PPAP

Annual Report 2012-13

PRECISION PIPES AND PROFILES CO. LTD.

PRECISION PIPES AND PROFILES CO. LTD.

Automotive Sealing Systems; Interior & Exterior Products

PRODUCT RANGE	
EXTRUDED PRODUCTS	TPO / PVC PRODUCTS
	OUTER / INNER BELT MOLDING
	WINDSHIELD MOLDING
	ROOF MOLDING
	SLIDE RAIL
	DOOR OPENING TRIM
	AIR SPOILER / DAMPNER
	GLASS RUN CHANNEL
	EPDM PRODUCTS
	BACK DOOR SEAL / DOOR OPENING SEAL/ TRIM DOOR OPENING / SPECIAL PROFILES
INJECTION MOLDED PRODUCTS	GAS ASSISTED / ENGINEERING PLASTIC PRODUCTS
	DOOR TRIM / DOOR LINING ASSEMBLY
	BUMPERS / INSTRUMENT PANEL
	INTERIOR / IN CABIN PRODUCTS
	EXTERIOR / UNDER BODY PRODUCTS
	A/B/C PILLAR GARNISH
	QUARTER GLASS MOLDING
	SPECIAL PRODUCTS
	DOOR SIDE PROTECTORS

TECHNOLOGY PARTNERS

AUTOMOTIVE SEALING SYSTEM		TOKAI KOGYO CO. LTD, JAPAN (SINCE 1989)
INTERIOR AND EXTERIOR INJECTION MOLDED PRODUCTS	NISSEN	NISSEN CHEMITECH CORPORATION, JAPAN (SINCE 2007)

CERTIFICATIONS

TÜV SÜD ISO/TS 16949 — **QUALITY TS 16949**

TÜV SÜD ISO 14001 — **ENVIRONMENT ISO 14001**

TÜV SÜD OHSAS 18001 — **HEALTH & SAFETY OHSAS 18001**

Integrated Management System

CORPORATE INFORMATION

BOARD OF DIRECTORS
(as on July 6, 2013)

Mr. Devendra Chandra Jain	Chairman
Mr. Ajay Kumar Jain	Managing Director
Mr. Ashok Kumar Aggarwal	Non-Executive Independent Director
Mr. Manmohan Singh Kapur	Non-Executive Independent Director
Mr. Pravin Kumar Gupta	Non-Executive Independent Director
Mr. Abhishek Jain	Whole Time Director

CHIEF FINANCIAL OFFICER

Mr. Manish Dhariwal

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Sonia Bhandari

STATUTORY AUDITORS

M/s Dharam Taneja Associates
Chartered Accountants

BANKERS

ICICI Bank Ltd.
CITI Bank N.A.
State Bank of India
Allahabad Bank
HDFC Bank
YES Bank

REGISTERED OFFICE

54, Okhla Industrial Estate,
Phase-III, New Delhi-110020

CORPORATE OFFICE

B206A, Sector 81, Phase-II,
Noida-201305 (U.P.)

REGISTRAR AND SHARE TRANSFER AGENT

M/s Link Time India Pvt. Ltd.
44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase-I,
New Delhi-110028

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PRECISION PIPES AND PROFILES COMPANY LIMITED

NOTICE

NOTICE is hereby given that the Eighteenth Annual General Meeting of the members of **PRECISION PIPES AND PROFILES COMPANY LIMITED** will be held on, **Friday, the 9th day of August 2013 at 11.00 A.M** at The Executive Club, Dolly Farms and Resorts Private Limited, 439 Village Shahoorpur, P.O. Fatehpur Beri, New Delhi – 110074 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Devendra Chandra Jain, who retires by rotation and, being eligible offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company and to fix their remuneration and in this regard, if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution: -**

   "**RESOLVED THAT** pursuant to the provisions of Sections 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, M/s. O. P. Bagla & Co., Chartered Accountants, New Delhi (Firm Registration No. 000018N), be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be fixed by the Board of Directors, in place of M/s. Dharam Taneja Associates, Chartered Accountants, New Delhi, Auditors of the Company who retire at the conclusion of this Annual General Meeting of the Company and have expressed their unwillingness for re-appointment as such."

