

Annual Report
2010 - 2011



PREMIER PIPES LIMITED
(Formerly Known as QST Limited)

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ANNUAL REPORT
2010-2011

BOARD OF DIRECTORS:

Mr. AJAY KUMAR JAIN, *Managing Director*
Mr. VINAY KUMAR JAIN, *Whole Time Director*
Mr. AMIT KUMAR JAIN, *Non Executive Director*
Mr. ARUN KUMAR JAIN, *Non Executive Director*
Mr. SATISH KUMAR GARG, *Independent Director*
Mr. SANJAY KUMAR AGARWAL, *Independent Director (Additional)*
Mr. SATYA NARAIN DUBEY, *Independent Director (Additional)*
Mr. SHYAM BABU GUPTA, *Independent Director (Additional)*

BANKERS:

State Bank of India
Kotak Mahindra Bank Ltd.

AUDITORS:

M/s. C.L. Kanodia & Co.
Chartered Accountants
Kanpur

COMPANY SECRETARY:

Ms. Komal Puri

REGISTRAR AND SHARE

TRANSFER AGENT:

Skyline Financial Services Pvt. Ltd.
D- 153A, 1st Floor, Okhla Industrial
Area, Phase-I, New Delhi 110 020

CORPORATE LAW ADVISORS:

K. N. Shridhar & Associates
Company Secretaries
Kanpur

ADMINISTRATIVE OFFICE:

Som Biz ness Xpure,
4th Floor, 1-The Mall, Kanpur

REGISTERED OFFICE:

Agarwala Building,
The Mall,
Kanpur

WORKS:

Bindki Road,
Distt. Fatehpur (U.P.)

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36th Annual General Meeting

Friday 30th Day of September 2011 at 12.30 P.M. at Som Biz-ness Xqure, 4th Floor, The Mall, Kanpur

Shareholders are requested to bring their copy of the Annual Report alongwith them at the Annual General Meeting, as copies of the Report will not be distributed at the Meeting

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Members desirous of any information on the accounts are requested to send their queries atleast ten days before the meeting to enable the management to keep the information ready.
3. The Register of Member and Share Transfer Books of the Company shall remain closed from 27.09.2011 to 30.09.2011 (both days inclusive).
4. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business under Item No. 5, Item No. 6 and Item No. 7 as set out above is annexed hereto.
5. Members who have multiple folios with identical order of names are requested to intimate to the Company those folios to enable the Company to consolidate all shareholdings into one folio.
6. In case of physical transfer or transmission of shares, copy of PAN Card of the transferee is mandatory.
7. Members are requested to notify changes in their address quoting their Registered Folio Nos. to the Company or its RTA.
8. As per the provisions of the Companies Act, 1956, facility for making nomination is available to the Shareholders in respect of shares held by them. The nomination can be made by filing the prescribed Form No. 9B. Nomination forms may also be requisitioned from the Company.
9. The addresses of Stock Exchanges where Company's Shares are listed are:
 1. The U.P. Stock Exchange Association Ltd. Padam Tower, 14/113, Civil Lines, Kanpur.
 2. Bombay Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
 3. The Delhi Stock Exchange Association Ltd. DSE House, 3/1, Asaf Ali Road, New-Delhi -110 002
10. The Company has appointed M/s Skyline Financial Services (P) Limited as Registrar and Share Transfer Agent of the Company. Any query in this regard shall be entertained by:
M/s Skyline Financial Services (P) Limited,
D-153/A, 1st Floor Okhla Industrial Area Phase-1,
New Delhi 110 020

Important Communication to Members

To allow paperless compliances by the Companies, the Ministry of Corporate affairs has taken a "Green Initiative in the Corporate Governance". It has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government, members who have not registered their e-mail addresses, so far are requested to register & who have registered may kindly update their e-mail address to the Company or its Registrar.

Explanatory Statement

(Pursuant to Section 173 (2) of the Companies Act, 1956)

Item No. 5 :

The Board of Directors of the Company, at its meeting held on 11th December, 2010 appointed Mr. Sanjay Kumar Agarwal as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 read with Article 91 of the Article of Association of the Company.

In terms of the provisions of section 260 of the Act, Mr. Sanjay Kumar Agarwal would hold office up to the date of ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith deposit of Rs. 500/- for proposing the candidature of Mr. Sanjay Kumar Agarwal for the office of Director of the Company under the provisions of Section 257 of the Act.

Mr. Sanjay Kumar Agarwal is not disqualified from being appointed as Director in terms of Section 274(1)(g) of the Act. The Company has received the consent confirming his eligibility for such appointment.

None of the Directors of the Company other than the appointee himself is interested or concerned in the above resolution.

The Board recommends that the above resolution may be passed as an ordinary resolution.

Item No. 6 :

The Board of Directors of the Company, as its meeting held on 30th June, 2011 appointed Mr. Satya Narain Dubey as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 read with Article 91 of the Article of Association of the Company.

In terms of the provisions of Sections 260 of the Act, Mr. Satya Narain Dubey would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith deposit of Rs. 500/- for proposing the candidature of Mr. Satya Narain Dubey for the office of Director of the Company under the provisions of Section 257 of the Act.

Mr. Satya Narain Dubey is not disqualified from being appointed as Director in terms of Section 274(1) (g) of the Act. The Company has received the consent confirming his eligibility for such appointment.

