



## 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 13<sup>th</sup> August, 2012, 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 they are 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 and no. of shares held by them are provided in below table:

Name of Directors	Category of Directorship	No. of shares held as on 31.03.2012	*No. of other directorships as on 31.3.2012	#No. of other Committee positions		No. of Board Meetings attended during the year	Attendance at the 49 <sup>th</sup> Annual General Meeting held on 20.09.2011
				Chairman	Member		
Shri Yash Birla, Chairman	Non-Executive Non-Independent	1,05,984	13	1	-	4	Yes
Shri M.S.Arora, Managing Director	Executive, Non- Independent	Nil	3	-	1	5	Yes
Dr. D. V. Kapur	Non-Executive, Independent	Nil	5	4	1	3	Yes
Shri Augustine P. Kurias	Non-Executive, Independent	Nil	1	2	-	4	Yes
Shri P.V.R. Murthy	Non-Executive, Non-Independent	Nil	12	-	9	4	Yes
Shri Anoj Menon	Non-Executive, Independent	Nil	3	3	2	5	Yes

\* 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.

Five 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:

30<sup>th</sup> May, 2011, 11<sup>th</sup> August, 2011, 20<sup>th</sup> September, 2011, 11<sup>th</sup> November, 2011 and 14<sup>th</sup> February, 2012.

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 D. V. Kapur	Shri A. P. Kurias
Date of Birth	09.09.1928	28.08.1932
Date of Appointment	23.12.1988	27.10.1999
Qualification	B.E.E, D.SC	M.A. (Eco), C.A.I.I.B
Expertise in specific functional area	Shri D. V. Kapur, aged 83 years, is B.E.E., D.SC. by qualification. He was also secretary to the Government of India in the Department of Power, Heavy Industry and Chemicals & Petrochemicals. His experience includes his role as Founder Chairman & Managing Director of National Thermal Power Corporation (NTPC).	Shri A.P. Kurias, aged 79 years is M.A. (Eco), C.A.I.I.B by qualification. he is a retired banker with more than 40 years of experience in banking industry. He has worked with RBI, IDBI in various capacities including CGM & Principal of Bankers Training College of RBI. He has also served on Board of various public sector banks and financial institutions.
Directorship held in other companies	1. Honda Seil Power Products Ltd 2. DLF Limited 3. Reliance Industries Limited 4. GKN Driveline (India) Limited 5. Drivetech Accessories Limited	1. Birla Precision Technologies Limited
Committee positions held in other companies (C = Chairman; M = Member)	<b>Audit Committee:</b> 1. Honda Siel Power Products Ltd (C) 2. GKN Driveline (India) Ltd.(C) 3. DLF Ltd. (M) <b>Shareholders’ Investors’ Grievance Committee:</b> 1. Honda Siel Power Products Ltd (C) 2. DLF Ltd. (C)	<b>Audit Committee</b> 1. Birla Precision Technologies Limited. (C) <b>Shareholders’ Investors’ Grievance Committee:</b> 1. Birla Precision Technologies 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.

The Board also reviews the declarations made by the Chief Financial Officer / Managing Director and the Company Secretary of the Company regarding compliances of all applicable laws on quarterly basis.

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

The Board of Directors have adopted and put in place the Code of Business Conduct & Ethics for Board of Directors and Senior Management. The Code lays down in detail, the standards of business conducts, ethics and best corporate practice. The fundamental principle 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, 2012.

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, 2012.

**Sd/-**

**M. S. Arora**  
**Managing Director**

**Place : Mumbai**  
**Date : 25<sup>th</sup> May, 2012**

#### **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, 2012, the Committee met 4 times on 30<sup>th</sup> May, 2011, 11<sup>th</sup> August, 2011, 11<sup>th</sup> November, 2011 and 14<sup>th</sup> February, 2012.

The composition of the Audit Committee and the attendance of members during the year under review are as under:

<b>Name of the Member</b>	<b>Category</b>	<b>No. of Meetings Attended</b>
Shri A. P. Kurias (Chairman)	Independent Non-Executive	3
Shri D. V. Kapur	Independent Non-Executive	2
Shri Anoj Menon	Independent Non-Executive	4

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.