SPECIAL BUSINESS

4. **Appointment of Mr. Pravin Kumar Gupta as a Director, liable to retire by rotation:**

   To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution.**

   "**RESOLVED THAT** Mr. Pravin Kumar Gupta, who was appointed as an Additional Director of the Company with effect from May 8, 2013 pursuant to Section 260 and other relevant provisions of the Companies Act, 1956 and Article 134 of the Articles of Association of the Company, holds office up to the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing pursuant to Section 257 of the Companies Act,1956, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.
5. **Re-appointment of Mr. Ajay Kumar Jain, as a Managing Director of the Company**

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

   "RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and all guidelines for managerial remuneration issued by the Central Government from time to time, and such other consents and approvals as may be required, consent of the shareholders be and is hereby accorded for the re-appointment of Mr. Ajay Kumar Jain, as Managing Director of the Company, for a period of 3 (three) years with effect from November 1, 2012 till October 31, 2015, including payment of remuneration, on the terms and conditions as set out herein below:

   A **Salary :**

   Rs. 2.00 Lac per month with the authority to the Board of Directors (hereinafter referred to as the 'Board' which term shall include a duly constituted Committee of Directors) to determine the salary and grant increases from time to time taking into account the performance of the Company, subject however to a ceiling of Rs. 10.00 Lac per month. Salary to include basic salary and estimated variable pay.

   B **Perquisites :**

   Mr. Ajay Kumar Jain will be entitled to perquisites, allowances, benefits, facilities and amenities (collectively "allowances & perquisites") including furnished residential accommodation or house rent allowance in lieu thereof, utility allowance, medical reimbursement, holiday travel/leave travel reimbursement/allowance, membership fees for clubs (including admission & membership fee), Personal Accident Insurance and Group Term Assurance and medical benefits for self and family, group and any other "allowances & perquisites" as per the policy/rules of the Company in force and/or as may be approved by the Board from time to time provided that aggregate value of such allowances & perquisites shall not exceed Rs. 60 Lac (Rs. Sixty Lacs only) per annum. Allowances & Perquisites to be valued as per the Income-tax rules, wherever provided and/or applicable and at actual cost to the Company in other cases.

   In addition to the above, he will also be entitled to the following benefits as per policy/rules of the Company in force or as may be approved by the Board from time to time:

   (i) Company maintained car with driver; (ii) Telephone at residence; (iii) Company's contribution to Provident Fund and Superannuation Fund; (iv) Payment of gratuity and other retiral benefits and (v) Leave encashment.

   The Board is authorized to fix actual remuneration and revise it from time to time within the aforesaid ceilings and in accordance with the provisions of the Companies Act, 1956.

   RESOLVED FURTHER THAT so long as Mr. Ajay Kumar Jain functions as the Managing Director of the Company, he will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof.

   RESOLVED FURTHER THAT where in any financial year the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time, within the limits specified under para 2 of Section II, Part II of Schedule XIII to the Companies Act, 1956, shall be paid to Mr. Ajay Kumar Jain as minimum remuneration with the approval of the Central Government, if required.

   RESOLVED FURTHER THAT Mr. Ajay Kumar Jain will also be allowed remuneration by way of Commission in addition to Basic Salary, Perquisites and any other allowances, benefits or amenities as mentioned hereinabove subject to the condition that the amount of commission shall not exceed 1% of the net profit of the Company in a particular financial year as computed

in the manner referred to in Section 198 of the Companies Act, 1956, taking into account the performance of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable for purpose of giving effect to the foregoing resolution, and to settle any question, difficulty or doubt that may arise in the said regard."

6. **Modification in the terms of Appointment of Mr. Abhishek Jain, Whole Time Director of the Company**

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

"**RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and all guidelines for managerial remuneration issued by the Central Government from time to time, and such other consents and approvals as may be required, consent of the shareholders be and is hereby accorded for the modification in the terms of appointment of Mr. Abhishek Jain, Whole Time Director of the Company, for the remaining period of his office to be effective from August 1, 2013 till June 2, 2015, including payment of remuneration, on the terms and conditions set out herein below:

A **Salary :**

Rs. 1.25 Lac per month with the authority to the Board of Directors (hereinafter referred to as the 'Board' which term shall include a duly constituted Committee of Directors) to determine the salary and grant increases from time to time taking into account the performance of the Company, subject however to a ceiling of Rs. 7.5 Lac per month. Salary to include basic salary and estimated variable pay.

