
- b) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID +CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [sec@zenithexportsltd.net](mailto:sec@zenithexportsltd.net). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- c) Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
- d) Interm of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**28. Instructions for members for attending the AGM through VC/OAVM are as under :**

- a) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where



the EVEN of Company will be displayed. Please note that the 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 to avoid last minute rush.

- b) Members are encouraged to join the Meeting through Laptops for better experience.
- c) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- e) The voting rights of the Members shall be in proportion to their shares of the paidup equity shares capital of the Company as on the cut-off date (record date) i.e. Tuesday, 17th September, 2024.
- f) Any persons, 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. Tuesday, 17th September, 2024. He may obtain the login id and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- g) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-voting facility. The e-voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
- h) Mr. Vivek Mishra, Practicing Company Secretary (Mem. No.F 8540, COP No.17218) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- i) The Scrutinizer shall after the conclusion of voting at the AGM, 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 witnesses not in the employment of the Company and shall make, not later than two working 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/ person of the Meeting or a person authorised by him/ her in writing, who shall counter sign the same and declare the results of the voting forth with.
- j) The Results will be declared within 2 working day of conclusion of the AGM by the Chairman or by any person authorized by him in this regard. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.zenithexportslimited.com](http://www.zenithexportslimited.com) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE") where the shares of the Company are listed.
- k) On receipt of the requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Annual General Meeting.

**Registered & Head Office:**

19, R. N. Mukherjee Road  
First Floor, Kolkata- 700 001  
Dated: 12th August, 2024

By Order of the Board of Directors  
For **ZENITH EXPORTS LIMITED**

Sd/-

**Anita Kumari Gupta**  
Company Secretary  
FCS: 11369

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

Pursuant to Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the businesses mentioned under Item Nos. 3 of the accompanying Notice.

**Item No. 3 : Re-appointment of Varun Loyalka (DIN: 07315452) as Managing Director of the Company.**

Mr. Varun Loyalka was appointed Managing Director of the Company for a period of three years effective from September 26, 2021 as per the terms and conditions approved by the Members at the 38th Annual General Meeting held on September 29, 2020. Since the aforesaid appointment for the revised period of three years ending on September 25, 2024, it is proposed to re-appoint him as Managing Director of the Company for a period of three years from September 24, 2024 and pay him the remuneration as set out below :

- 1) **Basic Salary** : Rs. 1,25,000/- (Rupees One Lakh TwentyFive Thousand Only) per month.
- 2) **Residential Accommodation** : Rent free furnished residential accommodation. The expenses incurred on Gas, Electricity and Water to be borne by himself.
- 3) **Reimbursement of Medical Expenses** : Reimbursement of Medical Expenses actually incurred on self and family subject to a ceiling of one Month salary in a year or three months' salary over a period of three years.
- 4) **Leave Travel Concession** : Once in a year for self and family. Family means wife and children.
- 5) **Club Fees** : The Company will bear the annual, admission & life membership fees of not more than 2 (two) Clubs. Expenses incurred at clubs other than for the purpose of business of the Company to be borne by himself.
- 6) **Personal Accident Insurance** : The Company will cover your life against Personal Accident Insurance, premium of which shall not exceed Rs. 10,000/- per month.
- 7) **Leave** : Entitled to privilege and earned leave on full pay and allowances as per the rules of the Company subject to a maximum of one month leave for eleven months of service.
- 8) **Provident Fund** : The Company will contribute to the Provident Fund as per the rules of the Company. The contribution towards Provident Fund and encashment of leave at the end of the tenure will not be included for computation of ceiling on remuneration as specified in Section II of Part II of Schedule V of the Companies Act, 2013, to the extent these either individually or put together are not taxable under the Income Tax Act.
- 9) **Gratuity** : Gratuity payable will not exceed half a month salary for every completed year of service subject to a maximum ceiling as may be laid down in the Gratuity Act from time to time.
- 10) **Telephone** : The Company will provide Telephones including Mobile Phone at the residence for official as well as Personal use provided, however, that personal long distance calls will be billed by the Company.
- 11) **Car** : The Company will provide Car to you for business as well as for personal use.
- 12) **Reimbursement of Expenses** : The Company will reimburse all travelling, entertainment and other expenses incurred by you for the Purpose of Company's business.
- 13) **Sitting Fees** : As a Chairman and Managing Director of the Company, he will not be entitled to any sitting fees for attending the meeting of the Board of Directors or Committees thereof.



- 14) **Minimum Remuneration** : Not with standing any thing here in, where in any financial year, during the tenure of service of Mr. Varun Loyalka, the company has no profits or its profits are inadequate, the company will pay remuneration by way of salary and perquisites specified above.

The special business as set out against item No. 3 was approved by the Nomination & Remuneration Committee and the Board at their respective meetings held on August 12, 2024.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Varun Loyalka as Managing Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Varun Loyalka as Managing Director, for the approval by the Members of the Company by way of an Ordinary Resolution.

The Company has received requisite consent/declarations for appointment of Mr. Varun Loyalka as Managing Director as required under the Act and rules made thereunder.

None of the Directors and Key Managerial Personnel(s) except Mr. Rajkumar Loyalka, Mrs. Urmila Loyalka and Mr. Surendra Kumar Loyalka being relatives are, in anyway concerned or interested, financially or otherwise, in the proposed resolution.

A brief profile with other information as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 issued by ICSI is annexed to this Notice.

**Registered & Head Office:**

19, R. N. Mukherjee Road  
First Floor, Kolkata- 700 001  
Dated: 12th August, 2024

By Order of the Board of Directors  
For **ZENITH EXPORTS LIMITED**

Sd/-

**Anita Kumari Gupta**  
Company Secretary  
FCS: 11369



**ANNEXURE TO THE NOTICE**

**Details of Directors seeking Appointment/Re-appointment at the 42nd Annual General Meeting [Pursuant to Regulations 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 – Secretarial Standards on General Meetings] :**

<b>Name of the Director</b>	Mr. Varun Loyalka	Mrs. Urmila Loyalka
<b>DIN</b>	07315452	00009266
<b>Date of Birth</b>	19/08/1991	11/07/1958
<b>Nationality</b>	Indian	Indian
<b>Date of First Appointment</b>	29/05/2018	13/02/2015
<b>Qualifications</b>	MBA	Higher Secondary
<b>Expertise in specific functional areas</b>	He has around 11 years of experience in embroidery manufacturing and sales.	She has more than 15 years of experience in Export business. She is one of the Promoter & Women Director of the Company and having expertise in areas relating to Export, Marketing & Administration.
<b>Directorship in other Companies</b>	1. Bloomkraft Silk Ltd. 2. A C Roy & Co Pvt Ltd. 3. Purotech Sales Pvt Ltd. 4. Capital Ltd. 5. P P Developers Pvt Ltd. 6. Varun Realities Pvt Ltd. 7. Miori Home India Private Limited	1. Zenith Koplavitch Exports Ltd 2. Loyalka Leclercq Textiles Ltd
<b>Chairmanship/Membership of the Committees of the Board of Directors of other Companies</b>	None	None
<b>Shareholding in the Company</b>	2,68,900 nos. of equity shares	3,29,150 nos. of Equity Shares
<b>Inter-se relationship with other Directors and Key Managerial Personnel</b>	Son of Mr. Surendra Kumar Loyalka & Mrs. Urmila Loyalka	Mother of Mr. Varun Loyalka Wife of Mr. Surendra Kumar Loyalka Sister-in-law of Mr. Rajkumar Loyalka

Note:- Mrs. Urmila Loyalka retires by rotation and being eligible offers herself for re-election.

Directorship includes directorship in Public Companies & Committee membership includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (whether Listed or not).

The following additional information as required under Schedule-V of the Companies Act, 2013, is given below with respect to item nos. 3 :

**I. GENERAL INFORMATION :**

1. Nature of Industry: The Company is engaged in the business of Leather Goods & Textile Fabrics.
2. Date or expected date of commencement of commercial production : **28th August' 1981**
3. In case of new companies expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus: **Not applicable.**
4. Financial Performance based on given indicators as per audited financial results for the year ended March 31, 2024 :

<b>Particulars</b>	<b>(Rs. in Lakhs)</b>
Sales & Other Income	8554.35
Profit after Tax as per the Statement of Profit & Loss as computed under Section 197 of the Companies Act, 2013	30.32
Net Worth	8025.46
5. Foreign investments or collaborators, if any : Not Applicable.	

**II. Information about the appointee :****Mr. Varun Loyalka****1. Background details -**

Mr. Varun Loyalka aged 33 years, holds degree of Master in Business Administration from IE Business School, Maria De Molina, Spain in 2017. He joined the Board in the year 2018 as Joint Managing Director of the Company. He has around 11 years of experience in embroidery manufacturing and sales.

**2. Past remuneration during the financial year ended March 31, 2024 –**

During the financial year ended March 31, 2024, a sum including Provident Fund of Rs. 16.27 Lakhs was paid to Mr. Varun Loyalka as Managing Director.

**3. Recognition or awards – Not Applicable****4. Job Profile and suitability –**

Mr. Varun Loyalka has around 8 years of experience in embroidery manufacturing and sales. He is experiencing and raring the weaving and textiles industry impatiently in India and Overseas. He was appointed Managing Director in the year of 2018. Considering the level of knowledge of Mr. Varun Loyalka, his re-appointment will be in the best interest of the Company.

**5. Remuneration proposed –**

As set out in item No. 3 of this notice.

**6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) –**

Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Varun Loyalka, the remuneration proposed to be paid is commensurate with the remuneration



packages paid to his similar level counter parts in other companies.

**7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any –**

Besides the remuneration proposed to be paid to Mr. Varun Loyalka, he does not have any other pecuniary relationship with the Company. The remuneration paid/to be paid to him is within the limit as stipulated in Schedule V of the Companies Act, 2013 read with Rules there under. Mr. Varun Loyalka is son of Mrs. Urmila Loyalka, Director and Mr. Surendra Kumar Loyalka, Chief Executive Officer.

**III. OTHER INFORMATION :**

**1. Reason of loss or inadequate profits :**

In the previous financial year of 2022-23, the market witnessed a shift in demand from its high end products and market moved to mid-range products and resulted loss. Further, due to increased cost of raw materials and labour and increased competition in sector, profit margins also reduced by a substantial amount.

The financial year 2019-20 has witnessed a once in a lifetime situation. COVID-19 pandemic has plunged all the industries around the world into unprecedented times. The market for silk has been on a decline and has hit the textile market hard. The frequency of new collection launches by clients and the number of products being purchased has also decreased. Increased cost of raw materials and labour and increased competition in this sector. Moreover, due to competitive pressure Export Industry in India has been going through a very difficult phase over the last few years, affecting the overall performance.

**2. Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms :**

The Company is endeavoring for improving its current situation. To bring down the cost of production and enhance the revenue, your Company will have to increase the scale of operation by infusing of machineries and technology. New fabrics with anti-microbial properties are being developed and offered to our clients. Also, new finishing techniques (anti COVID finishes) are also being explored to reinvigorate sales and take advantage of the changing market conditions. Product mix is being expanded to include outdoor fabrics and contract fabrics. Industrial Leather and gloves market which had started picking up its sales stand still due to COVID-19 pandemic. However, we are continuously trying to improve the quality and scale of Production as there is big scope of in global market as the India's share in global market for industrial leather gloves is minimal.

**IV. DISCLOSURES :**

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Corporate Governance Report Section under the Heading 'Remuneration of Directors'.

**Registered & Head Office:**

19, R. N. Mukherjee Road  
First Floor, Kolkata- 700 001  
Dated: 12th August, 2024

By Order of the Board of Directors  
For **ZENITH EXPORTS LIMITED**

Sd/-  
**Anita Kumari Gupta**  
Company Secretary  
FCS: 11369

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the 42nd Annual Report covering the operational and financial performance of your Company along with the Audited Financial Statements for the financial year ended March 31, 2024.

**FINANCIAL HIGHLIGHTS****(Rs. in Lakhs)**

<b>Particulars</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
Revenue from operations	<b>8169.52</b>	6225.35
Other Income	<b>384.83</b>	451.41
Total Revenue	<b>8554.35</b>	6676.76
Less: Expenses	<b>8488.02</b>	6476.73
Profit before exceptional items and taxes	<b>66.33</b>	200.03
Less: Exceptional Items	<b>0.00</b>	0.00
Profit/(Loss) before Taxation	<b>66.33</b>	200.03
Less: Tax Expenses (Current & Deferred)	<b>36.00</b>	(42.25)
Profit/(Loss) for the year	<b>30.32</b>	157.78
Add: Other Comprehensive Income	<b>22.96</b>	0.00
Total Income (Comprising Profit/(Loss) for the year and Other Comprehensive Income)	<b>53.28</b>	157.78

**OPERATIONAL REVIEW AND FUTURE OUTLOOK**

During the financial year ended March 31, 2024, your Company has achieved a turnover of Rs. 8169.52 Lakhs as compared to the turnover of Rs. 6225.35 Lakhs recorded during the previous financial year ended March 31, 2023. The Company has earned profit before tax for the financial year ended March 31, 2024 of Rs. 66.33 Lakhs compared to previous financial year profit of Rs. 200.03 Lakhs. The net profit after tax for the financial year ended March 31, 2024 stood to Rs. 30.32 Lakhs as compared to profit of Rs. 157.78 Lakhs over the last financial year.



With a focus on producing the best quality of products, Zenith Exports Limited is accredited with the ISO 9001:2015 and ISO 14001:2015 certification.

The Company expects to increase its revenue and the profitability in the coming year as the business has started showing growth and the economy as a whole has moved to its revival and future of the Company looks very bright. There is no dearth of demand and the Company is well shaped to cope up itself with the market expectations.

### **THE STATE OF COMPANY' AFFAIRS**

The Company is engaged in the business of leather goods & textile fabric. It has manufacturing units of textile for the home and apparel industries and also manufactured & exports leather industrial hand gloves to the different countries across the world.

### **WEAVING DIVISION**

During the year under review, demands of the Silk and silk blends continues to be under pressure due to high value of fabrics and less demand of expensive fabric in European and American Markets. Consequent upon this, to strengthen the demand, the Company has changed its product mix and now less expensive qualities are being offered in the market and response is good.

But at the same time, company has to compete with big mills within India. Company is also developing new fabric using anti-microbial inherent properties expanding its product offerings and capturing new clients. Markups are very Low, but expecting good results in future.

### **SPINNING DIVISION**

The Spinning division of your Company called 'Zenith Spinners' located at Dholka, Ahmedabad which had suspended its operations since December, 2015 due to steep competition and unfavorable market situation has started business of trading of cotton with effect from January, 2019.

### **DIVIDEND**

The Board of Directors did not recommend any dividend on Equity Shares during the year.

### **GENERAL RESERVE**

The Company has not transferred any amount to the General Reserve for the financial year ended March 31, 2024.

### **PUBLIC DEPOSITS**

The Company has not accepted any deposit from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

### **CHANGE IN NATURE OF BUSINESS, IF ANY**

During the financial year 2023-24, there has been no change in the nature of business of the Company.

**SHARE CAPITAL**

The Paid-up Equity Share Capital of the Company as on March 31, 2024 stands at Rs. 5,39,62,500/-comprising of 53,96,250 Equity Shares of Rs. 10 each. During the financial year 2023-24, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity.

**DETAILS OF SUBSIDIARY, JOINTVENTURES AND ASSOCIATE COMPANIES**

The Company does not have any Subsidiary or Joint Venture/ Associate Companies.

**PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS**

The particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 have been disclosed in Notes to the Financial Statements for the financial year ended March 31, 2024, which forms part of this Annual Report. Your Company has not given any guarantee or provided any security during the year under review.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF THIS REPORT**

Except as disclosed elsewhere in this Report, there have been no material changes and commitments which could affect the financial position of your Company, between the end of financial year i.e. March 31, 2024 and the date of this Report.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS**

During the year under review, there were no significant material orders passed by the Regulators/ Courts and no litigation was outstanding as on March 31, 2024, which would impact the going concern status and future operations of your Company.

**LISTING INFORMATION**

The Company's equity shares are listed on BSE Limited (BSE) and on the National Stock Exchange of India Limited (NSE). Listing Fees have been paid up to March 31, 2025 to both Stock Exchanges.

**ACCREDITATION**

The Company have been accredited ISO 9001:2015 for Quality Management System by JAS-ANZ.

**RELATED PARTY TRANSACTIONS**

During the financial year 2023-24 all transactions entered by the Company with Related Parties as defined under Section 2(76) of the Companies Act, 2013 read with Rules framed there under were in the 'ordinary course of business' and 'at arm's length basis' and there has been no materially significant Related Party Transactions having potential conflict with the interest of the Company.



Your Company also did not enter into any Related Party Transactions which require prior approval of the Members. All Related Party Transactions of your Company had prior approval of the Audit Committee and the Board of Directors, as required under the Companies Act and Listing Regulations. Subsequently, the Audit Committee and the Board have reviewed the Related Party Transactions on a quarterly basis. Your Company has formulated a Policy on Related Party Transactions and the said Policy has been uploaded on the website of the Company at <https://www.zenithexportsltd.com/>.

Particulars of contract or arrangements with related parties referred to in Section 188(1) of the Act, in the prescribed Form AOC-2, is annexed as Annexure I, to this Report. Shareholders may refer to notes to the Financial Statements for details on Related Party Transactions as required under the Ind AS 24.

### **PARTICULARS OF EMPLOYEE**

Disclosure pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are annexed as Annexure - II to this Report.

### **ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return in Form MGT-7 as on March 31, 2024 is available on the Company's website at <https://www.zenithexportsltd.com/>.

### **AUDITORS AND AUDIT REPORT**

#### **Statutory Auditors**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, M/s. V. Goyal & Associates, Chartered Accountants, Kolkata (ICAI Firm Registration No.312136E), were re-appointed as Statutory Auditors of the Company for a second consecutive period of 5 (five) years from the conclusion of the 40th Annual General Meeting of the Company held on 30th September, 2022 till the conclusion of 45th Annual General meeting to be held in the year 2027.

Your Company has received a certificate from M/s. V. Goyal & Associates, Chartered Accountants confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules framed there under. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI as required under the provisions of Regulation 33 of the Listing Regulations.

The Report given by the Auditors on the financial statements of the Company for the financial year ended March 31, 2024 forms part of this Annual Report. The Report does not contain any qualification, reservation, adverse remark or disclaimer.

**Secretarial Auditors**

Pursuant to the Provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), the Board have appointed CS Asit Kumar Labh (ACS: 32891, COP No.14664), Practicing Company Secretary, as the Secretarial Auditor of the Company, to conduct the Secretarial Audit for the financial year ended March 31, 2024 and to submit Secretarial Audit Report in the prescribed Form No. MR-3.

**Cost Auditor**

In view of the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the provisions of Cost Audit is not applicable on the products of the Company for the ended March 31, 2024.

**Explanation or Comments by Board on every qualification, reservation, adverse remark or disclaimer by Auditor :**

The Report of the Statutory Auditor and Secretarial Auditor contains no qualification, reservation, adverse remark or disclosure and as such no explanation or comment is required to be expressed by the Board of Directors.

**COMPLIANCE WITH SECRETARIAL STANDARDS**

During the year under review your Company has complied with the respective mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

**INTERNAL CONTROL SYSTEM AND ADEQUACY**

Your Company has an adequate system of internal financial controls commensurate with its size and scale of operations, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safe guarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information. The Audit Committee evaluates the internal financial control system periodically.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, required to be disclosed by section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Account) Rules, 2014 are given below :-

**A. CONSERVATION OF ENERGY**

The Company is engaged in the continuous review of energy costs, reduction in energy generation cost through improved operational and maintenance practices. Energy conservation continues to receive priority attention at all levels. Company is continuing with energy saving measures initiated earlier like usage of more sophisticated machinery which can do more work in lesser time and thereby reducing the requirement of equipment that programs to maximize saving in i) Electrical Energy and ii) Fuel oil consumption.