**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 48 times during the year under review.

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

Name of the Member	Category	Position in Committee	No. of Meetings attended
Shri A. P. Kurias	Independent Non-Executive Director	Chairman	48
Shri M. S. Arora	Executive Director	Member	48

The Company Secretary acts as the Secretary to the Shareholders' Grievance Committee and Compliance Officer of the Company.

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 after transfer / after exchange	47	47	-
Non receipt of Demat rejected Certificates/ De-mat Credit	8	8	-
Non receipt of Dividend Warrants	28	28	-
Non receipt of Annual Report	9	9	-
Non receipt of Bonus Shares	16	16	-
SEBI	2	2	-
Total	110	110	-

**Remuneration Committee:**

The Board has re-constituted Remuneration committee on 20<sup>th</sup> September, 2011 and is presently comprising of 4 members, Shri A. P. Kurias (Chairman), Shri D.V. Kapur, Shri Yashovardhan Birla and Shri Anoj Menon as members.

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 2011-12 on 11<sup>th</sup> August, 2011 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 & Audit Committee Meetings.



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

<b>Date of AGM</b>	<b>Particulars of Special Resolutions passed</b>
2010-2011	<ol style="list-style-type: none"> <li>1. Raising of Funds through Further Issue of Securities for amount not exceeding Rs. 150 crores.</li> <li>2. Waiver of recovery of excess remuneration of Rs. 10.58 Lacs paid to Shri M. S. Arora, Managing Director during year 2010-11.</li> <li>3. Increase in remuneration of Shri M. S. Arora, Managing Director not exceeding Rs. 1.25 Crores per annum and Commission at the rate not exceeding 5% of net profit w.e.f. 1<sup>st</sup> April, 2011 till expiry of term i.e 9<sup>th</sup> July, 2012.</li> </ol>
2009-2010	<ol style="list-style-type: none"> <li>1. Alteration of Articles of Association of the Company for Increased authorized share capital of the Company to Rs. 355.50 Crores</li> <li>2. Waiver of recovery of excess remuneration of Rs. 27.18 Lacs paid to Shri M. S. Arora, Managing Director during the year 2009-10</li> <li>3. Increase in remuneration of Shri M. S. Arora, Managing Director not exceeding Rs. 1.10 Crore per annum 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</li> </ol>
2008-2009	<ol style="list-style-type: none"> <li>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 lacs per annum and Commission at the rate not exceeding 3% of net profit</li> </ol>

**(c) Whether the Special Resolution were put through postal ballot during year 2011-12 – No****(d) Are Special Resolutions proposed to be put through postal ballot this year - No**

None of the businesses proposed to be transacted at 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 three financial years.
- 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 issue on quarterly/ annual basis.
- 6) Company follows the Accounting Standards issued by the Institute of Chartered Accountants of India and Company (Accounting Standards) Rules, 2006. The company has not adopted a treatment different from that prescribed in any Accounting Standard, in the preparation of financial statements.
- 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. No personnel have been denied access to the Audit Committee.



## 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 sixty days 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 Registrar & Share Transfer Agents:** All the share related requests/ queries/correspondence, if any, are to be forwarded by the investors to the Registrar and Transfer Agents of the Company **Bigshare Services Private Limited** and/ or email them to [investor@bigshareonline.com](mailto: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](mailto: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	: Monday, 17 <sup>th</sup> September, 2012 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 2012-13 (Proposed)
 

Accounting Year	: April 1, 2012 to March 31, 2013
First Quarter Results	: Second week of August, 2012
Second Quarter Results	: Second week of November, 2012
Third Quarter Results	: Second week of February, 2013
Fourth Quarter and Annual Results	: Last week of May, 2013
Mailing of Annual Report	July/August, 2013
Annual General Meeting	On or before 30 <sup>th</sup> September, 2013
- 3 Book Closure Date : From Tuesday, 11<sup>th</sup> September, 2012 to Monday, 17<sup>th</sup> September, 2012 (both days inclusive).
- 4 Registered Office : Dalamal House, 1<sup>st</sup> Floor, 206, J. B. Marg, Nariman Point, Mumbai – 400 021.
- 5 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 2012-13 has been paid to Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.



