



PREMIER LTD.

67TH ANNUAL REPORT

2012-13

Engineering



CNC Machining facility



Axle pin part (SG Iron Casting) for wind turbine



Manufacturing of Stator Carrier of Wind Turbine parts



BEML Metro Bogie frame



World class inspection facilities for Wind Mill Tower project

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Regd. Office & Works

Premier Ltd., Mumbai-Pune Road, Chinchwad, Pune 411 019, India.

Tel: +91-20-66310000, Fax: +91-20-66310371

Corporate Office

58, Nariman Bhavan, 5th Floor, Nariman Point, Mumbai 400 021, India.

Tel: +91-22-61179000/1/2, Fax: +91-22-61179003

Email: investors@premier.co.in, Web: www.premier.co.in

Branch Offices :

Bengaluru

No 549-A, Parallel to 14th Cross
4th Phase, Peenya Industrial Area

Bengaluru - 560 058

Tel: +91-80-28363071

Fax: +91-80-28363901

Chennai

T-8/1, 4th Main Road,
Anna Nagar, Chennai - 600 040

Tel: +91-44-26190809

Fax: +91-44-26190302

New Delhi

407, 4th Floor, World Trade Centre
Barkhamba Lane,

New Delhi - 110 001

Tel: +91-11-23413331

Fax: +91-11-23413332

Kolkata

1st Floor, Commerce House,
Room No 7 & 7A, 2, Ganesh Chandra
Avenue, Kolkata - 700 019

Tel: +91-33-22132953

Compliance Officer

Ramesh M. Tavhare

Vice President (Finance & Legal)
& Company Secretary

Statutory Auditors

K. S. Aiyar & Co.

Chartered Accountants

Internal Auditors

Jayesh Dadia & Associates

Chartered Accountants

Cost Auditors

ABK & Associates

Cost Accountants

Solicitors

Kanga & Co.

Desai & Diwanji

AMC Law Firm

Bankers

State Bank of India

State Bank of Hyderabad

Corporation Bank

J&K Bank Ltd.

Registrar and Transfer Agent

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,

L. B. S. Marg

Bhandup (W), Mumbai - 400 078

Tel: 022-25946970-78

Fax: 022-25946969

Email: rnt.helpdesk@linkintime.co.in

Board of Directors

Maitreya V. Doshi

Chairman &
Managing Director

Rohita M. Doshi

Computer Engineer

Kavita Khanna

Management Consultant

S. Padmanabhan

IAS (Retd.) / Advisor

Rohan Shah (upto 11.4.13)

Solicitor

Dilip J. Thakkar

Chartered Accountant

Asit Javeri

Industrialist

Udo Weigel

Machine Tool Technologist

Ramesh Adige

Industry expert -
Automotive, Pharma,
Healthcare, Banking &
Public Policy

Senior Management Team

M. D. Adhikari

President

K. G. Rathi

Vice President
Engineering Division

D. S. Totre

Vice President
Machines Division

Ramesh M. Tavhare

Vice President
Finance & Legal,
Company Secretary

Rakesh Mehta

Vice President
Automotive Division

K. S. Nair

General Manager
Finance

S. D. Joshi

General Manager
Design &
Development - Machines

V. R. Kothari

General Manager
Gear Machines
Business

R. V. Nair

General Manager
Accounts & MIS

P. G. Salunkhe

General Manager
Operations - Engineering

N. M. Kuntoji

General Manager
Commerical - Engineering

V. Murugan

General Manager
Vehicle Engineering &
Quality - Automotive

A. P. Goel

General Manager
Sales & Marketing -
Automotive

Erica De Souza

General Manager
Chairman's Office,
Corporate Communication
CSR & Training

Letter to Shareholders



Dear Shareholders,

The macroeconomic and industrial scenario in the country during the year under review has been extremely challenging. An environment of reducing GDP growth, high interest rates and persistent inflation has put considerable pressure on your Company's performance with sales and profits not growing during this period. Your Company's Engineering Segment (comprising CNC Machines and Heavy Engineering) that is strongly linked to the automotive, wind energy and infrastructure sectors faced a significant slackening of demand due to headwinds faced by these industries.

