



Date:05.09.2020

To, The Dy. Gen. Manager, Corporate Relationship Dept., BSE Limited PJ Tower, Dalal Street, Mumbai-400001 Equity Scrip Code: 531845	To, National Stock Exchange of India Ltd. Exchange Plaza, Plot no. C/1, G Block Bandra-Kurla Complex, Bandra (E) Mumbai-400051 Equity Scrip Name: ZENITHSTL
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Subject -Notice of the 58th Annual General Meeting of the Company for the Financial Year 2019-20 under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Dear Sir/Ma'am,

Pursuant to Regulation 30 read with Para A, Part A of Schedule III of the Listing Regulations, attached herewith is the Notice and the Explanatory Statement of the 58th Annual General Meeting of the Company scheduled to be held on Tuesday, September 29, 2020 at 5.00 p.m. (IST) through Video Conference / Other Audio Visual Means.

The said Notice forms part of the Annual Report 2019-20. The Annual Report for FY 2019-20 and other related documents are available on the website of the Company at www.zenithsteelpipes.com

Kindly take the aforesaid information on record in compliance of SEBI (Listing Obligations and Disclosure Requirements), Regulations 20 15.

Thanking You,

Yours Faithfully,

Zenith Steel Pipes & Industries Limited
(Formerly known as Zenith Birla (India) Limited)

SUNEEL SULLERE
Digitally signed by
SUNEEL SULLERE
Date: 2020.09.06
16:17:52 +05'30'

Suneel Sullere
Company Secretary
ACS 42922

ZENITH STEEL PIPES & INDUSTRIES LIMITED

(Formerly known as Zenith Birla (India) Limited)

Corp. Off. : Dalamal House, 1st Floor, 206, J.B. Marg, Nariman Point, Mumbai - 400021. India. Tel.: +91 22 6616 8400 **Email:** zenith@zenithsteelpipes.com, www.zenithsteelpipes.com

CIN: L29220MH1960PLCO11773

Registered Office: Industry House, 5th Floor, 159, Churchgate Reclamation, Mumbai 400020.



NOTICE

Zenith Steel Pipes & Industries Limited

(formerly known as Zenith Birla (India) Limited)

5th Floor, Industry House,
159, Churchgate Reclamation,
Mumbai – 400 020

CIN: L29220MH1960PLC011773

E-mail: zenith@zenithsteelpipes.com

Website: www.zenithsteelpipes.com

Tel: 022-66168400,

Notice is hereby given that the 58th Annual General Meeting of Zenith Steel Pipes & Industries Limited (formerly known as Zenith Birla (India) Limited) will be held on Tuesday, 29th September, 2020 at 5:00 p.m. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') without the physical presence of the Members at a common venue, in compliance with General Circular No. 14/2020, 17/2020 and 20/2020 issued by Ministry of Corporate Affairs (MCA Circulars). to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:

- a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon; and
- b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 together with the Report of the Auditors thereon.

2. Appointment of M/s. CKSP and CO LLP as Statutory Auditor of the Company

“RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. CKSP and CO LLP, Chartered Accountants, Mumbai (Firm Registration Number: 131228W/W100044) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors of the Company.”

3. To appoint a director in place of Purushottam Digambar Sonavane (DIN: 08405653), Director who retire by rotation and being eligible offers himself for reappointment.

SPECIAL BUSINESS

4. To ratify remuneration of Cost Auditor and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to section 148 and other applicable provisions, if any, of the companies Act, 2013 (“Act”) and the rules made thereunder, as amended from time to time, the company hereby ratifies the remuneration of ₹ 75,000 to M/s. Y. R. Doshi & Co. who are appointed as Cost Auditors of the company to conduct Cost Audit relating to such business of the company as may be ordered by the Central Government under the Act, and the rules made thereunder, for the year ended 31st March, 2021.

5. To regularize the appointment of Bhavika Sharma (DIN: 08846865), additional Director as the Independent Director of the Company and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT Bhavika Sharma, (DIN: 08846865) who was appointed as an Additional Director with effect from 24th August, 2020 on the Board of the Company pursuant to Section 161 of the Companies Act, 2013 and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and



in respect of whom a notice has been received from a member in writing in accordance with Section 160 of the Companies Act, 2013, proposing her candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, pursuant to the provisions of Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 to hold office for three (3) consecutive years for a term upto the conclusion of the 61st Annual General Meeting of the Company.”.

