



## REPORT ON CORPORATE GOVERNANCE

### Company's Philosophy on Corporate Governance:

Corporate governance is about promoting corporate fairness, transparency and accountability and commitment. Zenith Birla (India) Limited is committed to sound principles of corporate governance. The Board of Directors believes that adherence to sound corporate governance policies and practices is important in ensuring that Zenith is governed and managed with the highest standards of responsibility, ethics and integrity and in the best interests of its stockholders.

Your Company will continue to constantly upgrade management practices to conform to the norms of ideal corporate governance in the years to come.

### Board of Directors

#### a) Composition of Board:

As on 11<sup>th</sup> August 2011, the Board of Directors has 6 (six) members, out of which 1 (one) is an Executive Director, 2 (two) are Non-Executive, Non-Independent Directors and 3 (three) are Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreements.

None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the Companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year under review and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in other companies are provided in below table:

Name of Directors	Category of Directorship	*No. of other directorships as on 31.3.2011	#No. of other Committee positions		No. of Board Meetings attended during the year	Attendance at the 48 <sup>th</sup> Annual General Meeting held on 02.08.2011
			Chairman	Member		
Shri Yashovardhan Birla, Chairman	Non-Executive Non-Independent	14	1	-	5	Yes
Shri M.S. Arora, Managing Director	Executive, Non-Independent	2	-	1	6	Yes
Dr. D.V. Kapur	Non-Executive, Independent	5	4	1	5	Yes
Shri Augustine P. Kurias	Non-Executive, Independent	1	1	1	5	Yes
\$ Shri Aniruddha Barwe	Non-Executive, Independent	6	2	2	4	Yes
Shri P.V.R. Murthy	Non-Executive, Non-Independent	12	1	7	6	Yes
\$\$ Shri Anoj Menon	Non-Executive, Independent	3	3	2	1	N.A

\$ Shri Aniruddha Barwe deceased on 5<sup>th</sup> October, 2010.

\$\$ Shri Anoj Menon has been appointed as an additional director with effect from 13<sup>th</sup> November, 2010

\* Excludes Alternate Directorships and directorships in private companies, foreign companies and section 25 companies.

# Represents Memberships / Chairmanships of Audit Committee and Shareholders'/Investors' Grievance Committee.

None of the Directors of the Company are related to each other.

Six meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

31<sup>st</sup> May 2010, 24<sup>th</sup> June 2010, 2<sup>nd</sup> August 2010, 13<sup>th</sup> August, 2010, 13<sup>th</sup> November 2010 and 10<sup>th</sup> February, 2011.

The information, as required under Annexure IA to clause 49 of the Listing Agreements are made available to the Board.



b) **Non – Executive Directors' Compensation and disclosures:**

Apart from sitting fees that are paid to the Non- Executive and Independent Directors for attending Board/Committee meetings, no other fees/commission were paid during the year. During the period under review, there was no pecuniary relationship or business transaction by the Company with any Non-Executive Directors. The details of sitting fees paid to the Directors are given separately in this report.

c) **Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (In pursuance of Clause 49 of the Listing Agreement):**

