



## COMPUTERS LTD

Registered. Office : Plot No. EL 117, 1st Floor, TTC Area, MIDC, Mahape, Navi Mumbai - 400 710.  
CIN : L72900MH1980PLC022652

**The Manager,**  
**Department of Corporate Services / Listing Dept.,**  
BSE Limited,  
Phiroze Jeejeebhoy Towers, Dalal Street, Fort,  
**MUMBAI 400 001.**

**November 15, 2017**

Dear Sir,

We hereby inform you in accordance with Regulations 29, 33 and 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as follows:-

1. The Statement showing Unaudited Financial Results (Provisional) prepared as per Ind AS format, for the Second Quarter and First Half Year, both ended 30<sup>th</sup> September 2017 together with the Unaudited Statement of Assets and Liabilities as at that date, were duly taken on record by the Directors individually in their meeting held on Wednesday, 15<sup>th</sup> November, 2017. The Statement, signed jointly by a Director and the Resolution Professional, Mr. Chetan T. Shah, is enclosed herewith as (**Annexure 1**) for your ready reference, information and record.
2. The Limited Audit Review Report of the Statutory Auditors in respect of the said Unaudited Financial Results for the Second Quarter ended 30<sup>th</sup> September, 2017 is enclosed herewith (enclosed as **Annexure 2**).

Kindly acknowledge the receipt.

Yours faithfully,

For **ZENITH COMPUTERS LIMITED**

  
**CHETAN T. SHAH**

**RESOLUTION PROFESSIONAL & AUTHORIZED SIGNATORY**

**CC : Zeal Communications Pvt. Ltd. : To publish the enclosed Statement (Annexure I )  
in Free Press Journal in English and Navshakti in Marathi, on or before 17<sup>th</sup> November,  
2017.**



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Statement of Standalone Un-audited Results for the Half year / Quarter ended 30th Sept, 2017						
						(Rupees in '000)
Particulars	Quarter Ended			Half year Ended		
	30-09-2017 (Unaudited)	30-06-2017 (Unaudited)	30-09-2016 (Unaudited)	30-09-2017 (Unaudited)	30-09-2016 (Unaudited)	
I	Revenue from Operations	-	-	1,716	-	4,680
II	Other Income	1,094	-	-	1,094	196
III	<b>Total Revenue (I +II)</b>	<b>1,094</b>	<b>-</b>	<b>1,716</b>	<b>1,094</b>	<b>4,876</b>
IV	<b>Expenses</b>					
1	Cost of Materials Consumed	-	-	208	-	1,114
2	Purchase of Stock-in Trade	-	-	-	-	-
3	Changes in inventories of finished goods, Stock-in-Trade and Work -in progress	-	-	-	-	-
4	Employee benefits expense	-	1	574	1	3,005
5	Finance costs	-	6	4,501	6	8,745
6	Depreciation and amortization expense	-	4,784	5,805	4,784	11,683
7	Other Expenses	1,89,258	1,027	1,681	1,90,286	4,163
	Excise Duty	-	-	-	-	-
	<b>Total expenses (IV)</b>	<b>1,89,258</b>	<b>5,818</b>	<b>12,769</b>	<b>1,95,076</b>	<b>28,710</b>
V	<b>Profit/(Loss) before tax (V - VI)</b>	<b>-1,88,165</b>	<b>-5,818</b>	<b>-11,053</b>	<b>-1,93,982</b>	<b>-23,834</b>
VI	<b>Tax expense:</b>					
	(1) Current tax	-	-	-	-	-
	(2) Deferred tax	-	-	-	-	-
	(3) Excess/short provisions of taxes of earlier years reversed	-1057	-	-	-1,057	-
VII	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>	<b>-1,87,107</b>	<b>-5,818</b>	<b>-11,053</b>	<b>-1,92,925</b>	<b>-23,834</b>
VIII	Profit/(loss) from discontinued operations	-	-	-	-	-
IX	Tax expense of discontinued operations	-	-	-	-	-
X	<b>Profit/(loss) from Discontinued operations (after tax) (X-XI)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
XI	<b>Profit (Loss) for the period (IX + XII)</b>	<b>-1,87,107</b>	<b>-5,818</b>	<b>-11,053</b>	<b>-1,92,925</b>	<b>-23,834</b>
XII	Other Comprehensive Income	-	-	-	-	-
A						
(i)	Items that will not be re-classified to profit or loss	-	-	-	-	-
(ii)	Income Tax relating to items that will not be re-classified to profit or loss	-	-	-	-	-
B						
(i)	Items that will be re-classified to profit or loss	-	-	-	-	-
(ii)	Income Tax relating to items that will be re-classified to profit or loss	-	-	-	-	-
XIII	<b>Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)</b>	<b>-1,87,107</b>	<b>-5,818</b>	<b>-11,053</b>	<b>-1,92,925</b>	<b>-23,834</b>
XIV	<b>Earnings per equity share (for continuing operation):</b>					
	(1) Basic	-12.09	-0.38	-0.71	-12.46	-1.54
	(2) Diluted	-12.09	-0.38	-0.71	-12.46	-1.54
XV	<b>Earnings per equity share (for discontinued operation):</b>					
	(1) Basic	-	-	-	-	-
	(2) Diluted	-	-	-	-	-
XVI	<b>Earnings per equity share (for discontinued &amp; continuing operations):</b>					
	(1) Basic	-12.08639	-0.37579	-	-12.46218	-1.54
	(2) Diluted	-12.08639	-0.37579	-	-12.46218	-1.54



