

## V. GOYAL & ASSOCIATES

CHARTERED ACCOUNTANTS

'A', BLOCK, 1<sup>ST</sup> FLOOR, MERCANTILE BUILDINGS, 9, LAL BAZAR STREET, KOLKATA-700 001

PHONE: (O): 22481037/3298/7766, 2210-4221, 2213-1429/1433

FAX: (91) (33) 2248-7335, E-Mail: [goyalpankaiforyou@gmail.com](mailto:goyalpankaiforyou@gmail.com)

---

### INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To  
The Board of Directors  
**Zenith Credit Limited**  
Kolkata

#### **Report on the Consolidated Financial Statements**

1. We have audited the accompanying Consolidated Financial Statements of **Zenith Credit Limited** ('the Company') and its one wholly owned subsidiary (collectively referred as 'the Group') which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Profit and Loss Statement and the Consolidated Cash Flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Consolidated Financial Statements**

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting



## V. GOYAL & ASSOCIATES

CHARTERED ACCOUNTANTS

'A', BLOCK, 1<sup>ST</sup> FLOOR, MERCANTILE BUILDINGS, 9, LAL BAZAR STREET, KOLKATA-700 001

PHONE: (O): 22481037/3298/7766, 2210-4221, 2213-1429/1433

FAX: (91) (33) 2248-7335, E-Mail: [goyalpankajforyou@gmail.com](mailto:goyalpankajforyou@gmail.com)

---

estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

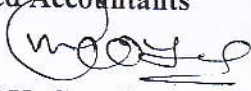
### Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the report of the other auditor on the financial statements of the subsidiary as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
- in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
  - in the case of the Consolidated Profit and Loss Statement, of the profit of the Group for the year ended on that date; and
  - in the case of Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Place : Kolkata

Date: 30<sup>th</sup> day of May'2013

For V. Goyal & associates  
Chartered Accountants

  
[V.K. Goyal]

Partner

Membership No. 050670

FRN : 312136E



**ZENITH CREDIT LIMITED**

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013**

	Note No	As at 31.03.2013	As at 31.03.2012
<b>1 EQUITY AND LIABILITIES</b>			
<b>1 Shareholders fund</b>			
(a) Share capital	2	40054230	40054230
(b) Reserve and surplus	3	240715358	235069258
<b>2 Minority interest</b>			
		2410772	2378689
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	4	1007500	798250
(b) Other long-term liabilities	5	6274375	6274375
(c) Long-term provisions	6	785689	646078
<b>4 Current liabilities</b>			
(a) Short-term borrowings	7	14816479	15097898
(b) Other current liabilities	8	18951072	15779704
(c) Short-term provisions	9	363423	866147
Total		<u>325378898</u>	<u>316964629</u>
<b>2 ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets - Tangible	10	5141137	3527475
(b) Non-current investments	11	124019187	110428252
(c) Deferred tax assets (net)	12	3597369	2921114
(d) Long-term loans & advances	13	29942718	40011413
(e) Other non-current assets	14	1847430	1496384
<b>2 Current Assets</b>			
(a) Inventories	15	2174261	2174261
(b) Trade receivables	16	671268	1681251
(c) Cash and bank balances	17	15312853	21731391
(d) Short-term loans and advances	18	142634896	132912117
(e) Other current assets	19	37779	80971
Total		<u>325378898</u>	<u>316964629</u>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		
<b>OTHER NOTES</b>	27-34		

As per our report of even date annexed.

For V.GOYAL & ASSOCIATES  
Chartered Accountants

(VINOD KUMAR GOYAL)  
PARTNER  
(Membership No.50670)  
Firm Regd.No.312136E

Place :- Kolkata

Dated : The 30th day of May 2013

For and on behalf of Board of Directors

*[Signature]*  
*[Signature]*  
Ajay Koyallap



**ZENITH CREDIT LIMITED**

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2013**

	Note No	As at 31.03.2013	As at 31.03.2012
1 Revenue from operations	20	14428351	21416540
2 Other income	21	7134659	16780102
3 Total Revenue (1 + 2)		21563010	38196642
<b>4 Expenses</b>			
Changes in inventories of traded goods	22	-	420953
Employee benefits expenses	23	5541722	5128251
Finance cost	24	1506484	1268557
Depreciation and amortization expenses	25	233447	155655
Other expenses	26	8248464	8058892
Total expenses		15530117	15032308
5 Profit before exceptional & extraordinary items and tax		6032893	23164334
6 Exceptional and extraordinary items		-	-
7 Profit before tax		6032893	23164334
8 Tax expenses			
a) Current tax		1249000	2959034
b) MAT Credit		(467301)	(651365)
b) Deferred tax		(676255)	2222180
c) Tax in respect of earlier years		249266	28671
9 Profit before adjustment for minority interest		5678183	18605814
10 Share of profit/loss transferred to minority interest		(32083)	(11676)
11 Profit for the year after adjustment for minority interest		5646100	18594138
12 Earning per equity share of Rs.10/- each			
a) Basic		1.41	4.64
b) Diluted		1.41	4.64
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		
<b>OTHER NOTES</b>	27-34		

As per our report of even date annexed.