6. To regularize the appointment of Kalpesh Dong (DIN: 08095233), additional Director as a Director of the Company and in this regard, pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Kalpesh Dong (DIN:08095233), who was appointed as an Additional Director by the Board of Directors of the Company w.e.f. 24th August, 2020 and who holds office as such up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company liable to retire by rotation.

7. Issue of Equity Shares on Preferential basis to Birla Precision Technologies Limited and Birla Edutech Limited on conversion of existing loan.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to Sections 42, 62 (1) (c) and all other applicable provisions, if any, of the Companies Act, 2013 and Rule 14 of Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2018 (including any statutory modification(s) or re-enactments thereof for the time being in force), Memorandum and Articles of Association of the Company, Listing Agreement entered into by the Company with Stock Exchanges where the Company’s shares are listed and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the “SEBI (ICDR) Regulations, 2018”) and other applicable regulations of Securities and Exchange Board of India (“SEBI”), if any (for the time being in force) as may be applicable to the preferential issue of equity shares, the applicable rules, notifications, guidelines issued by various authorities including but not limited to the Government of India, SEBI, Reserve Bank of India (“RBI”) and other competent authorities, and subject to the approval(s), consent(s), permission(s) and/or sanction(s) as may be required from the Central Government, RBI, SEBI and/or from any other appropriate authority, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”) which term shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution to offer, issue, and allot in one or more tranches up to 70,00,000 Equity Shares (Seventy Lakhs) of the face value of ₹ 10/- each (Rupees Ten Only) fully paid up at an issue price of ₹ 10.00/- (Ten Rupees) per share aggregating to ₹ 7,00,00,000 (₹ Seven Cr.) to M/s. Birla Precision Technologies Limited and up to 40,00,000 Equity Shares (forty Lakhs) of the face value of ₹ 10/- each (Rupees Ten Only) fully paid up at an issue price of ₹ 10.00/- (Rupees Ten only) per share aggregating to ₹ 4,00,00,000 (₹ Four Cr.) to M/s. Birla Edutech Limited, companies belonging to the promoter group Companies on a preferential basis, in such manner and on such terms and conditions as may be determined by the Board in accordance with Chapter V of the SEBI (ICDR) Regulations, 2018 or any other provisions of law as may be prevailing as on date.

RESOLVED FURTHER THAT the Equity Shares proposed to be allotted in terms of this resolution shall be subject to the following:

- The Equity Shares to be allotted to the Proposed Allottee shall be under lock-in for such period as may be prescribed by the SEBI (ICDR) Regulations, 2018;
- The Equity Shares so allotted to the Proposed Allottee under this resolution shall not be sold, transferred,



hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations, 2018 except to the extent and in the manner permitted thereunder;

- Allotment shall only be made in dematerialized form;
- The '**Relevant Date**' for the purpose of determining the minimum price of the Equity Shares proposed to be allotted to the above mentioned allottee is **28th August, 2020** i.e. being the date which is 30 days prior to the date of this meeting;
- The allotment of Equity Shares is proposed to be completed within a maximum period of 15 days from the date of passing this resolution, provided that where the allotment is pending on account of pendency of any approval by any regulatory authority, or the Central Government then, the allotment shall be completed within 15 days from the date of receipt of such approval;
- The Equity Shares proposed to be issued shall rank pari-passu with the existing Equity Shares of the Company in all respects and that the Equity Shares so allotted during the financial year shall be entitled to the dividend declared, if any, including other corporate benefits, if any, for which the book closure or the record date falls subsequent to the allotment of Equity Shares.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolutions, the Board be and is hereby authorised on behalf of the Company to take all actions and to do all such acts, deeds, matters and things and perform such actions as it may, in its absolute discretion, deem necessary, proper or desirable for such purpose, including to seek listing, apply for in principle listing approval of the Equity Shares to be issued and allotted to the above mentioned allottee upon conversion of their outstanding loan amounts and to modify, accept and give effect to any modifications in the terms and conditions of the issue(s) as may be they deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors/ Key Managerial Personnel/ Officers of the Company.