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Reconciliation of the Net Profit between previous GAAP to Ind AS for the Half year / Quarter ended Sept 30, 2016. (Not subjected to Audit or Limited review as per option given under SEBI circular CIR/CFD/FAC/62/2016 dated 05th July, 2016.)

Particulars	Unaudited	
	Quarter ended 30.09.2016	Half year ended 30.09.2016
Net profit for the period (as per AS)	-11,053	-23,834
Add/Less : Adjustments in statement of profit and loss	-	-
Amortised cost measurement of assets/liability	-	-
Impairment of Trade Receivables – Expected Credit Loss method	-	-
Adjustments related to Property, plant and equipment's – stores and spares and capital subsidy	-	-
Fair valuation of Deposits received	-	-
Others (Defined Benefit Liability)	-	-
Taxes on account of above items	-	-
Net profit as per Ind AS	-11,053	-23,834
Other Comprehensive Income (Net of Tax)	-	-
Total Comprehensive Income	-11,053	-23,834

For and behalf of Board of Directors of  
Zenith Computers Ltd

  
15/11/17

Taken on Record  
Mr Chetan T. Shah  
Resolution Professional

IP Reg No. - IBBI/IPDA-001/IP-P00026/2016-2017/10059

  
Rajkumar Saraf  
Authorized Signatory (Director)  
DIN : 00286748

Date: 15th November 2017  
Place: Mumbai





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### Statement of Assets & Liabilities