For V.GOYAL & ASSOCIATES  
Chartered Accountants

(VINOD KUMAR GOYAL)  
PARTNER  
(Membership No.50670)  
Firm Regd.No.312136E

Place :- Kolkata  
Dated : The 30th day of May'2013

For and on behalf of Board of Directors



*[Handwritten signature]*  
*[Handwritten signature]*

**ZENITH CREDIT LIMITED**  
**19,R.N.MUKHERJEE ROAD**  
**KOLKATA-700 001**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 31ST MARCH,2013**

	Amount as on 31.03.2013	Amount as on 31.03.2012
<b>A. Cash Flow from Operating Activities</b>		
Net Profit/Loss before tax and exceptional items	6032893	23164334
<b>Adjustments for</b>		
Depreciation & Amortization expenses	233447	155655
Interest paid	1506484	1268557
Profit /(Loss)on Sale of Investments (Net)	(4039539)	(7943804)
Provision for NPA & Contingent provision on std.assets	1847450	(7105786)
Profit on Sale of Fixed Assets	-	(2151)
Dividend	(154329)	(133905)
Interest received	(4283315)	(8518074)
<b>Operating cash Profit before working Capital Changes</b>	<b>1143091</b>	<b>884826</b>
<b>Adjustments for</b>		
Sundry Debtors	2015330	9081231
Other Receivables	(29798384)	19846636
Other Payables	1630396	5853502
Inventories	-	420953
<b>Cash Generated from Operations</b>	<b>(25009567)</b>	<b>36087148</b>
Direct Taxes Paid/Adjusted	(1898907)	(2225430)
<b>Net Cash Flow from Operating Activities</b>	<b>(26908474)</b>	<b>33861718</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchases/Sales of Investment(Net)	(9551396)	(25162401)
Dividend	154329	133905
Sale of Fixed Assets	-	10000
Interest Received	4283315	8518074
Purchase of Fixed Assets	(1847109)	(103502)
<b>Net Cash Flow from Investing Activities</b>	<b>(6960861)</b>	<b>(16603924)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds/(Repayment) of Short Term Borrowing	(129212)	8760589
Loan given/realised	30836493	(22281022)
Interest Paid	(1506484)	(1268557)
<b>Net Cash Flow from Financing Activities</b>	<b>29200797</b>	<b>(14788990)</b>
<b>Net Change in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(4668538)</b>	<b>2468804</b>
Cash & Cash Equivalents Opening Balance	17481391	15012587
Cash & Cash Equivalents Closing Balance	<b>12812853</b>	<b>17481391</b>

As per our report of even date annexed

For V.GOYAL & ASSOCIATES  
Chartered Accountants

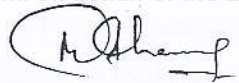
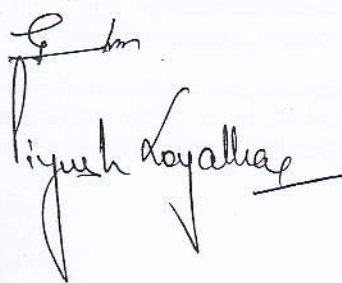


(VINOD KUMAR GOYAL)  
PARTNER  
(Membership No.50670)  
Firm Regd.No.312136E

Place :- Kolkata

Dated : The 30th day of May'2013

For and on behalf of the Board of Directors


**ZENITH CREDIT LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**

**NOTE - 1**  
**SIGNIFICANT ACCOUNTING POLICIES**

**(1) BASIS OF CONSOLIDATION**

- a) The Consolidated Financial Statements present the consolidated Accounts of Zenith Credit Ltd with its 97.33% Indian Subsidiary Manpasand Tie-Up Pvt Ltd.
- b) The financial statements of the company and its subsidiary company are combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, incomes and expenses, after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- c) The difference between the cost of investment in subsidiary, over the net assets at the time of acquisition of shares in the subsidiary is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
- d) Minority Interest's share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to share holders of the Company.
- e) Minority Interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- f) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

**(2) BASIS OF PREPARATION OF FINANCIAL STATEMENTS :**

- A. The Financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956.
- B. Method of Accounting - The Company maintains its accounts on accrual basis.
- C. The Accounting standard recommended by the Institute of Chartered Accountants of India, have been followed wherever applicable to the Company.
- D. The Company is a RBI Registered Non Banking Finance Company and it has followed guidelines issued by the RBI relating to Income Recognition, Asset Classification & Provisioning for N.B.F.C. Companies.

**(3) FIXED ASSETS:**

Fixed Assets are stated at their original cost of acquisition including all the related expenses which are attributable to bringing them to their present condition.