Notes:

1. In view of the continuing COVID-19 pandemic and restrictions imposed on the movement of people, the Ministry of Corporate Affairs ("MCA") vide its Circular dated 5 May 2020 read with Circulars dated 8 April 2020 and 13 April 2020 (collectively referred to as "MCA Circulars") and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020 has permitted the holding of the Annual General Meeting ("AGM") through Video Conference] Other Audio Visual Means, without the physical presence of the Members at a common venue.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Circulars issued by MCA and SEBI, 58th AGM of the company being conducted through Video Conferencing (VC).

AGM: Company has appointed National Securities Depository Limited (NSDL), Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting.

2. Pursuant to the provisions of the circulars on the VC/OVAM:
 - a. Members can attend the meeting through log in credentials provided to them to connect to Video conference. Physical attendance of the Members at the Meeting venue is not required.
 - b. Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. A proxy is allowed to be appointed under Section 105 of the Companies Act, 2013 to attend and vote at the general meeting on behalf of a member who is not able to attend personally. Since the AGM will be conducted through VC /OAVM, there is no requirement of appointment of proxies. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.



4. The Members can join the e-AGM 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
5. The attendance of the members (members logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013
6. In compliance with MCA Circular No. 20/2020 dated 5May, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1] CIR/P/2020/79 dated 12 May 2020 and owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report), the Annual Report for Financial year ended March 31,2020 and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
7. In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the e-AGM has been uploaded on the website of the Company at www.zenithsteelpipes.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com

8. In case of shareholders have not registered their email addresses:

1. In light of the MCA Circulars, shareholders who have not registered their email address and in consequence could not receive the e-voting notice may temporarily get their email registered with the Company's Registrar and Share Transfer Agent, Bigshare Services Private Limited, by clicking the link: <https://bigshareonline.com/InvestorRegistration.aspx> and following the registration process as guided thereafter and mentioned herein below:

Electronic folios:

- (a). Visit the link <https://bigshareonline.com/InvestorRegistration.aspx>
- (b). Select the company name
- (c). Shareholder to enter DPID-CLID / Folio No. and PAN No.
- (d). Shareholder to enter the email id and Mobile No.
- (e). System check the authenticity of the client id and PAN and send the different OTPs to Mobile and Email to Validate.
- (f). Shareholder to enter the OTPs received by SMS and Email to complete the validation process. (OTPs will be valid for 5 min. Only).
- (g). System confirms the email id for the limited purpose of serviced Notice & Annual report 2019-20.
- (h). System will send the notice & procedure for e-voting to the email given by shareholder

Physical folios:

- (a). Visit the link <https://bigshareonline.com/InvestorRegistration.aspx>
 - (b). Select company name
 - (c). Shareholder to enter physical Folio No and PAN No.
 - (d). If PAN No. is not available in the records, shareholder to enter one of the Certificate No.
 - (e). Shareholder to enter the email id and Mobile No.
 - (f). System check the authenticity of the Folio No. and PAN/Certificate No. and send the different OTPs to Mobile and Email to Validate.
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- (g). Shareholder to enter the OTPs received by SMS and Email to complete the validation process. (OTPs will be valid for 5 min. Only).
- (h). If PAN is not available; system will prompt to upload the duly signed scan copy of the PAN.
- (i). System confirm the registration of email id.
- (j). System will send the notice & procedure for e-voting to the “email “given by shareholder.