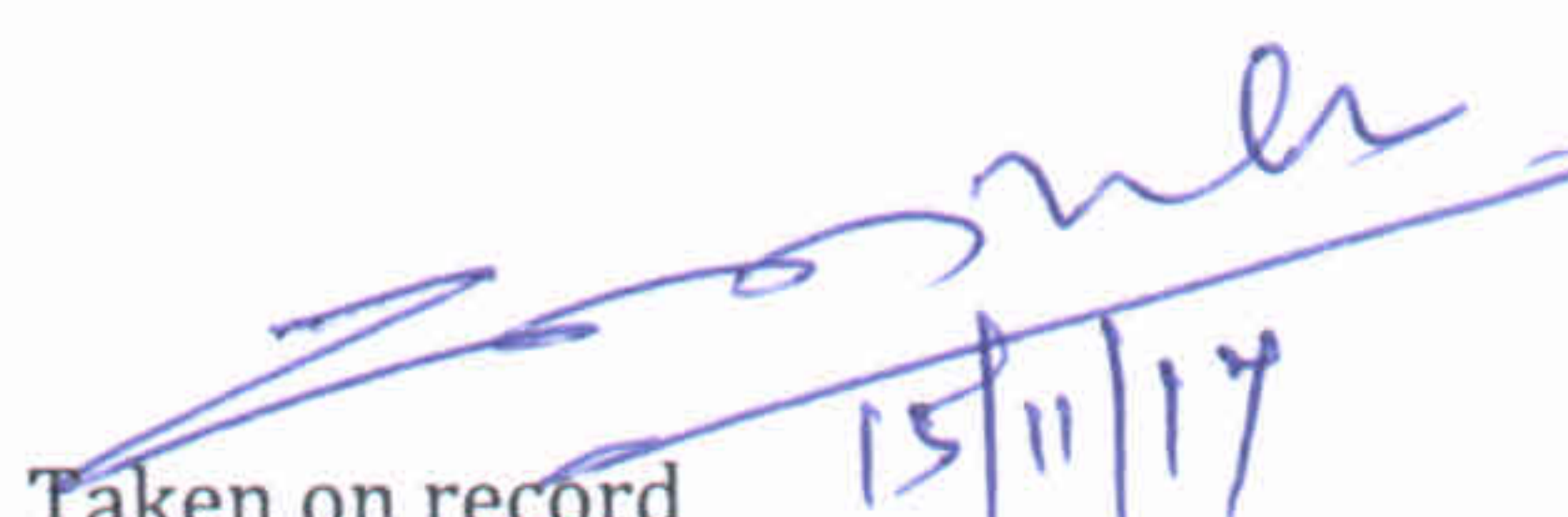
Particulars	AS AT 30.09.2017 Rs ('000)
<b>ASSETS</b>	
<b>Non-Current Assets</b>	
Property, Plant & equipments (Refer Note No. 7(b)(i))	1,17,063
Capital work in progress	-
Investment property	-
Goodwill	-
Other intangible assets	-
Intangible assets under development	-
<b>Financial Assets</b>	
Investment in Associates & Joint arrangements	-
Other investments	-
Loans	7,604
Loans towards financing activities	-
Other financial Assets	-
Deferred tax Assets (Net)	-
Other non current Assets	43,151
<b>Sub total - Non Current Assets</b>	<b>1,67,818</b>
<b>Current Assets</b>	
Inventories (Refer Note No. 7(b)(iii))	953
<b>Financial Assets</b>	
Investments	-
Trade receivables	2,307
Cash & Cash equivalents	7,118
Other bank balances	-
Loans	2,910
Loans towards financing activities	-
Other financial Assets	-
Other current Assets	465
<b>Sub total - Current Assets</b>	<b>13,753</b>
Assets classified as held for sale	
<b>TOTAL ASSETS</b>	<b>1,81,571</b>
<b>Equity &amp; Liabilites</b>	
<b>Equity</b>	
Equity Share capital	1,55,000
Other Equity	-12,63,676
Equity attributable to shareholders of the company	-11,08,676
Non Controlling Interest	-
<b>Total Equity</b>	<b>-11,08,676</b>