B **Perquisites :**

Mr. Abhishek Jain will be entitled to perquisites, allowances, benefits, facilities and amenities (collectively "allowances & perquisites") including furnished residential accommodation or house rent allowance in lieu thereof, education allowance, utility allowance, medical reimbursement, holiday travel/leave travel reimbursement/allowance, membership fees for clubs (including admission & membership fee), Personal Accident Insurance and Group Term Assurance and medical benefits for self and family, group and any other "allowances & perquisites" as per the policy/rules of the Company in force and/or as may be approved by the Board from time to time provided that aggregate value of such allowances & perquisites shall not exceed Rs. 45 Lacs (Rs. Forty five lacs) per annum. Allowances & Perquisites to be valued as per the Income-tax rules, wherever provided and/or applicable and at actual cost to the Company in other cases.

In addition to the above, he will also be entitled to the following benefits as per policy/rules of the Company in force or as may be approved by the Board from time to time:

(i) Company maintained car with driver; (ii) Telephone at residence; (iii) Company's contribution to Provident Fund and Superannuation Fund; (iv) Payment of gratuity and other retiral benefits and (v) Leave encashment.

The Board is authorized to fix actual remuneration and revise it from time to time within the aforesaid ceilings and in accordance with the provisions of the Companies Act, 1956.

RESOLVED FURTHER THAT so long as Mr. Abhishek Jain functions as the Whole Time Director of the Company, he will not be paid any fees for attending the meetings of the Board of Directors or any Committee thereof.

RESOLVED FURTHER THAT where in any financial year the Company has no profits or inadequate profits, the remuneration as decided by the Board from time to time, within the limits specified under para 2 of Section II, Part II of Schedule XIII to the Companies Act, 1956, shall be paid to Mr. Abhishek Jain as minimum remuneration with the approval of the Central Government, if required.

RESOLVED FURTHER THAT Mr. Abhishek Jain will also be allowed remuneration by way of Commission in addition to Basic Salary, Perquisites and any other allowances, benefits or amenities as mentioned hereinabove subject to the condition that the amount of commission shall not exceed 1% of the net profit of the Company in a particular financial year as computed in the manner referred to in Section 198 of the Companies Act, 1956, taking into account the performance of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable for purpose of giving effect to the foregoing resolution, and to settle any question, difficulty or doubt that may arise in the said regard."

By the order of the Board
For **Precision Pipes and Profiles Company Limited**

Place: Noida
Date: July 6, 2013

Sonia Bhandari
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (the "MEETING') IS ALSO ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. A blank Proxy Form is enclosed with this notice and if intended to be used, the Proxy Form duly stamped and completed must be deposited at the Registered/Corporate Office of the company not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of Companies, societies etc. must be supported by appropriate resolution/ authority as applicable.
3. Members/Proxies are requested to bring a copy of this notice as no copies will be made available at the Meeting. Under no circumstances, photocopies of the admission slip will be allowed for admission to the Meeting place.
4. As an austerity measure, copies of Annual Report will not be distributed at the Meeting place. The members are, therefore requested to bring their Annual Report. Those members who have not received the copies of Annual Report can collect their copies from the Registered/Corporate Office of the Company.

NOTICE

5. Members/proxies should bring their attendance slips duly filled in for attending the meeting.
6. Corporate members intending to send their authorized representatives to attend the Meeting are requested to submit a duly certified copy of the Board Resolution/Power of Attorney authorizing their representative to attend and vote on their behalf at the Meeting.
7. Explanatory statement pursuant to the provision of Section 173(2) of the Companies Act, 1956, in respect of Special Business as set out in the notice is annexed hereto.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, August 6, 2013 to Friday, August 9, 2013 (both days inclusive).
9. The members desirous of seeking any information on the Accounts are requested to write to the Company at least a week before the meeting, so that the required information can be made available at the meeting.
10. All documents referred to in the accompanying notice are available for inspection at the Registered Office of the Company on all working days between 10.00 A.M. to 1:00 P.M. upto date of this meeting.
11. Members who wish to make nomination for the shares held in the Company may kindly send the details in the Form 23B as prescribed under the Companies Act, 1956 to the Registrar and Share Transfer Agent, **M/s Link Intime India Private Limited.**
12. Members who hold shares in electronic mode are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members who hold shares in physical mode are requested to intimate any change in their address and other details to the Company/ Company's Registrars and Transfer Agent.
13. **Pursuant to the provisions of section 205A of the Companies Act, 1956, as amended, read with Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, dividend which remains unpaid or unclaimed for a period of 7 (seven) years will be transferred by the Company to the Investor Education and Protection Fund. Members who have not so far encashed their dividend warrants are requested to make their claim by specifying their Folio No./ DP ID and Client ID to the Company for obtaining fresh instrument(s) in lieu of expired dividend warrant(s). Members are requested to please note that once the unclaimed dividend is transferred to the Investor Education and Protection Fund, no claim shall lie in respect thereof.**
14. **The Ministry of Corporate Affairs (MCA) has undertaken a "green initiative" by allowing paperless compliances by the companies vide its circulars dated April 21, 2011 and April 29, 2011. To take part in the above 'Green Initiative' of the Government in full measure, members who have not registered their e-mail addresses, so far are requested to register their e-mail addresses, in respect of electronic holdings with Depository through their concerned Depository Participant. This initiative is a step towards protection of environment and enabling faster communication with members.**