**POWER AND FUEL CONSUMPTION**

	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
	<b>Weaving</b>	<b>Weaving</b>
<b>i) Electricity</b>		
a) Purchased Unit (KWH in lakhs)	<b>5.91</b>	6.56
Total Amount (Rs.in lakhs)	<b>65.65</b>	66.34
Rate/Unit (in Rs.)	<b>11.10</b>	10.11
b) Own Generation		
i) Through Furnace Oil	<b>0.00</b>	0.00
Generated Units (KWH in lakhs)	<b>0.00</b>	0.00
Unit/Litre of Diesel	<b>0.00</b>	0.00
Cost/Unit (Rs./Unit)	<b>0.00</b>	0.00
ii) Through Stem Turbine Generator		
iii) Through Diesel Generator	<b>0.00</b>	0.00
<b>ii) Coal</b>	<b>Nil</b>	Nil
<b>iii) Furnace/Other Oil</b>		
Quantity (in lakhs Ltrs.)	<b>0.00</b>	0.00
Total Amount (Rs. in lakhs)	<b>0.00</b>	0.00
Average rate per litre (Rs.)	<b>0.00</b>	0.00
Briquettes & Fire Wood (in lakhs Kgs.)	<b>4.69</b>	5.64
Total Amount (Rs. in lakhs)	<b>20.35</b>	22.44
Average Rate per Kgs.(Rs.)	<b>4.34</b>	3.98
<b>iv) Other Internal Generation</b>	<b>Nil</b>	Nil
<b>CONSUMPTION PER UNIT OF PRODUCTION</b>		
Electricity (KWH)	<b>10.96</b>	10.49
Furnace Oil (Ltrs.)	<b>0.00</b>	0.00
Briquettes & Fire Wood (Kgs.)	<b>8.72</b>	9.02
Standard (KWH)	<b>0.00</b>	0.00

**B. TECHNOLOGY ABSORPTION**

There are no existing technology supply agreements. Along with that, we have been continuously adding latest machines and balancing equipments as and when required.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars	Current Year (2023- 2024) (Rs. in Lakhs)	Current Year (2022- 2023) (Rs. in Lakhs)
Total Foreign exchange earnings	<b>7164.34</b>	5531.63
Total foreign exchange outgo	<b>63.153</b>	85.086

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Your Company's Board is duly constituted in compliance with the requirement of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of the Articles of Association of the Company. As on March 31, 2024, the Company's Board comprised of 6 (six) Directors. Details of the composition of the Board are provided in the Corporate Governance Report for the financial year 2023-24.

Mrs. Urmila Loyalka (DIN: 00009266), Director of the Company is liable to retire by rotation at the ensuing AGM and being eligible, has offered her self for re-appointment in terms of Section 152(6) of the Act, read with the Articles of the Company and appointment terms. Your Board recommends there appointment of Mrs. Urmila Loyalka as a Director of the Company, liable to retire by rotation.

The Company has received Notice under Section 160 of the Companies Act, 2013 from the Member(s) of the Company proposing the candidature of Mr. Urmila Loyalka for her re-appointment at the ensuing AGM.

Necessary Resolution along with disclosure / information in respect of the director seeking appointment/re appointment has been annexed to the Notice convening the ensuing AGM.

Mr. Jeetender Kumar Ram had resigned from the post of Company Secretary & Compliance Officer w.e.f. 1st December, 2023.

Mrs. Anita Kumari Gupta had been appointed as the Company Secretary & Compliance Officer of the company w.e.f. 12th February, 2024.

As on March 31, 2024, Mr. Varun Loyalka, Managing Director, Mr. Rajkumar Loyalka, Chief Executive Officer, Mr. Surendra Kumar Loyalka, Jt. Chief Executive Officer, Mr. Sushil Kumar Kasera, Chief Financial Officer and Mrs. Anita Kumari Gupta, Company Secretary are the whole-time Key Managerial Personnel of the Company in terms of Section 203 of the Companies Act, 2013.

**BOARD MEETINGS**

During the financial year 2023-24, 4 (Four) Board Meetings were held. The said meetings were held on May 27, 2023, August 11, 2023, November 10, 2023 and February 10, 2024. Details of Board composition and Board Meetings held during the financial year 2023-24 have been provided in the Corporate Governance Report which forms part of this Annual Report.

**ANNUAL EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and individual Directors pursuant to the provisions of the Act and the Listing Regulations.

The Board evaluated its performance after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are as provided in the “Guidance Note on Board Evaluation” issued by SEBI on January 5, 2017.

In a separate meeting of independent directors held on March 19, 2024, performance of Non-Independent Directors and the Board as a whole was evaluated without the presence of Non-Independent Directors and members of the management pursuant to Regulation 25 (3) of the Listing Regulations and Schedule IV of the Companies Act, 2013.

The Independent Directors in the said meeting also evaluated the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. Additionally, the Chairman of the Board was also evaluated on key aspects of his role, taking into account the views of Executive Directors and Non-Executive Directors in the aforesaid meeting. The above evaluations were then discussed in the Board Meeting that followed the meeting of the Independent Directors and meeting of the Nomination & Remuneration Committee, at which the performance of the board, its Committees, and individual Directors were also discussed.

**DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received necessary declarations from each Independent Directors confirming that they meet the criteria of independence, as laid down Section 149(6) of the Companies Act, 2013 and in terms of Regulation 16(1) (b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Names of all the Independent Directors of the Company are registered with the Independent Directors’ Databank being maintained by the Indian Institute of Corporate Affairs. Requisite confirmations as per Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, have been received from the Independent Directors in this regard.

The Board of Directors have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same and is of the opinion that all the Independent Directors of the Company have required integrity, experience and expertise.

**FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The Management of the Company keeps regularly updating the Independent Directors about the Company’s businesses, market conditions, growth and performance, strategies, efficacies of internal financial controls, internal and external risks along with mitigation plans, compliance and governance structure and other material information relevant for them to have a clear understanding of their roles, rights and responsibilities for the purpose of contributing significantly towards the growth of the Company.



The Company organized a familiarization programme for the Independent Directors on the Board of the Company in compliance of Regulation 25(7) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The detail of such familiarization programme is available on the website of the Company at [www.zenithexportsltd.com](http://www.zenithexportsltd.com).

## **STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR**

### **AUDIT COMMITTEE**

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details pertaining to composition and meetings of the committee are provided in the Corporate Governance Report, which forms part of this Report. The Board has accepted all the recommendations made by the Audit Committee during the financial year 2023-24

### **NOMINATION AND REMUNERATION POLICY**

In terms of Section 178(3) of the Companies Act, 2013 read with Regulation 19(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company has adopted a Nomination & Remuneration Policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel, and providing for their remuneration and that of the senior management personnel as part of its charter and other matters provided under the Act and Listing Regulations. The Nomination and Remuneration Policy of the Company is available on the Company's website at [www.zenithexportsltd.com](http://www.zenithexportsltd.com).

The objectives and key features of this Policy are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of the Directors, Key Managerial Personnel and Senior Management Personnel;
- Identifying persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy;
- Formulation of criteria for performance evaluation of the Board, its Committees and Directors including Independent Directors/ Non-Executive Directors;
- Devising a policy on Board diversity;
- Directors' induction and continued updation as and when required of their roles, responsibilities and liabilities;
- Aligning the remuneration of Executive Directors, Key Managerial Personnel and Senior Management Personnel with the Company's financial position, industrial trends, remuneration paid by peer companies etc.; and
- Recommend to the Board all the remuneration in whatever form, payable to the Senior Management.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to provisions of Section 134 of the Act, the Directors, to the best of their knowledge and belief, hereby confirm that :



- a) In the preparation of the Annual Accounts for the financial year ended March 31, 2024, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for that period;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

#### **WHISTLE BLOWER POLICY/ VIGIL MECHANISM**

In terms of section 177(9) of Companies Act, 2013 read with Rules framed there under and also in terms of Regulation 22 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended, the Company has a Vigil Mechanism that provides a mechanism for the Director/ employees to report without fear of victimization, any unethical behavior, suspected or actual fraud, violation of the Code of conduct and instances of leak of Unpublished Price Sensitive Information, which are detrimental to the Company's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimization or any other unfair employment practice. The Company affirms that no employee has been denied access to the Audit Committee. The said Policy is placed on the website of the Company at [www.zenithexportslimited.com](http://www.zenithexportslimited.com). During the year under review, there has been no incidence reported which requires action by the Vigil Mechanism Committee.

#### **RISK MANAGEMENT POLICY**

The Company has put in place a Risk Management Policy with the objective of timely identification of risks, assessment and evaluation of such risks in line with the overall business objectives or strategies and defines adequate mitigation strategy. Risk is an integral part of any business and the Company is committed to manage the risk in a proactive and efficient manner. The Risk management Policy of the Company has been published in the Company's website at [www.zenithexportslimited.com](http://www.zenithexportslimited.com).

#### **POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT' 2013**

The Company has adopted zero tolerance for sexual harassment at workplace and has formulated a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules there under for prevention and redressal of complaints of sexual harassment at workplace. The said policy is available on the website of the Company at [www.zenithexportslimited.com](http://www.zenithexportslimited.com). An internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. During the year under review, there was no case of Sexual Harassment received or disposed of by the Company.

**ONE-TIME SETTLEMENT WITH BANKS AND FINANCIAL INSTITUTIONS**

The Company had not approached to the Banks and Financial Institution for One Time Settlement (OTS) for loan taken by it from them during the period under review.

**CASES WITH NCLT UNDER IBC**

There were no cases which are pending with NCLT under IBC during the period under review.

**DETAILS OF FRAUD REPORTED BY AUDITORS**

There were no frauds being identified in the Company during the period ended 31st March 2024. This is also being supported by the report of the statutory auditors of the Company as no fraud has been reported in their audit report for the period ended 31st March 2024.

**CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Company has complied with the corporate governance requirements under the Companies Act, 2013 and SEBI Listing Regulations. A separate section on Corporate Governance along with a certificate from the Statutory Auditors confirming compliance of conditions of Corporate Governance as stipulated under Part-D of Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is annexed hereto and forms part of this Report.

A certificate from Practicing Company Secretary confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company as prescribed under Listing Regulations is also annexed and forms part of this Report.

Management Discussion and Analysis Report for the financial year 2023-24, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, is presented in a separate section forming a part of this Report.

**CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company.

**APPRECIATION**

Your Directors place on record their deep appreciation of the continued support and guidance provided by Central and State Government and all Regulatory bodies. Your Directors offer their heartiest thanks to the esteemed shareholders, customers, business associates, Financial Institutions and Commercial Banks for the faith reposed by them in the Company and its management. Your Directors place on record their deep appreciation of the dedication and commitment of Company's officers and employees at all levels and look forward to their continued support in future as well.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**ZENITH EXPORTS LIMITED**

**ZENITH EXPORTS LIMITED**

Sd/-

Sd/-

**Rabindra Kumar Sarawgee**

Director

DIN: 00559970

**Varun Loyalka**

Managing Director

DIN: 07315452

Place : Kolkata

Date : 30th Day of May, 2024

**Annexure – I****FORM NO. AOC – 2**

[Pursuant to Clause (h) of sub-section 134 of the Companies Act, 2013,  
and rule 8(2) of the Companies (Accounts) Rule, 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 arm's length transactions under third proviso there to.

**1. Details of contracts or arrangements or transactions not at arm's length basis :**

During the year under review, there were no contracts or arrangements or transactions entered into by the Company with related parties which were not at arm's length basis.

**2. Details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2024 are as follows:**

(Rs. in Lakhs)

Name of Related party	Nature of transaction	Description of relationship	Salient terms of the contracts or arrangements or transactions including the value, if any.	Duration	March 31, 2024
SKL Exports Ltd.	Purchase of fabrics, job work & sale of goods	Sri Surendra Kumar Loyalka is a Director in SKL Exports Ltd.	At prevailing market price upto an aggregate value of Rs. 10 Crore vide Board resolution dated 27/05/2023.	One year	179.01

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**ZENITH EXPORTS LIMITED**

Sd/-

**Rabindra Kumar Sarawgee**

Director

DIN: 00559970

**ZENITH EXPORTS LIMITED**

Sd/-

**Varun Loyalka**

Managing Director

DIN: 07315452

Place : Kolkata

Date : 30th Day of May, 2024

**Annexure- II**

1. Details pertaining to remuneration as required under Section 197 (12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:-
- I. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 along with the percentage increase in remuneration of each Director and Key Managerial Personnel (KMP) during the financial year 2023-24:

<b>Sr. No.</b>	<b>Name of the Directors/ Key Managerial Personnel (KMPs) and their Designation</b>	<b>Remuneration of Directors/ KMPs for F.Y. 2023-24 (Rs. In Lakhs)</b>	<b>Ratio of remuneration of each Director / KMP to the Median Remuneration of Employees</b>	<b>Percentage Increase/ (decrease) in Remuneration</b>
1.	Mr. Varun Loyalka (Managing Director)	15.22	6.83:1	12.05
2.	Mr. Surendra Kumar Loyalka (Chief Executive Officer)	38.16	17.11:1	11.09
3.	Mr. Rajkumar Loyalka (Chief Executive Officer)	30.00	13.45:1	0.00
4.	Mr. Sushil Kumar Kasera (Chief Financial Officer)	3.93	1.23:1	19.02
5.	Mr. Jeetender Kumar Ram (Company Secretary)	4.99	0.33:1	33.88
6.	Mrs. Anita Kumari Gupta (Company Secretary)	0.82		

**Note :-**

- a) The Non-Executive Directors received only sitting fees during the year under report. Hence, the ratio of remuneration and percentage change is not considered. The details of remuneration of the Non-executive Directors have been provided in the Corporate Governance Report.
- b) Remuneration for the Executive Director(s) and Key Managerial Personnel (KMP) in the above table is based on Cost to Company (CTC).
- c) The remuneration to the Executive Director(s) is within overall limits approved by the members of the Company.
- d) The percentage increase/(decrease) in the median remuneration of employees in 2023-24: 10.15%.





- II. There were 193 permanent employees on the rolls of the Company as on March 31, 2024.
- III. **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 there of and point out if there are any exceptional circumstances for increase in the managerial remuneration : NIL**
- IV. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

**2. Statement of Particulars of Employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :-**

- (A) Employees employed throughout the financial year and in receipt of remuneration for the financial year in aggregate of not less than Rupees One Crore and Two Lakh per annum - Nil
- (B) Employees employed for the part of the financial year and in receipt of remuneration at the rate of not less than Rupees Eight Lakhs and Fifty Thousand per month - Nil
- (C) Employees employed throughout the financial year or part thereof and in receipt of remuneration for the financial year in aggregate in excess of that drawn by the Managing Director or Whole-time Director or Manager, and holds by himself or along with his spouse and dependent children more than two percent of the equity shares of the Company - Nil

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**ZENITH EXPORTS LIMITED**

Sd/-

**Rabindra Kumar Sarawgee**

Director

DIN: 00559970

**ZENITH EXPORTS LIMITED**

Sd/-

**Varun Loyalka**

Managing Director

DIN: 07315452

Place : Kolkata

Date : 30th Day of May, 2024

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2024

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To

**The Members,****Zenith Exports Limited**

19, R. N. Mukherjee Road

Kolkata - 700 001

West Bengal

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Zenith Exports Limited** having its Registered Office at 19, R. N. Mukherjee Road, Kolkata – 700001, West Bengal (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31.03.2024 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.

**Auditors' Responsibility**

Maintenance of Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to me during the said audit and also based on the information furnished to me by the officers' and the agents of the Company during the said audit.

I have followed the audit practices and processes as were appropriate to the best of my understanding 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. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.

I have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. I have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.



Wherever required I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of compliance procedures on test basis.

My report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

***I report that,*** I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2024 according to the provisions of *(as amended)* :

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards as issued by The Institute of Company Secretaries of India;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
  - (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, 2015;
  - (c) 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; and
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**I further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Act:

1. The Foreign Trade (Development and Regulation) Act, 1992;
2. Foreign Trade Policy and
3. RBI Guidelines on Export of Goods & Services

to the extent of its applicability to the Company during the financial year ended 31.03.2024 and my examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to me by the Company and its management and to



the best of my judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of my knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws.

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

- (a) The Company had delayed in submission in submission of half yearly disclosure for related party transactions with the Stock Exchange for the Half year ended 30th September 2023 pursuant to Regulation 23(9) of SEBI (LODR) Regulations.**
- (b) Stakeholders Relation Committee Meeting held on 27.05.2023 was not disclosed in the Corporate Governance Report for quarter ended 30.06.2023 submitted with the Stock Exchange pursuant to Regulation 27(2) of SEBI“(LODR) Regulations, 2015.**
- (c) The Company had delayed in submission of Modified /Unmodified opinion with the Audited Financial Results for F.Y. 2022-23 with the Stock Exchange pursuant to Regulation 33 of SEBI (LODR) Regulations, 2015.**
- (d) There was a delay of 1 day in submission of Intimation for closure of trading window with the Stock Exchange for March Quarter 2023 pursuant to Clause 4 of Schedule B read with Regulation 9 of SEBI (PIT) Regulations, 2015.**
- (e) The Company had not submitted Annual Report for F.Y. 2022-23 in XBRL mode with the Stock Exchange as per BSE Circular No. LIST/COMP/40/2018-19 dated 08.02.2019.**
- (f) The Company had not submitted Impact of Audit Qualification in XBRL mode with the Stock Exchange for the financial year ended 31.03.2023 as required by BSE vide its mail dated 22.09.2023.**
- (g) The Company Secretary and Compliance Officer of the Company has resigned w.e.f. 30.11.2023, however, intimation for the same was submitted with Stock Exchange on 12.01.2024. The letter of resignation along with detailed reasons should have been submitted with the Stock Exchange within seven days from the effective date of resignation.**
- (h) The Company had not filed e-Form MGT-14 with Ministry of Corporate Affairs for passing of resolutions at AGM conducted in the manner as prescribed vide MCA General Circular No. 20 I2020 dated 5th May, 2020.**
- (i) Internal Complaints Committee (“ICC”) needs to be re-constituted every 3 years as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with relevant Rules framed thereunder. However, the Company is yet to re-constitute its ICC after completion of 3 years.**

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)



Regulations, 2018;

- (iv) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; and
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021.

**I further report that :**

- (a) 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.
- (b) 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.
- (c) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- (d) 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.

**I further report that :**

- (a) The Company is in process of taking contingency insurance in terms of SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/70 dated May 25, 2022.
- (b) The Company is in process of opening Suspense Escrow Demat Account in accordance with SEBI Circular No. SEBI/HO/MIRSD/PoD-1/0W/P/2022/64923 dated 30th December, 2022.
- (c) The Company has a Structured Digital Database (SDD) in place; however, the Company was non-compliant with respect to maintenance of SDD during certain period of the year under report. As informed by the Company's management, an inspection of the software maintaining SDD was conducted by NSE on 13.03.2024 and certain documents were sought by them which were satisfactorily provided by the Company. Based on the inspection by NSE and documents provided by the Company, BSE had also confirmed an inspection from their part. The Company has complied with the provisions of maintenance of SDD on and after 15.03.2024.
- (d) Mr. R. K. Loyalka, a member of the Promoter Group acquired 6,00,000 Equity Shares as gift from other members of the Promoter Group on 28.03.2024 and gifted the same number of Equity Shares to his relatives on the same day resulting contratrade. As informed by the management, the same was approved by the Compliance Officer of the Company on medical grounds as narrated by him, in accordance with the Insider Trading Policy adopted by the Company.

Place : Kolkata  
Dated : 30.05.2024

**(Asit Kumar Labh)**  
**Practicing Company Secretary**  
**ACS – 32891 / CP No.- 14664**  
**UDIN: A032891F000492757**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****INDIAN ECONOMY**

The Leather industry in India holds a significant place in the Indian economy. This sector is known for its consistency in high export earnings and it is among the top ten foreign exchange earners for the Country. The leather industry is bestowed with an affluence of raw materials. Added to this are the strengths of skilled manpower, innovative technology, increasing industry compliance to international environmental standards, and the dedicated support of the allied industries.

The leather industry is an employment intensive sector, providing jobs to about 4.42 million people, mostly from the weaker sections of the society. Women employment is predominant in the leather products sector with about 30% share. The overall performance of the Company during the year under review, has been adversely affected due to the unfavorable economic and market conditions prevailing throughout the year and other adverse situations. However, we expect no major changes in the economic activity. The Council for Leather Exports has been playing an active role in the overall growth and development of the leather industry.

**THE COMPANY HAS 3 DIVISIONS VIZ.**

1. **100% EOU at Nanjangud, Karnataka** - Manufacturing High Quality Silk and Velvet Fabrics.
2. **Exports Division at Kolkata** - Exporting Industrial Leather Hand Gloves, Silk & Cotton Fabrics and made-up manufactured on Handloom etc.
3. **A yarn division at Sarandi, Ahmedabad** - The yarn unit which had suspended its operations since December, 2015, due to steep competition and unfavorable market situation has started business of trading of Cotton with effect from January, 2019.