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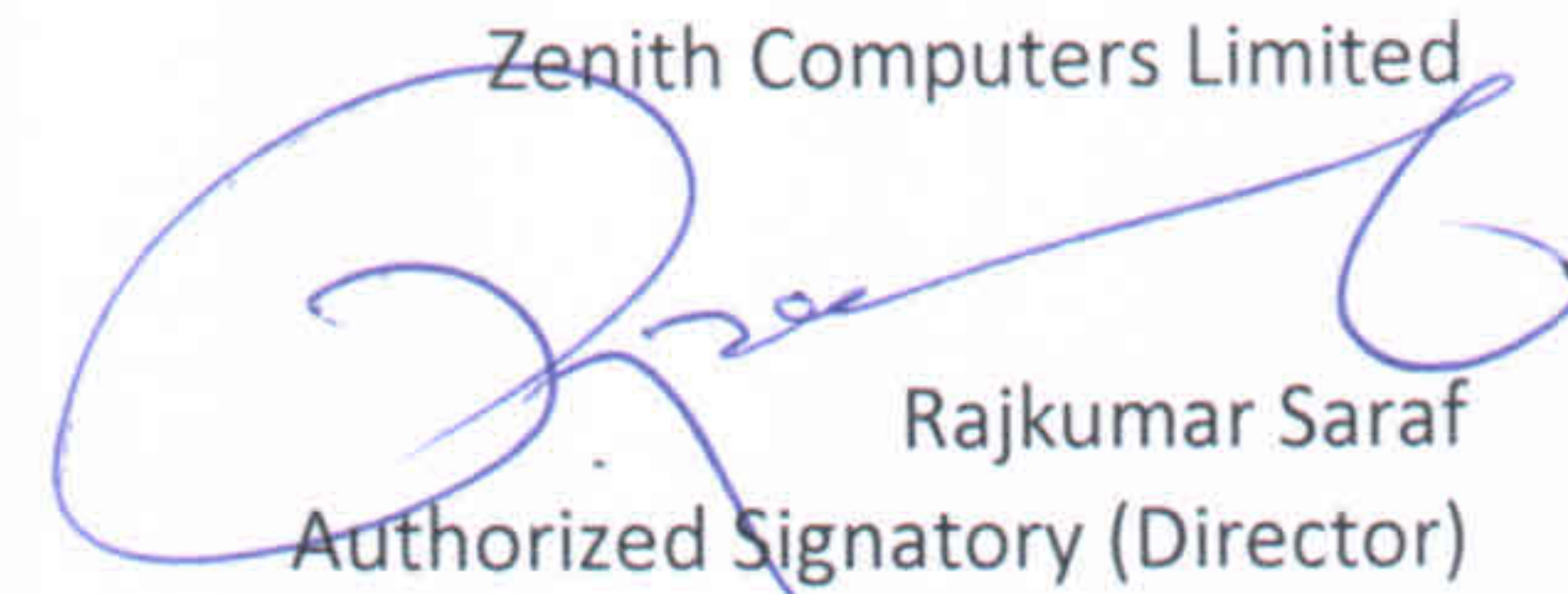
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<b>Liabilities</b>	
<b>Non Current Liabilities</b>	
<b>Financial Liabilities</b>	
Borrowings (Refer Note No. 7(b)(vi))	-
Other financial Liabilities	-
Provisions	-
Deferred Tax Liabilities (Net)	-
Other Non Current Liabilities	-
<b>Total Non Current Liabilities</b>	-
<b>Current Liabilities</b>	
<b>Financial Liabilities</b>	
Borrowings (Refer Note No. 7(b)(vi))	9,17,305
Current Maturities of Long term borrowings	-
Trade Payables	2,53,183
Other financial Liabilities (Refer Note No. 7(b)(vi))	94,521
Other Current Liabilities	25,238
Provisions	-
Current Tax Liabilities	-
<b>Total Current Liabilities</b>	<b>12,90,247</b>
<b>TOTAL EQUITY &amp; LIABILITY</b>	<b>1,81,571</b>

  
Taken on record 15/11/17  
Mr Chetan T. Shah  
Resolution Professional  
IP Reg No. - IBBI/IPDA-001/IP-P00026/2016-2017/10059



For & on behalf of board of directors  
Zenith Computers Limited

  
Rajkumar Saraf  
Authorized Signatory (Director)  
DIN - 00286748

Date - 15th November, 2017  
Place - Mumbai



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Notes to the reviewed quarter / half year ended 30.09.2017.