**(4) DEPRECIATION:**

Depreciation on Fixed Assets is provided on written down value method and in the manner provided in Schedule XIV of the Companies Act, 1956

**(5) REVENUE RECOGNITION**

- i) Income from Investments in Shares, Mutual Fund & Securities is recognized as and when received.
- ii) Overdue Charges are taken into account on realization and no accrual thereof is recognized due to uncertainty of realization.
- iii) In Case of Non-Performing Categories, Finance Charges and / or interest are accounted on actual recovery thereof.
- iv) In respect of Hire Purchase Debtors, Bad Debts are recognized in the year in which realizations are made by disposal of repossessed vehicle & the deficiency, if any between the dues & the amount realized is treated as "Bad Debts".
- v) During the course of Hire Purchase Business, the excess realization from Debtors or various accounts is treated as Income & Credited to "Miscellaneous Receipts". Similarly amount not realized from debtors is debited to a Sundry Balance written off A/c. At the year end, the accounts are adjusted against each other & net amount is reflected in the Profit & Loss A/c as Income or Expenses.



**ZENITH CREDIT LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**

- (6) **INVENTORIES:** Inventories of Shares & Securities are valued at lower of cost or market price
- (7) **INVESTMENTS :**
- i) Current Investments are valued at least of Cost or Market Price.
  - ii) Long Term Investments are stated at cost and provision for diminution in value is made wherever considered necessary, if the diminution is of permanent nature.
- (8) The Company is engaged in Purchase & Sale of Shares (both Quoted & Unquoted) and other Securities, some of which are in the nature of Investments (Long Term) while some others are in the nature of trading activity. In the absence of any tangible method of distinguish between these two nature of activity the auditor have relied upon the certificate of Directors in this regard.
- (9) **CLASSIFICATION OF ASSETS & PROVISIONING:**  
The Company is a RBI Registered Non Banking Finance Company and hence it follow the norms prescribed by RBI for Income Recognition, Assets Classification and Provisioning.
- (10) **IMPAIRMENT OF ASSETS:**  
As required by AS-28 issued by the Institute of Chartered Accountants of India, Provision for impairment loss of Assets is not required to be made as the estimated realizable value of such assets will be more or equal to the carrying amount stated in the Balance Sheet.
- (11) **INCOME TAX:** The Provisions comprises of both current and deferred taxes. Deferred Income Tax reflects the impact of year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred Tax Asset & Liabilities are measured using the tax rates and the tax laws that have been enacted or subsequently re-enacted at the Balance Sheet date. Deferred Tax Assets are recognized to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.
- (12) **CONTINGENT LIABILITIES:** These are not provided in the accounts but are disclosed by way of notes.
- (13) **BORROWING COSTS:** Borrowing Cost attributable of qualifying assets are capitalized as a part of the cost of such assets upto the date when such assets are ready for the intended use. Other Borrowing Costs are charged to Profit & Loss A/c.
- (14) **EMPLOYEE BENEFITS:**
- a) **Short Term Employee Benefits** – The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service. This benefit includes compensated absences such as paid annual leave.
  - b) **Post Employment Benefits** –
    - i) **Defined Contribution Plans:** Contribution made to the Recognised Provident Fund / Employees State Insurance Corporation is charged to the Profit & Loss Account. The Company's obligation is limited to the amount to be contributes by it.
    - ii) **Defined Benefit Plans:** The Company has a defined benefit plan for Post-Employment benefit in the form of Gratuity for all employees. Liability for above defined plan is provided on the basis of actuarial valuation, at the balance sheet date carried out by an independent Actuary.
- (15) **EARNING PER SHARE (EPS):** The Basic Earning per share is computed by dividing the net profit after tax for the period by the weighted average number of equity shares outstanding during the period. Diluted earning per share, if any is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period except when the results would be anti-dilutive.



**ZENITH CREDIT LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH,2013**

<b>NOTE - 2</b> <b>SHARE CAPITAL :</b>	<u>As at</u> <u>31.03.2013</u>	<u>As at</u> <u>31.03.2012</u>
<b>Authorised :</b>		
4100000 Equity Shares of Rs. 10/- each	<u>41000000</u>	<u>41000000</u>
<b>Issued, Subscribed &amp; Paid-up :</b>		
4005323 Equity Shares of Rs. 10/- each fully paid up	<u>40053230</u>	<u>40053230</u>
Add : Forfeited shares(Amount originally paid up)	<u>1000</u>	<u>1000</u>
	<u><b>40054230</b></u>	<u><b>40054230</b></u>

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

<b>The reconciliation of the number of shares outstanding</b>	<u>No. of shares</u>	<u>No. of shares</u>
Equity shares at the begning of the year	<u>4010323</u>	<u>4010323</u>
Add : Shares issued during the year	-	-
Less : Shares cancelled	-	-
Equity shares at the end of the year	<u><b>4010323</b></u>	<u><b>4010323</b></u>

**Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company :**

Name of the Shareholder	As at 31.03.2013		As at 31.03.2012	
	No. of shares	% of holding	No. of shares	% of holding
Maxxon Impex & Credit Pvt Ltd	744941	18.60	540542	13.50
Sunirmay Vinimay Pvt Ltd	781424	19.51	246826	6.16
Ankit Commerce Ltd	205589	5.13	205589	5.13

**NOTE - 3**

**RESERVES & SURPLUS :**

**(a) Capital Reserve**

Balance as per last account	10227901		10227901	
Add : on consolidation of subsidiary	<u>85841935</u>	<u>96069836</u>	<u>85841935</u>	<u>96069836</u>

**(b) Security Premium**

Balance as per last account	59954800		59954800	
-----------------------------	----------	--	----------	--

**(c) General Reserve**

Balance as per last account	3312579		3312579	
-----------------------------	---------	--	---------	--

**(d) Statutory Reserve (under RBI Act.)**

Balance as per last Account	5908700		2274900	
Add : Transferred from Profit during the year	<u>895700</u>	<u>6804400</u>	<u>3633800</u>	<u>5908700</u>

**(e) Surplus**

Balance as per last Account	69823343		54863005	
Add : Net profit for the year	<u>5646100</u>		<u>18594138</u>	
	<u>75469443</u>		<u>73457143</u>	
Less : Transferred to statutory reserve	<u>895700</u>	<u>74573743</u>	<u>3633800</u>	<u>69823343</u>

	<u><b>240715358</b></u>	<u><b>235069258</b></u>
--	-------------------------	-------------------------

**NOTE - 4**

**LONG-TERM BORROWINGS**

**Other loans and advances**

**Secured**

From Life Insurance Corporation of India	1007500	798250
HDFC Bank car loan	-	-
	<u><b>1007500</b></u>	<u><b>798250</b></u>

Note: Loan from LIC is secured by pledge of keyman policy no.418386880 and carries interest @ 10%(Previous yr.9%) per annum which is payable half yearly. Loan is repayable on maturity of policy on 25.09.2029





**ZENITH CREDIT LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**

	As at 31.03.2013	As at 31.03.2012
<b>NOTE - 5</b>		
<b>OTHER LONG-TERM LIABILITIES</b>		
Sundry advances	6274375	6274375
	6274375	6274375
<b>NOTE - 6</b>		
<b>LONG-TERM PROVISIONS</b>		
Provision for gratuity to employees	699376	581630
Provision for leave salary	86313	64448
	785689	646078
<b>NOTE - 7</b>		
<b>SHORT-TERM BORROWINGS</b>		
<b>Secured</b>		
Working capital loans from banks (Secured by hypothecation of present & future debtors and stock on hire)	8918329	7211323
Overdraft facility from bank (Secured against pledge of fixed deposits)	1588734	10507063
	4309416	7457136
<b>Unsecured</b>		
From others (repayable on demand)	14816479	15097898
	18951072	15779704
<b>NOTE - 8</b>		
<b>OTHER CURRENT LIABILITIES</b>		
Current maturities of long-term debts	-	57518
Interest accrued but not due on borrowings	1656	1181
Statutory dues	1769707	1604081
Advance from customers	9080279	7947673
Other payables	8099430	6169251
	18951072	15779704
<b>NOTE - 9</b>		
<b>SHORT-TERM PROVISIONS</b>		
Provision for income tax (net of advance tax)	-	465947
Provision for derivative contracts	11523	-
Contingency provision for standard assets	351900	400200
	363423	866147
<b>NOTE - 10</b>		
<b>FIXED ASSETS</b>		

PARTICULARS	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK		
	As on 01.04.12	Addition	Disposal	As at 31.03.13	Up to 01.04.12	For the year	Disposal	Up to 31.03.13	As at 31.03.13	As at 31.03.12
<b>Tangible assets</b>										
<b>Land &amp; Building</b>										
Land	3069535	22078	-	3091613	-	-	-	-	3091613	3069535
Ownership Property	47000	1323216	-	1370216	36772	39482	-	76254	1293962	10228
Car Parking Space	10000	-	-	10000	-	-	-	-	10000	10000
Furniture & Fixtures	5585	38700	-	44285	2386	4863	-	7249	37036	3199
<b>Plant &amp; Equipment</b>										
Office equipments	237253	36000	-	273253	214205	7438	-	221643	51610	23048
Computers	340650	84660	-	425310	245569	53513	-	299082	126228	95081
Air conditioners	51100	170660	-	221760	37802	16388	-	54190	167570	13298
Generator	151282	-	-	151282	144384	960	-	145344	5938	6898
<b>Vehicles</b>										
Motor car & M.Cycle	694498	171795	-	866293	398310	110803	-	509113	357180	296188
<b>Total</b>	<b>4606903</b>	<b>1847109</b>	<b>-</b>	<b>6454012</b>	<b>1079428</b>	<b>233447</b>	<b>-</b>	<b>1312875</b>	<b>5141137</b>	<b>3527475</b>
Previous year total	4548787	103502	45386	4606903	968272	448692	37537	1079428	3527475	



**ZENITH CREDIT LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**

**NOTE - 11**

**NON-CURRENT INVESTMENTS**

**(1) Investments in Shares (At Cost)**

**(A) Trade investments:**

**I) Equity Instruments (Unquoted)**

**I. Investment in associates**

Sunirmay Vinimay Pvt.Ltd.