**1. EOU UNIT AT NANJANGUD**

The Company was manufacturing high quality 100% silk fabric at the unit situated at Nanjangud, Karnataka. Demands of the Silk & silk blends remained under pressure due to high value of fabrics and less demand of expensive fabric in European and American Markets. Due to this, the company has changed its product mix and now less expensive qualities are being offered in the market and response is good.

**A. INDUSTRY STRUCTURE AND DEVELOPMENT**

The Textile Industry is the oldest industry in the country dating back several centuries. It is a major contributor to the Indian economy in terms of foreign exchange earnings and employment. India ranks second in the production of textiles and garments worldwide. The textile industry is instrumental in the development of the Indian economy as it contributes 2% to India's GDP and 7% of industry output by value. The Indian textile industry is set for growth, buoyed by both strong domestic consumption as well as export demand. Favorable demographic, rising per capita



income and a shift in customer preference to branded products is expected to revive the textile industry which has been severely impacted by the Covid-19 pandemic.

## **B. OPPORTUNITIES AND THREATS**

It all depends how fast it can be controlled to help in boosting confidence and reducing uncertainties. Further abnormal increase in input cost and non-clarity on rates of export benefits are creating uncertainty among the manufacturers and exporters.

As expected, some customers in USA and Europe have started shifting textile business from China to India, Bangladesh, Vietnam, etc. Further brands focus has changed to sustainable product lines which can satisfy fashion needs also. We are preparing ourselves to take the advantage of both these changing trends. But at the same time, company has to compete with big mills within India. Company is also developing new fabric using anti-microbial inherent properties and anti-Covid finishes expanding its product offerings and capturing new clients. Company is in better position to enter into low priced items as trade relation between China and America is affected due to increase in import duties by USA. Robust fabric demand and quality of Indian fabrics and the growth momentum in India, despite rising inflation, may be taken as an opportunity for Indian exports.

## **C. OUTLOOK**

The financial year 2023-24 witnessed a once in a lifetime situation. In the coming year financial year 2024-25, we are foreseeing increase in demand since few export customers have started shifting their orders from China to India. However, the Global market outlook is still not clear because of the new strain of Corona virus, world-wide. Vaccination drive has started and there is hope to cover most of the population by second quarter across the globe. Our Product mix are more focused on sustainability having innovative finishes and accordingly new fabrics with anti-microbial properties are being developed and offered to our clients. Also, new finishing techniques (anti Covid finishes) are also being explored to reinvigorate sales and take advantage of the changing market conditions. Product mix is being expanded to include outdoor fabrics and contract fabrics. The Company is expecting better results in future.

**2. TRADING DIVISION (LEATHER HAND GLOVES & SILK FABRICS MANUFACTURED ON HANDLOOM)****A. INDUSTRY STRUCTURE AND DEVELOPMENT**

The Indian Leather Industry plays a significant role in the Indian Economy in view of its substantial export earnings, employment generation and growth opportunities. The export of leather and leather products has increased over past few years. The industry is known for its consistency in high export earnings and it is among the top ten foreign exchange earners for the country. The Company is striving to capture over Global Market and taking various steps to promote company's products all over the world and it is being done in line with global trends to enhance scale, global competitiveness and financial flexibility and also to contribute towards achievement of company's objective and to increase revenue, production volume and market shares.

**B. OPPORTUNITIES AND THREATS**

The Company is extremely enthusiastic about the opportunities in financial year 2023-24 and beyond. The company is fully aware of the factors dictating competition and has been investing with the ups and downs through its various effective measures like cost optimization, competitive pricing, improved production process and enhanced customer satisfaction. To exist in the competitive market company is consistently considering all the significant factors, which provide sharp edges that enable company to enhance the margin. India's share in global market for industrial gloves is very minimal and hence, there exists big scope for future growth.

In silk fabrics following COVID-19 pandemic and other adverse situation, the turnover is expected to increase in financial year 2023-24 as the demand is expected to grow due to an increasing demand from sports, apparel and home furnishing textile products.

**C. OUTLOOK**

The future outlook appears to be better.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The company has appropriate internal control system for business process across various divisions with regard to efficiency of operations, financial reporting, compliance with applicable laws and regulations. The company has kept highly skilled technical and administrative people at our mill, due to which the internal control systems are strictly maintained i.e. increasing productivity and cutting cost at every stage. Under the supervision of highly experienced technical people, we are able to produce highest quality of products for export market. Regular internal audits and checks ensure that responsibility is executed effectively. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them.



**FINANCIAL PERFORMANCE WITH RESPECT TO OPERATION**

During the financial year ended March 31, 2024, your Company has achieved a turnover of Rs. 8169.52 Lakhs as compared to the turnover of Rs. 6222.35 Lakhs recorded during the previous financial year ended March 31, 2023. The Company has earned profit before tax for the financial year ended March 31, 2023 of Rs. 66.329 Lakhs compared to previous financial year profit of Rs. 200.03 Lakhs. The net profit after tax for the financial year ended March 31, 2024 stood to Rs. 53.284 Lakhs as compared to profit of Rs. 157.78 Lakhs over the last financial year.

**SEGMENTWISE PERFORMANCE****(In Lakhs)**

	<b>2023-24</b>	<b>2022-23</b>
<b>TRADING DIVISION</b>		
Sales	6778.54	4875.65
Net Profit	261.46	181.87
<b>WEAVING DIVISION</b>		
Sales	1116.68	1229.71
Net Profit/(loss)	(152.10)	(94.56)
<b>SPINNING DIVISION</b>		
Sales	309.56	119.98
Net Profit/(loss)	(79.04)	70.45

**MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT/ HEALTH, SAFETY MEASURES, INCLUDING NUMBER OF PEOPLE EMPLOYED**

Human resource continues to be one of the biggest assets and plays important role in the success of the Company. The optimum utilization of the skill, knowledge and attitude they possess are instrumental to the growth of the Company. Efforts have been made to induct fresh talent inducing more and more professionalism. The management is paying special attention to various aspects like training, welfare and safety and thereby further strengthening the human resources.

Further, to prevent the spread of pandemic Covid-19, the Company has taken all precautionary measures required, such as social distancing, use of masks and sanitizers etc., at all its factory units and office spaces. Your Company is in full compliance of all Government directives issued in this behalf. The Company has always considered safety as one of its key focus areas and strives to make continuous improvement on this front.

The Company had very harmonious relationship with the employees/workers throughout the year.

**CAUTIONARY STATEMENT**

Certain Statements which have been made in the Management Discussion and Analysis Report describing the estimates, expectations or predictions, may be read as 'forward-looking statements' within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed or implied. The important factors that would make a difference to the Company's operations include demand-supply conditions, raw material prices, changes in Government Policies, Governing Laws, Tax regimes, global economic developments and other factors such as litigation and labor negotiations.

For and on behalf of the Board of Directors

**ZENITH EXPORTS LIMITED**

Sd/-

**Varun Loyalka**

Managing Director

DIN: 07315452

Place : Kolkata

Dated : 12th August' 2024

**REPORT ON CORPORATE GOVERNANCE**

[In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations'2015 ("Listing Regulations") as amended from time to time]

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :**

The fundamental principle of Corporate Governance is achieving sustained growth ethically and in the best interest of all stakeholders. It is not a mere compliance of laws, rules and regulations, but a commitment to values, best management practices and adherence to the highest ethical principles in all its dealings, achieve the objectives of the Company, enhances stakeholder value and discharge its social responsibility. Your Company believes in the philosophy of Corporate Governance that ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Securities and Exchange Board of India (SEBI) has been continuously upgrading the standards of Corporate Governance applicable to Indian Companies. Your Company stringently complies all norms of Corporate Governance as sets out in SEBI Listing Regulations.

**2. BOARD OF DIRECTORS****a) Composition & categories of Board of Directors :**

The Board of Directors of the Company has an optimum combination of executive and non-executive directors in accordance with Regulation 17(1) of the Listing Regulations and Section 149 of the Companies Act, 2013 (hereinafter referred to as "the Act"). As on March 31, 2024, the Company's Board has 6(six) directors comprised as under :

- One Executive Promoter Director
- One Non-Executive Woman Director & Promoter
- Four Non-Executive Independent Directors

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

The Company adheres to the provisions of the Act, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors and its Committees. The Board meets at regular intervals to discuss and decide on business strategies/policies, financial results, business operations, future course of action and reviews all the relevant information which is mandatorily required to be placed before the Board. Minimum four prescheduled Board meetings are held during a year and additional meetings are held to address specific needs. However, the gap between the two Board Meetings did not exceed one hundred and twenty days.

During the financial year 2023-24, 4(Four) Board Meetings were held. The said meetings were held on May 27, 2023, August 11, 2023, November 10, 2023 and February 10, 2024. As per the circulars of the concerned authorities all these board meetings were held in video conferencing / other audio-visual mode as allowed. Minutes of the meetings of all the Board and Committees are circulated to all the Directors.

**c) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), the Board's Committees Chairmanships / Memberships held by them and the number of Directorships held in other public limited companies as on March 31, 2024 are given herein below:**



Name of the Directors	Category of the Directors	Number of Board Meetings attended during FY 2023-24	Whether attended as AGM held on September 27, 2023	Membership/ Chairmanship in Board Committee		Directorship in Public Companies including this Company
				Chairman	Member	
Mr. Varun Loyalka DIN: 07315452	Managing Director	4	Yes	-	-	3
Mrs. Urmila Loyalka DIN: 00009266	Non-Executive, Non-Independent Director	4	Yes	-	-	3
Mr. R. K. Sarawgee DIN: 00559970	Non-Executive Independent Director	4	Yes	2	1	3
Mr. S. Bafna DIN: 00127681	Non-Executive Independent Director	4	Yes	-	2	1
Mr. K. K. Jain DIN: 00551662	Non-Executive Independent Director	4	Yes	1	2	1
Mr. S. K. Shaw DIN: 08507089	Non-Executive Independent Director	4	Yes	-	1	1

**Notes :**

- (i) Directorship excludes Private Limited Companies, Foreign Companies and companies registered under Section 8 of the Companies Act, 2013 ("Act").
- (ii) For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.
- (iii) None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he or she is a Director.
- d) As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings, particulars of Directors seeking appointment /re-appointment at this AGM are given in the Annexure to the Notice of this AGM.

**e) Directorship in other listed entities:**

Except in Zenith Exports Limited, none of the Directors on the Board holds directorship in other listed entities.

**f) Details of equity shares of the Company held by the Directors as on March 31, 2024 and inter-se relationship between Directors are given below :**

<b>Name of the Directors</b>	<b>Category of the Directors</b>	<b>No. of Equity Shares held with Percentage</b>	<b>Inter-se Relationship with other Directors</b>
Mr. Varun Loyalka DIN: 07315452	Promoter/Managing Director	2,68,900 (4.98%)	Son of Mrs. Urmila Loyalka
Mrs. Urmila Loyalka DIN: 00009266	Promoter/Non-Executive, Non-Independent Director	3,29,150 (6.10%)	Mother of Mr. Varun Loyalka

\*Except above no other Director holds any Shares in the Company. The Company has not issued any convertible instruments.

**g) Confirmation from Independent Directors:**

All Independent Directors have confirmed in their Annual Declaration to the Board that they have complied with all the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Pursuant to a notification dated October 22, 2019 issued by the MCA, all Independent Directors of the Company, as confirmed by them, are registered with the Independent Directors' Databank.

**h) The Board confirms that the Independent Directors fulfill the conditions specified in Section 149 of the Act and Regulation 16(1)(b) and Regulation 25(8) of the Listing Regulations and are independent of the management.****i) Familiarisation Programme for Independent Directors**

On the appointment, Independent Directors are familiarized about the Company's operations and businesses. During the year under review the Company organized familiarization program for the Independent Directors in compliance of Regulation 25(7) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, for awareness about the Company's operations and businesses, the roles, responsibilities, duties and rights of the Independent Directors. The details of familiarization program imparted to the Independent Directors during financial year 2023-24 are put up on the website of the Company and can be accessed at [www.zenithexportslimited.com](http://www.zenithexportslimited.com).

**j) Code of Conduct**

All Directors and members of the Senior Management have affirmed their compliance with the Code of Conduct for Board of Directors and Senior Executives as on March 31, 2024 and a declaration to that effect, signed by the Chief Executive Officer (CEO) is annexed and forms part of this report.



The Board of Directors of the Company has adopted a Code of Conduct for the Directors, Key Managerial Personnel, Senior Management Personnel and Functional Heads of the Company. The said Code of Conduct of the Company has been uploaded on the website of the Company and is available at [www.zenithexportslimited.com](http://www.zenithexportslimited.com).

**k) Skills / Expertise / Competencies of Board of Directors :**

In order to effectively discharge its duties, it is necessary that collectively the Board holds the appropriate balance of skills and experience. In terms of requirement of Listing Regulations, the Board has identified core skills / expertise / competencies as required in the context of the business of the Company to function effectively and those actually available with the Board. These are presented as a matrix below :

Skills/Expertise/ Competencies of Board of Directors	Varun Loyalka	Urmila Loyalka	R.K. Sarawgee	K.K. Jain	S. Bafna	S. K. Shaw
Strategic Leadership	Y	Y	Y	Y	Y	Y
Financial Expertise	Y	-	Y	Y	Y	Y
Industry Experience	Y	Y	Y	Y	Y	Y
Governance, risk and compliance	Y	Y	Y	Y	Y	Y
Analytical skills	Y	Y	Y	Y	Y	Y
Expertise on various laws	Y	-	Y	Y	Y	Y
Rich experience of administration, economics, and finance fields	Y	Y	Y	Y	Y	Y

Note : Y-Yes

**l) Separate meeting of Independent Directors :**

During the financial year 2023-24, Independent Directors met separately on March 19, 2024 without the presence of Non-Independent Directors and members of the management in compliance with Regulation 25(3) of the Listing Regulations and Schedule IV of the Companies Act, 2013. All Independent Directors were present and Mr. R.K. Sarawgee chaired the meeting. At the said meeting, the Independent Directors, inter-alia, considered the following :

- i. Reviewed the performance of Non-Independent Directors and the Board as a whole;
- ii. Reviewed the performance of the Chairman of the Board, taking into account the views of executive directors and non-executive directors;
- iii. Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors expressed satisfaction on the performance of Non-Independent Directors and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity and timeliness of flow of information between the Company's management and the Board.

**m) Prevention of Insider Trading Code :**

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company had adopted the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices (which includes Policy on Determination of Legitimate Purpose). All the Directors, employees and third parties such as auditors, consultants, etc. who could have access to the unpublished price sensitive information of the Company are governed by the said Code. The trading window is closed during the time of declaration of results and on occurrence of any material events as per the code. The Company Secretary of the Company is the Compliance Officer under the Code and is responsible for setting forth procedures and implementation of the Code for trading in Company's securities. Code of Corporate Disclosure Practices is hosted on the website of the Company and can be accessed at [www.zenithexportsltd.com](http://www.zenithexportsltd.com).

**n) Formal letter of appointment to the Independent Directors :**

The Company has issued formal letters of appointment to all the Independent Directors on their appointment explaining their roles, responsibilities, code of conduct, functions and duties. The terms and conditions of appointment of Independent Directors have been uploaded on the website of the Company and can be accessed at [www.zenithexportsltd.com](http://www.zenithexportsltd.com).

**3. AUDIT COMMITTEE :****a) Brief description of terms of reference**

The Audit Committee of the Company is constituted in compliance with the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013. The role/terms of reference of the Audit Committee, inter alia, include:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing with the management the quarterly, half-yearly, annual financial statements and auditors' report thereon before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue, the statement of funds utilized and making appropriate recommendations to the Board to take up steps in this matter. § Reviewing and monitoring the auditor's independence, qualification and performance and effectiveness of audit process.
- Recommending to the Board, the appointment, re-appointment, replacement, remuneration, terms of appointment of statutory auditors and the fixation of audit fee.
- Laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions.
- Approval or any subsequent modification of transactions with related parties.
- Review statement of Significant related party transactions.
- Review all material transactions with related parties to be disclosed every quarter along with the compliance report on corporate governance.
- Reviewing on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each omnibus approval given.



- Scrutiny of inter-corporate loans and investments.
- Reviewing Management discussion and analysis of financial condition and results of operations.
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and verify that the systems for internal controls are adequate and are operating effectively.
- Reviewing with the management, performance of Statutory and internal auditors and adequacy of the internal control systems;
- Reviewing the matters required to be mentioned in the Director's Responsibility Statement to be included in the Board's Report;
- Valuation of undertakings or assets of the company wherever it is necessary.
- Reviewing the functioning of the Whistle Blower Mechanism.
- Evaluation of internal financial controls and risk management systems.
- Approval of appointment of chief financial officer after assessing the qualifications, experience and background of the candidate.
- Reviewing the Internal Audit Report presented by the internal auditors including the independence, adequacy and effectiveness of the overall internal audit function;
- Reviewing any internal investigations by the internal auditors into areas of suspected fraud or irregularity of a material nature and reporting the matter to the Board.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances /investments existing as on the date of coming into force of this provision.
- Considerand comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Carrying out any other function as provided under the Act, Listing Regulations and other applicable laws. Further the audit committee shall 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 shall be subject to review by the audit committee.
- Statement of deviations :
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

**b) Composition, Name of Members, Chairman, Meetings and Attendance at the Committee Meetings**

As on March 31, 2024, the Audit Committee consisted of 4(four) non-executive independent directors. All members of the Audit Committee are financially literate as defined in Regulation 18(1)(c) of the Listing Regulations. Mr. R.K. Sarawgee, Chairman of the Audit Committee, has expert knowledge in Finance, Accounts, Taxation and Company Law matters. He was present at the last Annual General Meeting of the Company held on September 27, 2023. The Company Secretary acts as the Secretary to the Committee.

During the financial year 2023-24, the Audit Committee met 4(four) times. The said meetings were held on May 27, 2023, August 11, 2023, November 10, 2023 and February 10, 2024.

The composition of the Audit Committee and the details of meetings held and attended by the members during the financial year are given below :

<b>Name</b>	<b>Category</b>	<b>Position</b>	<b>No. of Meetings held</b>	<b>No. of Meetings attended</b>
Mr. R. K. Sarawgee	Non-Executive Independent Director	Chairman	4	4
Mr. S. Bafna	Non-Executive Independent Director	Member	4	4
Mr. K. K. Jain	Non-Executive Independent Director	Member	4	4
Mr. S. K. Shaw	Non-Executive Independent Director	Member	4	4

Notes : The meetings were attended through Video Conference and there was no leave of absence.

**4. NOMINATION AND REMUNERATION COMMITTEE:****a) Brief description of terms of reference**

The Nomination and Remuneration Committee of the Company is duly constituted and functions in accordance with Regulation 19 read with Schedule-II, Part-D of the Listing Regulations and Section 178 of the Companies Act, 2013. The role/terms of reference of the Nomination and Remuneration Committee include the following :

- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal.
- Formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.





- Formulation of the criteria for evaluation of performance of independent directors and the board of directors.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors.
- Identify Independent Directors to be inducted in to the Board from time to time and take steps to refresh the composition of the Board from time to time.
- Recommending to the Board, the remuneration of Managing and Whole-time Directors, including their annual increment and commission after reviewing their performance.
- Recommending to the Board, remuneration, payable to senior management.
- Review information on recruitment and remuneration of senior officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Devising a policy on board diversity of Board of Directors.
- Performs such other functions as may be specified by the Board from time to time.

**c) Composition, Name of Members, Chairman, Meetings and Attendance at the Committee Meetings**

As on March 31, 2024, the Nomination and Remuneration Committee consisted of 3(three) non-executive independent directors. Mr. K. K Jain, Independent Director, is the Chairman of the Committee. He was present at the last Annual General Meeting of the Company held on September 27, 2023. The Company Secretary acts as the Secretary to the Committee.

During the financial year 2023-24, the Nomination and Remuneration Committee met 3(three) times. The said meetings were held on August 11, 2023, November 10, 2023 and February 10, 2024.

The composition of the Nomination and Remuneration Committee and the details of meetings held and attended by the members during the financial year are given below :

<b>Name</b>	<b>Category</b>	<b>Position</b>	<b>No. of Meetings held</b>	<b>No. of Meetings attended</b>
Mr. K. K. Jain	Non-Executive Independent Director	Chairman	3	3
Mr. R. K. Sarawgee	Non-Executive Independent Director	Member	3	3
Mr. S. Bafna	Non-Executive Independent Director	Member	3	3

Notes : The meetings were attended through Video Conference and there was no leave of absence.