    The members holding shares in physical form are requested to intimate their e-mail address to the Company's Registrars and Transfer Agent i.e. M/s Link Intime India Private Limited (RTA) either by e-mail at delhi@linkintime.co.in. or by sending a communication to RTA at 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, New Delhi- 110028.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO. 4

Mr. Pravin Kumar Gupta was appointed as an Additional Director of the Company on May 8, 2013 pursuant to Section 260 of the Companies Act, 1956 and Article 134 of the Articles of Association of the Company. Mr. Pravin Kumar Gupta holds office upto the date of this Annual General Meeting.

Mr. Pravin Kumar Gupta has more than 25 years of experience in Accounts, Audit and Corporate Taxation field. He is currently a partner of K.S. Gupta & Co., Chartered Accountants. The Company has received a notice from a member signifying his intention to propose the appointment of Mr. Pravin Kumar Gupta as a Director of the Company along with a deposit of Rs.500/- (Rupees Five Hundred only) which shall be refunded to the member, if Mr. Pravin Kumar Gupta is elected as a Director.

Members' approval is sought by way of an ordinary resolution proposed under item no. 4.

None of the Directors, other than Mr. Pravin Kumar Gupta, is deemed to be concerned or interested in this resolution, as it relates to his appointment.

ITEM NO. 5

Mr. Ajay Kumar Jain was appointed as a Managing Director of the Company w.e.f. November 1, 2009 for a period of 3(three) years upto October 31, 2012. He has contributed significantly in the growth and development of the Company. In view of his contribution in the growth of the Company as well as to derive benefit from his rich and extensive experience in the Automotive sector, the Board of Directors on the recommendation of the Remuneration Committee and subject to approval of Shareholders has re-appointed Mr. Ajay Kumar Jain as Managing Director for a period of 3 (three) years with effect from November 1, 2012 till October 31, 2015 on the terms and conditions as set out in the proposed resolution.

Further, the Board of Directors of the Company at its meeting held on July 6, 2013 modified the terms of appointment of Mr. Ajay Kumar Jain, Managing Director of the Company. The said modification has been recommended by the Remuneration Committee at its meeting held on July 6, 2013 for the remaining period of his appointment to be effective from August 1, 2013 till October 31, 2015.

Members' approval is sought by way of a special resolution proposed under item no. 5.

None of the Directors, other than Mr. Ajay Kumar Jain, himself and Mr. Abhishek Jain, are deemed to be concerned or interested in this resolution.

NOTICE

STATEMENT PURSUANT TO THE PROVISIONS OF SECTION II PART II OF SCHEDULE XIII TO THE COMPANIES ACT, 1956 IS AS FOLLOWS:

Sr.	Particulars		
I.	**General Information**		
	(1)	Nature of Industry	The Company is engaged in the business of manufacturing of automotive Body Sealing, Exterior & Interior parts. The Company is also engaged in the business of manufacturing of profiles for White Goods Industry and Mainline Power Distribution System.
	(2)	Date of Commencement of business of the Company	November 1, 1995
	(3)	Financial Performance of the Company based on given indicators	Rs. In Lakhs

Particulars	**2012-13**	**2011-12**	**2010-11**
Revenue from operations	21,959.12	18740.81	20704.87
Profit After Tax	153.99	1288.64	2716.67
Foreign Exchange Earning	70.32	218.32	565.75