Face Value	Nos.	As at 31.03.2013	Nos.	As at 31.03.2012
10	250020	250020	250020	250020
<b>Total (A)</b>		<b>250020</b>		<b>250020</b>

**(B) Non-trade investments:**

**I) Equity Instruments (Unquoted)**

A.C.Roy & Co.Pvt.Ltd.  
BKL Securities Ltd.  
Capital Ltd.  
Essar Steel Ltd  
Maxxon Impex & Credit Pvt.Ltd.  
Shree Narayan Premises Co-Operative  
Shriya Commercial Enterprises Ltd.

10	6200	620000	6200	620000
10	50500	3030000	192500	6050000
10	2700	270000	2700	270000
10	3000	211500	3000	211500
10	450000	2250000	450000	2250000
10	10	500	10	500
10	13000	130000	13000	130000
<b>Total (I)</b>		<b>6512000</b>		<b>9532000</b>

**II) Equity Instruments (Quoted)**

Aban Offshore Ltd  
Ankit Commerce Ltd.  
Aksh Optifibre Ltd  
Axis Bank  
Bank Of Baroda  
BGR Energy Systems Ltd  
BSEL Infrastructures Ltd  
City Union Bank Ltd  
Dhunseri Petrochem & Tea Ltd  
Diana Tea Co.Ltd  
Electrosteel Steels Ltd  
Elgi Rubber International Ltd.  
Eros Intl Media Ltd  
Fortis Healthcare Ltd  
Geometric Ltd  
GIC Housing Finance Ltd  
Godawari Power & Ispat Ltd  
Godrej Industries Ltd  
GVK Power & Infra.Ltd  
HDFC Bank Ltd  
Hindusthan Construction Co.Ltd  
ICICI Bank Ltd  
IDBI Bank Ltd  
IFCI Ltd  
India Infoline Ltd  
Indian Hotel Co. Ltd.  
Infosys Technology Ltd  
Ispat Industries Ltd  
J.J.Exports Ltd.  
Jai Balaji Industries Ltd  
Jayshree Tea Ltd  
JSW Energy Ltd  
Krishna Lifescience Ltd  
LIC Housing Finance Ltd.  
Marico Industries Ltd  
Mcleod Russel Ind.Ltd  
Mindtree Ltd

2	-	-	85	94001
10	56900	286207	56900	286207
5	2000	16922	2000	16922
10	-	-	450	600001
10	-	-	1200	610588
10	750	562389	750	562389
10	2000	28082	2000	28081
1	-	-	13000	289527
10	400	59266	400	59266
5	2000	48856	2000	48856
10	7000	73111	7000	73111
1	588	71081	588	71081
10	-	-	2000	344219
10	3600	495729	3600	495729
2	-	-	1000	74078
10	-	-	1200	150592
10	-	-	300	77542
1	-	-	1200	277237
1	2500	115853	2500	115853
1	-	-	2050	889082
1	1000	61494	1000	61494
10	-	-	20	18660
10	-	-	100	19096
10	3500	240756	3500	240756
2	5000	497556	5000	497556
1	3300	344938	3300	344938
5	-	-	25	74854
10	1600	30184	1600	30184
10	700	24878	700	24878
10	1100	251202	500	251202
10	3000	552362	3000	552362
10	2300	285060	2300	285060
1	20000	22716	20000	22716
10	-	-	250	61950
1	-	-	500	65143
5	-	-	2400	568263
10	-	-	800	509253