Listing of Global Depository Receipts : 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 calendar year 2012 has been paid by the Company to the Luxembourg Stock Exchange.

- 6 i. Stock Exchange : Bombay Stock Exchange Ltd.  
P. J. 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 Equity Shares in Demat form : INE318D01020
- iv. Depositories connectivity : NSDL and CDSL

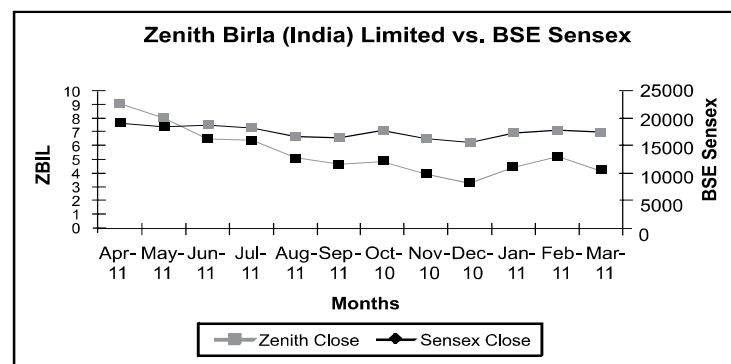
7. Stock Price Data : Market Price Data: High, Low during each month in the financial year.

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, 2012 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, 11	9.20	9.00	11.40	8.96	October, 11	4.90	4.80	5.17	4.45
May, 11	8.25	7.95	10.00	7.90	November, 11	4.05	3.90	5.00	3.89
June, 11	6.70	6.50	8.56	6.39	December, 11	3.45	3.30	4.50	3.27
July, 11	6.50	6.30	7.44	6.30	January, 12	4.50	4.35	5.20	3.31
August, 11	5.30	5.05	6.65	4.56	February, 12	5.75	5.15	6.50	4.37
September, 11	4.85	4.60	5.94	4.60	March, 12	4.30	4.00	5.84	4.07

Source: www.bseindia.com, www.nseindia.com

Monthly Closing Market Price of the Company's shares traded on Bombay Stock Exchange Limited verses Sensex closing at Bombay Stock Exchange Limited is shown in below Graph.







## 8. Registrar & 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

Shareholders can login in to [www.bigshareonline.com](http://www.bigshareonline.com), the website of our Registrar 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.

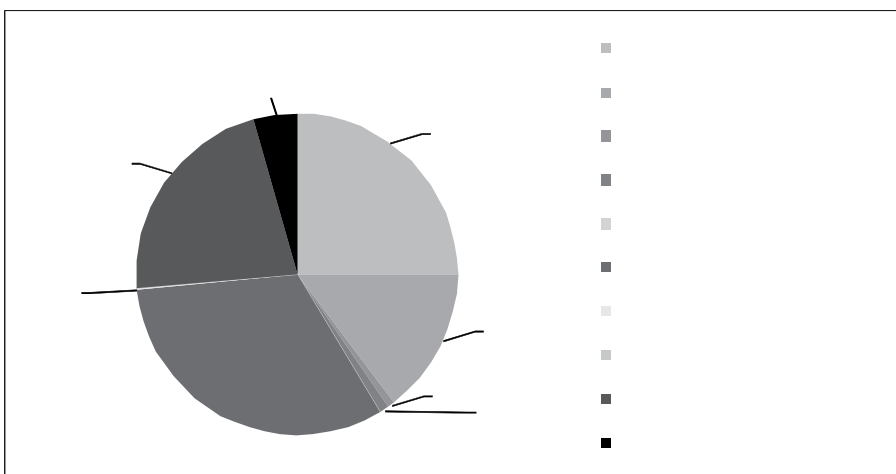
In compliance with Clause 47(c) of the Listing Agreement, the Company obtains a certificate from practicing Company Secretary on a half-yearly basis confirming that all certificates have been issued within one month from the date of lodgments for transfer, sub-division, consolidation etc.