Post successful registration of the email, the shareholder would get soft copy of the notice and the procedure fore-voting along with the User ID and the Password to enable e-voting for this Annual general Meeting 2019-20. In case of any queries, shareholder may write to investor@bigshareonline.com

- 2. It is clarified that for permanent registration of email address, the shareholders are however requested to register their email address, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company’s Registrar and Share Transfer Agent, Bigshare Services Private Limited.
- 3. Those shareholders who have already registered their email address are requested to keep their email addresses validated with their Depository Participants / the Company’s Registrar and Share Transfer Agent.
- 9. The Register of Members and Share Transfer Books of the Company will remain closed from September 23, 2020 to September 29, 2020 (both days inclusive).
- 10. Members whose name appearing on the Register of Members / List of Beneficial Owners as on the Cut-off date (Record date) i.e Tuesday, 22nd September,2020, shall be eligible for remote e-voting and voting right shall be reckoned on the Paid-up Value of shares registered in the name of the members as on the cut-off date
- 11. The e-voting period commences from 9.00 A.M. (IST) on September 26, 2020 to 5.00 P.M. (IST) on September 28, 2020. During this period, the members of the Company, holding shares either in physical form or in demat form, as on the cut-off date (record date) of <22nd September, 2020> may cast their vote electronically
- 12. M/s Anil Somani & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- 13. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairperson or a person authorized by her in writing, who shall countersign the same.
- 14. The result declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.zenithsteelpipes.com and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

INSTRUCTIONS FOR E-VOTING:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.



Details on Step 1 are mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:



- a) Click on **“Forgot User Details/Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to corporatesolutions14@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in



INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE e-AGM THROUGH VIDEO CONFERENCE:

1. Members will be able to attend the AGM through VC/ OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.
2. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL
3. Facility of joining the AGM through VC/ OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
4. Members, who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800-222-990.
5. Members who has any query relating to the working of the Company may send it to the Company from their registered e-mail address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number share@zenithsteelpipes.com. The Chairperson would address those queries and give suitable replies during the AGM.

INSTRUCTIONS FOR MEMBERS FOR VOTING DURING THE E-AGM SESSION:

1. The e-voting window shall be activated upon instructions of the Chairman during the e-AGM.
2. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same. The shareholders shall be guided on the process during the e-AGM.
3. Members} shareholders, attending the e-AGM through Video Conference and who have not cast their vote on resolutions through Remote e-Voting shall be eligible to cast their vote through e-voting system available during the e-AGM.
4. Members who have voted through Remote e-Voting will be eligible to attend the e-AGM, however, they shall not be allowed to cast their vote again during the e-AGM.

By Order of the Board of Directors

Suneel Sullere

Company Secretary and Compliance Officer

Mumbai, September 2, 2020

Registered Office:

5th Floor, Industry House, 159,

Churchgate Reclamation, Mumbai – 400020

CIN: L29220MH1960PLC011773

E-mail: zenith@zenithsteelpipes.com;

Website: www.zenithsteelpipes.com

Tel: 022-66168400, Fax: 022-22047835



Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 7 of the accompanying Notice:

Item no. 4

TO RATIFY REMUNERATION OF COST AUDITOR

The company is directed, under Section 148 of the Companies Act, 2013 ("Act") to have the audit of its Cost records conducted by a Cost Accountant in practice. The Board of your Company has, on the recommendation of the Audit Committee, approved the appointment of M/s. Y.R. Doshi & Co. as the cost Auditors of the Company to conduct cost audits relating to such businesses of the Company as may be ordered by Central Government under the Act and the rules made thereunder for the year ending 31st March 2021 at a remuneration of ₹ 75,000/-

M/s. Y.R. Doshi & Co. have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company and have vast experience in the field of cost audit and have conducted the audit of the Cost Records of the Company for the past several years. The Board has approved the remuneration of ₹ 75,000/- to M/s. Y. R. Doshi & Co. as the Cost Auditors.

The Resolution at Item No. 4 is recommended for approval by the members

None of the directors and key managerial personnel of the Company or their respective relatives are concerned or interested in Resolution mentioned at Item No.04 of the notice.

Item no. 5

APPOINTMENT OF BHAVIKA SHARMA AS AN INDEPENDENT DIRECTOR OF THE COMPANY

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the recommendation of the Human Resources, Nomination and Remuneration Committee, the Board of Directors has proposed that Mrs. Bhavika Sharma, be appointed as an Independent Director on the Board of the Company.

The appointment of Mrs. Bhavika Sharma shall be effective upon approval by the members in the Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Bhavika Sharma for the office of Director of the Company. Mrs. Bhavika Sharma is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. The Company has received a declaration from Mrs. Bhavika Sharma that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Mrs. Bhavika Sharma fulfils the conditions for her appointment as an Independent Director as specified in the Act and the Listing Regulations. Mrs. Bhavika Sharma is independent of the management and possesses appropriate skills, experience and knowledge.