**ZENITH CREDIT LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH,2013**

		As at		As at	
		31.03.2013		31.03.2012	
<b>NOTE - 11 contd.</b>					
Nagarjuna Oil Refivery Ltd	1	500	-	500	-
Nagarjuna Fertilizers & Chem.Ltd	10	550	19246	500	19246
NIIT Technologic Ltd.	10	-	-	500	78783
NOCIL Ltd	10	6000	132098	6000	132098
Noida Toll Bridge Co.Ltd	10	1800	64824	1800	64824
Phoenix Mill Ltd	2	1000	220364	1000	220364
Polar Pharma India Ltd.	10	3000	22234	3000	22234
Prajay Engg.Ltd	10	5000	135951	5000	135951
Prithvi Info Solutions Ltd.	10	200	53610	200	53610
PSL Ltd	10	500	86030	500	86030
R.K.Finance Ltd.	10	291006	1858995	291006	1858995
Raj Rayon Ltd.	10	1500	36791	1500	36791
Raymonds Ltd	10	-	-	100	40045
Reliance Communication Ltd.	5	600	103615	600	103615
Reliance Industries Ltd.	5	-	-	286	293809
Sonata Software Ltd	1	1000	55409	1000	55409
Spicejet Ltd.	10	-	-	500	26380
State Bank of India	10	-	-	90	258505
Steel Authority of India Ltd.	10	2300	414411	2300	414411
Subex Systems Ltd.	10	155	30453	155	30453
Sun Pharmaceuticals Ltd	5	950	281511	950	281510
Sundaram Fastners Ltd.	1	-	-	1500	53535
Talbros Automative Components Ltd.	10	200	9711	200	9711
Tata Motor Ltd(DVR)	2	-	-	250	200727
TCS Ltd.	1	-	-	150	66471
Ultratech Cement Ltd	10	-	-	100	80589
United Brweries Holdings Ltd.	10	50	29934	50	29934
Walchandnagar Ltd	1	500	112119	500	112119
Zee News Ltd	1	-	-	9000	126439
Zenith Exports Ltd.	10	335482	6715187	335482	6715187
		<b>Total (II)</b>	<b>14451135</b>		<b>20400502</b>
<b>III) Units of mutual funds(Unquoted)</b>					
Kotak India Growth Fund II	100000	250	12658305	250	14125000
(Paid-up Rs.50633.22 each,(Prev.yr.56500/-)		<b>Total (III)</b>	<b>12658305</b>		<b>14125000</b>
		<b>Total (B) (I+II+III)</b>	<b>33621440</b>		<b>44057502</b>
		<b>Total 1 (A+B)</b>	<b>33871460</b>		<b>44307522</b>
<b>(2) Investment in Capital of Partnership Firms</b>					
M/S Zenith Credit Corporation			84098111		60070572
M/S Cosmos Investments			6049616		6050158
		<b>Total 2</b>	<b>90147727</b>		<b>66120730</b>
		<b>Total 1+2</b>	<b>124019187</b>		<b>110428252</b>
Aggregate Market value of Quoted investments			31384585		40279637
Aggregate Book value of Unquoted investments			109568052		90027750



**ZENITH CREDIT LIMITED**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH,2013**

	As at 31.03.2013	As at 31.03.2012
<b>NOTE - 12</b>		
<b>DEFERRED TAX ASSETS (NET)</b>		
<b>A ) Deferrd Tax Assets on account of</b>		
Depreciation	66386	115848
Disallowances under Income Tax Act 1961	455502	455502
Provision for npa	2338257	1752470
Contingency Provision on std assets	108737	-
Provision for derivative contracts	3561	-
Provision for doubtful debts	278646	278646
Provision for employees benefit	346280	318648
	<u>3597369</u>	<u>2921114</u>
<b>B) Deferred Tax Liabilities on account of</b>		
	-	-
<b>C ) Net Deferrd Tax Assets (Liabilities)</b>		
	<u>3597369</u>	<u>2921114</u>

**NOTE - 13**

**LONG-TERM LOANS AND ADVANCES**

**(A) Security Deposits**

Unsecured, considered good 188072 130010

**(B) Other loans and advances**

Secured ag hypothecation of vehicles 36959488 49309556

Less : Unmatured interest 7204842 9428153 39881403

Unsecured, considered doubtful 901767 901767

Less : Provision for doubtful loans and advances 901767 901767 -

29942718 40011413

**NOTE - 14**

**OTHER NON-CURRENT ASSETS**

MAT credit receivable 1696330 1071889

Income tax refund receivable 151100 424495

1847430 1496384

**NOTE - 15**

**INVENTORIES(At cost or market price whichever is less)**

Flats ( Flat no.2B(2), 8B,Royd Street,Kolkata - 16, measuring 547.29sqft) 837901 837901

Equity instruments 1336360 1336360

2174261 2174261

**Details of equity instruments**

Name of the company	No. of Shares		No. of Shares	
Zenith Exports Ltd	10000	1336360	10000	1336360
	10000	1336360	10000	1336360

**NOTE - 16**

**TRADE RECEIVABLES**

**Secured,considered good**

Outstanding for a period exceeding six months from their due date - 3822038

Less : Provision for non performing assets 1349247 2354594

-1349247 1467444

Outstanding for a period less than six months from their due date 1649927 103921

300680 1571365

Less : Unmatured finance charges - 300680 - 1571365

**Unsecured, considered good**

Outstanding for a period less than six months from their due date 370588 109886

671268 1681251



**ZENITH CREDIT LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**

**NOTE - 17**

	<u>As at</u> <u>31.03.2013</u>	<u>As at</u> <u>31.03.2012</u>
<b>CASH AND BANK BALANCES</b>		
<b>(A) Cash and cash equivalents</b>		
Cash in hand (As Certified by the Management)	1349567	1243639
Cheques - in - hand	10660510	1534311
Balance with banks	802776	14703441
<b>(B) Other bank balances</b>	12812853	17481391
Fixed Deposit with banks with more than 12 months maturity (Pledged with Banks for overdraft facility)	2500000	4250000
	<u>15312853</u>	<u>21731391</u>