Name of the Director	Shri P.V.R. Murthy	Shri Anoj Menon
Date of Birth	21.04.1951	03.02.1973
Date of Appointment	27.07.2009	13.11.2010
Qualification	FCA, MBA, LL.B	B.Com & LL.B
Expertise in specific functional area	Shri P.V.R. Murthy, aged 58 years, is a Chartered Accountant and MBA by academic qualification. He has almost 30 years of experience in the finance sector. He has worked as a part of the Top Management with various companies over a span of 16 years in the capacity of Managing Director, CEO and Advisor prior to joining the Yash Birla Group (YBG) of Companies. At YBG, he is looking after Financial Resource Management of all the group companies, Business restructuring, Disinvestments, Merger & Acquisitions, MIS, Management, Internal And Statutory audit, Integrated ERP systems across group companies, Corporate Governance, Investments, in new projects, expansion/ diversification of the existing Group Companies etc.	Shri Anoj Menon, aged 37 years is a B.Com & LLB, working as a partner at M/s. Desai & Diwanji, Advocates & Solicitors. He is a Corporate Lawyer specializing in Mergers and Acquisitions, Private Equity Investment, Private Investment in Public Equity, Corporate Advisory, Foreign Direct Investment, Capital Markets, SEBI Laws, Drug Laws and Dispute Resolution. Shri Anoj Menon has an experience of over 14 years in this field.
Directorship held in other companies	1. Birla Power Solutions Limited 2. Melstar Information Technologies Limited 3. Birla Pacific Medspa Limited 4. Birla Cotsyn (India) Limited 5. Birla Precision Technologies Limited 6. Birla Surya Limited 7. Birla Edutech Limited 8. Birla Infrastructure Limited 9. Birla Urja Limited 10. Birla Energy Infra Limited 11. Birla Research & Lifesciences Limited 12. Birla Integrated Textile Park Limited	1. Melstar Information Technologies Limited 2. Birla Pacific Medspa Limited 3. Birla Shloka Edutech Limited
Committee positions held in other companies (C = Chairman; M = Member)	<b>Audit Committee:</b> 1. Birla Power Solutions Limited (M) 2. Melstar Information Technologies Limited (M) 3. Birla Pacific Medspa Limited (M) 4. Birla Cotsyn (India) Limited (M) 5. Birla Precision Technologies Limited (M) <b>Shareholders' Investors' Grievance Committee:</b> 1. Birla Power Solutions Limited (M) 2. Melstar Information Technologies Limited (M) 3. Birla Cotsyn (India) Limited (C)	<b>Audit Committee:</b> 1. Birla Shloka Edutech Limited (M) 2. Melstar Information Technologies Limited (M) <b>Shareholders' Investors' Grievance Committee:</b> 1. Birla Pacific Medspa Limited (C) 2. Melstar Information Technologies Limited (C) 3. Birla Shloka Edutech Limited (C)
No. of Shares held in the Company	Nil	Nil

Note :

- Only two committees namely, Audit Committee and Shareholders'/Investors' Grievance Committee have been considered.
- Alternate Directorships and directorships in private companies, foreign companies and section 25 companies are not considered.



d) **Other Provisions as to Board and Committee:**

The Board meets at least once a quarter to review the quarterly performance and the financial results. Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. All the items in the agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, financial results, detailed presentations are made. The agenda and the relevant notes are sent in advance separately to each Director and only in exceptional cases, the same is tabled at the meeting. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman.

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting, on the overall performance of the Company, with presentations by functional heads. Senior management is invited to attend the Board Meetings so as to provide additional inputs to the items being discussed by the Board.

The Board's role, functions, responsibility and accountability are clearly defined, in addition to matters statutorily requiring Board's approval, all major decisions involving policy formulation, strategy and business plans, annual operating and capital expenditure budgets, new investments, compliance with statutory/regulatory requirements, major accounting provisions and write-offs are considered by the Board.

The minutes of the Board Meeting are circulated in advance to all Directors and confirmed at subsequent Meeting.

e) **Code of Business Conducts and Ethics:**

The Board of Directors have adopted and put in place the Code of Business Conduct & Ethics for the Directors and Senior Management. The Code lays down in detail, the standards of business conducts, ethics and best corporate practice. The fundamental principal of the code is:

*"The purpose of the code is to deter wrongdoing and promote ethical conduct, maintain the trust and confidence of the public, the good reputation of the Company and the unquestioned integrity of all personnel involved in the Company. The matters covered in this code are utmost importance to the Company, our shareholders and our business partners."*

A copy of the code has been put on the Company's website: [www.zenithsteelpipes.com](http://www.zenithsteelpipes.com)

All Directors and Senior Management personnel of the Company have affirmed compliance with the provisions of the Zenith Code of Business Conduct & Ethics for the financial year ended 31<sup>st</sup> March 2011.

A declaration signed by the Managing Director of the Company is given below:

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges, I hereby certify that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Business Conduct and Ethics for year ended 31<sup>st</sup> March 2011

Sd/-

Place: Mumbai

Date: 11.08.2011

M.S. Arora

Managing Director

**Audit Committee**

a) **Composition, Meetings and attendance during the year:**

The Audit Committee consists of three members, all being Independent, Non-Executive Directors. All the members of the Audit Committee have adequate accounting and financial knowledge.

Shri A. P. Kurias, Chairman of the Committee is a Non-Executive Independent Director and was present at the last Annual General Meeting of the Company.

During the year ended 31<sup>st</sup> March, 2011, the Committee met 5 times on 31<sup>st</sup> May 2010, 24<sup>th</sup> June, 2010, 13<sup>th</sup> August 2010, 13<sup>th</sup> November 2010 and 10<sup>th</sup> February 2011.