## 10. Distribution of Shareholding as on 31<sup>st</sup> March, 2012

No. of Equity Shares held	Total No. of Shareholders	No. of Shares held	Percentage Shareholding
1 to 500	68428	5057419	3.85
501 to 1000	4647	3665393	2.79
1001 to 2000	2991	4476722	3.41
2001 to 3000	1216	3104267	2.37
3001 to 4000	529	1927778	1.47
4001 to 5000	485	2311478	1.76
5001 to 10000	852	6210751	4.73
10001 and above	766	104526640	79.62
<b>Total</b>	<b>79914</b>	<b>131280448</b>	<b>100.00</b>

## 11 Categories of Shareholding as on 31<sup>st</sup> March, 2012

Categories	No. of Shareholders	No. of shares held	Percentage Shareholding
Promoters / Directors and their Associate companies	14	34076837	25.96
Corporate Bodies (Public)	671	21399686	16.30
NRIs	351	1198162	0.91
Banks/ FIs and Insurance Companies	48	426361	0.32
Mutual Funds	6	3665	0.01
Resident Individual (Public)	78772	53454264	40.72
Clearing Members	42	137572	0.10
Trusts	8	1429	0.00
Foreign Companies	1	15632472	11.91
FIs	1	4950000	3.77
<b>Total</b>	<b>79914</b>	<b>131280448</b>	<b>100</b>



12. Dematerialization of shares and liquidity :

98.83% of the total Equity Capital is held in dematerialized form with NSDL and CDSL as on 31<sup>st</sup> March, 2012. 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 : 5,21,082 Global Depositary Receipts (GDRs) represented by 1,56,32,472 equity shares were outstanding as on 31<sup>st</sup> March, 2012.

14. Plant Location

- a) Khopoli Unit  
Tal Khopoli Dist. Raigad, Maharashtra-410203
- b) Tarapur Unit  
G-38/39, M.I.D.C. Tarapur -401506 Dist. Thane Maharashtra- 401506
- c) Murbad Unit  
Survey (Gut) No. 440/441, Nhave, Kakadpada,  
Murbad District, Thane, Maharashtra

15. 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. 022-22026340 Extn:321 Fax No.22828865  
e.mail: harsha.kedia@yashbirlagroup.com



## **16. Transfer of unclaimed dividend to Investor Education and Protection Fund**

Pursuant to provisions of sections 205A and 205C of the Companies Act, 1956, the dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the investor education and protection fund (IEPF) established by the Central Government.

The due dates for transfer to IEPF of the dividend remaining unclaimed since 2005-06 are provided hereunder:

<b>Date of dividend declaration</b>	<b>For the year ended</b>	<b>Due for transfer to Investor Education and Protection Fund</b>
25.08.2006	2005-06	01.10.2013
14.09.2007	2006-07	20.10.2014
28.01.2008 (Interim)	2007-08	04.03.2015
15.09.2008 (final)	2007-08	21.10.2015
24.09.2009	2008-09	30.10.2016
02.08.2010	2009-10	07.09.2017

Members who have not encashed their dividend warrants pertaining to the aforesaid years may approach the Company/ its Registrar for obtaining payments thereof atleast 20 days before they are due for transfer to the said fund.

## **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 2011-12**

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, 2012 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 : 22<sup>nd</sup> May, 2012**

**M. S. Arora**  
**Managing Director**

**Sachin Sanghvi**  
**Chief Financial Officer**

**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, 2012, 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 Aiyar & Co.**  
**Chartered Accountants**  
**Firm Registration Number: 000038N**

**C. V. Parameswar**  
**Partner**  
**M.No.: 11541**

**Place: Mumbai**  
**Date : 25<sup>th</sup> May, 2012**