	(4)	Export performance and net foreign exchange collaborations	
	(5)	Foreign investments or collaborations, if any	Technical collaboration with Tokai Kogyo Co. Ltd, Japan and Nissen Chemitec Corporation, Japan The Company is a listed company and as on March 31, 2013, the foreign equity shareholding in the Company were 275,590 shares only.
II.	**Information about the Appointee**		
	(1) Background details		Mr. Ajay Kumar Jain is a founder and Managing Director of our Company. He is Commerce Graduate from Delhi University. He is a prominent person in the industry with long and varied experience of more than three decades. He is looking after the planning and production functions of the Automotive Division of the Company.
	(2) Past Remuneration		Over Rs. 27 Lacs per anum
	(3) Job Profile and Suitability		Overall responsibility of the Automotive Division of the Company
	(4) Remuneration proposed		As mentioned in the text of the Resolution No. 5 of the Notice
	(5) Comparative remuneration profile with respect to industry, size of the Company, Profile of the position and person		Considering the size of the Company's turnover, the remuneration proposed is in line with the industry standards.
	(6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.		Mr. Ajay Kumar Jain owns 2.14% equity stake of the Company and with his other family members and relatives control 62.95% of equity share capital of the Company. Mr. Ajay Kumar Jain is Brother of Mr. Devendra Chandra Jain and father of Mr. Abhishek Jain, Directors of the Company and they form part of promoter/promoter group of the Company.
III.	**Other Information**		
	(1) Reasons of loss or inadequate profits		High interest rates, volatility in exchange rates and slow down in the Auto Industry
	(2) Steps taken or proposed to be taken for improvement		Focus on revenue enhancement and reduction in cost.
IV.	**Remuneration package and other details**		Remuneration package as mentioned in the text of the Resolution No. 5 of the Notice

The above details may be considered as a statement under Section 302 of the Companies Act, 1956.

ITEM NO. 6

The Board of Directors of the Company at its meeting held on July 6, 2013 has modified the terms of appointment of Mr. Abhishek Jain, Whole Time Director of the Company on the recommendation of the Remuneration Committee of the Board for the remaining period of his appointment to be effective from August 1, 2013 till June 2, 2015.

Members' approval is sought by way of a special resolution proposed under item no. 6.

None of the Directors, other than Mr. Abhishek Jain, himself and Mr. Ajay Kumar Jain, are deemed to be concerned or interested in this resolution.

STATEMENT PURSUANT TO THE PROVISIONS OF SECTION II PART II OF SCHEDULE XIII TO THE COMPANIES ACT, 1956 IS AS FOLLOWS:

Sr.		Particulars				
I.		**General Information**				
	(1)	Nature of Industry	The Company is engaged in the business of manufacturing of automotive Body Sealing, Exterior & Interior parts. The Company is also engaged in the business of manufacturing of profiles for white goods industry and mainline power distribution system.			
	(2)	Date of Commencement of business of the Company	November 1, 1995			
	(3)	Financial Performance of the Company based on given indicators				Rs. In Lakhs
			Particulars	2012-13	2011-12	2010-11
			Revenue from operations	21,959.12	18740.81	20704.87
			Profit After Tax	153.99	1288.64	2716.67
	(4)	Export performance and net foreign exchange collaborations	Foreign Exchange Earning	70.32	218.32	565.75
	(5)	Foreign investments or collaborations, if any	Technical collaboration with Tokai Kogyo Co. Ltd, Japan and Nissen Chemitec Corporation, Japan The Company is a listed company and as on March 31, 2013, the foreign equity shareholding in the Company were 275,590 shares only.			
II.		**Information about the Appointee**				
	(1)	Background details	Mr. Abhishek Jain is Whole Time Director of our Company. He is Bachelor of Science in Industrial Engineering from Purdue University, West Lafayette, USA. He has an experience of approx. nine years. He is looking after the production, marketing and quality control of automotive division of the Company.			
	(2)	Past Remuneration	Over Rs. 17 Lacs per anum			
	(3)	Job Profile and Suitability	Responsible for production, marketing and quality control of the Automotive Division of the Company			
	(4)	Remuneration proposed	As mentioned in the text of the Resolution No. 6 of the Notice			
	(5)	Comparative remuneration profile with respect to industry, size of the Company, Profile of the position and person	Considering the size of the Company's turnover, the remuneration proposed is comparable with the similar position in the industry.			
	(6)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. Abhishek Jain owns 2.14% equity stake of the Company and with his other family members and relatives control 62.95% of equity share capital of the Company. Mr. Abhishek Jain is son of Mr. Ajay Kumar Jain and nephew of Mr. Devendra Chandra Jain, Directors of the Company and they form part of promoter/promoter group of the Company.			
III.		**Other Information**				
	(1)	Reasons of loss or inadequate profits	High interest rates, volatility in exchange rates and slow down in the Auto Industry			
	(2)	Steps taken or proposed to be taken for improvement	Focus on revenue enhancement and reduction in cost.			
IV.		**Remuneration package and other details**	Remuneration package as mentioned in the text of the Resolution No. 6 of the Notice			