The composition of the Audit Committee and the attendance of members during the accounting period are as under:

Name of the Member	Category	No. of Meetings Attended
Shri A. P. Kurias (Chairman)	Independent Non-Executive	4
Dr. D. V. Kapur	Independent Non-Executive	4
*Shri A.R. Barwe	Independent Non-Executive	3
**Shri Anoj Menon	Independent Non-Executive	1

\* Shri Aniruddha Barwe deceased on 5<sup>th</sup> October, 2010.

\*\* Shri Anoj Menon has been appointed as an additional director with effect from 13<sup>th</sup> November, 2010.



The Audit Committee invites such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at its meetings. The Managing Director and Chief Financial Officer of the Company attend the meetings. The Statutory Auditors and Internal Auditors attend the meetings on invitation from the Company. The Company Secretary acts as the Secretary to the Audit Committee.

**b) Terms of Reference, Role and Scope:**

The terms of reference, role and scope of the Audit Committee cover the matters specified under Clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956 such as overseeing of the Company's financial reporting process, recommending the appointment/re-appointment of Statutory Auditors, recommending and approving the remuneration to be paid to Statutory Auditors, reviewing with the Management, quarterly and annual financial statements, internal audit reports and controls of the Company.

The Audit Committee's functions include reviewing the adequacy of the internal audit functions, its structure, reporting process, audit coverage and frequency of internal audits. The responsibility of the Committee is to also review the findings of any internal investigation by the internal auditors in matters relating to suspected fraud or irregularity or failure of internal control systems of material nature and report the same to the Board.

**Subsidiary Company**

The Company has two subsidiary companies. However, the Company does not have any material non-listed Indian subsidiary whose turnover or net worth (i.e. paid-up capital and free reserves) exceed 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding year.

Brief of the Company's subsidiary companies as on March 31, 2011 are as under:

Sr. No.	Name of the Subsidiary	Date of Incorporation	Country in which incorporated
1.	Zenith (USA) Inc.	June 18, 1970	USA
2.	Zenith Middle East FZE	July 19, 2006	Dubai - UAE

**Subsidiary Monitoring Framework**

All the subsidiary companies of the company are Board managed with their Board having its rights and obligations to manage such companies in the best interest of their stakeholders. As a majority shareholder, the Company nominates its representatives on the Boards of subsidiary companies and monitors the performance of such companies, inter-alia, by the following means:

- The Audit Committee of the Company reviews financial statements quarterly.
- All minutes of the meetings of subsidiary companies are placed before the Company's Board regularly.
- A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.

**Shareholders/Investors Grievance Committee**

The Investor Grievance Committee is empowered to oversee (a) Transfers of shares, (b) Issue of duplicate/new/sub-divided and consolidated Share Certificates and (c) Shareholders/Investors Grievance and its redressal. The Committee has met 46 times in the accounting period.

The composition of the Shareholders/Investors Grievance Committee and the attendance of members during the accounting period are as under:

Name of the Member	Category	Position in Committee	No. of Meetings attended
Shri A. P. Kurias	Independent Non-Executive Director	Chairman	46
Shri M. S. Arora	Executive Director	Member	46

The Company Secretary acts as the Secretary to the Shareholders' Committee.

The total number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up is provided as under-

Type of Complaints	No. of Complaints		
	Received	Resolved	Pending
Non receipt of Certificates	107	107	-
Non receipt of De-mat rejected Certificates/ Demat Credit	9	9	-
Non receipt of Dividend Warrants	76	76	-





Non receipt of Annual Report	13	13	-
Others	15	15	-
SEBI/STOCK EXCHANGE	10	10	-
Total	230	230	-

### Remuneration Committee

The Board has constituted Remuneration Committee, comprising of Shri A.P. Kurias (Chairman), Dr. D.V. Kapur and Shri Yashovardhan Birla. The Remuneration Committee has been constituted to fix remuneration payable to Managing Director/Executive Director, granting of Employee Stock Option to the working directors and employees of the Company and such other matter relating to the remuneration and compensation payable to the Director(s) and employees.

One meeting of the Committee was held during year 2010-11 on 24<sup>th</sup> June 2010 and was attended by all the 3 members of the Remuneration Committee.