Sr No.	Particulars
--------	-------------

- |      |   |
|------|---|
| 1 a) | The Corporate Insolvency Resolution Process U/s 7 of the Insolvency & Bankruptcy Code (IBC) 2016 has been initiated on the company. The National Company Law Tribunal (NCLT) in CP No 1069/I&BP/NCLT/MAH/2017 appointed Mr. Chetan T. Shah as Insolvency Professional as Interim Resolution Professional (IRP) vide its order dated 12/06/2017. The corporate Insolvency Resolution Process has commenced from 12/06/2017. Mr Chetan T. Shah has assumed the status of Resolution Professional (RP) Pursuant to his appointment in meeting dated 17/07/2017 of Committee of Creditors constituted U/s 21 of IBC 2016.   |
| b)   | The committee of creditors has been constituted u/s 21 of the IBS Code 2016.  |
| c)   | Mr. Chetan Shah has, in his capacity as the RP appointed in terms of the insolvency & bankruptcy code 2016, taken the control & custody of management & operation of the company from 12th June, 2017 onwards. The financial results for quarter ending september 30, 2017 have been certified by Mr. Rajkumar Saraf, director of the compnay, in accordance with the regulation 33(2) of the SEBI (Listing obligations & disclosure requirements) regulations, 2015, confirming that financial statements do not contain any misleading or false statemenents. These financial statements have thereafter been taken on record by RP on November 15, 2017 for filing with stock exchanges. The RP has relied on the certifications, representations & statements made by Mr Rajkumar Saraf & the management. |
| 2    | <b><u>IND AS Compliance as per SEBI Circular CIR/CFD/FAC/62/2016 dated 05th July, 2016 :</u></b><br>Ind-AS compliant financial results, pertaining to the previous year ended 31/03/2017 , have not been submitted and figures of corresponding year to date /quarter ended 30/09/2016 given above and reconciliation of the profit of that period as per IND AS & previous GAAP have not been subjected to Audit or Limited review in pursuance to the option given under SEBI circular CIR/CFD/FAC/62/2016 dated 05th July, 2016. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.   |



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3 The Net worth of the company is fully eroded and the company is under Corporate Insolvency Resolution Plan. The company's ability to continue the business as going concern is significantly dependent upon up viable resolution / restructuring plan as may be approved by committee of creditors and thereafter approved by Hon'ble National Company Law tribunal.

4 During the period due to resignation of Mr Vijay R Mukhi on 26/10/2017, the company is remained with two (2) directors only, which is not competent Board, However, the Board have finalized and approved the 2nd quarterly and half yearly results which is again subject to final approval by the duly constituted board. Meanwhile company is in the process of filing the matter with NCLT for getting certain waivers and relief under Insolvency and Bankruptcy code 2016.

5 The company has not provided Interest on loan availed from banks and Financial Institutions which have been classified as Non Performing Assets (NPA).The Amount not so provided till date is Rs 229,818,507/- Up to 18th September 2017.Further, no interest is provided in books for outstanding long term borrowing of foreign currency convertible bonds & consequently no restatement of foreign exchange gain / loss on the same. The Amount not so provided till date is Rs 871,376,209/-.

6 Financial Creditors claims admitted & filed with NCLT vide letter dated, 18th September, 2017 are as below :

<u>Sr No.</u>	<u>Name of Financial creditor</u>	<u>Amt as per accounts</u>	<u>Amt as admitted</u>
<u>Secured</u>			
1	Indian Bank	46,23,50,250	64,86,29,672
2	Phoenix ARC pvt ltd	7,44,78,000	10,87,58,966
3	IDBI Bank ltd	10,85,07,033	11,47,13,908
<u>Un - Secured</u>			
4	FCCB	36,64,91,250	1,19,94,84,748
5	Pine forest products & investment ltd	1,25,00,000	1,41,35,616
<u>Related Party</u>			
6	Zenith world technologies Pvt ltd	89,94,504	89,93,371