**d) Performance Evaluation**

Pursuant to the provisions of Section 134 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations, the annual performance evaluation was carried out for financial year 2023-24 by the Board of its own performance, the directors individually as well as the evaluation of the working of its various committees i.e. Audit Committee, Nomination and Remuneration Committee, and Stakeholders' Relationship Committee as per the criteria laid down by the Nomination and Remuneration Committee as specified in Part D of Schedule II of SEBI Listing Regulations read with section 178 of the Companies Act, 2013.

A structured questionnaire covering various aspects such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared which is broadly based on the Guidance note issued by SEBI vide circular no. CMD/CIR/P/2017/004 dated January 5, 2017.

A separate exercise was carried out to evaluate the performance of individual directors including the Chairman of the Board, who were evaluated on parameters such as participation and contribution by a director, commitment, including guidance/support provided to the senior management outside of Board/ committee meetings, degree of fulfillment of key responsibilities, effectiveness of meetings etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

**5. REMUNERATION OF DIRECTORS :****a) Nomination and Remuneration Policy**

In terms of Section 178 of the Companies Act' 2013 and pursuant to Regulation 19(4) of the SEBI Listing Regulations, the Board of Directors of the Company has a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees. Salient features of Nomination and Remuneration Policy of the Company are given in the Report of Board of Directors, forming part of this Annual Report. The Policy provides for criteria and qualifications for appointment of Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs), remuneration to them, Board diversity etc. The Nomination & Remuneration Policy has been uploaded on the website of the Company at [www.zenithexportsltd.com](http://www.zenithexportsltd.com).

**b) Pecuniary relationship or transactions of Non-Executive Directors**

During the year under review, there was no pecuniary relationship or transactions between the Company and any of its Non-Executive Directors apart from sitting fees for attending the meetings of the Company.

**c) Remuneration paid to Non-Executive Directors**

The Non-executive Directors of the Company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its various Committees. The said sitting fees paid to the Non-executive Directors are fixed by the Board and reviewed from time to time.

Details of the sitting fees paid to the Non-Executive Directors for attending Board/Committee Meetings held for the year 2023-24 are as under :

Sl. No.	Name	Sitting Fees (Rs.)	Sitting Fees General Meeting
1	Mr. R. K. Sarawgee	54,000/-	5000/-
2	Mr. S. Bafna	50,000/-	5000/-
3	Mr. K. K. Jain	56,000/-	5000/-
4	Mr. S. K. Shaw	50,000/-	5000/-

**Notes:**

- (i) The sitting fee paid to Non-Executive Directors is for attending the meetings of Board of Directors and various Committees of Board.
- (ii) The Company has not granted any Employee Stock Option to its Non-Executive Directors.
- (iii) No Non-Executive Director has been paid in excess of 50% of the total amount paid to all the Non-Executive Directors of the Company.

**d) Remuneration paid to Executive Directors**

Payment of remuneration to the Executive Directors of the Company is governed by the terms and conditions of their appointment as recommended by the Nomination and Remuneration Committee and approved by the Board subject to the approval of the Shareholders and the Central Government, wherever applicable. The remuneration paid to Executive Directors of the Company is in compliance with Provisions stipulated in Companies Act, 2013 and rules made thereunder. The remuneration of the Executive Directors includes fixed and variable salary, performance bonus, contribution to provident fund, superannuation, gratuity, perquisites and allowances, reimbursement of expenses, etc. as applicable to employees of the Company.

The details of remuneration paid to Executive Directors for the year ended March 31, 2024 are given below:

**(Amount in Rs.)**

<b>Name of the Director/KMP</b>	<b>Designation</b>	<b>Salary and Allowances (Fixed Component)</b>	<b>Other Benefits</b>	<b>Total</b>
Mr. Varun Loyalka	Managing Director	15,21,600/-	-	15,21,600/-

**Notes :**

- (i) Fixed component includes Basic Salary and Allowances and Other Benefits include Provident Fund, Medical expenses, Perquisites etc.
- (ii) None of the Directors of the Company are subject to any notice period and severance fees.
- (iii) The Company has not granted any Employee Stock Option to its Executive Directors.
- (iv) The Total Remuneration paid to the Directors during the period is within the threshold as prescribed under Regulation 17 of Listing Regulations.

**6. STAKEHOLDERS RELATIONSHIP COMMITTEE :****a) Brief description of terms of reference**

The Stakeholders' Relationship Committee of the Company is duly constituted and act in accordance with Regulation 20 read with Schedule-II, Part-D of the Listing Regulations and Section 178 of the Companies Act, 2013. The terms of reference of the Stakeholders' Relationship Committee inter-alia includes the following :



- Resolving the grievances of the shareholders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Approve issue of duplicate share certificates either at meetings or through circular resolution.
- Oversee the performance of the Company's Registrar and Share Transfer Agent and recommends measures for overall improvement of the quality of investor services as and when need arises.
- Review of measures taken for effective exercise of voting rights by shareholders. § Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Carrying out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

**b) Composition, Name of Members, Chairman, Meetings and Attendance at the Committee Meetings**

As on March 31, 2024, the Stakeholders' Relationship Committee consisted of 3(three) non-executive independent directors. Mr. R.K. Sarawgee, Independent Director, is the Chairman of the Committee. He was present at the last Annual General Meeting of the Company held on September 27, 2023. The Company Secretary acts as the Secretary to the Committee.

During the financial year 2023-24, the Stakeholders' Relationship Committee of the Company met 2(two) times. The said meetings were held on May 27, 2023, and March 19, 2024.

The composition of the Stakeholders' Relationship Committee and the details of meetings held and attended by the members during the financial year are given below :

<b>Name</b>	<b>Category</b>	<b>Position</b>	<b>No. of Meetings held</b>	<b>No. of Meetings attended</b>
Mr. R. K. Sarawgee	Non-Executive Independent Director	Chairman	2	2
Mr. K. K. Jain	Non-Executive Independent Director	Member	2	2
Mr. S. K. Shaw	Non-Executive Independent Director	Member	2	2

Notes : The meeting was attended through Video Conference and there was no leave of absence.

**c) Name and designation of Compliance Officer**

Mr. Jeetender Kumar Ram, Company Secretary (w.e.f . 13.01.2023 till 30.11.2023)

Mr. Varun Loyalka, Managing Director( w.e.f. 01.12.2023 till 11.02.2024)

Mrs. Anita Kumari Gupta, Company Secretary (w.e.f .12.02.2024)

Address : 19, R. N. Mukherjee Road, Kolkata-700 001

Phone : 033 – 2248 7071/6936

Email Id : sec@zenithexportsltd.net

**d) Shareholders Complaints received and resolved during the year 2023-24**

Details of complaints received as reported under Regulation 13(3) of the Listing Regulations and resolved by the Company during the financial year 2023-24 are given below:

Number of complaints pending at the beginning of the year	Nil
Number of complaints received during year	Nil
Number of complaints resolved during the year	Nil
Number of complaints not resolved to the satisfaction of the shareholder	Nil
Number of complaints pending at the end of the year	Nil

**e) ShareTransfer System**

The Share transfer is processed by the Registrar & Share Transfer Agent M/s. C B Management Services (P) Limited in accordance with the stipulated guidelines. The authority relating to transfer of shares and allied work relating to servicing of investors has been delegated by the Board to the Stakeholder's Relationship Committee.

**7. GENERAL BODY MEETINGS****a) Location and time where last three Annual General Meetings (AGMs) were held and whether any special resolutions passed in the previous three AGMs**

The details of the last three Annual General Meetings of the Company and whether any special resolutions were passed in the previous three AGMs are given below :



<b>Financial Year</b>	<b>Date/ Time</b>	<b>Location</b>	<b>Details of Special resolution</b>
2022-23	27.09.2023 11.30 a.m.	Through Video Conferencing / Other Audio-Visual Means, deemed Venue was 19, R.N. Mukherjee Road, Kolkata - 700001	No Special Resolution was passed, only ordinary resolution was passed for Approval of Audited Financial Statement as on 31.03.2023 and re- appointment of Mr. Varun Loyalka liable for rotation offered for re- appointment.
	08.02.2023 11.30 a.m.	Through Video Conferencing / Other Audio-Visual Means, deemed Venue was 19, R.N. Mukherjee Road, Kolkata - 700001	An Extra Ordinary General Meeting was held for appointment of V. Goyal & Associates (FRN-312136E), Chartered Accountants to act as Statutory Auditors of the company for second term of 5 consecutive years from the conclusion of the 40th AGM till the conclusion of the 45th AGM to be held in year 2027.
2021-22	30.09.2022 11:30 a.m.	Through Video Conferencing / Other Audio-Visual Means, deemed Venue was 19, R.N. Mukherjee Road, Kolkata - 700001	No Special Resolution was passed; only ordinary resolution was passed for Approval of Audited Financial Statement as on 31.03.2022 and re- appointment of Mrs. Urmila Loyalka liable for rotation offered for re-appointment.
2020-21	29.09.2021 11.30 a.m.	Through Video Conferencing / Other Audio-Visual Means, deemed Venue was 19, R.N. Mukherjee Road, Kolkata – 700001	An item of Special Resolution was placed at the Annual General Meeting for approval of payment of remunera- tion to Mr. Surendra Kumar Loyalka.

**b) Passing of Resolution by Postal Ballot :-**

There are Special Resolutions which was passed through Postal Ballot during financial year 2023-24. The details of the special Resolution passed by the Company are given below :

<b>Date/ Time</b>	<b>Details of Special resolution</b>
21-12-2023	1. Re-appointment of Mr. Rabindra Kumar Sarawgee (DIN: 00559970), as Non-Executive Independent Director of the Company. 2. Re-appointment of Mr. Surendra Bafna (DIN: 00127681), as Non-Executive Independent Director of the Company.
02-04-2024	1. Re-appointment of Mr. Kamal Koomar Jain (DIN: 00551662), as Non-Executive Independent Director of the Company. 2. Re-appointment of Mr. Sanjay Kumar Shaw (DIN: 08507089), as Non-Executive Independent Director of the Company.



Further, no Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report.

## **7. MEANS OF COMMUNICATION :**

The Company regularly interacts with Shareholders through multiple channels of communication such as results announcement, annual report, media releases, Company's website and subject specific communications.

Summary of major efforts of the Company in this regard is given below :

### **a) Quarterly Results :**

The quarterly, half-yearly and annual financial results of the Company are published in leading newspapers of India and also displayed on Company's website at [www.zenithexportslimited.com](http://www.zenithexportslimited.com).

### **b) Newspapers where in results normally published :**

The quarterly results are generally published in 'Business Standard' in all India editions of English language and The 'Arthik Lipi' in Bengali language within 48 hours of declaration thereof.

### **c) Website :**

The quarterly, half-yearly and annual financial results of the Company are put on the website of the Company at [www.zenithexportslimited.com](http://www.zenithexportslimited.com) after these are submitted to the Stock Exchanges viz Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

### **d) News Release and presentation :**

The press releases and official news, as applicable, are sent to the stock exchanges and also displayed on the website of the Company.

### **e) Presentations made to institutional investors or to the analysts :**

All price sensitive information is promptly intimated to the stock exchanges before releasing to the media, other stakeholders and uploading on Company's website.

**9. GENERAL SHAREHOLDER'S INFORMATION :**

*42nd Annual General Meeting to be held for the financial year 2022-23  Day Date Time Venue	Tuesday 24th September' 2024 11.30 a.m. Through Video Conferencing or Other Audio Visual Means only as per the General Circular issued by the Ministry of Corporate Affairs at the Registered Office of the Company
Financial Year	April 1, 2023 to March 31, 2024
* Financial Calendar (April 01, 2023 to March 31, 2024) [i] First Quarter results [ii] Second Quarter Results [iii] Third Quarter Results [iv] Fourth Quarter and Annual Results [v] Annual General Meeting	On or before August 14, 2023 On or before November 14, 2023 On or before February 14, 2024 On or before May 30, 2024 On or before September 30, 2024
* Listing on Stock Exchanges	The Company's Equity Shares are listed on the following Stock Exchanges :  <b>a) National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Plot No. C/1, G Block Bandra - Kurla Complex, Bandra (E), Mumbai – 400 051. <u>Stock code – ZENITHEXPO</u>  <b>b) BSE Limited (BSE)</b> P. J. Towers, Dalal Street, Mumbai – 400 001 <u>Stock code – 512553</u>  The Company has paid annual listing fees for the financial year 2023-2024.
* Dividend Payment Date	The Company has not paid and declared any dividend during the financial year 2023-24.
* Book Closure Date	Wednesday, September 18, 2024 to Tuesday September 24, 2024 (both days inclusive).
*ISIN	INE 058B01018
*Market price Data & Stock performance in comparison to broad-based indices	As per Appendix 'A'





<p>* Registrar and Transfer Agents</p>	<p>Members may correspond with the Company's Registrar and Transfer Agent, M/s. C B Management Services (P) Limited, quoting their folio numbers/DP ID and Client ID at the following addresses : P-22, Bondel Road, Kolkata - 700 019 Tel : 033 4011-6700/2280-6692 E-mail - <a href="mailto:rta@cbmsl.com">rta@cbmsl.com</a>, Website - <a href="http://www.cbmsl.com">www.cbmsl.com</a></p>
<p>* Share Transfer System</p>	<p>The Share transfer is processed by the Company's Registrar &amp; Share Transfer Agent M/s. C B Management Services (P) Limited in accordance with the stipulated guidelines. The authority relating to transfer of shares and allied work relating to servicing of investors has been delegated by the Board to the Stakeholder's Relationship Committee.</p> <p>Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects.</p>
<p>* Distribution of Shareholding &amp; Shareholding pattern</p>	<p>As per Appendix 'B' &amp; 'C'</p>
<p>* Dematerialisation of shares and liquidity</p>	<p>As on March 31, 2024, 99.43% of the equity shares were in electronic form. Trading in equity shares of the Company is permitted only in dematerialized form. The Company's equity shares are actively traded on BSE and NSE. Further, during the financial year, the Securities and Exchange Board of India ("SEBI") and the Ministry of Corporate Affairs ("MCA") has mandated that existing members of the Company who hold securities in physical form and intend to transfer their securities after April 1, 2019, can do so only in dematerialised form.</p> <p>4415313 (81.82%) equity Shares have been dematerialised with National Securities Depository Limited (NSDL)</p> <p>950098 (17.61%) equity Shares have been dematerialised with Central Depository Services (India) Limited (CSDL).</p> <p>30839 (0.57%) equity Shares are in physical form.</p>



a) *Plant Locations	<p>a) <b>Zenith Textile (a unit of Zenith Exports Ltd.)</b> Nanjangud, Dist. - Mysore, Karnataka - 571 302</p> <p>b) <b>Zenith Exports Limited</b> 106, B. T. Road, Kolkata- 700 108.</p> <p>c) <b>Zenith Exports Limited</b> 515 Anandapur, P-71, Phase-II, Kasba Industrial Estate, Kolkata-700 107</p> <p>d) <b>Zenith Exports Limited</b> 515 Anandapur, P-29, Phase-II, Kasba Industrial Estate, Kolkata-700 107.</p> <p>e) <b>Zenith Spinners (a unit of Zenith Exports Ltd.)</b> Dholka Bagodara State Highway, Village-Sarandi, Dholka, Ahmedabad -387 810</p>
*Outstanding GDRs / ADRs / Warrants / any other convertible instruments	The Company does not have any outstanding ADRs/ GDRs/Warrants or any convertible instruments.
* Address for correspondence	Mrs. Anita Kumari Gupta, Company Secretary & Compliance Officer Zenith Exports Limited 19, R. N. Mukherjee Road, 1st Floor, Kolkata - 700 001 Tel : 033 2248-7071/6936 E-mail : sec@zenithexportsltd.net

**APPENDIX – ‘A’**

The Stock market price data with number of shares traded during each month in the last Financial Year 2023-2024 on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE):

<b>Month &amp; Year</b>	<b>Opening (Rs)</b>	<b>High (Rs)</b>	<b>Low (Rs)</b>	<b>Closing (Rs)</b>
April, 2023	80.60	86.00	79.01	82.60
May, 2023	86.00	87.98	82.00	84.55
June, 2023	84.00	129.12	84.00	107.82
July, 2023	100.70	108.95	100.00	106.75
August, 2023	103.70	113.95	98.90	100.00
September, 2023	99.99	116.32	98.20	105.05
October, 2023	110.30	121.70	104.60	116.50
November, 2023	110.70	168.40	110.70	168.40
December, 2023	176.80	176.80	150.65	160.55
January, 2024	161.35	162.80	147.55	149.55
February, 2024	150.10	191.95	150.10	191.95
March, 2024	187.05	183.40	159.50	169.00

**APPENDIX – ‘B’****Distribution of Shareholding as on 31.03.2024**

<b>RANGE</b>	<b>SHARES</b>	<b>% OF SHARES</b>	<b>FOLIOS</b>	<b>% of Folios</b>
1-5000	212863	3.944646	2365	98.70617
5001 - 10000	47419	0.8787398	6	0.2504173
10001 - 20000	39693	0.7355663	2	0.0834724
20001 - 30000	111504	2.066323	4	0.1669449
30001 - 40000	0	0.0000000	0	0.0000000
40001 - 50000	89512	1.658781	2	0.0834724
50001 - 100000	166000	3.07621	2	0.0834724
100001 & above	4729259	87.63973	15	0.6260434
<b>TOTAL</b>	<b>5396250</b>	<b>100.00</b>	<b>2396</b>	<b>100.00</b>

**Shareholding Pattern as on 31.03.2024**

<b>Category</b>	<b>No. of Shares held</b>	<b>Percentage of Shareholding</b>
<b>A. Promoter's holding</b>		
1. Promoters		
a) Indian Promoters	2457556	45.54
b) Foreign Promoters	Nil	Nil
<b>2. Persons acting in Concert</b>	Nil	Nil
<b>Sub - Total</b>	<b>2457556</b>	<b>45.54</b>
<b>B. Non-Promoter's holding</b>		
3. Institutional Investors		
a) Mutual Funds and UTI	Nil	Nil
b) Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Govt. Institutions)	Nil	Nil
c) Foreign Institutional Investors	Nil	Nil
<b>Sub - Total</b>	<b>NIL</b>	<b>NIL</b>
<b>4. Others</b>		
a) Private Corporate Bodies/Trust	2074932	38.45
b) Indian Public/ HUF	859346	15.92
c) NRIs/OCBs	4416	0.08
d) Any other (Clearing Member)	0	0.00
e) Trust	0	0.00
<b>Sub - Total</b>	<b>2603694</b>	<b>54.45</b>
<b>Grand Total</b>	<b>5396250</b>	<b>100.00</b>

**9. OTHER DISCLOSURES:****a) Materially Significant Related Party Transactions:**

During the financial year under review, no materially significant transactions or arrangements were entered into between the Company and its promoters, Directors, Key Managerial personnel or their relatives etc. that may have potential conflict with the interests of the Company at large. Details of transactions with the related parties as specified in Indian Accounting Standards (Ind AS 24) have been reported in the Financial Statements.

**b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years are as follows :**

FINANCIAL YEAR	AUTHORITY	PARTICULARS	PENALTY
2023-2024	NIL	N.A.	N.A.
2022-2023	BSE & NSE	Non-compliance under Reg. 23(9) SEBI, (LODR) Regulations, 2015.	Rs. 70,800/- each
2021-2022	NIL	N.A.	N.A.

**c) Vigil Mechanism /Whistle Blower Policy :**

The Company has a Vigil Mechanism and a Whistle blower Policy in place to enable its Directors, employees and its stakeholders to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy is available on the website of the Company at [www.zenithexportsltd.com](http://www.zenithexportsltd.com).

**d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements :**

The Company has complied with all the mandatory requirements prescribed by SEBI Listing Regulations. The Company has also complied with below mentioned non-mandatory requirements as stated under Part E of Schedule II to the Listing Regulations for financial year 2023-24:

- i) **Shareholders' Rights** : The quarterly and half yearly financial performance are forwarded to the Stock Exchange(s), published in newspapers and also displayed on the Company's website.
- ii) **Modified Opinion in Auditors Report** : The Company's financial statements for the financial year 2023-24 do not contain any modified audit opinion.
- iii) **Reporting of Internal Auditors** : The Internal Auditor of the Company is appointed on the recommendation of the Audit Committee and is given the opportunity to report directly to the Committee.