### Remuneration Policy

#### Non Executive Directors

The Company does not pay any remuneration to its Non-executive Directors, except for sitting fees for attending Board & Committee Meetings.

All the Non Executive Directors are paid sitting fees of Rs. 7,000/- for attending each meeting of the Board of Directors and Rs. 7,000/- for attending each meeting of the Audit Committee. No sitting fees are paid for attending any other committee meetings. With the approval of the Board of Director's on 24<sup>th</sup> June 2010, sitting fees to be paid to all Non Executive Directors has been revised to Rs. 20,000/- for attending each meeting of the Board of Directors and Rs. 10,000/- for attending each meeting of the Audit Committee.

Detail of the sitting fees paid to all Non Executive Directors for financial year 2010-11 is as follows:

Name of Director	Sitting Fees paid during 1 <sup>st</sup> April, 2010 to 31 <sup>st</sup> March, 2011 (Rs. In Lakhs)
Shri Yashovardhan Birla	0.87
Dr. D.V. Kapur	1.08
Shri Augustine P. Kurias	1.24
*Shri Aniruddha Barwe	0.78
Shri P.V.R. Murthy	0.94
**Shri Anoj Menon	0.30

\* Shri Aniruddha Barwe deceased on 5<sup>th</sup> October, 2010.

\*\* Shri Anoj Menon has been appointed as an additional director with effect from 13<sup>th</sup> November, 2010.

#### Executive Directors

The Company pays remuneration by way of salary, perquisites, allowances and commission to the Managing Director. The remuneration package for Managing Director is recommended by the Remuneration Committee and is approved by the Board. Commission is calculated with reference to the net profits of the Company in a particular year calculated under section 349 and 350 of the Companies Act, 1956. In framing the remuneration policy, the committee takes into consideration the remuneration practices of Companies of similar size and statute, the Industry Standards and competitive circumstances of each business so as to attract and retain quality talent and leverage performance significantly.

Detail of the remuneration paid to Executive Directors/Managing Director for financial year 2010-11 is as follows:

Name of Director	Salary (Rs. In Lacs)	Perquisites (Rs. In Lacs)	Commission (Rs. In Lacs)	Retirement Benefits (Rs. In Lacs)	Period of contract	Notice period
Shri M.S. Arora – Managing Director	82.88	8.52	85.23	7.94	27 <sup>th</sup> July 2009 to 9 <sup>th</sup> July 2012	3 months notice from either side

There is no separate provision for payment of severance fees.



#### Details of number of shares held by Directors

Name of Directors	Category of Directorship	No. of Equity Shares held
Shri Yashovardhan Birla, Chairman	Non-Executive - Non-Independent	142,802
Shri M.S. Arora, Managing Director	Executive - Non-Independent	14
Dr. D.V. Kapur	Non-Executive - Independent	NIL
Shri Augustine P. Kurias	Non-Executive - Independent	NIL
* Shri Aniruddha Barwe	Non-Executive - Independent	NIL
Shri P.V.R. Murthy	Non-Executive - Non-Independent	NIL
** Shri Anoj Menon	Non-Executive - Independent	NIL

\* Shri Aniruddha Barwe deceased on 5<sup>th</sup> October, 2010.

\*\* Shri Anoj Menon has been appointed as an additional director with effect from 13<sup>th</sup> November, 2010.

#### General Body Meetings

##### (a) Location and time where the AGM were held in last 3 years :

Year	AGM	Location	Day, Date & Time
2009-2010	48 <sup>th</sup>	Hall of Culture, Discovery of India Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai – 400 018	Monday, 02.08.2010 at 3.30 p.m.
2008-2009	47 <sup>th</sup>	Sunville Banquets & Conference Hall, Orchid Room, 2 <sup>nd</sup> Floor, 9, Dr. A.B. Road, Worli, Mumbai-400 018	Thursday, 24.09.2009 at 4.00 p.m.
2007-2008	46 <sup>th</sup>	Patkar Hall, I, Nachibai Thackersey Road, Mumbai 400 020.	Monday, 15.09.2008 at 4.00 p.m.