The above details may be considered as a statement under Section 302 of the Companies Act, 1956.

By the order of the Board
For **Precision Pipes and Profiles Company Limited**

Place: Noida
Date: July 6, 2013

Sonia Bhandari
Company Secretary

Information to Shareholders in pursuance of Clause 49(IV) (G) of Listing Agreement with reference to Appointment/ Reappointment of Directors.

1. Mr. Devendra Chandra Jain

Date of Birth	August 4, 1941
Qualification	Commerce Graduate from Delhi University
Expertise in Specific Functional area	He has more than 50 years of experience of Auto Component and Refrigeration Industry. He is associated with the business of the Company since its inception as a Partnership Firm in 1978.
Directorship in other Companies (as on March 31, 2013)	- Ajay Poly Pvt. Ltd - Ajay Industrial Corporation Ltd - Seiki Auto India Pvt. Ltd - GLJ Realty Pvt. Ltd. - Encraft India Pvt. Ltd. - A.I.C (Plastics) Pvt. Ltd - Nutra Foods (India) Pvt. Ltd - Ajay Industrial Polymers Pvt. Ltd
Committee positions held in Precision Pipes and Profiles Company Limited	Nil
Committee position held in other public limited companies*	Nil
Relationship between Directorship Inter-se	Ajay Kumar Jain - Brother Abhishek Jain - Brother's Son
Shareholding in the Company	29,70,000 Equity Shares (holding in the name of Devendra Chandra Jain HUF as Karta)

2. Mr. Pravin Kumar Gupta

Date of Birth	January 24, 1962
Qualification	He is a Fellow Member of the Institute of Chartered Accountants of India.
Expertise in Specific Functional area	He is a Managing Partner and a key person of K.S. Gupta & Co., Chartered Accountants (Est.: 1955). Mr. Gupta has more than 25 years of experience in both large and SME segments in manufacturing and Service Industries. He has wide and in depth knowledge and experience in the field of Corporate Finance and Taxation, Accounts, Audit, and Indirect Tax Laws.
Directorship in other Companies	NIL
Committee positions held in Precision Pipes and Profiles Company Limited*	Member of Audit Committee
Committee position held in other public Limited Companies*	NIL
Relationship between Directorship Inter-se	NIL
Shareholding in the Company	NIL

3. Mr. Ajay Kumar Jain

Date of Birth	December 3, 1954
Qualification	Commerce Graduate from Delhi University
Expertise in Specific Functional area	He has more than 40 years of experience. He started his career as partner in Ajay Industrial Corporation in 1972. He is responsible for the Planning and Marketing functions of the automotive division of the Company.
Directorship in other Companies (as on March 31, 2013)	- Seiki Auto India Private Limited - A.I.C. (Plastics) Private Limited - Ajay Industrial Corporation Ltd - Kalindi Farms Private Limited - Nutra Foods (India) Pvt. Ltd - Ajay Industrial Polymers Pvt. Ltd - Arhaan Holdings Private Limited - Ajay Kumar Jain Holdings Private Limited - PPAP Tokai India Rubber Private Limited
Committee positions held in Precision Pipes and Profiles Company Limited*	Member of Audit and Investors' Grievance Committee
Committee position held in other public limited companies*	Nil
Relationship between Directorship Inter-se	Devendra Chandra Jain - Brother Abhishek Jain - Son
Shareholding in the Company	3,00,000 Equity Shares 90,000 Equity Shares (holding in the name of Ajay Kumar Jain HUF as Karta)

*** Committee positions of only Audit and Shareholders'/Investors' Grievance Committee included.**

DIRECTORS' REPORT

Dear Members,
Precision Pipes and Profiles Company Limited

Your Directors are pleased to present their Eighteenth Annual Report together with the Audited Statement of Accounts for the Financial Year ended March 31, 2013.