7 (a) The company has not considered " Effective Interest Rate Model" for charging borrowing cost on long term / Short Term borrowings , as all the borrowings are classified as current and payable on demand



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7 (b) In respect of below mentioned transactions, the company has performed their internal assessment and concluded that separate adjustment are required under IND AS :

i) **Impairment of Property, plant & equipments :**

As required by the Insolvency and Bankruptcy Board Of India (Insolvency Resolution Process for Corporate Persons) Regulation 2016., the IRP u/r 27 have appointed two registered valuers for each class of Fixed Assets to determine Liquidation value of the Assets. Based on the estimate of liquidation value submitted by the valuers to the company. The Liquidation Value being the realizable value submitted by the valuers and on the basis of average of the two valuations , reduction in realizable value was to the tune of Rs 18.76 cr.

Further to above, Assets were tested for impairment due to internal indicator of impairment i.e. Discontinuance or non usage of asset for any business activity. As per IND AS 36, recoverable amount of the assets were ascertained & compared with the carrying amount of the assets in books. Since recoverable amount were lower than carrying value as per books, assets were impaired & such impairment loss was first adjusted against balance in revaluation reserve in reserve & surplus & balance amount was transferred to the statement of profit or loss. The recoverable amount was ascertained as stated were based on valuations reports from various valuers. The WDV of property, plant & equipments as on 30.09.2017 & corresponding liquidation value of the same are as below :

<u>Sr No.</u>	<u>Particulars</u>	<u>WDV as on</u> <u>30.09.2017 as per</u> <u>books (Rs. In '000)</u>	<u>Recoverable Amt as</u> <u>per valuation</u> <u>reports(Rs. In '000)</u>
1	Land (Leasehold)	1,11,568	28,317
2	Building	1,49,846	88,090
3	Plant & Equipments	5,965	491
4		34,541	30
	Computer Systems(Hardware & Software)		
5	Electrical Fittings & Installation	412	5
6	Office Equipment	2,020	30
7	Furniture & Fixtures	313	100
	<b>Total</b>	<b>3,04,666</b>	<b>1,17,063</b>

Recoverable amount was lower than carrying amount by Rs. 18.76 Crores. This difference which is termed as impairment loss as per IND AS 36, is first adjusted against Past revaluation reserve upto Rs. 6.27 lacs & balance amount was charged to profit or loss account in current quarter ending 30th Sept, 2017.





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- ii) **Interest on bank / financial institution borrowings & on Foreign currency convertible bonds:**  
Due to absence of availability of information, the Company has not made provision for interest on borrowings from banks / financial institution (Term loan & Cash credit) for period covered above. Further, no interest is provided in books for outstanding long term borrowing of foreign currency convertible bonds & consequently no restatement of foreign exchange gain / loss on the same.
- iii) **Valuation of Inventories :**  
Due to un-avoidable reasons, valuation could not be done for inventories in last audited financials even when there is indication of impairment. As per latest valuation done during insolvency proceedings, provision is made for diminishing value of inventories. The resultant impact is accounted for in opening reserves as IND AS convergence item. In case it was accounted through Statement of Profit & loss, the losses would have been higher by Rs. 14.23 Crores.
- iv) **Recognition of Financials Assets / Financials Liability :**  
The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets (Except Net Investments) and financial liabilities (Except Borrowings) are recognized at fair value on initial recognition, except for trade receivables and security deposits, which are initially measured at transaction price.
- v) **De-recognition of Financial Liabilities as per IND AS 109:**  
De-recognition of Financial Liabilities or part of it from statement of financials position is done only when it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires. None of the Financials liabilities in statement of financials position satisfy the above criteria of de recognition as per IND AS 109. Hence no De recognition in respect of any financial liability is done.
- vi) **Classification of Long term borrowings :**  
As per IND AS, if there is any breach of loan covenants, then the loan becomes current liability of the entity. Further, as per IND AS 101, an entity shall, in its opening balance sheet, reclassify items that it recognised in accordance with previous GAAP as one type of asset, liability or component of equity, but are a different type of asset, liability or component of equity in accordance with IND AS. Accordingly, entity has reclassified the Secured term loan & Foreign currency convertible bond from Non current liability to Current liability.