Copy of draft letter of appointment of Mrs. Bhavika Sharma setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board commends the Ordinary Resolution set out at Item No.05 of the Notice for approval by the members.

**Item no. 6****APPOINTMENT OF KALPESH DONG AS A DIRECTOR OF THE COMPANY**

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, Mr. Kalpesh Dong as an Additional Director by Circular Resolution dated 24.08.2020 passed by Directors of the Company through electronic means of communication pursuant to the provisions of Section 161 of the Companies Act, 2013 ('the Act') and the Article of Association of the Company.

Accordingly, in terms of the provisions of Section 161 of the Act, Mr. Kalpesh Dong would hold office upto the date of the ensuing Annual General Meeting and is eligible for appointment as Director with effect from 24th August, 2020. The Company has received a notice in writing from a member proposing his candidature for the office of the Director of the Company as required under the provision of Section 160 of the Act. Given his background and knowledge, the Board considers it desirable that the Company should receive the benefit of his valuable experience and advice and commends his appointment by the members at the Annual General Meeting as an Independent Director.

Except Mr. Kalpesh Dong, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at item no.6.

ITEM NO.7

The Chairman informed the Board that the promoters has arranged ₹7.00 crores and ₹4.00 Cr. induced the same as unsecured loan in the Company from Birla Precision Technologies Limited and Birla Edutech Limited respectively, belonging to the promoter group Companies. Companies now requested that this unsecured loan be converted into equity shares. Based on the said request, the Board resolved to issue, offer and allot up to 70,00,000 equity shares (Seventy lacs) of ₹10/- each at par to Birla Precision Technologies Limited and up to 40, 00,000 equity shares (forty lacs) of ₹10/- each at par to Birla Edutech Limited, Promoter group Companies on preferential basis, by conversion of their unsecured loans into equity shares. The special resolution as mentioned under item No.7 proposes to authorize the Board to issue and allot these shares on preferential basis, in such manner and on such terms and conditions as prescribed under ICDR Regulations and in compliance with Sections 42 and 62 and other applicable provisions of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014. The following are the details of the unsecured loan sought to be converted into equity shares pursuant to this resolution:

SN	Name of the proposed allottee	Issue price	Number of equity shares	Amount
1.	Birla Precision Technologies Limited	10	70,00,000	7,00,00,000
2.	Birla Edutech Limited	10	40,00,000	4,00,00,000

The disclosures and information pertaining to the proposed preferential allotment in terms under applicable provisions of Companies Act, 2013 and Chapter V of the SEBI (ICDR) Regulations, 2018 is as stated below:

- Object of the Issue through preferential Allotment:** Promoters has given unsecured loan to Company for immediate requirement of funds for expansion of the existing business of the company. The Board of Directors of the Company in their meeting held on 30th July, 2020 have received the confirmation from both Promoters to convert their Unsecured loans into Equity shares. This allows the Company to carry out its operations smoothly as the Company would not be required to discharge its liability by making the cash payment to this loan to the extent of their conversion of loan to Equity Shares. Further, keeping in view the growing business requirements, and the ability to compete with the peer group in the existing and future markets, the Company needs to strengthen its financial position and net worth by augmenting medium and long-term resources; the company has decided to issue Equity shares on preferential basis.
- Pricing of the Issue and Relevant Date:** The issue of equity shares on preferential basis to the promoter of the company will be in such manner and at such price calculated as per section 165 of the SEBI (ICDR) Regulations, 2018.



The Relevant date as per the ICDR Regulations for the determination of the price per equity share pursuant to the preferential allotment is 28th August, 2020.(Relevant Date) (i.e. more than 30 days prior to date of Annual General Meeting to approve the proposed preferential issue)

The Shares of the Company is infrequently traded as per trading data calculation of National Stock Exchange of India being having the higher trading volume during the relevant period.