**NOTE - 18**

**SHORT-TERM LOANS AND ADVANCES**

**(A) LOANS**

**To others**

(a) Unsecured, considered good

(b) Secured, considered good

Less : Unmatured interest

	24066433	53055376
	84980169	74477651
	<u>10803363</u>	<u>10329201</u>
	74176806	64148450
	<u>6217927</u>	<u>3316830</u>
	67958879	60831620

Less : Provision for non performing assets

**(B) ADVANCES**

**To others**

Unsecured, considered good

	50609584	19025121
--	----------	----------

	<u>142634896</u>	<u>132912117</u>
--	------------------	------------------

**NOTE - 19**

**OTHER CURRENT ASSETS**

Interest accrued but not due on fixed deposit with bank

	37779	80971
--	-------	-------

	<u>37779</u>	<u>80971</u>
--	--------------	--------------

**NOTE - 20**

**REVENUE FROM OPERATIONS**

Sales of shares

Hire purchases charges

Interest on vehicle loans

Interest earned on loans

	-	178102
--	---	--------

	188546	671643
--	--------	--------

	9956490	12048721
--	---------	----------

	<u>4283315</u>	<u>8518074</u>
--	----------------	----------------

	<u>14428351</u>	<u>21416540</u>
--	-----------------	-----------------

**NOTE - 21**

**OTHER INCOME**

Dividend

Commission received

Misc. receipt

Profit from derivative dealings(net)

Profit on sales of fixed assets

Excess provisions w/back

Reversal of provision against NPA/Doubtful debts

Reversal of contingency provision for std. assets

Net profit on sale of long-term investments

Share of profit from partnership firms

Profit from commodity dealings

	154329	133905
--	--------	--------

	657673	780506
--	--------	--------

	858065	-
--	--------	---

	63870	123142
--	-------	--------

	-	2151
--	---	------

	136674	229286
--	--------	--------

	-	7069541
--	---	---------

	48300	36245
--	-------	-------

	4039539	7943804
--	---------	---------

	1176209	395730
--	---------	--------

	-	65792
--	---	-------

	<u>7134659</u>	<u>16780102</u>
--	----------------	-----------------



**ZENITH CREDIT LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH,2013**

	As at <u>31.03.2013</u>	As at <u>31.03.2012</u>
<b>NOTE - 22</b>		
<b><u>CHANGES IN INVENTORIES OF TRADED GOODS</u></b>		
Opening stock - Equity shares	1336360	1757313
Opening stock - Flats	<u>837901</u>	<u>837901</u>
	2174261	2595214
Closing stock - Equity shares	1336360	1336360
Closing stock - Flats	<u>837901</u>	<u>837901</u>
	2174261	2174261
Total	<u><u>-</u></u>	<u><u>420953</u></u>
<b>NOTE - 23</b>		
<b><u>EMOLOYEEES BENEFITS EXPENSES</u></b>		
Salaries, wages and bonus	4400159	3959086
Contribution to provident and other funds	290840	256878
Staff welfare expenses	850723	912287
	<u>5541722</u>	<u>5128251</u>
<b>NOTE - 24</b>		
<b><u>FINANCE COST</u></b>		
Interest to banks	620670	576737
Interest to others	885814	691820
	<u>1506484</u>	<u>1268557</u>
<b>NOTE - 25</b>		
<b><u>DEPRECIATION AND AMORTIZATION EXPENSES</u></b>		
Depreciation on tangible fixed assets	233447	148692
Preliminary expenses w/off	-	6963
	<u>233447</u>	<u>155655</u>
<b>NOTE - 26</b>		
<b><u>OTHER EXPENSES</u></b>		
Professional Charges	66307	79469
Rates & Taxes	11887	11896
Auditors remuneration		
For Audit fees	56180	49944
For other services	<u>14942</u>	<u>7610</u>
Conveyance expenses	168983	126758
Collection charges	577500	600000
Provision for loss on derivative contracts	11523	-
Provision for Non-Performing Assets(Net)	1895750	-
Documentation charges	180230	294244
Electricity	381000	403270
Legal expenses	1819618	2002080
Rent	444065	299375
Repairing & maintenance to others	74732	109301
Service tax on legal expenses	188566	-
Sundry balances w/off	123777	1905015
Telephone expenses	266650	208694
Travelling expenses	997340	890166
Motor car expenses	81230	95746
Printing & stationary	145248	183865
Other misc.expenses	<u>742936</u>	<u>791459</u>
	<u>8248464</u>	<u>8058892</u>