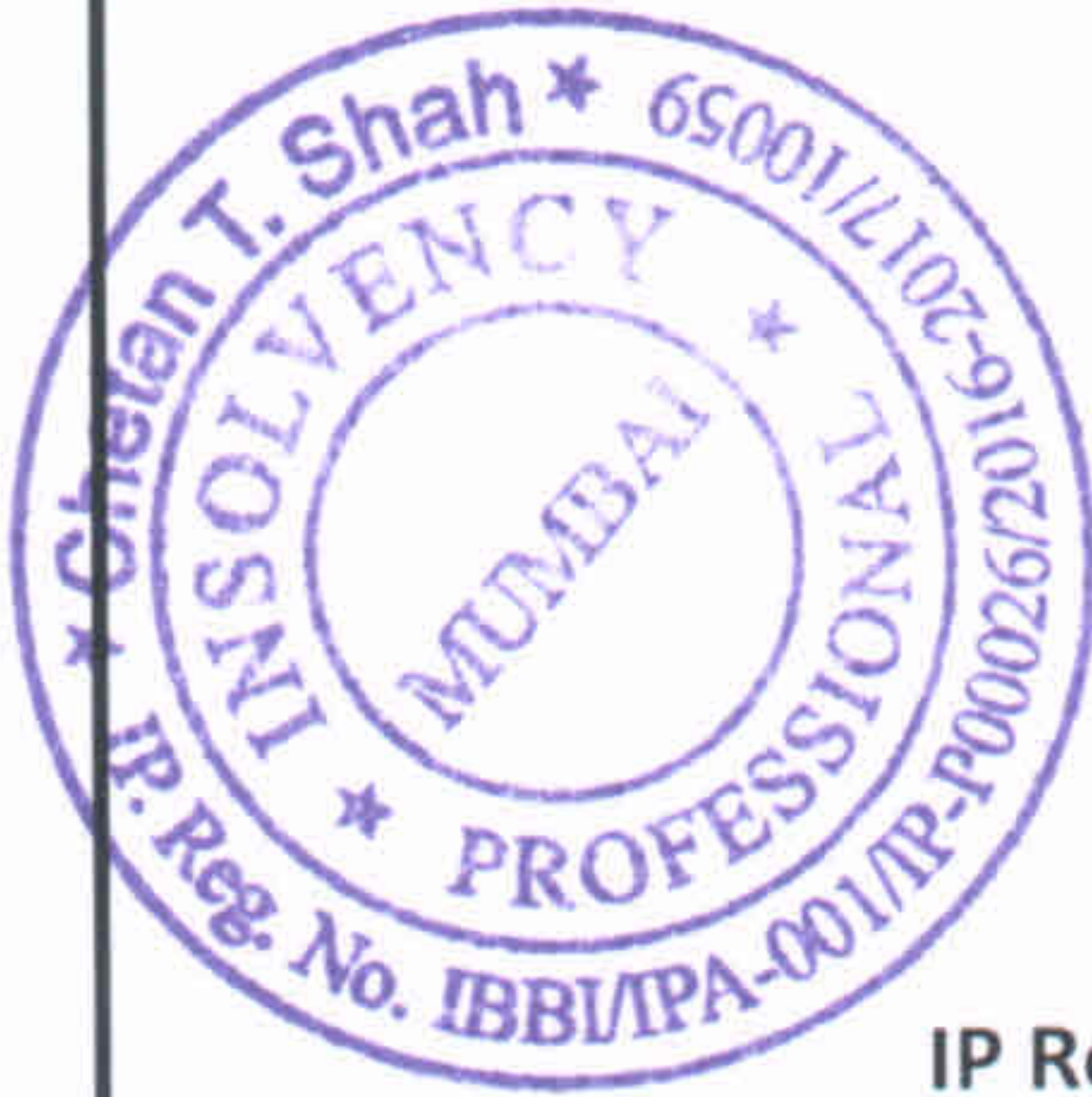


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vii) **Segmental Reporting**

The Company had only one segment while it was in operation. However, after closure of the plant no manufacturing activity has been carried out.