**e) Policy for determining 'material' subsidiaries of the Company :** The Company does not have any subsidiary Company.

**f) Policy on Related Party Transactions :**

The Company has formulated a policy on materiality of related party transactions and on dealings with such transactions. This policy has also been published on the website of the Company at [www.zenithexportslimited.com](http://www.zenithexportslimited.com)

**g) Disclosure of Commodity Price Risk or Foreign Exchange risk and Hedging Activities :**

The Company operates in various geographies and is exposed to foreign exchange risk on its various currency exposures. Volatility in currency exchange movements in GBP, USD, and EURO can have an impact on the Company's operations. Based on continuous monitoring and market intelligence the sales and procurement team take appropriate strategy to deal with the market volatility.

**h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) :**

The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) during the financial year 2023-24.

**i) Non Acceptance of the Recommendation of any Committee of the Board :**

There was no such instance during the financial year 2023-24 when the board had not accepted any recommendation of any Committee of the Board.

**j) Accounting treatment in preparation of Financial Statements :**

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules thereunder. The Significant Accounting Policies which are consistently applied have been set out in the notes to the financial statements.

**k) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 :**

The Company has a zero tolerance towards sexual harassment at the workplace and has adopted a Policy on Prevention and Prohibition of Sexual Harassment at Workplace and has also put in place a redressal mechanism for resolving complaints received with respect to sexual harassment and discriminatory employment practices for all genders. This Anti-Sexual Harassment policy of the Company is in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

Summary of sexual harassment complaints received and disposed of during the financial year is as under:

No. of complaints pending at the beginning of the year	Nil
No. of complaints received during the year	Nil
No. of complaints disposed off during the year	Nil
No. of complaints pending at the end of the year	Nil



a) The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 are as under:

<b>Regulations</b>	<b>Particulars of Regulations</b>	<b>Compliance status (Yes/No/NA)</b>
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	N.A.
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	N.A.
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i) and (t)	Website	Yes

**n) Fees paid to the Statutory Auditors**

The total fees paid by the Company to the statutory auditor including fees paid to branch auditors during the financial year 2023-24 is summarized hereunder :

<b>Payment to Statutory Auditors</b>	<b>(Amount)</b>
Statutory Audit	2,72,500/-
Other Services including reimbursement of expenses	1,00,700/-
<b>Total</b>	<b>3,73,200/-</b>

\* Details of fees paid to auditors are given in Note No. 38 to the financial statements.

**o) Disclosure with respect to demat suspense account :**

The Company does not have any securities in the demat suspense account/unclaimed suspense account.

**p) Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Schedule V of the Listing Regulations :**

The Company has duly complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub- regulation (2) of Regulation 46 of the Listing Regulations.

**9. CEO and CFO certification**

As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) of the Company has furnished to the Board, the requisite compliance certificate for the financial year 2023-24 which is enclosed to this report.

**10. Certificate for compliance with Corporate Governance**

The Company has obtained a Certificate from the statutory auditors M/s. V. Goyal & Associates, Chartered Accountants, regarding compliance of conditions of Corporate Governance as stipulated under Part-D of Schedule V of SEBI Listing Regulations and the same is annexed to this Annual Report.

**11. Secretarial Audit**

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations’2015, the Company’s Board of Directors appointed Mr. Asit Kumar Labh (ACS:32891, COP No.14664), Practicing Company Secretary, as Secretarial Auditor to conduct secretarial audit of its records and documents for the financial year 2023-24.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

**ZENITH EXPORTS LIMITED**

**ZENITH EXPORTS LIMITED**

Sd/-

**Rabindra Kumar Sarawgee**

Director

DIN: 00559970

Sd/-

**Varun Loyalka**

Managing Director

DIN: 07315452

Place : Kolkata

Date : 12.08.2024

**Declaration by the Chief Executive Officer (CEO) on Code of Conduct as required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To

The Members of Zenith Exports Limited

I, Rajkumar Loyalka, Chief Executive Officer (CEO) of the Company hereby declare that all the members of Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the financial year 2023-24.

**For ZENITH EXPORTS LIMITED**

Sd/-

**Rajkumar Loyalka**

(Chief Executive Officer)

PAN : ABBPL5795R

Place : Kolkata

Date : 12.08.2024





**CHIEF EXECUTIVE OFFICER (CEO)/ CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**  
**(Pursuant to regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015**  
**For the Financial Year ended 31st March, 2024**

To  
The Board of Directors  
Zenith Exports Limited  
19, R.N. Mukherjee Road,  
Kolkata - 700 001

We, Rajkumar Loyalka, Chief Executive Officer (CEO) and Sushil Kumar Kasera, Chief Financial Officer (CFO) certify to the Board of Directors of Zenith Exports Limited (the "Company") that :

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2024 and that to the best of our knowledge and belief, we state that:
- (i) these statements do not contain any material untrue statement or omit any material fact or contain any statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or violate of the Company's code of Conduct.
- c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee :
- (i) that there are no significant changes in internal control during the year;
- (ii) that there are no significant changes in accounting policies during the year other than those which have been disclosed in the notes to the financial statements;
- (iii) that there are no instances of significant fraud of which we became aware or the involvement therein, of any member of management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-  
**Rajkumar Loyalka**  
(Chief Executive Officer)  
PAN: ABBPL5795R

Sd/-  
**Sushil Kumar Kasera**  
(Chief Financial Officer)  
PAN: AFNPK5320D

Place : Kolkata  
Date : 12.08.2024



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE CONDITIONS OF  
CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF THE SECURITIES  
AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE  
REQUIREMENTS) REGULATIONS '2015, AS AMENDED**

To

The Members of Zenith Exports Limited

1. We, V. Goyal & Associates, Chartered Accountants, the Statutory Auditors of Zenith Exports Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended March 31, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations '2015, as amended (the "Listing Regulations").

**Management's Responsibility**

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

**Auditor's Responsibility**

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2024.
8. We 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 **V. Goyal & Associates**  
**Chartered Accountants**  
(Firm Registration No. 312136E)  
Sd/-

**Vinod Kumar Goyal**  
Partner  
(Membership No. 050670)  
UDIN:24050670BKHGWF1753

Place : Kolkata

Date : 12.08.2024

**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 of  
Zenith Exports Limited**  
19, R. N. Mukherjee Road  
Kolkata - 700 001  
West Bengal

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Zenith Exports Limited** having CIN : L24294WB1981PLC033902 and having registered office at 19, R. N. Mukherjee Road, Kolkata – 700001, West Bengal (herein after referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

SI. No.	Name of Director	DIN	Date of appointment in Company
1.	Urmila Loyalka	00009266	13.02.2015
2.	Surendra Bafna	00127681	12.11.2018
3.	Kamal Koomar Jain	00551662	13.02.2019
4.	Rabindra Kumar Sarawgee	00559970	12.11.2018
5.	Varun Loyalka	07315452	29.05.2018
6.	Sanjay Kumar Shaw	08507089	12.08.2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This Certificate has been issued relying on the documents and information as mentioned herein above and as were made available to us or as came to our knowledge for verification without taking any cognizance of any legal dispute(s) or sub-judice matters which may have effect otherwise, if ordered so, by any concerned authority(ies). This certificate is also neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata  
Dated: 30.05.2024

**(Asit Kumar Labh)**  
*Practicing Company Secretary*  
**ACS – 32891 / CP No.- 14664**  
**UDIN: A032891F000492768**

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of M/s. ZENITH EXPORTS LTD.**

**Report on the Standalone Financial Statements****Opinion**

We have audited accompanying standalone financial statements of Zenith Exports Limited ("the Company"), which comprise of the balance sheet as at March 31, 2024, the statement of Profit and Loss (Including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian accounting standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standard on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 independent requirement that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on standalone financial statements.

**Key Audit Matters**

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

**Information Other than the Financial Statements and Auditor's Report Thereon**

The company's Board of Directors are responsible for the preparation of the other information. The other information comprises of the information included in the management discussion and analysis,



Board's report including Annexure to Board's Report, Corporate Governance and Shareholders information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statement, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the standalone financial statement or other information obtained during the course of our audit or otherwise appear 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.

### **Responsibilities of Management and those charged with governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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 are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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 Standards on Auditing (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 standalone financial statements.



We also:

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

- Identify and assess the risks of material misstatement of the standalone 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

**Other Matters**

We did not audit the financial statements/information of Units of Zenith Textiles, Mysore & Zenith Spinners-Ahmadabad included in the financial statements of the company whose financial statements/financial information reflects total assets Rs. 3013.99 Lacs as at 31st March 2024 and total Income of Rs.1506.09 Lacs for the year ended on that date, as considered in the Ind As Financial statements/information of these units have been audited by the unit auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of units, is based solely on the report of such unit auditors.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") CARO, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 reports on the accounts of the units of the Company audited under Section 143(8) of the Act by unit auditors have been sent to us and have been properly dealt with by us in preparing this report.
- d) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the statement of change in equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- h) With respect to the other matters to be included in the Auditor's Report under section 197(16) of the Act, in our opinion and as per the information and explanations provided to us, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by provision of section 197 read with schedule V to the Act.
- i) 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:

- (i) The Company does not have any pending litigations which would impact its financial position.
- (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv) As per the management representation we report,
  - a. no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities (“Intermediaries”), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
  - b. no funds have been received by the company from any person(s) or entities including foreign entities (“Funding Parties”) with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
  - c. Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) of Rule 11(e) as provided under clause (a) and (b) above contain any material mis-statement.
- (v) Based on our examination, which included test checks, the company has used accounting software for maintaining books of account which has a feature of recording audit trail (Edit Log) facility and that has operated throughout the financial year for all relevant transactions recorded in the said software. During the course of performing our procedures, we did not notice any instance of audit trail feature being tampered with for the period the audit trail was enabled.

*For and on behalf of*

**V. Goyal & Associates**

*Chartered Accountants*

Firm’s registration number: 312136E

**(Vinod Kumar Goyal)**

Partner

Membership Number: 050670

UDIN: 24050670BKHWGC8412

Place : Kolkata

Dated : 30th day of May, 2024



**“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT**

Referred to in paragraph (1) under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the standalone Ind AS financial statements of the Company for the year ended March 31st, 2024 :

**1) In respect of Property, Plant and Equipment :**

- a) The company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.
- b) As informed to us, property, plant & equipment have been physically verified by the management at reasonable intervals, and no material discrepancies were noticed on such verification;
- c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of the immovable properties disclosed in the financial statements (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company.
- d) According to the information and explanations given to us and on the basis of our examination of records of the company, the company has not revalued its properties, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e) According to the information and explanations given to us and on the basis of our examination of the record of the company, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

**2) In respect of Inventory and working capital limits:**

- a) As informed to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancy of 10% or more for each class of inventory were noticed on such verification and discrepancies noticed on such verification have been properly dealt with in the books of accounts. In our opinion the coverage and procedure of such verification by the management is appropriate in relation to the size of the company and nature of its business.
- b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and on our verification of quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

**3 In respect of Loans, Guarantee and Advances given:**

- a) According to the information and explanations given to us and on the basis of our examination of the books of account, during the year, the Company has not made investments in, provided any guarantee or granted any loans, secured or unsecured, to companies, firms,



Limited Liability Partnerships or any other parties during the year Accordingly, requirement of clause (iii) of the paragraph 3 of the order is not applicable to the company.

**4) In respect of compliance of provisions of Section 185 and 186 of the Act :-**

According to the information and explanations given to us and on the basis of our examination of the books of account 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 as far as the same is applicable.

**5) In respect of deposits :** The Company has not accepted any deposits or amounts which are deemed to be deposits during the year as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

**6) Maintenance of costing records :** As per information & explanation given by the management, the company has maintained the cost records specified by the Central Government undersub-section (1) of section 148 of the Companies Act, 2013 as far as applicable to it.

**7) In respect of Statutory Liabilities:-**

- a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Goods and Service tax, Custom Duty, cess and any other material statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities.
- b) According to the information and explanations given to us there were no outstanding statutory dues as on 31st March, 2024 for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us, there is no amount payable in respect of income tax, Goods & Service Tax, customs duty, cess and any other material statutory dues to the extent applicable, which have not been deposited on account of any disputes.

**8) Surrendered or disclosed as income in the tax assessments :**

According to the information and explanations given to us, and on the basis of our examination of records of the Company, there has been no instances where transactions not recorded in the books have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. There is no previously unrecorded income which is required to be recorded in the books of accounts.

**9) Default in repayment of borrowings :** In our opinion and according to the information and explanations given by the management, we are of the opinion that :-

- a) the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) the company has not been declared as willful defaulter by any bank or financial institution or other lender.



- c) terms loans obtained by the company have been applied by the company for the purpose for which the same were obtained.
  - d) funds raised on short term basis have not been utilised for long term purposes.
  - e) the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- 10) **Funds raised and utilization** : Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 11) **Fraud and whistle-blower complaints** : According to the information and explanations given to us, we report that :-
- a) no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
  - b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
  - c) the company has not received any whistle blower complaint during the year.
- 12) **Nidhi Company** : The company is not a Nidhi Company. Therefore, clause (xii) of the order is not applicable to the company.
- 13) **Related Party Transactions** : According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- 14) **Internal Audit** : The company does have an internal audit system commensurate with the size and nature of its business. Reports of the Internal Auditors for the period under audit were considered by us as the statutory auditor.
- 15) **Non-Cash Transactions** : According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them during the year.
- 16) **Registration under RBI act** : According to information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable.
- 17) **Cash Losses** : The company has not incurred cash losses in the financial year and in the immediately preceding financial year.



- 18) **Resignation of Statutory Auditors** : There has been no instance of any resignation of the statutory auditors occurred during the year.
- 19) **Material uncertainty on meeting liabilities** : On the basis of the financial ratios ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, plans of the board of directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report, that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date. We, however, state that this is not an assurance as to future viability of the company. We further state that our reporting is based on the facts up to the date of audit report and we neither give any guarantee nor assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the company as and when they fall due.
- 20) **Transfer to fund specified under Schedule VII of Companies Act, 2013** : Provisions of sub-section (5) of section 135 of the Companies Act; are not applicable to the company, hence, clause (xx) is not applicable.
- 21) This being the standalone financial results of the company, clause (xxi) of the Order is not applicable to the company.

*For and on behalf of*

**V. Goyal & Associates**

*Chartered Accountants*

Firm's registration number: 312136E

**(Vinod Kumar Goyal)**

Partner

Membership Number: 050670

UDIN: 24050670BKHWGC8412

Place : Kolkata

Dated : 30th day of May, 2024

**“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF ZENITH EXPORTS LIMITED**

Report on the Internal Financial Controls 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 EXPORTS LIMITED (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone 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. 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 judgement, 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 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 authorization of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 March 31, 2024, 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.

*For and on behalf of*

**V. Goyal & Associates**

*Chartered Accountants*

Firm's registration number: 312136E

**(Vinod Kumar Goyal)**

Partner

Membership Number: 050670

UDIN: 24050670BKHGWC8412

Place : Kolkata

Dated : 30th day of May, 2024

**Balance Sheet as at 31st March, 2024**

(Rs. in Lacs)

	Note	As at 31st March, 2024	As at 31st March, 2023
<b>ASSETS</b>			
<b>(1) Non-current Assets</b>	2(A)	<b>915.52</b>	993.00
Property, Plant and Equipment	2(B)	5.10	-
Capital work-in-progress	3	10.52	30.59
Biological Assets other than bearer plants			
Financial Assets	4	131.74	84.91
(i) Investments	5	542.80	1181.20
(ii) Other Financial Assets	6	413.40	457.12
Deferred Tax Assets (Net)	7	74.57	76.50
Other Non-Current Assets		<b>2093.65</b>	2823.32
<b>(2) Current Assets</b>	8	<b>2784.67</b>	2772.03
Inventories			
Financial Assets	9	1436.61	926.22
(i) Trade Receivables	10	1214.53	652.25
(ii) Cash and Cash Equivalents	11	1304.91	2206.05
(iii) Bank Balances other than (ii) above	12	125.00	77.50
(iv) Other Financial Assets	13	24.23	17.06
Current Tax Assets (Net)	14	606.31	526.68
Other Current Assets		<b>7496.26</b>	7177.79
		<b>9589.91</b>	10001.11
<b>TOTAL ASSETS:-</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	15	539.63	539.63
Other equity	16	7485.83	7433.17
		<b>8025.46</b>	7972.80
<b>LIABILITIES</b>			
<b>(1) Non-current Liabilities</b>			
Financial Liabilities	17	6.61	-
(i) Borrowings	18 (A)	193.26	172.12
Provisions	19	6.07	5.51
Other Non-Current Liabilities		<b>205.94</b>	177.63
<b>(2) Current Liabilities</b>			
Financial Liabilities	20	547.23	947.39
(i) Borrowings	21	564.22	595.73
(ii) Trade Payable	22	62.60	124.03
(iii) Other Financial Liabilities	23	153.40	146.84
Other Current Liabilities	18 (B)	31.06	36.69
Provisions		<b>1358.51</b>	1850.68
		<b>9589.91</b>	10001.11
<b>TOTAL EQUITY AND LIABILITIES:-</b>			
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		
<b>NOTES ON FINANCIAL STATEMENTS</b>	2-49		

As per our report of even date annexed

**For V. Goyal & Associates****Chartered Accountants**

Firm Regn. No. 312136 E

**(Vinod Kumar Goyal)**

Partner

M.NO. 050670

Place : Kolkata

Date : 30th Day of May, 2024

Company Secretary :

**[A.K. Gupta (FCS : 11369)]**

Chief Financial Officer:

**[S.K. Kasera (PAN : AFNPK5320D)]**

FOR AND ON BEHALF OF THE BOARD

**Managing Director : V. Loyalka (DIN : 07315452)****Director : U. Loyalka (DIN : 00009266)****Director : R.K. Sarawgee (DIN : 00559970)****Director : K.K. Jain (DIN : 00551662)****Director : S. Bafna (DIN : 00127681)****Director : S.K. Shaw (DIN : 08507089)**

**Statement of Profit & Loss Accounts for the year ended 31st March 2024**

(Rs. in Lacs)

	Note	As at 31st March, 2024	As at 31st March, 2023
<b>INCOME</b>			
Income from Operations	24	8169.52	6225.35
Other Income	25	384.83	451.41
<b>Total Income</b>		<b>8554.35</b>	<b>6676.76</b>
<b>EXPENSES</b>			
Cost of materials consumed	26	3415.35	3009.32
Purchases of Stock-in-Trade		1368.48	499.70
Changes in inventories of finished goods & work-in-progress	27	125.48	18.24
Employee benefits expense	28	866.50	750.61
Finance costs	29	90.61	64.97
Depreciation and amortization expenses	2	101.30	130.31
Other expenses	30	2520.30	2003.58
<b>Total expenses</b>		<b>8488.02</b>	<b>6476.73</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>66.33</b>	<b>200.03</b>
Exceptional Items		-	-
<b>Profit/(Loss) before tax</b>		<b>66.33</b>	<b>200.03</b>
<b>Tax Expenses</b>			
Current tax		-	-
Deferred Tax expenses/(credit)		36.01	42.25
<b>(I) Profit/(Loss) for the period</b>		<b>30.32</b>	<b>157.78</b>
<b>(II) Other Comprehensive Income</b>			
<b>A. Items that will not be reclassified to profit or loss</b>			
(i) Change in Fair Value of FVOCI Investment in Mutual Fund		30.68	-
(ii) Income-Tax relating to these items		(7.72)	-
<b>Total Other Comprehensive Income</b>		<b>22.96</b>	<b>-</b>
<b>Total Comprehensive Income for the period [I+II] (Comprising Profit/(Loss) and Other Comprehensive Income for the period)</b>		<b>53.28</b>	<b>157.78</b>
<b>Earnings per share</b>	31	<b>0.56</b>	<b>2.92</b>
Basic & Diluted (R)			
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		
<b>NOTES ON FINANCIAL STATEMENTS</b>	2-49		

As per our report of even date annexed

**For V. Goyal & Associates****Chartered Accountants**

Firm Regn. No. 312136 E

**(Vinod Kumar Goyal)**

Partner

M.NO. 050670

Place : Kolkata

Date : 30th Day of May, 2024

Company Secretary :

**[A.K. Gupta (FCS : 11369)]**

Chief Financial Officer:

**[S.K. Kasera (PAN : AFNPK5320D)]**

FOR AND ON BEHALF OF THE BOARD

**Managing Director : V. Loyalka (DIN : 07315452)****Director : U. Loyalka (DIN : 00009266)****Director : R.K. Sarawgee (DIN : 00559970)****Director : K.K. Jain (DIN : 00551662)****Director : S. Bafna (DIN : 00127681)****Director : S.K. Shaw (DIN : 08507089)**



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024**

(Rs. in Lacs)

	2023-2024	2022-2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax	66.33	200.03
<b>Adjustment for :</b>		
Depreciation	101.30	130.31
Interest Income	(238.64)	(199.52)
Interest Expenses	90.61	64.97
Provision of Loss on Forward Contracts W/Back	(9.22)	9.22
(Profit)/Loss on Sale of Property, Plant & Equipment (Net)	2.74	(101.81)
(Profit)/Loss on Sale of Investments (Net)	(0.13)	(2.89)
<b>Operating Profit/(Loss) before Working Capital changes</b>	<b>12.99</b>	<b>100.31</b>
<b>Adjustments for (Increase)/decrease in:</b>		
Trade Receivable	(510.38)	452.68
Other Receivable	(60.94)	69.78
Inventories	(12.65)	1200.41
Trade Payable, Other Liabilities and Provisions	(61.11)	117.02
<b>Cash generated from operations</b>	<b>(632.09)</b>	<b>1940.20</b>
Income Tax Paid	(24.86)	(17.06)
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES (A)</b>	<b>(656.95)</b>	<b>1923.14</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment & Capital work-in-progress	(58.62)	(16.14)
Purchase of Biological Assets	-	(0.52)
Sales of Property, Plant & Equipment	26.95	176.83
Sales of Biological Assets	20.07	-
Sales of Investments	6.67	73.58
Movement of Fixed Deposits with Banks	1539.83	(1864.32)
Purchase of Investments	(22.66)	(103.39)
Interest Received	191.14	178.71
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES (B)</b>	<b>1703.38</b>	<b>(1555.25)</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
Borrowings/(Repayments) of Long Term Borrowings	6.61	(5.41)
Borrowings/(Repayments) of Short Term Borrowings	(400.16)	(428.09)
Interest Paid	(90.61)	(64.97)
<b>NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES (C)</b>	<b>(484.16)</b>	<b>(498.47)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS [A+B+C]</b>	<b>562.27</b>	<b>(130.58)</b>
<b>CASH &amp; CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>652.26</b>	<b>782.84</b>
<b>CASH &amp; CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>1214.53</b>	<b>652.26</b>
<b>NET INCREASE/(DECREASE)</b>	<b>562.27</b>	<b>(130.58)</b>

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024**

(Rs. in Lacs)

**Note :**

	2023-2024	2022-2023
<b>1. Cash &amp; Cash Equivalents included in Cash Flow Statement comprises of the followings (Refer Note No.10)</b>		
<b>Balances with Banks</b>		
In Current Accounts	124.79	350.87
Fixed Deposit with maturity of less than three months	1083.70	295.00
Cash-in-hand	6.04	6.39
	<b>1214.53</b>	<b>652.26</b>

2. Figures in the brackets represent cash outflows.
3. Previous year's figures have been re-arranged and re-cast wherever necessary.
4. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in IND AS 7 on Statement of Cash Flows.
5. The above Cash Flow Statement should be read in conjunction with the accompanying notes. This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date annexed

**For V. Goyal & Associates****Chartered Accountants**

Firm Regn. No. 312136 E

**(Vinod Kumar Goyal)**

Partner

M.NO. 050670

Place : Kolkata

Date : 30th Day of May, 2024

FOR AND ON BEHALF OF THE BOARD

**Managing Director : V. Loyalka (DIN: 07315452)****Director : U.Loyalka (DIN: 00009266)****Director : R.K.Sarawgee (DIN: 00559970)****Director : K.K.Jain (DIN: 00551662)****Director : S.Bafna (DIN: 00127681)****Director : S.K.Shaw (DIN: 08507089)**

Company Secretary:

**[A.K.Gupta (FCS: 11369)]**

Chief Financial Officer:

**[S.K.Kasera (PAN: AFNPK5320D)]**

**NOTES TO FINANCIAL STATEMENTS****COMPANY OVERVIEW**

Zenith Exports Limited is a Company limited by shares, incorporated and domiciled in India. The Company is engaged in the business of Leather Goods & Textile Fabrics.

The Company has a weaving unit namely 'ZenithTextiles' located at Nanjangud, Mysore. Another unit namely 'Zenith Spinners' located at village-Dholka, Ahmadabad.

**1. SIGNIFICANT ACCOUNTING POLICIES**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**1.1 Basis of Preparation****1.1.1 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 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

**1.1.2 Classification of current and non-current**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Ind AS 1 - Presentation of financial Statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

**1.1.3 Historical Cost Convention**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following :

- i) certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- ii) defined benefit plans - plan assets measured at fair value;
- iii) Biological assets are measured at cost incurred for their plantation.

**1.2 Segment Reporting**

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the Managing Director of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair



value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under “unallocated revenue / expenses /assets / liabilities”.

### **1.3 Foreign Currency Translation**

Foreign currency transactions are translated into Indian Rupee (INR) which is the functional currency (i.e. the currency of the primary economic environment in which the entity operates) using year end exchange rates as per IND AS 21.

Foreign Currency loans for financing Property, Plant and Equipment outstanding at the close of financial year are revalored at appropriate bank exchange at the close of the year. The gain/loss for decrease/increase in rupee liability due to fluctuations in rates of exchange is adjusted to carrying amount of Property, Plant and Equipment acquired out of said loans. Income and Expenditure for the year are recorded as per prevailing bank rate on the date of transaction/ negotiation.

As per usual practice followed by the company, the export sales transaction during the year are accounted for at Custom Rate and at the end of the year at the prevailing bank rate in respect of outstanding debtors. Difference between actual realization at custom rate and/or bank rate is adjusted to Exchange Difference Account in Statement of Profit & Loss.

Gain/loss on cancellation of Forward Exchange Contracts are recognized in the Statement of Profit & Loss of the year in which they are cancelled as per IND AS 109.

### **1.4 Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of Export benefits, Incentive and are net of sales return, Goods & Service Tax, trade allowances. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and significant risk and reward incidental to sale of products is transferred to the buyer.

Export Sales are recognised on the basis of date as mentioned in Shipping Bill/Bill of Lading. Value of export sales is recognised at Custom Rate mentioned in the Shipping Bill.

Income and Expenditure are recognised on accrual basis. Export entitlements are recognised in Statement of Profit & Loss when the right to receive credit as per terms of entitlement in respect of the exports is established.

Domestic sales are recorded on raising bills net off discounts, returns and applicable taxes. Accounting for differential Custom Duty on wastage of Imported Raw Silk Yarn determined as per the input/output norms for EOU is accounted as and when the demand is raised by Customs Authorities. Revenue in respect of job charges is recognised based on the work performed and invoiced as per terms of specific contracts.

### **1.5 Government Grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the statement of profit & loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income.



Government grants relating to the acquisition / construction of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit & loss on a straight-line basis over the expected lives of the related assets and presented within other operating income.

However there is no such grant for the company in the current year.

### **1.6 Accounting for Taxes on Income**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### **1.7 Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### **1.8 Trade Receivables**

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

### **1.9 Inventories**

Inventories are valued as under :

- a) Raw Materials : at cost which is arrived at on average cost basis.
- b) Packing Materials : at average cost basis
- c) Stores, Consumables & Spares : at average cost basis



- d) Semi-finished Goods : at raw material cost and value added thereto upto the state of completion
- e) Finished Goods : at cost or Net Realisable Value (NRV), whichever is lower
- f) Waste : at estimated realizable value

### **1.10 Biological Assets**

Trees planted are measured at cost incurred for plantation.

### **1.11 Investments and Other Financial Assets**

#### **1.11.1 Classification**

The Company classifies its financial assets in the following measurement categories :

- those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit or loss), and
- those measured at amortised cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

#### **1.11.2 Measurement**

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through statement profit or loss are expensed in statement of profit or loss.

#### **Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into the following categories :

**Amortised cost** : Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through other comprehensive income (FVOCI)** : Assets that are held for collections of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Interest income from these financial assets is included in other income using the effective interest rate method.

**Fair value through profit or loss** : Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through statement of profit or loss. Interest income from these financial assets is included in other income.

#### **Equity instruments**

The Company subsequently measures all equity investments (except subsidiary and associate) at fair value through statement of profit or loss. However, where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to statement of profit & loss.

**1.11.3 Impairment of financial assets**

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**1.11.4 Derecognition of financial assets**

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset, or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

**1.11.5 Income Recognition****Interest Income**

Interest Income from debt instruments is recognised using the effective interest rate method.

**Dividends**

Dividends are recognised in statement of profit & loss only when the right to receive payment is established.

**1.12 Financial liabilities****1.12.1 Initial recognition and measurement**

The Company recognizes all the financial liabilities on initial recognition at fair value minus, in the case of a financial liability not at fair value through Statement of Profit & Loss, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

**1.12.2 Subsequent measurement**

All the financial liabilities are classified as subsequently measured at amortised cost, except for those mentioned below.

**1.12.3 Financial liabilities at fair value through statement of profit & loss**

Financial liabilities at fair value through statement of profit & loss include financial liabilities



ties held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit & loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Co. that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit & loss.

For liabilities designated as Fair Value through statement of profit & loss, fair value gains/ losses attributable to changes in own credit risk are recognized in Other Comprehensive Income. These gains/ losses are not subsequently transferred to Profit & Loss. However, the Company may transfer the cumulative gain & loss within other equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss.

### **1.13 Property, Plant and Equipments**

Free hold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

#### **Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013, which are also supported by technical evaluation. Item of Property, Plant & Equipment for which related actual cost do not exceed Rs. 0.05 Lacs are fully depreciated in the year of purchase.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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.

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

### **1.14 Intangible Assets**

Intangible assets are recognised if the Future Economic Benefits attributed to the assets are expected to flow to the company and the cost of assets can be measured reliably. No intangible assets were acquired during the year ended 31st March, 2024.

### **1.15 Capital work-in-progress**

Capital work-in-progress is stated at cost, net of accumulated impairment losses, if any. As-





sets in the course of construction are capitalized in capital work-in-progress account. At the point when an assets is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment.

### **1.16 Provision, Contingent Liabilities and Contingent Assets, legal or constructive**

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable.

### **1.17 Employee Benefits**

#### **1.17.1 Short-term Employee Benefits**

These are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

#### **1.17.2 Post-employment Benefit Plans**

##### **(a) Defined Contribution Plans**

##### **i. Gratuity Plan**

- The Company has Defined Benefit Plan for post-employment benefit in the form of gratuity for eligible employees which is administered through a group gratuity policy with Life Insurance Corporation of India (L.I.C). The liability for the above defined benefit plan is provided on the basis of an actuarial valuation as carried out by L.I.C. The actuarial method used for measuring the liability is the Project Unit Credit method.
- In case of Unfunded Gratuity, payable to all eligible employees of the Company on death, permanent disablement and resignation as the provisions of the Payment of Gratuity Act or as per the company's scheme, whichever is more beneficial. Benefit would be paid at the time of separation based on the last drawn basic salary.

##### **ii. Leave Encashment**

Eligible employees can carry forward and encash leave upto death, permanent disable-



ment and resignation subject to maximum accumulation allowed upto 15 days for employees. The leave over and above 15 days is paid to employees as per the balance as on 31st March every year. Benefit would be paid at the time of separation based on the last drawn basic salary.

### **1.17.3 Bonus plans**

The Company recognizes liability and an expense for bonus. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### **1.18 Equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

### **1.19 Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

### **1.20 Earnings per Share**

#### **1.20.1 Basic earnings per share**

Basic earnings per share is calculated by dividing:

The profit/ loss attributable to owners of the Company

By the weighted average number of equity shares outstanding during the financial year.

#### **1.20.2 Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### **1.21 Leases**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement profit and loss on a straight line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### **1.22 Impairment of non-financial assets.**

Assets are tested for impairment whenever events or changes in circumstances indicate that



the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### **1.23 Derivatives**

- a) The Company enters into Forward Foreign exchange contracts/Option contracts (derivatives) to mitigate the risk of change in Foreign Exchange Rate on forecasted transactions. The company enters into Derivative Financial Contracts where the counterparty is bank. Gain/Losses on in effective transactions of derivative contracts are recognised in the Statement of Profit & Loss Account as they arise and reported in accordance with INDAS 21.
- b) Accounting for Forward Foreign Exchange Contracts are Marked to Market (M to M) basis and the net loss after considering the offsetting effects on the underlying contracts, is charged to the statement of profit & Loss in accordance with INDAS 21. Net Gains on M to M are ignored. Reporting and disclosures of such amounts are done in accordance with guidelines issued by ICAI.

### **1.24 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### **1.25 Use of Estimates**

The Preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities as at the balance sheet date, the reported amount of revenue and expenses for the periods and disclosure of contingent liabilities at the balance sheet date. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of financial statements. Actual results could differ from estimates.

### **1.26 Borrowing costs**

Interest and other borrowing costs attributable to qualifying assets (PPE) are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

**Notes on Financial Statements for the year ended 31st March, 2024****2(A) PROPERTY, PLANT AND EQUIPMENT**

CLASSIFICATION OF ASSETS	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK			
	As at 01.04.23	Addition	Sales/ Adjustment	Upto 31.03.24	As at 01.04.23	For the year	Sales/ Adjustment	Upto 31.03.24	As at 31.03.24	As at 31.03.23
<b>(A) TANGIBLE</b>										
Lease hold Land	5.89	-	-	5.89	2.40	0.08	-	2.48	3.41	3.49
Freehold Land	87.26	-	-	87.26	-	-	-	-	87.26	87.26
Building	1670.13	-	-	1670.13	1311.67	46.46	-	1358.13	312.00	358.47
Plant & Equipments	6670.74	17.56	9.41	6678.89	6222.84	28.69	4.85	6246.68	432.21	447.89
Office & Other Equipments	273.75	4.10	-	277.85	249.38	6.74	-	256.12	21.73	24.37
Furniture & Fixture	93.82	0.10	-	93.92	79.78	2.08	-	81.86	12.06	14.04
Vehicles	175.01	31.76	71.07	135.70	117.53	17.25	45.93	88.85	46.85	57.48
<b>Total</b>	<b>8976.60</b>	<b>53.52</b>	<b>80.48</b>	<b>8949.64</b>	<b>7983.60</b>	<b>101.30</b>	<b>50.78</b>	<b>8034.12</b>	<b>915.52</b>	<b>993.00</b>
Previous Year	9061.55	16.14	101.09	8976.60	7879.36	130.31	26.07	7983.60	993.00	-
<b>2 (B) CAPITAL WORK-IN-PROGRESS</b>										
Capital work-in-Progress (CWIP)	-	5.10	-	5.10	-	-	-	-	5.10	-
Previous Year	-	-	-	-	-	-	-	-	-	-

**Note :-**

- a) No additions, disposals, acquisitions through business combination during the Current and Previous Financial Year.  
b) Company has not revalued its PPE during the Current and Previous Financial Year.  
c) All the Immovable Properties are held in the company's name.  
d) **Capital Work in progress (CWIP) ageing schedule for the year ended 31st March, 2024 is as follows:**

CWIP	Amount in Capital Work in Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Building Construction in progress	5.10	-	-	-	5.10
	5.10	-	-	-	5.10

**Capital Work in progress (CWIP) ageing schedule for the year ended 31st March, 2023 is as follows:**

CWIP	Amount in Capital Work in Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Building Construction in progress	-	-	-	-	-
	-	-	-	-	-


**Notes on Financial Statements for the year ended 31st March, 2024**

(Rs. in Lakhs)

	As at 31st March, 2024	As at 31st March, 2023
<b>3. BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS</b>		
Biological Assets [Refer Note-1]	10.52	30.59
	<b>10.52</b>	<b>30.59</b>

**Note:-**  
1. Biological Assets represent plantation expenditure on Eucalyptus trees. Any realisations of grownup plants is reduced from the carried forward amounts.

<b>4. INVESTMENTS (NON CURRENT)</b>					
Mutual Fund Investments Designated at FVOCI <u>Unquoted</u>	Face Value	As at 31st March, 2024		As at 31st March, 2023	
		Units	Value	Units	Value
Edelweiss Balanced Advantage Fund-Regular Growth	10/-	54747.836	24.89	13529.782	4.75
ICICI Prudential Bluechip Fund-Growth	10/-	14983.699	14.41	14983.699	10.06
ICICI Prudential Balanced Advantage Fund-Growth	10/-	92849.635	59.84	92849.635	49.00
ICICI Prudential Focused Equity Fund-Growth	10/-	19558.012	14.59	13093.434	6.66
ICICI Prudential Liquid Fund-Growth	10/-	73.724	0.26	2083.008	6.78
ICICI Prudential India Opportunities Fund-Growth	10/-	50525.507	14.95	33798.177	6.66
HDFC Focused 30 Fund-Regular Plan-Growth	10/-	1510.812	2.80	753.968	1.00
<b>Total Non-Current Investments</b>			<b>131.74</b>		<b>84.91</b>
<b>Aggregate amount of Unquoted Non-Current Investments</b>			<b>131.74</b>		<b>84.91</b>

	As at 31st March, 2024	As at 31st March, 2023
<b>5. OTHER FINANCIAL ASSETS (NON CURRENT)</b>		
<b><u>Secured Considered Good</u></b>		
Bank Fixed Deposit with maturity for more than 12 months (Out of above, R258.23 Lacs (Previous Year R326.93 Lacs) pledged with banks ag. Overdraft facility)	518.23	1156.93
Security Deposit with Govt. Authorities	10.91	10.92
Security Deposit with others	13.66	13.35
	<b>542.80</b>	<b>1181.20</b>
<b>6. DEFERRED TAX ASSETS</b>		
Difference between Book & Tax Depreciation	109.47	116.98
Disallowance under Section 43B	56.46	50.24
Unabsorbed Depreciation	145.63	148.39
Unabsorbed Business Loss	107.31	134.69
Amortization of VRS under section 35DDA	2.25	4.50
Financial Assets at FVOCI	(7.72)	-
Provision for Derivative Loss on Mark to Market Basis	-	2.32
	<b>413.40</b>	<b>457.12</b>
<b>7. OTHER NON-CURRENT ASSETS</b>		
Others	74.57	76.50
	<b>74.57</b>	<b>76.50</b>

**Notes on Financial Statements for the year ended 31st March, 2024**

(Rs. in Lakhs)

	As at 31st March, 2024	As at 31st March, 2023
<b>8. INVENTORIES (Refer Note No. 1.9)</b>		
Raw materials	851.46	751.35
Dyes & Chemicals	5.30	7.53
Semi-Finished Goods	224.89	266.29
Finished Goods	1559.67	1643.75
Packing Materials	29.75	11.94
Stores & Spares	113.60	91.17
	<b>2784.67</b>	<b>2772.03</b>
<b>9. TRADE RECEIVABLE</b>		
Considered Good	1436.61	926.22
Considered Doubtful	-	-
	<b>1436.61</b>	<b>926.22</b>

**AGE WISE ANALYSIS****(a) Current Year (2023-24)**

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>(a) Considered Good</b>						
i) Disputed Trade	-	-	-	-	-	-
ii) Undisputed Trade	1264.57	99.38	8.68	9.16	54.82	1436.61
<b>Total:- (a)</b>	<b>1264.57</b>	<b>99.38</b>	<b>8.68</b>	<b>9.16</b>	<b>54.82</b>	<b>1436.61</b>
<b>(b) Considered Doubtful</b>						
i) Disputed Trade	-	-	-	-	-	-
ii) Undisputed Trade	-	-	-	-	-	-
<b>Total:- (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total:- (a+b)</b>	<b>1264.57</b>	<b>99.38</b>	<b>8.68</b>	<b>9.16</b>	<b>54.82</b>	<b>1436.61</b>

**(a) Current Year (2022-23)**

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>(a) Considered Good</b>						
i) Disputed Trade	-	-	-	-	-	-
ii) Undisputed Trade	780.07	88.50	7.84	5.66	44.15	926.22
<b>Total:- (a)</b>	<b>780.07</b>	<b>88.50</b>	<b>7.84</b>	<b>5.66</b>	<b>44.15</b>	<b>926.22</b>
<b>(b) Considered Doubtful</b>						
i) Disputed Trade	-	-	-	-	-	-
ii) Undisputed Trade	-	-	-	-	-	-
<b>Total:- (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total:- (a+b)</b>	<b>780.07</b>	<b>88.50</b>	<b>7.84</b>	<b>5.66</b>	<b>44.15</b>	<b>926.22</b>