##### (b) Details of Special Resolutions passed in the previous three AGMs:

Date of AGM	Particulars of Special Resolutions passed
2009-2010	1. Alteration of Articles of Association of the Company for Increased authorized share capital of the Company to Rs. 355.50 Crores 2. Waiver of recovery of excess remuneration of Rs. 27.18 Lacs paid to Shri M.S. Arora, Managing Director during year 2009-10 3. Increase in remuneration of Shri M.S. Arora, Managing Director not exceeding Rs. 1.10 Crore and Commission at the rate not exceeding 5% of net profit w.e.f. 1 <sup>st</sup> April 2010 till expiry of term i.e 9 <sup>th</sup> July 2012
2008-2009	1. Appointment of Shri M.S. Arora as Managing Director of the Company w.e.f 27 <sup>th</sup> July 2009 till expiry of his term i.e 9 <sup>th</sup> July 2012 and increase in remuneration to a salary of Rs. 25,20,000 per annum and Commission at the rate not exceeding 3% of net profit
2007-2008	1. Alteration of Articles of Association of the Company for Increased authorized share capital of the Company to Rs. 150.00 Crores 2. To create, issue, offer and allot FCCB's or other securities convertible in shares or Non-convertible securities with or without detachable Warrants or Warrants with a right exercisable by the warrant holder to convert or subscribe to equity shares or any shares/equity shares, instruments or securities of the Company through Global Depository Receipts, American Depository Receipts of an aggregate amount not exceeding Rs. 200 crores.

##### (c) Whether the Special Resolution were put through postal ballot during year 2010-11 – Yes

Postal Ballot was conducted pursuant to Section 192A of the Companies Act, 1956 read with the Companies (passing of the resolution by Postal Ballot) Rules, 2001, on 12<sup>th</sup> October, 2010.

Shri Rakesh Kapur, Practicing Company Secretary was appointed as a Scrutinizer for Postal Ballot at the Board Meeting held on 13<sup>th</sup> August, 2010.

The Notice along with the Postal Ballot forms was sent to the shareholders on 7<sup>th</sup> September, 2010.

The Postal Ballot forms were received by the Scrutinizer on 7<sup>th</sup> October, 2010

The results were declared by Shri Yashovardhan Birla on 12<sup>th</sup> October, 2010.



Resolutions passed through Postal Ballot are as follows:

Sr. No.	Particulars	Type of Resolution	% of valid votes cast through Postal Ballot
1.	Raising of Funds through further issue of securities	Special Resolution	100.00
2.	Issuance of Equity Share Warrants of the Company to the promoter and promoter group on preferential allotment basis	Special Resolution	100.00
3.	Amendment in Object Clause of the Memorandum of Association of the Company	Special Resolution	100.00
4.	Commencement of New Business	Special Resolution	100.00

**(d) Are Special Resolutions proposed to be put through postal ballot this year - No**

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

**Disclosures**

- 1) There were no materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, Directors or the Management, their Subsidiaries, or relatives etc. during the year, that may have potential conflict with the interest of the Company at large.
- 2) There is no pecuniary relationship or transactions of non-executive directors vis-a-vis the Company which has potential conflict with the interests of the Company at large.
- 3) No penalties or strictures have been imposed on the Company by the Stock Exchange, or SEBI, or any Statutory Authority on any matter related to capital markets during the last financial year.
- 4) All mandatory requirements as per clause 49 of the listing agreement have been complied with by the Company.
- 5) The Company has placed before the Audit Committee the statement of utilization of funds raised through public issues on quarterly/ annual basis.
- 6) The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and Company (Accounting Standard) Rules, 2006. The Company has not adopted a treatment different from that prescribed in any Accounting Standard, in the preparations of financial statement.
- 7) The company has laid down procedures to inform Board members about the risk assessment and minimization procedures, which are periodically reviewed.
- 8) In terms of clause 49(V) of the Listing Agreements, the Managing Director and the Chief Financial Officer of the Company has made a certification to the Board of Directors in the prescribed format for the year under review, which has been reviewed, noted and taken on record by the Board.
- 9) Presently the Company does not have a Whistle Blower Policy. However all employees of the Company are free to approach any Management Member for any Grievance.

**Means of Communication**

- a. **Stock Exchange Intimation:** The unaudited quarterly financial statements are announced within forty-five days of the end of each quarter and the audited annual results are announced within three months from the end of the last quarter. The aforesaid financial statements after being taken on record by the Audit Committee and Board of Directors, are communicated to the Stock Exchanges where the shares of the Company are listed.
- b. **Newspapers:** Quarterly and Annual Results are published in newspapers viz The Free Press Journal and Navshakti in the format prescribed under Clause 41 of the Listing agreement with the stock exchanges where the shares of the Company are listed.
- c. **Website:** The financial results are also posted on the Company's Website [www.zenithsteelpipes.com](http://www.zenithsteelpipes.com). The Company's website provides information about its business and the Section on "Investor's Information" serves to inform and service the Shareholders allowing them to access information at their convenience.