For the first time in many years, the auto industry has registered a huge drop in growth, thereby impacting your Company's CNC gear machine sales to the auto OEM's and ancillary industry, directly affected by this slump in vehicle demand. Your Company's heavy CNC machines, normally purchased by Railways, PSU's and large private sector customers, also suffered a paucity of orders because of deferred capital investment programs due to reduced Government spending.

The Heavy Engineering Division was badly affected by the slump in wind turbine component orders due to a policy change by the Government in the 2012 budget; resulting in a significant drop in industry demand and the consequential fall out on your Company. Fortunately, some of this has been made up by new business such as metro rail chassis supplies and other engineering areas unrelated to the wind turbine industry.

The Automotive Division is still in startup production stage. The new version of the BS4 compliant Compact SUV RiO, with the new CRDi engine (supplied by FIAT) has received a very positive response. Your Company continues to roll out its nationwide dealer network but, given the extremely negative scenario in the auto sector, progress in terms of volume development remains slow.

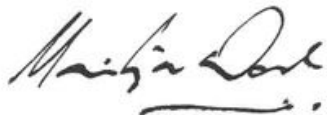
Despite the Government's several reassurances to industry, the forecast for FY '13-'14 continues to look very difficult in terms of improved demand and growth. Your Company continues to work on new product lines and markets to augment its business growth in its Engineering Segment.

Although the real estate market was difficult during the year, your Company was able to monetize 150 acres out of the 218 acres it owns at Dombivali, Mumbai for a sum of Rs. 440 crs. It has retained 68 acres, that it will monetize in the future. Rs. 220 crs of this amount has already been received and utilised to reduce corporate liabilities. The balance Rs. 220 crs will be received in December '14. This inflow will further help bring down overall debt, thereby reducing the interest burden.

Your Company has done cost cutting during the year including areas like materials, manpower and interest. These savings are likely to be seen during FY'13-'14. Notwithstanding this difficult environment, your Company continues to invest in R&D, file patents, commit to its human resource training programs and do significant CSR activities.

Finally, I would like to thank all your Company's stake holders for their unstinted support during this difficult time. I particularly appreciate all levels of the Management team for their zealous commitment to your Company's growth and success.

With regards,

A handwritten signature in black ink, appearing to read 'Maitreya V. Doshi', with a horizontal line underneath.

Maitreya V. Doshi
Chairman

April 30, 2013

Notice

NOTICE is hereby given that the SIXTY SEVENTH ANNUAL GENERAL MEETING of the members of Premier Limited will be held on Friday, the 14th June, 2013 at 10.00 a.m. at the Registered Office of the Company at Mumbai-Pune Road, Chinchwad, Pune – 411 019 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and Profit and Loss Account for the year ended on that date along with the reports of the Auditors and the Board of Directors.
2. To declare dividend for the year ended 31st March, 2013.
3. To appoint a director, in place of Mrs. Rohita Doshi who retires by rotation and being eligible, offers herself for reappointment.
4. To appoint a director, in place of Mr. Dilip J. Thakkar who retires by rotation and being eligible, offers himself for reappointment.
5. To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s K.S. Aiyar & Co., Chartered Accountants be and are hereby reappointed as 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 plus service tax and out-of-pocket and/or travelling expenses as may be determined by the Board of Directors on the recommendation of the Audit Committee of the Board.”

Special Business:

6. To consider, and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 309, 314 and all other applicable provisions, if any, of the Companies Act, 1956 and subject to such statutory approvals as may be required, consent of the Company be and is hereby accorded to appoint Dr. Udo Weigel, Director of the Company, to provide professional services as Advisor/Consultant to the Company for a period of one year from 27th March, 2013 to 26th March, 2014, on payment of 400 Euros per day as consultancy fees for actual number of days consultancy/services rendered in India or abroad subject to maximum 15 days in a year along with expenses for travelling, lodging and boarding, reimbursement of incidental and out of pocket expenses incurred by him in connection with the Company's business, for travel to India or outside India for any assignments of the Company with authority to the Board of Directors to review, alter or vary the same from time to time.”

7. To consider, and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act,1956 and subject to the approval of the Central Government and other approvals as may be required and subject to the modifications and terms and conditions as may be prescribed by the Central Government while granting such approvals, the consent of the Company be and is hereby accorded for payment of commission to the Non-Executive Directors of the Company at the rate of Rs.4,50,000/- (Rupees four lakhs fifty thousand only) per director per annum for a period of 3 years commencing from the financial year ending 31st March, 2014.”