**Notes on Financial Statements for the year ended 31st March, 2024**

(Rs. in Lakhs)

	As at 31st March, 2024	As at 31st March, 2023
<b>10. CASH &amp; CASH EQUIVALENT</b>		
<b>Balances with Banks</b>		
In Current Accounts	124.79	350.86
Fixed Deposit with maturity of less than three months [Out of above, R68.69 Lacs (Previous Year RNil) pledged with banks ag. Overdraft facility]	1083.70	295.00
<b>Cash-in-hand</b>	6.04	6.39
	<b>1214.53</b>	<b>652.25</b>
<b>11. OTHER BANK BALANCES</b>		
Deposits with original maturity for more than 3 months but less than 12 months (Out of above, R14.04 Lacs (Previous Year R14.04) pledged with banks ag. Overdraft facility)	1304.91	2206.05
	<b>1304.91</b>	<b>22.06.05</b>
<b>12. OTHER CURRENT FINANCIAL ASSETS</b>		
Interest Receivable from Banks on Deposit	125.00	77.50
	<b>125.00</b>	<b>77.50</b>
<b>13. CURRENT TAX ASSETS (NET)</b>		
Advance Income Tax (Net of Provision)	24.23	17.06
	<b>24.23</b>	<b>17.06</b>
<b>14. OTHER CURRENT ASSETS</b>		
Export Benefit Receivable	27.80	13.07
Advance to Suppliers	133.25	122.92
Balance with Govt. Authorities	30.94	16.59
Prepaid Expenses	22.10	18.41
GST Input Receivable	254.74	198.88
Deposit with related party	90.00	90.00
Income -Tax Refundable	-	14.58
Other Advance	47.48	52.23
	<b>606.31</b>	<b>526.68</b>
<b>15. EQUITY SHARE CAPITAL</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
1,00,00,000 (1,00,00,000) Equity Shares of R10/- each	1000.00	1000.00
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
53,96,250 (53,96,250) Equity Shares of R10/- each	539.63	539.63
<b>(a) Reconciliation of number of Share Outstanding:</b>		
Opening Balance	5396250	5396250
Share Issued during the yaer	-	-
Shares Outstanding at the end of the year	<b>5396250</b>	<b>5396250</b>

**Notes on Financial Statements for the year ended 31st March, 2024**

(Rs. in Lakhs)

**(b) Equity shareholder holding more than 5% of equity share capital of the company:**

Name of the Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	% of Holding	No. of Shares	% of Holding	No. of Shares
Urmila Loyalka	6.10	329150	11.66	629150
Bhutnath Vanijya Vyapaar Pvt.Ltd.	10.80	582586	10.80	582586
Surendra Kumar Loyalka (HUF)	10.40	561420	10.40	561420
Omkara Vincom Private Limited	11.74	633396	11.55	623396
Surendra Kumar Loyalka	-	-	8.92	481496
Zenith Credit Ltd.	5.78	311724	5.78	311724
Purotech Sales Pvt. Ltd.	6.60	356000	6.60	356000
A.C.Roy & Co. Pvt. Ltd.	5.64	304490	5.64	304490

**(c) Share Holding of Promoters and Promoters Group**

Name of the Promotor	% Change during the year	Share held as on 31/03/2024	
		No. of Shares	% of Total Shares
Urmila Loyalka	5.56	329150	6.10
Surendra Kumar Loyalka (HUF)	Nil	561420	10.40
Surendra Kumar Loyalka	5.56	181496	3.36
Purotech Sales Pvt. Ltd.	Nil	356000	6.60
A.C.Roy & Co. Pvt. Ltd.	Nil	304490	5.64
Varun Loyalka	Nil	268900	4.98
P.P. Developers Pvt. Ltd.	Nil	166000	3.08
Rajkumar Loyalka	Nil	20000	0.37
Rajkumar Loyalka (HUF)	Nil	4000	0.07
Bilas Rai Loyalka	Nil	900	0.02
Ruchi Ajitsaria	4.91	265000	4.91
Bilas Rai Loyalka (HUF)	Nil	200	-

**(d) Rights Preferences and Restrictions attached to shares**

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each shareholder of equity shares is entitled to one vote per share held.

In the event of liquidation of the company the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

**16. OTHER EQUITY****1) Current Reporting Period (F.Y. 2023-2024)**

(Rs in Lacs)

Particulars	Capital Reserve	Secutiry Premium	General Reserve	Cash Substity	FVOCI Investment	Retained Earnings	Total
Balance as at 1st April' 2023	224.13	277.37	4612.77	25.00	-	2293.90	7433.17
Profit/(Loss) for the year	-	-	-	-	-	30.32	30.32
Other Comprehensive Income (Net of Tax)	-	-	-	-	22.96	-	22.96
Prior Period Adjustment of Taxes	-	-	-	-	-	(0.62)	(0.62)
<b>Balance as at 31st March' 2024</b>	<b>224.13</b>	<b>277.37</b>	<b>4612.77</b>	<b>25.00</b>	<b>22.96</b>	<b>2323.60</b>	<b>7485.83</b>



**Notes on Financial Statements for the year ended 31st March, 2024****2) Previous Reporting Period (F.Y. 2022-2023)**

(Rs in Lacs)

Particulars	Capital Reserve	Secutory Premium	General Reserve	Cash Subsity	FVOCI Investment	Retained Earnings	Total
Balance as at 1st April' 2022	224.13	277.37	4612.77	25.00	1.10	2136.12	7276.49
Profit/(Loss) for the year	-	-	-	-	-	157.78	157.78
Other Comprehensive Income	-	-	-	-	(1.10)	-	(1.10)
Total Comprehensive Income	-	-	-	-	(1.10)	157.78	156.68
Dividend Paid	-	-	-	-	-	-	-
<b>Balance as at 31st March' 2023</b>	<b>224.13</b>	<b>277.37</b>	<b>4612.77</b>	<b>25.00</b>	<b>-</b>	<b>2293.90</b>	<b>7433.17</b>

	As at 31st March, 2024	As at 31st March, 2023
<b>17. NON CURRENT BORROWINGS</b>		
<b>Term Loan</b>		
<b>(a) Vehicle Loan</b>		
From Bank [Refer Note below]	6.61	-
	6.61	-
<b>Note</b>		
Vehicle Loan from Kotak Mahindra Prime Ltd. is secured against hypothecation of vehicle and personal gurrentee of Managing Director.		
<b>18. PROVISIONS</b>		
<b>(A) Long-Term Provisions</b>		
Provision for Employees Benefits	193.26	172.12
<b>Total (A)</b>	<b>193.26</b>	<b>172.12</b>
<b>(B) Short-Term Provisions</b>		
Provision for Employees Benefits	31.06	27.47
Others	-	9.22
<b>Total (B)</b>	<b>31.06</b>	<b>36.69</b>
<b>19. OTHER NON-CURRENT LIABILITIES</b>		
Salary & Wages Payable	0.56	-
Advance from Customers	5.51	5.51
	6.07	5.51
<b>20. CURRENT BORROWINGS</b>		
<b>Secured</b>		
<b>Loan repayable on demand from banks</b>		
<b>(a) Packing Credit</b>		
From Bank [Refer Note (i) below]	542.79	947.39
<b>(b) Current Maturity of Long Term Debts [Refer Note (ii) below]</b>	4.44	-
	547.23	947.39

**Note:-**

(i) Working Capital Loans from Canara Bank are secured by :

a) Hypothecation of stock &amp; book debts of Main Division, Kolkata &amp; Unit: Zenith Textiles, Mysore.

b) Equitable Mortgage of Land &amp; Building of Unit: Zenith Textiles, Mysore &amp; Spinning Unit Zenith Spinners, Ahmedabad

c) Hypothecation of Plant &amp; Machinery of Unit: Zenith Textiles, Mysore

d) Personal gurrentee of two directors &amp; two promoters.

(ii) Vehicle Loan from Kotak Mahindra Prime Ltd. is secured against hypothecation of vehicle and personal gurrentee of Managing Director.

**Notes on Financial Statements for the year ended 31st March, 2024**

(Rs in Lacs)

	As at 31st March, 2024	As at 31st March, 2023
<b>21. TRADE PAYABLE</b>		
Prade Payable	564.22	595.73
	<b>564.22</b>	<b>595.73</b>

**AGE WISE ANALYSIS****(a) Current Year (2023-24)**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>(a) Undisputed Dues</b>					
i) Dues to MSME	4.72	-	-	-	4.72
ii) Dues to Others	308.90	72.56	81.10	96.94	559.50
<b>Total:- (a)</b>	<b>313.62</b>	<b>72.56</b>	<b>81.10</b>	<b>96.94</b>	<b>564.22</b>
<b>(b) Disputed Dues</b>					
i) Dues to MSME	-	-	-	-	-
ii) Dues to Others	-	-	-	-	-
<b>Total:- (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (a+b)</b>	<b>313.62</b>	<b>72.56</b>	<b>81.10</b>	<b>96.94</b>	<b>564.22</b>

**AGE WISE ANALYSIS****(a) Current Year (2022-23)**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>(a) Undisputed Dues</b>					
i) Dues to MSME	5.81	-	-	-	5.81
ii) Dues to Others	406.48	80.58	42.03	60.83	589.92
<b>Total:- (a)</b>	<b>412.29</b>	<b>80.58</b>	<b>42.03</b>	<b>60.83</b>	<b>595.73</b>
<b>(b) Disputed Dues</b>					
i) Dues to MSME	-	-	-	-	-
ii) Dues to Others	-	-	-	-	-
<b>Total:- (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (a+b)</b>	<b>412.29</b>	<b>80.58</b>	<b>42.03</b>	<b>60.83</b>	<b>595.73</b>

(Rs in Lacs)

	As at 31st March, 2024	As at 31st March, 2023
<b>22. OTHER FINANCIAL LIABILITIES (CURRENT)</b>		
Book Overdraft with Banks	0.59	74.92
Salary & Wages Payable	62.01	49.11
	<b>62.60</b>	<b>124.03</b>

**Notes on Financial Statements for the year ended 31st March, 2024**

(Rs in Lacs)

	As at 31st March, 2024	As at 31st March, 2023
<b>23. OTHER CURRENT LIABILITIES</b>		
Advance from Customers	65.59	73.95
Government Statutory Dues	14.21	14.82
Others	73.60	58.07
	<b>153.40</b>	<b>146.84</b>
<b>24. INCOME FROM OPERATIONS</b>		
<b>(A) SALES OF PRODUCTS</b>		
Export	7202.67	5592.75
Domestic [includes R309.57 Lacs (P.Y.R119.99 Lacs) from trading activity]	530.26	392.15
<b>Total (A):-</b>	<b>7732.93</b>	<b>5984.90</b>
<b>(B) SALE OF SERVICES</b>		
Export	7.94	9.15
Domestic	110.52	14.30
<b>Total (B):-</b>	<b>118.46</b>	<b>23.45</b>
<b>(C) OTHER OPERATING INCOME</b>		
Export Incentives	318.13	217.00
<b>Total (C) :-</b>	<b>318.13</b>	<b>217.00</b>
<b>TOTAL (A+B+C)</b>	<b>8169.52</b>	<b>6225.35</b>
<b>25. OTHER INCOME</b>		
Interest Income	238.64	199.52
Exchange Fluctuation (net)	108.49	115.77
Excess Provision W/Back	18.98	18.20
Provision for Loss on Forward Contract W/Back	9.22	-
Adjustment Relating to Prior Year (net)	-	0.10
Miscellaneous Receipts	0.08	3.43
Discount Received	4.90	2.39
Rent Received	0.09	1.72
Sundry Balance W/Back	3.77	5.58
Profit on Sale of Property, Plant and Equipments	0.53	101.81
Gain on Sale of Investments	0.13	2.89
	<b>384.83</b>	<b>451.41</b>
<b>26. COST OF MATERIAL CONSUMED</b>		
<b>(A) RAW MATERIAL CONSUMED</b>		
Opening Stock	751.34	1910.07
Add: Purchases	3476.45	1809.51
Less: Closing Stock	(851.46)	(751.34)
<b>Total:- (A)</b>	<b>3376.33</b>	<b>2968.24</b>
<b>(B) DYES &amp; CHEMICALS CONSUMED</b>		
Opening Stock	7.53	8.18
Add: Purchases	36.79	40.43
Less: Closing Stock	(5.30)	(7.53)
<b>Total:- (B)</b>	<b>39.02</b>	<b>41.08</b>
<b>TOTAL :- (A+B)</b>	<b>3415.35</b>	<b>3009.32</b>

**Notes on Financial Statements for the year ended 31st March, 2024**

(Rs in Lacs)

	As at 31st March, 2024	As at 31st March, 2023
<b>27. CHANGES IN INVENTORIES OF FINISHED GOODS &amp; WORK-IN-PROGRESS</b>		
<b>(A) Inventories (at commencement)</b>		
Finished Goods	1643.75	1601.77
Work-in-Progress	266.29	326.51
<b>Total:-</b>	<b>1910.04</b>	<b>1928.28</b>
<b>(B) Inventories (at close)</b>		
Finished Goods	1559.67	1643.75
Work-in-Progress	224.89	266.29
<b>Total:-</b>	<b>1784.56</b>	<b>1910.04</b>
<b>Net (Increase)/Decrease in Stock (A-B+C)</b>	<b>125.48</b>	<b>18.24</b>
<b>28. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and Wages	798.92	683.29
Contribution to Provident & Other Funds	43.90	45.37
Staff welfare Expenses	23.68	21.95
<b>Total:-</b>	<b>866.50</b>	<b>750.61</b>
<b>29. FINANCE COSTS</b>		
<b>(A) Interest to Bank</b>		
On Working Capital	44.19	28.58
On Bill Discounting	5.10	0.17
<b>Total:- (A)</b>	<b>49.29</b>	<b>28.75</b>
<b>(B) Interest to Others</b>		
	41.32	36.22
<b>Total:- (A+B)</b>	<b>90.61</b>	<b>64.97</b>
<b>30. OTHER EXPENSES</b>		
<b>(A) Manufacturing Expenses</b>		
Carriage	28.98	17.42
Designing & Sampling Charges	52.10	29.87
Material Processed	485.39	386.55
Manpower Services	570.91	352.46
Power, Fuel & Water	91.44	92.66
<b>Repairs and Maintenance</b>		
Factory Buildings	99.52	52.54
Machinery	11.27	6.02
Stores & Spares Consumed	183.41	139.35
Testing Charges	27.31	9.72
Other Manufacturing Expenses	72.48	51.59
<b>Total:- (A)</b>	<b>1622.81</b>	<b>1138.18</b>
<b>(B) Selling &amp; Distribution Expenses</b>		
Advertisement	2.01	0.54
Commission and Discount	84.88	56.54
Export Promotion	15.43	7.28
Foreign Travel	55.85	78.60
Freight Forwarding & Insurance Expenses	84.40	85.46
<b>Packing Charges</b>		
Packing Material Consumed	58.55	55.65
Packing Expenses	0.10	0.20
Participation in Trade Fair	16.55	17.42
Quality Control & Inspection	34.37	43.65
<b>Total:- (B)</b>	<b>352.14</b>	<b>345.34</b>

**Notes on Financial Statements for the year ended 31st March, 2024**

(Rs in Lacs)

	As at 31st March, 2024	As at 31st March, 2023
<b>(C) Administrative Expenses</b>		
Adjustment Relating to Prior Year	3.31	5.62
Auditors Remuneration (Refer to Note No.38)	3.73	3.73
Bank Charges	33.49	42.09
ECGC Premium & Certificates	5.68	4.90
Bad Debts	-	32.50
Directors Sitting Fees	2.30	2.54
Electricity	47.49	39.22
Insurance	11.47	12.48
Legal & Professional Charges	63.81	70.77
Loss on Sale of Property, Plant and Equipments	3.27	-
Provision for loss on Forward Contract	-	9.22
Miscellaneous Expenses	115.94	96.26
Motor Car Upkeep	33.99	31.06
Printing & Stationary	70.67	29.58
Postage,Courier & Telephone	14.60	30.35
Rates,Taxes & Fees	33.71	32.51
GST/VAT Input W/off	2.45	0.05
Rent	26.81	17.23
<b>Repairs &amp; Maintenance</b>		
Building	18.14	3.48
Others	27.73	21.35
Travelling & Conveyance	26.76	35.12
<b>Total:- (C)</b>	<b>545.35</b>	<b>520.06</b>
<b>Total : (A+B+C)</b>	<b>2520.30</b>	<b>2003.58</b>

**31. Earning Per Share (EPS)**

	As at 2023 - 2024	As at 2022 - 2023
(a) Total Number of Equity Share Outstanding at the end of the year	5396250	5396250
(b) Net Profit after tax	30.52	157.78
(c) Nominal value per Equity Shares (R)	10	10
(d) Basic/Diluted Earnings per Shares (R)	0.56	2.92

**32. Derivative instruments and unhedged foreign currency exposure****(a) Forward Exchange Contracts :**

Currency	2023-2024		2022-2023	
	No. of Contracts	Amount in Foreign Currency	No. of Contracts	Amount in Foreign Currency
EURO	8	691948	13	725000
USD	8	800000	5	406610

**Notes on Financial Statements for the year ended 31st March, 2024****(b) Unhedged Foreign Currency Exposure as at the Balance sheet date**

Category	Currency	2023-2024	2022-2023
		Amount in Foreign Currency	Amount in Foreign Currency
Exports	EURO	613164	494401
Exports	USD	921405	430635
Exports	GBP	23374	32364
Others	EURO	10782	17683
Others	USD	11706	1679
Others	GBP	-	2664

**33. Expenditure in Foreign Currencies**

(Rs. in Lacs)

	2023-2024	2022-2023
Foreign Travel & Participation in Exhibitions and Trade Fair	19.36	50.49
Commission	42.24	32.18
Others	1.56	2.42
	63.16	85.09

**34. Earnings in Foreign Currencies**

	2023-2024	2022-2023
Exports of Goods on F.O.B. Basis	7164.33	5531.63

**35. Value of Imports on CIF Basis**

	2023-2024	2022-2023
Raw Materials	218.12	175.85
Stores, Spares & Components	5.91	11.80

**Notes on Financial Statements for the year ended 31st March, 2024****36. Employee Benefits**

Rs in Lacs

**Defined Contribution Plans**

	2023-2024	2022-2023
Contribution to Recognised Provident Fund & Pension Fund	36.68	35.97

**Defined Benefits Plans****Gratuity Benefits are as follows**

Description	2023-2024		2022-2023	
	GRATUITY		GRATUITY	
	Funded	Unfunded	Funded	Unfunded
<b>Reconciliation of opening and closing balances of obligation</b>				
a.Present value of the beginning of the year	65.50	133.92	77.72	132.65
b.Current service cost	3.84	7.99	3.64	6.83
c.Interest cost	4.75	9.46	5.63	9.21
d.Actuarial (gain)/loss	0.87	15.41	(17.11)	(7.12)
e.Benefits paid	(5.96)	(3.33)	(4.38)	(7.65)
f.Present value of the end of the year	69.00	163.45	65.50	133.92
<b>Change in fair value of plan assets</b>				
a.Fair value of plan assets as at the beginning of the year	81.32	-	75.10	-
b.Expected return on plan assets	5.90	-	5.20	-
c.Actuarial gain/(loss)	-	-	-	-
d.Contributions/refunds made by/to the company	0.27	-	5.40	-
e.Benefits paid	(5.96)	-	(4.38)	-
f.Fair value of plan assets as at the end of the year	81.53	-	81.32	-
<b>Reconciliation of fair value of plan assets and obligations</b>				
a.Fair value of plan assets as at year end	81.53	-	81.32	-
b.Present value of obligation as at the year end	(69.00)	(163.45)	(65.50)	(133.92)
c.Amount recognised in the balance sheet	12.53	(163.45)	15.82	(133.92)
<b>Expenses recognised during the year</b>				
a.Current service cost	3.84	7.99	3.64	6.83
b.Interest cost	4.75	9.46	5.63	9.21
c.Expected return on plan assets	(5.90)	-	(5.20)	-
d.Actuarial (gains)/loss	0.87	15.41	(17.11)	(7.12)
e.Expenses recognised during the year	3.56	32.86	(13.04)	8.92
<b>Investment details</b>				
a.Others (fund with life Insurance Corporation of India)	81.53	-	81.32	-
<b>Assumptions</b>				
a.Discount rate (per annum)	7.25%	7.15%	7.25%	7.52%
b.Rate of escalation in salary	5.00%	6.00%	5.00%	6.00%

**Note:-**

(a) The employee's Gratuity Funded Scheme is managed by Life Insurance Corporation of India is a defined Benefit Plan.