- d. **Annual Report:** Annual Report is circulated to all the members within the required time frame.
- e. **Investor Email ID of the Registrars and Share Transfer Agents:** All the share related requests/ queries/ correspondence, if any, are to be forwarded by the investors to the Registrars and Share Transfer Agents of the Company, Bigshare Services Private Limited and/ or email them to investor@bigshareonline.com.
- f. **Designated Email ID for Complaints/ Redressal:** In compliance of clause 47(f) of the Listing Agreement entered with the Stock Exchanges, the Company has designated an email ID share@zenithsteelpipes.com exclusively for the purpose of registering complaints/ grievances by investors. Investors whose requests/ queries/ correspondence remain unresolved can send their complaints/ grievances to the above referred e-mail ID and the same would be attended to promptly by the Company.

#### General Shareholder's Information

The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L29220MH1960PLC011773

#### 1 Annual General Meeting proposed to be held

**Day, Date & Time** : Tuesday, 20<sup>th</sup> September 2011 at 3.30 p.m.  
**Venue** : Hall of Culture, Discovery of India Building, Nehru Centre,  
Dr. Annie Besant Road, Worli, Mumbai 400018

#### 2 Financial Calendar for the year 2011-12 (Proposed)

**Accounting Year** : April 1, 2011 to March 31, 2012  
**First Quarter Results** : 1<sup>st</sup> August, 2011  
**Second Quarter Results** : 15<sup>th</sup> November, 2011  
**Third Quarter Results** : 15<sup>th</sup> February, 2012  
**Fourth Quarter Results** : 15<sup>th</sup> May, 2012  
**Annual Results** : July/August, 2012  
**Mailing of Annual Report** : July/August, 2012  
**Annual General Meeting** : On or before 30<sup>th</sup> September, 2012

#### 3 Book Closure Date

: From Wednesday, 1<sup>st</sup> September 2011 to Tuesday, 20<sup>th</sup> September 2011 (both days inclusive)

#### 4 Registered Office

: Dalamal House, 1<sup>st</sup> Floor, 206, J. B. Marg, Nariman Point, Mumbai – 400 021.

#### 5 i. Listing of Equity Shares on the Stock Exchange

: 1. Bombay Stock Exchange Ltd.  
P.J. Towers, Dalal Street, Mumbai 400 023.  
2. National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra-Kurla Complex,  
Bandra (East), Mumbai 400 051.

Note: Listing Fees for the year 2011-12 has been paid to Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

#### ii. Listing of Global Depository Receipts (GDRs)

: Luxembourg Stock Exchange  
11, Avenue de la Porte-Neuve, L-2227, Luxembourg  
**Overseas Depository**  
The Bank of New York Mellon Corporation  
101 Barclay Street New York NY 10286 USA  
**Domestic Custodian**  
Hongkong and Shanghai Banking Corporation Ltd  
Plot No. 139-140 B, Western Express Highway,  
Sahar Road Junction, Vile Parle (East), Mumbai – 400 057  
**ISIN CODE**  
US98935G1085

Note: Listing Fees for the year 2011 has been paid to the Luxembourg Stock Exchange





- 6 i. **Stock Exchange** : Bombay Stock Exchange Ltd.  
Pj. Towers, Dalal Street, Mumbai 400 023
- Stock Code** : 531845
- ii. **Stock Exchange** : National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra-Kurla Complex, Bandra( East), Mumbai 400 051.
- Stock Code** : ZENITHBIR
- iii. **ISIN No. for the Company's** : INE318D01020  
**Equity Shares in Demat form**
- iv. **Depositories connectivity** : NSDL and CDSL