The Company has received the valuation certificate dated September 02, 2020 from the Registered Valuer Mr. Sanka Hari Surya. The per share price is coming to ₹ 0.54 rounded off to nearest integer i.e. INR.1.00 per Equity Share which is less than face value of the equity share of the Company i.e. INR 10, therefore, the Company minimum issue price is INR 10 per equity share.

Sr No.	Name of Allottee	Number of equity shares
1.	Birla Precision Technologies Limited	70,00,000
2.	Birla Edutech Limited	40,00,000

3. Maximum Number of specified Securities to be Issued in the proposed issue:

The Company proposed to issue and allot total 1,10,00,000/- equity shares comprising of 70,00,000 equity shares to Birla Precision Technologies Limited and 40,00,000 Equity shares to Birla Edutech Limited, promoters of the Company.

4. Proposed Time within the preferential issue shall be completed:

The allotment of Equity Shares is proposed to be completed within a maximum period of 15 days from the date of passing this resolution, provided that where the allotment is pending on account of pendency of any approval by any regulatory authority, or the Central Government then, the allotment shall be completed within 15 days from the date of receipt of such approval;

There shall be no change in management or control of the Company pursuant to the issue of equity shares.

5. Details of outstanding Loan from both the promoters are as mentioned below:

Sr No.	Name of Allottee	Outstanding amount as on 31.03.2020
1.	Birla Precision Technologies Limited	7,87,98,161
2.	Birla Edutech Limited	4,00,00,000

6. Intent of the promoters, or their associates and relatives, Directors/Key Managerial Persons of the issuer to subscribe to the offer:

Only the following promoter group entity has conveyed to the Company in writing to subscribe to the Equity Shares of the Company on preferential basis as mentioned below:

Sr No.	Name of Allottee	Number of equity shares	Category
1.	Birla Precision Technologies Limited	70,00,000	Promoter
2.	Birla Edutech Limited	40,00,000	Promoter

Except as above, no equity shares are being offered to the other promoters, Promoter Group, Directors or Key Managerial Personnel of the Company.



7. The name of the proposed allottees, the identities of the persons who are the ultimate beneficial owners of the shares and/ or who ultimately control the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control: :

Name of the Allottee	Pre-Preferential Holding		Ultimate Beneficiary	Proposed allotment	Post Preferential holding	
	No. of shares	%		No. of shares	No. of shares	%
Birla Precision Technologies Limited	-	-	The Allottee is listed Company. Hence Note applicable.	70,00,000	70,00,000	4.92
Birla Edutech Limited	-	-	Mr. Pushkar Natu	40,00,000	40,00,000	2.81

Shareholding Pattern before and after preferential issue of the capital would be as follows:

SN	Category	Pre-Preferential Holding		Post Preferential holding	
		No. of shares	%	No. of shares	%
A	Promoters' Holding				
	(i) Indian Promoters				
	(a) Individual/HUF	34	0.00	34	0.00
	(b) Bodies Corporate	11257123	8.57	22257123	15.64
	(c) Others	-	-	-	-
	(ii) Foreign Promoters	-	-	-	-
	(a) Individual/HUF	-	-	-	-
	(b) Bodies Corporate	-	-	-	-
	Sub Total (A)	11257157	8.57	22257157	15.64
B	Non-Promoters' Holding				
	Mutual Fund	650	0.00	650	0.00
	FI's Bank / UTI	423094	0.32	423094	0.30
	FII's	-	-	-	-
	Bodies Corporate	16889157	12.86	16889157	11.87
	Residents/ Individuals	96811187	73.74	96811187	68.04
	QIB/Govt.	55	0.00	55	0.00
	NRI	1711906	1.30	1711906	1.20
	NBFC	-	-	-	-
	Overseas Corporate Bodies	-	-	-	-
	Clearing Members	503077	0.38	503077	0.35
	Directors/Relatives	-	-	-	-
	Foreign Trusts	-	-	-	-
	Indian Trusts	1668	0.00	1668	0.00
	HUF	3001845	2.29	3001845	2.11
	IEPF	680652	0.52	680652	0.48
	Sub Total (B)	120023291	91.43	120023291	84.36
	Grand Total (A+B)	131280448	100	142280448	100

Note: The above pre-issue shareholding pattern is prepared as on 30.06.2020.