**Notes on Financial Statements for the year ended 31st March, 2024****37. Segment Reporting**

(Rs in Lacs)

**(i) Business Segments**

	As at 31st March, 2024	As at 31st March, 2023
<b>(1) Segment Revenue</b>		
a.Silk Fabrics & Made-ups	1490.04	1390.14
b.Industrial Leather H/Gloves & Made-ups	5391.41	3603.04
c.Yarns	314.49	222.96
d.Weavings Silk Fabrics (100% EOU)	1119.76	1261.09
<b>Income from Operations</b>	<b>8315.70</b>	<b>6477.23</b>
<b>(2) Segment Result before interest &amp; tax</b>		
a.Silk Fabrics & Made-ups	170.23	301.11
b.Industrial Leather H/Gloves & Made-ups	33.62	(171.21)
c.Yarns	(150.24)	11.36
d.Weavings Silk Fabrics (100% EOU)	(99.57)	(39.90)
	<b>(45.96)</b>	<b>101.36</b>
Unallocated Expenses net of unallocated income	(35.75)	(35.88)
Interest Expenses	(90.61)	(64.97)
Interest Income	238.65	199.52
<b>Net Profit/(Loss) before tax</b>	<b>66.33</b>	<b>200.03</b>
Provision for Deferred Tax	36.01	42.25
<b>Net Profit/(Loss) after tax</b>	<b>30.32</b>	<b>157.78</b>
<b>(3) Other Information</b>		
<b>Segment Assets</b>		
a.Silk Fabrics & Made-ups	2288.22	2195.55
b.Industrial Leather H/Gloves & Made-ups	4286.81	4606.73
c.Yarns	1209.30	1299.28
d.Weavings Silk Fabrics (100% EOU)	1804.70	1898.96
e.Unallocable	0.88	0.59
<b>Total</b>	<b>9589.91</b>	<b>10001.11</b>
<b>Segment Liabilities</b>		
a.Silk Fabrics & Made-ups	412.58	539.90
b.Industrial Leather H/Gloves & Made-ups	438.12	745.13
c.Yarns	1.76	5.28
d.Weavings Silk Fabrics (100% EOU)	708.66	735.02
e.Unallocable	3.33	2.98
<b>Total</b>	<b>1564.45</b>	<b>2028.31</b>
<b>(4) Capital Expenditure</b>		
a.Silk Fabrics & Made-ups	23.20	2.13
b.Industrial Leather H/Gloves & Made-ups	19.30	11.45
c.Yarns	-	1.07
d.Weavings Silk Fabrics (100% EOU)	16.12	1.49
<b>Total</b>	<b>58.62</b>	<b>16.14</b>
<b>(5) Depreciation</b>		
a.Silk Fabrics & Made-ups	6.51	8.48
b.Industrial Leather H/Gloves & Made-ups	29.08	34.30
c.Yarns	18.03	18.58
d.Weavings Silk Fabrics (100% EOU)	47.68	68.95
<b>Total</b>	<b>101.30</b>	<b>130.31</b>



**Notes on Financial Statements for the year ended 31st March, 2024**

(Rs in Lacs)

	As at 31st March, 2024	As at 31st March, 2023
<b>(6) Non -cash expenses other than depreciation</b>		
a.Silk Fabrics & Made-ups	0.97	32.50
b.Industrial Leather H/Gloves & Made-ups	1.35	-
c.Yarns	0.27	-
<b>Total</b>	<b>2.59</b>	<b>32.50</b>

**(ii) Geographical Segments**

The Secondary segment reporting is about geographical segment which shows the distribution of the Company's sales by geographical market :

Sales	2023-2024	2022-2023
India	640.78	406.45
Outside India	7210.61	5601.90
<b>Total</b>	<b>7851.39</b>	<b>6008.35</b>

**38. Auditors Remuneration**

	2023-2024	2022-2023
As Statutory Audit	1.98	1.98
As Tax Audit	0.75	0.75
For Certification & Other Services	0.90	0.90
For Out of Pocket Expenses	0.10	0.10
<b>Total</b>	<b>3.73</b>	<b>3.73</b>

**39. Purchased of Finished Goods**

Class of Goods	2023-2024 Value	2022-2023 Value
Industrial Leather Hand Gloves & Made-ups	584.36	-
Silk/Cotton/Viscose Fabrics	470.70	493.67
Silk Made-ups	5.47	5.45
Cotton Fibre	307.95	-
Yarn	-	0.58
<b>Total</b>	<b>1368.48</b>	<b>499.70</b>

**40. Consumption of Raw Materials and Dyes & Chemicals**

Class of Goods	2023-2024		2022-2023	
	%	Value	%	Value
<b>(A) RAW MATERIALS</b>				
Raw Leather		2913.97		2385.55
Clothes		16.21		24.28
Yarn		446.15		558.42
<b>Total of (A) :-</b>		<b>3376.33</b>		<b>2968.25</b>
<b>Imported</b>	5.72	193.18	7.14	211.81
<b>Indigenous</b>	94.28	3183.15	92.86	2756.44
	100.00	3376.33	100.00	2968.25
<b>(B) Dyes &amp; Chemicals</b>		39.02		41.07
<b>Indigenous</b>	100.00	39.02	100.00	41.07
	100.00	39.02	100.00	41.07
<b>Total of (A+B) :-</b>		<b>3415.35</b>		<b>3009.32</b>



**Notes on Financial Statements for the year ended 31st March, 2024**

**41. Consumption of Stores & Spares and Packing Materials**

(Rs in Lacs)

Class of Goods	2023-2024		2022-2023	
	%	Value	%	Value
<b>(A) Stores &amp; Spares</b>				
Thread		28.68		28.73
Rubb, Cuff, Back & Components		139.24		74.54
Spare Part		15.49		36.08
<b>Total of (A) :-</b>		<b>183.41</b>		<b>139.35</b>
<b>Imported</b>	<b>3.68</b>	<b>6.76</b>	9.41	13.12
<b>Indigenous</b>	<b>96.32</b>	<b>176.65</b>	90.59	126.23
	<b>100.00</b>	<b>183.41</b>	100.00	139.35
<b>(B) Packing Materials</b>				
<b>Indigenous</b>	<b>100.00</b>	<b>58.55</b>	100.00	55.65

**42. List of Related Parties**

**(a) Key Management Personal (KMP)-as per Companies Act, 2013**

- (i) Shri Varun Loyalka (VL) -Managing Director
- (ii) Shri Raj Kr. Loyalka (RKL) -Chief Executive Officer
- (iii) Shri Surendra Kr. Loyalka (SKL)- Chief Executive Officer
- (iv) Shri Vikram Kr.Mishra (VKM) - Company Secretary **(Resigned w.e.f. 28/05/2022)**
- (v) Shri Subhrajit Dutta (SD) - Company Secretary **(Resigned w.e.f. 17/10/2022)**
- (vi) Shri Jeetender Kumar Ram (JKM) - Company Secretary **(Resigned w.e.f. 30/11/2023)**
- (vii) Smt.Anita Kumari Gupta (AKG) - Company Secretary **(w.e.f. 12/02/2024)**
- (viii) Shri Sushil Kumar Kasera (SKK)-Chief Financial Officer

**Additional KMPs (Pursuant to Ind AS 24)**

- (i) Smt.Urmila Loyalka (UL)- Non Executive Director
- (ii) Shri Rabindra Kr.Sarawgee (RKS) - Independent & Non Executive Director
- (iii) Shri Kamal Kr.Jain (KKJ) - Independent & Non Executive Director
- (iv) Shri Surendra Bafna (SB) - Independent & Non Executive Director
- (v) Shri Sanjay Kr.Shaw (SKS) - Independent & Non Executive Director

**(b) Relatives/Associates of Key Management Personnel**

- (i) SKL Exports Ltd. - Father of MD is a Director
- (ii) Capital Limited - Shri Varun Loyalka is Common Director
- (iii) A.C.Roy & Co. Pvt. Ltd. - Shri Varun Loyalka is Common Director
- (iv) Miori Home India Pvt.Ltd. - Shri Varun Loyalka is Common Director
- (v) Smt.Akta Gupta Loyalka - Wife of MD

(Rs in Lacs)

(1) Nature of Transaction	2023-2024					2022-2023				
	SKL Exports Ltd.	Capital Limited	A.C.Roy& Co. Pvt. Ltd.	Miori Home India Pvt. Ltd.	Akta Gupta Loyalka	SKL Exports Ltd.	Capital Limited	A.C.Roy& Co. Pvt. Ltd.	Miori Home India Pvt. Ltd.	Akta Gupta Loyalka
<b>Sales</b>										
Goods, Materials and Services	103.66	-	-	38.41	-	125.65	-	-	-	-
<b>Purchases/Job work charges</b>										
Goods and Materials	73.35	-	-	-	-	123.46	-	-	-	-
<b>Manpower Providing Charges</b>										
Manpower Charges	-	6.66	-	-	-	-	6.26	-	-	-
<b>Rent Paid</b>										
Licence Fees for Office Space	-	14.75	2.52	-	-	-	12.00	2.52	-	-
<b>Rent Received</b>										
Salary Paid	-	-	-	-	10.42	-	-	-	-	9.82
<b>Outstanding as at year end</b>										
Receivable/(Payable)	(248.49)	-	90.00	9.25	(0.76)	(196.13)	-	90.00	-	(0.63)

**Notes on Financial Statements for the year ended 31st March, 2024****(II) Key Management Personnel Compensation**

(Rs in Lacs)

	2023-2024		2022-2023	
	Transaction Value	Outsatnding as at year-end Receivable/(Payable)	Transaction Value	Outsatnding as at year-end Receivable/(Payable)
<b>Short Term Employee benefits</b>				
SKL	38.16	(11.37)	38.16	(1.91)
VL	15.22	(1.06)	15.22	(1.05)
RKL	30.00	(1.95)	30.00	(1.96)
VKM	-	-	1.03	-
SD	-	-	2.57	-
JKR	5.00	-	1.69	(0.43)
AKG	0.83	(0.55)	-	-
SKK	3.93	(0.36)	3.18	(0.03)
<b>Other Benefits</b>				
SKL	-	-	5.31	-

**(III) Transactions with Non-Executive Directors**

	2023-2024	2022-2023
<b>Short Term Employee benefits</b>		
SB	0.55	0.66
RKS	0.59	0.70
KKJ	0.61	0.72
SKS	0.55	0.46

**43 Financial instruments and Risk management****43.1 Capital management**

Capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Management seeks to maintain a prudent balance between different components of the Company's capital. The Management the monitors capital structure and the net financial debt. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short term investments. The debt equity ratio highlights the ability of a business to repay its debts. Accordingly the management periodically reviews and sets prudent limit on overall borrowing limits of the Company.

**43.2 Categories of financial instruments****Fair Value hierarchy**

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

Level 1: It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date like mutual fund. The mutual fund are valued using the closing market price as at the balance sheet date.

Level 2: It includes fair value of the financial instruments that are not traded in an active market like over-the-counter derivatives, which is valued by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the specific estimates. If all significant inputs required to fair value if instrument are observable then instrument is included in level 2.

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**Notes on Financial Statements for the year ended 31st March, 2024**

Assets/liabilities measured at fair value

Rs. in Lacs

As at 31st March, 2024								
Particulars	Carrying Amount	Amorised Cost	FVTPL	FVOCI	Fair Value hierarchy			TOTAL
					Level 1	Level 2	Level 3	
<b>Financial assets</b>								
<b>Non Current Financial Assets</b>								
Investments-Unquoted Mutual Fund	131.74	-	-	131.74	-	131.74	-	131.74
Other Financial Assets	542.80	542.80	-	-	-	-	-	-
<b>Current Financial Assets</b>								
Trade Receivables	1436.61	1436.61	-	-	-	-	-	-
Cash and Cash Equivalents	1214.53	1214.53	-	-	-	-	-	-
Bank Balances other than above	1304.91	1304.91	-	-	-	-	-	-
Other Financial Assets	125.00	125.00	-	-	-	-	-	-
<b>Total Financial Assets</b>	<b>4755.59</b>	<b>4623.85</b>	-	<b>131.74</b>	-	<b>131.74</b>	-	<b>131.74</b>
<b>Financial liabilities</b>								
<b>Non Current Financial Liabilities</b>								
Borrowings	6.61	6.61	-	-	-	-	-	-
<b>Current Financial Liabilities</b>								
Borrowings	547.23	547.23	-	-	-	-	-	-
Trade Payable	564.22	564.22	-	-	-	-	-	-
Other Financial Liabilities	62.60	62.60	-	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>1180.66</b>	<b>1180.66</b>	-	-	-	-	-	-

Rs. in Lacs

As at 31st March, 2023								
Particulars	Carrying Amount	Amorised Cost	FVTPL	FVOCI	Fair Value hierarchy			TOTAL
					Level 1	Level 2	Level 3	
<b>Financial assets</b>								
<b>Non Current Financial Assets</b>								
Investments-Unquoted Mutual Fund	84.91	-	-	84.91	-	84.91	-	84.91
Other Financial Assets	1181.20	1181.20	-	-	-	-	-	-
<b>Current Financial Assets</b>								
Trade Receivables	926.22	926.22	-	-	-	-	-	-
Cash and Cash Equivalents	652.25	652.25	-	-	-	-	-	-
Bank Balances other than above	2206.05	2206.05	-	-	-	-	-	-
Other Financial Assets	77.50	77.50	-	-	-	-	-	-
<b>Total Financial Assets</b>	<b>5128.13</b>	<b>5043.22</b>	-	<b>84.91</b>	-	<b>84.91</b>	-	<b>84.91</b>
<b>Financial liabilities</b>								
<b>Non Current Financial Liabilities</b>								
Borrowings	-	-	-	-	-	-	-	-
<b>Current Financial Liabilities</b>								
Borrowings	947.39	947.39	-	-	-	-	-	-
Trade Payable	595.73	595.73	-	-	-	-	-	-
Other Financial Liabilities	124.03	124.03	-	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>1667.15</b>	<b>1667.15</b>	-	-	-	-	-	-

**Notes on Financial Statements for the year ended 31st March, 2024****43.3 Financial risk management**

The financial risks emanating from the Company's operating business include market risk, credit risk and liquidity risk. These risks are Company using managed by the appropriate financial instruments.

**43.4 Market risk management**

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 of Currency risk, Interest rate risk and other price risk.

**43.5 Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Company operates internationally and is exposed to the foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EURO and GBP. Foreign exchange risk arises from future commercial transactions. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

The Company, as risk management policy, hedges foreign currency transactions to mitigate the risk exposure and reviews periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed.

**43.6 Credit Risk**

Credit risk refers to the risk of financial loss arising from default / failure by the counterparty to meet financial obligations as per the terms of contract. The Company is exposed to credit risk for receivables, cash and cash equivalents and derivative financial instruments. None of the financial instruments of the Company result in material concentration of credit risks.

Credit risk on receivables is minimum since sales through different mode are made after judging credit worthiness of the customers, advance payment or against letter of credit by banks. The history of defaults has been minimal and outstanding receivables are regularly monitored. For credit risk on the loans to parties, the Company is not expecting any material risk on account of non-performance by any of the parties.

For derivative and financial instruments, the Company manage & its credit risks by dealing with reputable banks and financial institutions.

Credit risk from balances with banks is manages by constant monitoring in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The carrying value of the financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

**43.7 Interest rate risk management**

The Company does not have interest rate risk exposure at the end of the year.

**43.8 Price risk**

The Company is not an active investor in equity markets; so it is not exposed to price risk.

**Notes on Financial Statements for the year ended 31st March, 2024****43.9 Other Financial Assets**

The Company maintains exposure in cash and cash equivalents, fixed deposits with banks. Investment of surplus funds are made only with approved counterparties. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

**43.10 Agricultural Risk**

Cultivation of Eucalyptus trees being an agricultural activity, there are certain specific financial risks. These financial risks arise mainly due to adverse weather conditions, logistic problems and fire hazards.

The Company manages the above financial risks by keeping Sufficient inventory levels of agro chemicals, fertilisers and other inputs so that timely corrective can be taken in case of adverse weather conditions.

**43.11 Liquidity risk management**

The objective of liquidity risk management is to maintain sufficient liquidity to meet financial obligations of the Company as they become due. The Treasury Risk Management Policy includes an appropriate liquidity risk management framework for the management of the short-term, medium-term and long term funding and cash management requirements. The Company manages the liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities continuously monitoring forecast and actual by cash flows and by matching the maturity profiles of financial assets and liabilities.

**44.** No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made there under.

**Notes on Financial Statements for the year ended 31st March, 2024****45. Key Ratios :-**

Particulars	Year Ended 31/03/2024 %	% Variance	Year Ended 31/03/2023 %	Numerator	Denominator	Reason for Variance
(a) Current Ratio	<b>5.52</b>	42.27	3.88	Current Assets	Current Liabilities	Current Assets increase during the year
(b) Debt-Equity Ratio	<b>0.07</b>	(41.92)	0.12	Total Debt (Non-current borrowings + Current Borrowings + Total Lease Liability)	Shareholder's Equity	Total Debt decrease during the year
(c) Debt Service Coverage Ratio	<b>2.49</b>	(54.20)	5.43	Net Profit after taxes + Exception items + Non-cash operating expenses (depreciation)+ Finance Costs+other adjustments (loss on sale of PPE)	Interest payments+Long term Principal Repayment+Lease Payments	Net profit decrease during the year
(d) Return on Equity Ratio	<b>0.00</b>	(81.03)	0.02	Net Profit after taxes	Average Share's Holder equity	Net profit decrease during the year
(e) Inventory turnover ratio	<b>2.78</b>	56.83	1.77	Sale of Products	Average Inventory	Increase in Sales during the year
(f) Trade Receivables turnover ratio	<b>5.38</b>	(16.70)	6.46	Sale of Products	Trade Receivables	-
(g) Trade payables turnover ratio	<b>2.43</b>	189.16	0.84	Purchase	Trade Payables	Increase in Purchases during the year, the ratio has increased
(h) Net capital turnover ratio	<b>1.26</b>	12.14	1.12	Sale of Products	Working Capital	-
(i) Net profit ratio	<b>0.00</b>	(0.85)	0.03	Net Profit after taxes	Sale of Products	-
(j) Return on Capital employed	<b>0.02</b>	(61.87)	0.05	Earnings before interest and taxes (Loss before taxes+Finance costs)	"Capital employed (Tangible Net worth + Total Debt)	Net profit decrease during the year
(k) Return on Investment	<b>0.00</b>	(97.18)	0.03	Investment Gain	Cost of Investment	Investment Gain decrease during the year

**46. Relationship with Struck off Companies:-**

Name of the Struck off Company	Nature of Transactions with Struck-off Company	Number of Share held	Relationship with the Struck off company
Mega Heights Realtors Pvt. Ltd. Vivada Business Pvt. Ltd. M/s Cliton Consultants & Investment Khemka Finance and Investment Pvt. Ltd.	Shares held by struck off company	240 100 100 1	N.A. N.A. N.A. N.A.

**Notes on Financial Statements for the year ended 31st March, 2024****47. Borrowings from Banks:-**

All the quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts.

48. Funds borrowed by the company from banks have been utilised for the specified purpose for which the same have been borrowed.

49. Previous year's figures have been re-grouped/re-classified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date annexed

**For V. Goyal & Associates**

**Chartered Accountants**

Firm Regn. No. 312136 E

**(Vinod Kumar Goyal)**

Partner

M.NO. 050670

Place : Kolkata

Date : 30th Day of May, 2024

FOR AND ON BEHALF OF THE BOARD

**Managing Director : V. Loyalka (DIN: 07315452)**

**Director : U. Loyalka (DIN: 00009266)**

**Director : R.K. Sarawgee (DIN: 00559970)**

**Director : K.K. Jain (DIN: 00551662)**

**Director : S. Bafna (DIN: 00127681)**

**Director : S.K. Shaw (DIN: 08507089)**

Company Secretary:

**[A.K. Gupta (FCS: 11369)]**

Chief Financial Officer:

**[S.K. Kasera (PAN: AFNPK5320D)]**