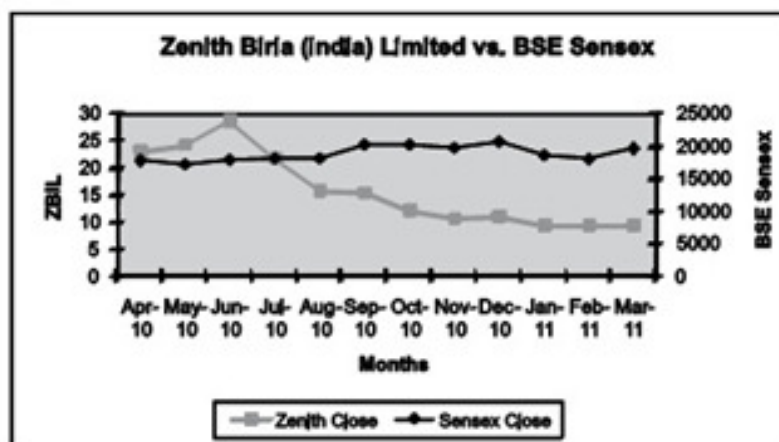
## 7. Stock Price Data :

Market Price Data: High, Low during each month in the financial year.

Monthly High/ Low of market price of the Company's shares traded on the Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Limited (NSE) during the financial year ended 31<sup>st</sup> March, 2011 is furnished below:

Months	NSE		BSE		Months	NSE		BSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)		High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 10	24.00	17.90	25.10	17.50	October, 10	15.50	11.05	15.04	11.05
May, 10	25.40	22.10	25.40	22.10	November, 10	13.50	9.90	13.60	10.00
June, 10	33.40	20.70	33.30	21.20	December, 10	12.00	8.30	11.95	8.40
July, 10	29.25	20.50	29.30	20.50	January, 11	11.30	8.95	11.33	8.95
August, 10	21.85	15.05	24.0	15.05	February, 11	11.85	8.70	11.85	8.50
September, 10	18.00	15.00	18.2	13.05	March, 11	10.35	8.70	10.35	8.50

Source: [www.bseindia.com](http://www.bseindia.com), [www.nseindia.com](http://www.nseindia.com)



## 8. Registrars and Share Transfer Agents For Electronic & Physical Mode

: Bigshare Services Pvt. Ltd.  
E/2, Ansa Industrial Estate, Saki Naka, Saki Vihar Road,  
Andheri (East), Mumbai 400072  
Tel. Nos. 28470652/ 40430200 Fax No. 28475207  
e.mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

Shareholders can login in to [www.bigshareonline.com](http://www.bigshareonline.com), the website of our Registrars and Share Transfer Agents, M/s. Bigshare Services Private Limited for assistance.



## 9. Share Transfer System

The Board has delegated the authority for approving transfer, transmission etc. of Company's securities to the Shareholders / Investors Grievance Committee, who in turn has authorized the Company Secretary and officials of the Secretarial Department to carry this work. The share transfer formalities are completed on a weekly basis. The Shares sent for transfer in physical form are sent to Registrars and Share Transfer Agents, and returned between 15 to 30 days from the date of receipt, if documents are in order in all respects. Shares under objections are returned within 2 weeks.

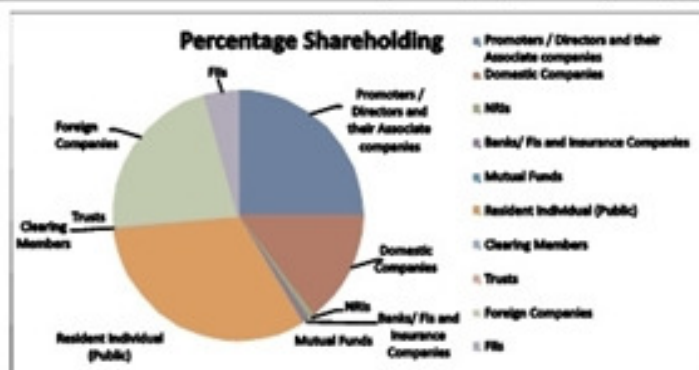
In compliance with Clause 47(c) of the Listing Agreement, the Company obtains a certificate from practicing Company Secretary on a half-yearly basis confirming that all certificates have been issued within one month from the date of lodgments for transfer, sub-division, consolidation etc.