Lock-in period of shares: The Equity shares to be allotted to the promoters on preferential basis shall be locked-in for a period as per requirements of SEBI (ICDR) Regulations, 2018.

Auditors certificate: The certificate from **Thakur VAIDYANATH AIYAR & Co.**, Chartered Accountants, the Statutory Auditors of the Company, to the effect that the present preferential issue is being made in accordance with the requirements contained in the chapter V of the SEBI (ICDR) Regulations, 2018 shall be placed before shareholders in the Annual General Meeting.

Undertakings:

The Company undertakes to re-compute the price of the equity shares issued in terms of the preferential allotment under this resolution in terms of the SEBI (ICDR) Regulations, 2018 where it is required to do so.

The Company undertakes that if the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2018 the specified equity shares shall continue to be locked-in till the time such amount is paid by the allottees.

Further it is confirmed that Except one promoter of the Allottee (i.e. Birla Precision Technologies Limited) as details given below, the issuer or any of its promoters or directors are not a wilful defaulter.

Disclosures specified in Schedule VI of SEBI (ICDR) Regulations, 2018:

Name of the person declared as a willful defaulter	Shri Yashovardhan Birla
Name of the Bank declaring the person as a willful defaulter	UCO Bank 7th Floor, 10B T.M. Sarani Kolkata-700001
Year in which the person was declared as a willful defaulter:	28.09.2015 (F.Y. 2015-16)
Outstanding amount when the person was declared as a willful defaulter	₹ 67.65 Crore
Steps taken, if any, by the person for removal of its name from the list of willful defaulters	the promoter has submitted the representation to the Bank
Other disclosures, as deemed fit by the issuer, in order to enable investors to take an informed decision	NA
Any other disclosure as specified by the Board	NA

None of the Directors, Key Managerial Personnel or their respective relatives interested in the resolution mentioned as Item No. 7 of the Notice.

By Order of the Board of Directors

Suneel Sullere
Company Secretary and Compliance Officer
Mumbai, September 2, 2020

Registered Office:

5th Floor, Industry House, 159,
Churchgate Reclamation, Mumbai – 400020
CIN: L29220MH1960PLC011773
E-mail: zenith@zenithsteelpipes.com;
Website: www.zenithsteelpipes.com
Tel: 022-66168400


DETAILS OF THE DIRECTOR SEEKING APPOINTMENT OF A NEW DIRECTOR OR RE-APPOINTMENT AT THE 58TH ANNUAL GENERAL MEETING
(PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

Name of the Director	Purushottam Sonavane	Bhavika Sharma	Kalpesh Dong
DIN	08405653	08846865	08095233
Date of Birth	08.04.1966	25.10.1990	25.06.1987
Date of first Appointment on the Board	29.03.2019	24.08.2020	24.08.2020
Directorship held in other Public Limited Companies	02	01	02
Memberships/ Chairmanships of Committees across Public Companies*	01	-	01
Education Qualification	Diploma in electronic engineering	Company Secretary	Semi Qualified Professional
Brief Resume of the Director including nature of expertise in specific function areas and their experience etc	Mr. Purushottam D Sonavane is having Ten years experience in Design new ways to use electrical power to develop or improve products, perform detailed calculations to develop manufacturing, construction, and installation standards and specifications, work with project managers on production efforts to ensure that projects. Also having experience in electrical drawings, planning of projects, erection & maintenanc	Ms Bhavika Sharma Qualified Company Secretary & Member of ICSI having Four years experience in secretarial & legal including governance structures and mechanisms, , board, shareholder and trustee meetings, compliance with legal, regulatory and listing requirements,.	Mr. Kalpesh Dong Semi Qualified having five years experience in Accounting including Detail-oriented, efficient and organized professional with extensive experience in accounting systems and Management of financial departments with responsibility for Budgets, Forecasting, Payroll, Accounts Payable and Receivable
Number of Shares held in the Company:	NIL	NIL	NIL
Relationships between Directors inter-se	No other Directors are related to him	No other Directors are related to her	No other Directors are related to him
Details of remuneration sought to be paid	NIL	NIL	NIL
Remuneration Last drawn	NIL	NIL	NIL