By Order of the Board,

Ramesh M. Tavhare
Vice President (Finance & Legal)
& Company Secretary

Registered Office:
Mumbai-Pune Road, Chinchwad, Pune - 411 019

April 30, 2013

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument appointing a proxy and the power of attorney, if any, under which it is signed, should be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Annual General Meeting.

- 2.** The Register of Members and Share Transfer Books will remain closed from Tuesday, the 4th June, 2013 to Friday, the 14th June, 2013 (both days inclusive) for payment of dividend on equity shares.
- 3.** The dividend on Equity Shares, if declared at the ensuing Annual General Meeting, will be paid on or after 17th June, 2013 to those Members whose names shall appear on the Company's Register of Members on 14th June, 2013. In respect of shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited (CDSL) as beneficial owners as on that date.
- 4.** If members holding shares in physical form, wish to receive dividend through Electronic Clearing Services (ECS), kindly provide your bank account details along with photocopy of the cancelled cheque bearing the 9-Digit MICR code number of the bank where the account is held, to our Registrar and Transfer Agents, Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, Lal Bahadur Shastri Marg, Bhandup (West), Mumbai – 400 078, so that dividend can be remitted to the credit of their bank account through ECS facility, provided such facility is available in your locality.
- 5.** Members holding shares in dematerialized form are advised to inform their bank account details/confirm correctness of such details already provided to their respective Depository Participants along with the 9-Digit MICR code number of the bank where the account is held so that the dividend can be remitted to the credit of their bank account through ECS facility, provided such facility is available in your locality.
- 6.**
 - i) Members/Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting.
 - ii) Members holding shares in physical form, may write to the Company's Registrar and Transfer Agents for any change in their address and bank mandates and members having shares in electronic form may inform the same to their depository participants immediately so as to enable the Company to dispatch dividend warrants at their contact address.
 - iii) Members are requested to send all communications relating to shares to the Company's Registrar and Transfer Agents (Physical and Electronic) at Link Intime India Pvt. Ltd, C-13, Pannalal Silk Mills Compound, Lal Bahadur Shastri Marg, Bhandup (West), Mumbai – 400 078.

iv) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

7. Pursuant to Circular No. 17/95/2011 CL-V, dated 21.04.2011, issued by the Ministry of Corporate Affairs, Government of India, as a part of green initiative in Corporate Governance, the Companies have been permitted to send notices / documents to the members through email.

Accordingly, the Company proposes to send notices /documents like the annual report in electronic form to the members who would register their email address with the depositories, and Registrar and Transfer Agent of the Company.

The Members are requested to register their email addresses by sending their details to the Registrar and Transfer Agent, Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai – 400078, or to the Company at Premier Ltd., 58, Nariman Bhavan, 5th Floor, Nariman Point, Mumbai – 400 021.

Service of notices/ documents to the members whose email addresses will not be registered with the depository or the Company or the Registrar and Transfer Agent will be effected by mode of service as provided under section 53 of the Companies Act, 1956.

8. For the convenience of the members of the Company, the members are hereby informed that the inspection of the statutory registers as required under the Companies Act, 1956, would be allowed to the the members daily for two hours from 9.30 am to 11.30 am., from Monday to Friday except on public holidays, at the Registered Office of the Company at Mumbai-Pune Road, Chinchwad, Pune 411019. The members are requested to give 48 hours notice in writing for taking such inspection to facilitate the procedure.
9. Pursuant to the provisions of Sections 205A(5) and 205C of the Companies Act, 1956, the amount of dividends remaining unclaimed for a period of seven years is to be transferred to the Investor Education and Protection Fund. Details of dividend declared from the year 2005-06 onwards are given below:

Financial Year	Declared on	Dividend %	Dividend / share (Rs)
01-04-2005 to 31-03-2006	11-08-2006	15	1.50
01.04.2006 to 31.03.2007	22-06-2007	20	2.00
01.04.2007 to 31.03.2008	27-06-2008	25	2.50
01.04.2008 to 31.03.2009	26-06-2009	25	2.50
01.04.2009 to 31.03.2010	30-08-2010	27	2.70
01.04.2010 to 31.03.2011	11-06-2011	27	2.70
01.04.2011 to 31.03.2012	24-08-2012	30	3.00