**ZENITH CREDIT LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH,2013**

**OTHERS NOTES**

**NOTE - 27**

**SEGMENT INFORMATION**

The Company is primarily engaged in the business of financing and accordingly there are no separate reportable segment as per Accounting Standard 17 "Segment Reporting"

**NOTE - 28**

**DISCLOSURE IN ACCORDANCE WITH AS 15 ON EMPLOYEE BENEFITS**

As identified by the management and relied upon by the Auditor

Name of the party	Nature of transaction	Amount	Amount	Outstanding
		31.03.2013	31.03.2012	31.03.2013
<b>Key management personnel</b>				
Madan Lal Sharma	Remuneration	325360	288660	18000
Piyush Loyalka	Commission received	-	420506	-
Manju Loyalka	Advance given	-	2180000	-
	Interest received	-	32672	-
Gajanand Sharma	NIL	-	-	-
<b>Associates</b>				
Zenith Credit Corporation	Commission paid	226491	-	-
Sunirmay vinimay P Ltd	NIL	-	-	-
<b>Relatives of key management personnel</b>				
Vasudha Loyalka	NIL	-	-	-
Bijay Kumar Loyalka	Salary paid	462208	382500	26875

**NOTE - 29**

**DISCLOSURE IN ACCORDANCE WITH AS 15 ON EMPLOYEE BENEFITS**

Particulars	Amount in Rs.	
	2012-2013	2011-2012
<b>a) Defined Contribution Plans</b>		
Contribution to Recognised Provident Fund	184709	167775
<b>b) Defined Benefit Plan – Gratuity</b>		
Present Value of Past Service Benefits	916587	1027616
Current Service	202554	181327
<b>Total Liability</b>	<b>1119141</b>	<b>1208943</b>
Amount Paid During the year	84808	292356
<b>Net Liability as on 31.03.2013</b>	<b>1034333</b>	<b>916587</b>

**NOTE - 30**

**REMUNERATION PAID/PAYABLE TO MANAGING DIRECTOR:**

Salary	<u>31.03.2013</u>	<u>31.03.2012</u>
	316000	279300
Contribution to P.F. & other fund	9360	9360
	<u>325360</u>	<u>288660</u>

**NOTE - 31**

**DUE TO SME'S:**

Management has determined that there no balances outstanding as at the beginning of the year and no transaction entered with micro, small and medium enterprises as defined under Micro, Small and Medium Enterprises Development Act,2006 during the current year, based on the information available with the Company as at March,2013

**NOTE - 32**

The Balance in some of the parties Accounts whether in debit or in credit are subject to confirmation from respective parties.



**ZENITH CREDIT LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2013**

**NOTE - 33**

The presentation in the Balance Sheet, Profit & Loss statement and Notes to the Accounts is in term of the Revised Schedule VI to the Companies Act, 1956 which has become mandatory with effect from 1st April'2011. The assets & liabilities have been classified as current & non-current based on twelve month operating cycle. Previous year's figures have been regrouped/reclassified wherever necessary to make them comparable with the figures of the current year.

**NOTE - 34**

The Schedule required to be attached in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Direction, 1998 in annexed hereto.

For V.GOYAL & ASSOCIATES  
Chartered Accountants

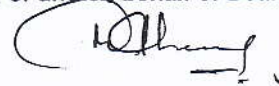


(VINOD KUMAR GOYAL)  
PARTNER  
(Membership No.50670)  
Firm Regd.No.312136E

Place :- Kolkata

Dated : The 30th day of May'2013

For and on behalf of Board of Directors



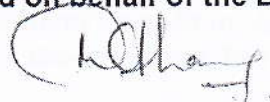


**ZENITH CREDIT LIMITED**

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES  
ACT, 1956 RELATED TO ITS SUBSIDIARY COMPANY**

- 1 Name of the Subsidiary Company : MANPASAND TIE UP PRIVATE LIMITED
- 2 Financial Year of the Subsidiary Company ended on : 31.03.13
- 3 Shares of the Subsidiary Company held by Zenith Credit Limited on the above date
- A) Number & Face value : 182000 Equity Shares of Rs.10/- each fully paid  
B) Extent of holding : 97.33%
- 4 Net aggregate amount of Profit/Losses of the Subsidiary so far as they concerned member of the holding Company.
- A) For the said Financial Year of the subsidiary
- (I) Dealt with in the accounts of the holding Co : NIL  
(II) Not dealt with in the accounts of the holding Company : Rs.1199920/-
- B) For the previous Financial Year of the Subsidiary Company since it became the Holding Company's subsidiary.
- (I) Dealt with in the accounts of the holding Co : NIL  
(II) Not dealt with in the accounts of the holding Company : Rs.436692/-
- 5 As the Financial Year of the Subsidiary Company coincide with the Financial Year of the Holding Company, Section 212(5) of the Companies Act. 1956 is not applicable

**For and on behalf of the Board of Directors.**



Dated : The 30th day of May' 2013