*Chetan T. Shah*  
15/11/17

Taken on Record  
Mr Chetan T. Shah  
Resolution Professional

IP Reg No. - IBBI/IPDA-001/IP-P00026/2016-2017/10059

For and behalf of Board of Directors of  
Zenith Computers Ltd

*Rajkumar Saraf*  
Rajkumar Saraf  
Authorized Signatory (Director)  
DIN : 00286748

Date: 15th November 2017

Place: Mumbai

# **C. L. KHANNA & CO.**

**CHARTERED ACCOUNTANTS**

“CHIRANJEEV”,  
8, Greater Bombay Co. Op. Hsg. Ltd.  
Gulmohar Cross Rd. No. 4,  
J.V.P.D. Scheme, Mumbai – 49.  
Cell : 9820647400 Tel. : 2620 3390  
Email : [khanna.auditor@gmail.com](mailto:khanna.auditor@gmail.com)

## **Independent Auditor’s Review Report on Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

To,  
The Resolution Professional of M/s **ZENITH COMPUTERS LIMITED.**

- 1 We have reviewed the accompanying statement of unaudited financial results (‘Statements’) of M/s Zenith Computers Limited (‘the company’) for the quarter and half year ended 30<sup>th</sup> September, 2017 being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This statement is the responsibility of the Company’s Management and has been reviewed by Key Managerial Personnel and provided to the Insolvency Resolution Professional (IRP). Our responsibility is to issue a report on the statements based on our review.
2. We conducted our review in accordance with the Standard of Review Engagement (SRE) 2410, “Review of Interim Financial Information performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statement is free of material misstatement. A review is limited primarily to inquire of Company personnel and analytical procedures, applied to financial data and thus provide less assurance than audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the applicable Indian Accounting Standards specified under section 133 of the Companies Act, 2013, read with rule 7 of Companies (Accounts) Rules, 2014 (as amended) and SEBI Circulars CIR/CFD/CMD/15/2015 dated November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognized accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.



#### 4. Emphasis of Matter

- a) Attention is drawn to Note 1(a) of the accompanying statement, stating that the Corporate Insolvency Resolution Process U/s 7 of the Insolvency & Bankruptcy Code (IBC) 2016 has been initiated on the company. The National Company Law Tribunal (NCLT) in CP No 1069/I&BP/NCLT/MAH/2017 appointed Mr. Chetan T. Shah as Insolvency Professional as Interim Resolution Professional (IRP) vide its order dated 12/06/2017. The corporate Insolvency Resolution Process has commenced from 12/06/2017. Mr Chetan T. Shah has assumed the status of Resolution Professional (RP) Pursuant to his appointment in meeting dated 17/07/2017 of Committee of Creditors constituted U/s 21 of IBC 2016.
- b) Attention is drawn to Note 1(b) of the accompanying statement, stating that the Committee of Creditors has been constituted u/s 21 of the the Insolvency & Bankruptcy Code (IBC) 2016
- c) Attention is also drawn to all the other Notes specified in Notes 2, 3, 4, 5,6, 7 (a) and 7(b)(i to vii) of the accompanying statement.

For **C. L. KHANNA & CO.**  
**CHARTERED ACCOUNTANTS**

**Place of Signature** : Mumbai  
**Date** : 15<sup>th</sup> November, 2017

**(C. L. KHANNA)**  
**PROPRIETOR**  
Membership No.004988