Financial Highlights
We are delighted to present the highlights of Financial Results of your Company for the year ended 31st March, 2013.

Rs. In lakhs

Particulars	For the year ended	
	31-Mar-13	31-Mar-12
Revenue from operations	**21,959.12**	18,740.81
Profit Before Depreciation and amortization expense	**1,860.43**	3,285.70
Less: Depreciation & Amortization	**1,811.13**	1,807.82
Profit/(Loss) before exceptional and extra-ordinary items and Tax	**49.30**	1,477.88
Exceptional items	**8.66**	66.91
Profit/ (Loss) before tax (PBT)	**57.96**	1,544.79
Les: Tax Expenses		
Current Tax	**(7.28)**	536.13
Deferred Tax	**(88.75)**	(279.98)
Profit/(Loss) for the period	**153.99**	1,288.64
Add : Profit brought forward from previous year	**8,828.64**	7,540.00
Profits carried forward to the following year	**8,982.63**	8,828.64

Business Operations
PPAP is the principal manufacturer of automotive Body Sealing, Exterior & Interior parts. PPAP is also engaged in the business of manufacturing of profiles for White Goods Industry and Mainline Power Distribution System.

The Company's esteemed customers include Maruti Suzuki India Limited, Honda Cars India Limited, General Motors (India) Limited, Toyota Kirloskar Motors, Renault Nissan Automotive India Private Limited, Tata Motors Limited, Ford India Private Limited, Mahindra and Mahindra Limited and International Cars and Motors Limited along with their Tier 1 suppliers. Your company has a technical collaboration with Tokai Kogyo Co. Ltd, Japan and Nissen Chemitec Corporation, Japan to develop automotive products. In the White Goods Industry, your Company develops customized profiles for Godrej, Voltas, Videocon and Carrier Refrigerators.

Your Company has achieved Total Sales (net of excise) of Rs. 21542.83 lakhs in the Financial Year ended March 31, 2013 as against Rs. 18464.34 lakhs in the previous year. Profit after tax for 2012-13 is Rs. 153.99 lakhs as compared to Rs. 1288.64 lakhs in 2011-12.

Market Scenario
Thetotal car sales for the Indian Automotive Industry stood at 26,86,429 units in FY 2012-13 compared to 26,18,072 units FY 2011-12 [source: The Society of Indian Automobile Manufacturers (SIAM)].

In the last fiscal, the strike at Manesar plant of Maruti Suzuki India Ltd. (MSIL) and labour unrest at Argentum, Greater Noida of PAN India Motors Limited, resulted in reduction of customer orders.

In September 2012, car sales faced the second largest downslide at 5.36 percent after the 22.39 percent dip witnessed in FY 2001-02 [source: SIAM].The car industry is experiencing sluggish sales due to high interest rates, inflation, rising fuel prices and volatility in exchange rates.

Passenger car sales in India are forecast to grow at a rate of 3-5 per cent in the ongoing fiscal on expectations of an improvement in overall macro-economic conditions, despite witnessing a fall of 6.69 per cent during FY 2012-13. [source: SIAM]

Dividend
Your Company is focusing on enhancing its product portfolio and therefore your Company has decided to plough back the profits to realize the expansion plans in order to cater to the new business. Therefore, your company has not recommended any dividend for the Financial Year ended March 31, 2013.

Transfer to Reserves
Your Company has not made any transfer to the Reserves during the Financial Year 2012-13.

Transfer of 'White Goods Business Division' and 'Mainline Power Distribution System Business Division'
Subsequent to the year end, the Shareholders of the Company by way of Postal Ballot have given their approval under Section 293(1)(a) of the Companies Act, 1956 for transfer of the Company's 'White Goods Business Division' and 'Mainline Power Distribution System Business Division' as a going concern on slump sale basis, effective on such date as the Board deems fit for the Company, to 'Ajay Poly Private Limited' and 'Seiki Auto India Private Limited' respectively.