## 10. Distribution of Shareholding as on 31<sup>st</sup> March, 2011

No. of Equity Shares held	Total No. of Shareholders	No. of Shares held	Percentage Shareholding
1 to 500	69393	5144445	3.97
501 to 1000	4514	3518438	2.71
1001 to 2000	2788	4080138	3.15
2001 to 3000	970	2458505	1.89
3001 to 4000	433	1552473	1.20
4001 to 5000	387	1842340	1.42
5001 to 10000	639	4668207	3.60
10001 and above	547	106455902	82.06
Total	79671	129720448	100.00

## 11. Categories of Shareholding as on 31<sup>st</sup> March, 2011

Categories	No. of Shareholders	No. of shares held	Percentage Shareholding
Promoters / Directors and their Associate companies	26	32516851	25.07
Domestic Companies	722	19052959	14.70
NRIs	335	746355	0.57
Banks/ FIs and Insurance Companies	49	1274279	0.98
Mutual Funds	10	3955	0.00
Resident Individual (Public)	78464	41653066	32.10
Clearing Members	55	124442	0.09
Trusts	08	1447	0.00
Foreign Companies	01	28652472	22.09
FIs	01	5694622	4.40
Total	79671	129720448	100.00



**12. Dematerialization of shares and liquidity:**

98.68% of the total Equity Capital is held in dematerialized form with NSDL and CDSL as on 31.03.2011. Trading in Equity Shares of the Company is permitted only in dematerialized form as per notification issued by Securities and Exchange Board Of India (SEBI).

**13. Outstanding GDRs :** 9,55,082 Global Depositary Receipts (GDRs) represented by 28,652,472 equity shares were outstanding as on 31<sup>st</sup> March, 2011.

**14. Outstanding Warrants :** The Company has issued 1,08,10,000 Convertible Equity Share Warrants on 10<sup>th</sup> January, 2011 to the Promoters of the Company at an issue price of Rs. 21.40 per warrant. On 25<sup>th</sup> March, 2011 the Company has converted 15,60,000 Warrants into 15,60,000 Equity Shares. As on 31<sup>st</sup> March, 2011 92,50,000 Convertible Equity Share Warrants are outstanding

**15 Plant Location :**

- a) Khopoli Unit  
Tal Khopoli, Dist. Raigad, Maharashtra-410203
- b) Tarapur Unit  
G-38/39, M.I.D.C., Tarapur -401 506, Dist. Thane, Maharashtra- 401 506
- c) Murbad Unit  
Survey (Gut) No. 440/441, Nhava, Kakadpada, Murbad District, Thane, Maharashtra

**16. Address for Correspondence**

- i) Investor Correspondence  
Shri Vinay Desai  
Secretarial Assistant  
5<sup>th</sup> Floor, Industry House, 159, Churchgate Reclamation, Mumbai 400020.  
Tel. No. 22026340 Extn: 427, Fax No.22828865  
e.mail: share@zenithsteelpipes.com
- ii) For Compliance related query  
Mrs. Harsha Kedia  
Company Secretary & Compliance Officer  
5<sup>th</sup> Floor, Industry House, 159, Churchgate Reclamation, Mumbai 400020  
Tel No. 022-22852974, Fax No.22828865

**17. Compliance with non mandatory requirements****Remuneration Committee**

The Company has constituted Remuneration Committee to recommend / review remuneration of the Managing Director/ Whole Time Directors based on their performance and defined assessment criteria.



**Certificate by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) pursuant to Clause 49 of the Listing Agreement on the Audited Financial Statement for the year 2010-11**

We, M.S.Arora – CEO & Managing Director and Sachin Sanghvi – CFO of the Company hereby certify that:-

- a) We have reviewed the Financial Statements and Cash Flow Statement for the year ended on 31<sup>st</sup> March, 2011 and that to the best of our knowledge and belief:
  - I. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - II. these statements together present a true & 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 are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they 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 they have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Statutory Auditors, Internal Auditors and Audit Committee:
  - I. significant changes in internal control over financial reporting during the year;
  - II. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - III. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For Zenith Birla (India) Limited

Place: Mumbai  
Date: 25.05.2011

<b>M.S.Arora</b>	<b>Sachin Sanghvi</b>
<b>Managing Director</b>	<b>CFO</b>

**Auditors' Certificate regarding compliance of conditions of Corporate Governance**

To the Members of Zenith Birla (India) Limited

We have examined the compliance of conditions of Corporate Governance by Zenith Birla (India) Limited, for the year ended 31<sup>st</sup> March 2011, as stipulated in Clause 49 of the Listing Agreement(s) of the said Company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement(s).

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 **Thakur, Vaidyanath Aiyer & Co.**  
Firm Registration Number: 000038N  
Chartered Accountants

Mumbai, 30<sup>th</sup> May 2011