None of the Directors of the Company other than the appointee himself is interested or concerned in the above resolution.

The Board recommends that the above resolution may be passed as an ordinary resolution.

Item No. 7 :

The Board of Directors of the Company, as its meeting held on 30th June, 2011 appointed Mr. Shyam Babu Gupta as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956 read with Article 91 of the Article of Association of the Company.

In terms of the provisions of Sections 260 of the Act, Mr. Shyam Babu Gupta would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith deposit of Rs. 500/- for proposing the candidature of Mr. Shyam Babu Gupta for the office of Director of the Company under the provisions of Section 257 of the Act.

Mr. Shyam Babu Gupta is not disqualified from being appointed as Director in terms of Section 274(1) (g) of the Act. The Company has received the consent confirming his eligibility for such appointment.

None of the Directors of the Company other than the appointee himself is interested or concerned in the above resolution.

The Board recommends that the above resolution may be passed as an ordinary resolution.

By Order of the Board of Directors
For PREMIER PIPES LIMITED

Place : Kanpur

Date : 10.08.2011

Komal Puri
Company Secretary

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting herewith the **THIRTY SIXTH ANNUAL REPORT** and the Audited Accounts of the Company for the year ended 31st March, 2011.

The financial figures are summarized below :

FINANCIAL RESULTS :

Particulars	2010-11 (Rs. inLacs)	2009-10 (Rs. inLacs)
Sales and other Income	4027.18	2108.63
Profit/ (Loss) before Depreciation	68.91	379.05
Depreciation	40.09	28.91
Profit / (Loss) before Tax	28.81	350.14
Less : Provision for taxation	4.50	-
Profit / (Loss) after Tax	24.31	350.14
Balance brought forward from previous year	407.77	57.63
Transfer from General Reserve	NIL	NIL
Income Tax of Earlier Year	NIL	NIL
Balance Carried forward	432.08	407.77

DIVIDEND :

In view of the little work of the Company, the Board does not recommend any dividend for the year 2010-2011.

FINANCIAL PERFORMANCE :

The Company has achieved the sales and other Income of Rs. 4027.18 lacs against Rs. 2108.63 lacs reported last year. The Profit after tax was Rs. 24.31 lacs during the year.

OPERATION AND ACTIVITIES :

The Company has started its manufacturing as well as trading activities and is in a recovering phase, it has manufactured Black Pipes, G. I. Pipes and Poles

DIRECTORS :

Mr. Ajay Kumar Jain & Mr. Arun Kumar Jain, Directors of the Company retire from the Board by rotation at the ensuing Annual General Meeting and are eligible for re-appointment. Mr. Sanjay Kumar Agarwal has been appointed as an Additional and Independent Director w.e.f. 11th December, 2010. Mr. Satya Narain Dubey has been appointed as an Additional and Independent Director w.e.f. 30th June, 2011. Mr. Shyam Babu Gupta has been appointed as an Additional and Independent Director w.e.f. 30th June, 2011. They will hold the office upto the date of ensuing Annual General Meeting. The Board has also received a notice from a shareholder for appointment of Mr. Sanjay Kumar Agarwal, Mr. Satya Narain Dubey & Mr. Shyam Babu Gupta as regular directors.

AUDITOR'S :

M/s. C. L. Kanodia & Co. Chartered Accountants, retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

AUDITOR'S REPORT :

The observation in the Auditors Report are self-explanatory and do not call for any further explanation.

COMPLIANCE CERTIFICATE :

As per the provisions of Section 383A of the Companies Act, 1956 the Company has obtained Compliance Certificate from M/s K. N. Shridhar & Associates, a firm of Practicing Company Secretaries for the Financial Year 2010-2011.

COST AUDIT :

The Central Government vide its Order No. 52/86 CAB- 1991 dated 16th April, 1991 has directed the Company to carry out audit of the Cost Accounts maintained by the Company in respect of Steel Tubes and Pipes. Your Board has appointed Cost Auditor, qualified from ICWAI, to carry out the cost audit for this purpose.

CORPORATE GOVERNANCE:

A separate statement on Corporate Governance is enclosed as a part of the Director's Report along with the Certificate for Compliance as Annexure I and the Management Discussion and Analysis as Annexure II to this Report.

PARTICULARS OF EMPLOYEES :

There was no employee during the year in respect of whom provisions of Section 217 (2-A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended were applicable.

INDUSTRIAL RELATIONS :

Your Directors would like to appreciate the co-operation extended by the Officers, Staff and Workers of the Company in sharing the burden of working in the adverse circumstances.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO :

Particulars with respect to conservation of energy etc., as required under section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 are set out in Annexure III & form part of this report.

DIRECTORS RESPONSIBILITY STATEMENT :

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors confirm :-

- i) that in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) that the Directors have selected such Accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year 31st March, 2011, and the Profit of the Company for the year ended on that date;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud & other irregularities.
- iv) that the Directors have prepared the annual accounts on a going concern basis.



LISTING AGREEMENT :

Company's shares are listed / quoted at the following

Stock Exchanges :-

1. The U. P. Stock Exchange Association Limited, Padam Tower 14/113, Civil Lines, Kanpur.
2. Bombay Stock Exchange Limited, Floor 25, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai.
3. The Delhi Stock Exchange Association Limited, DSE House, 3/1 Afaf Ali Road, New Delhi.

ACKNOWLEDGEMENT :

Your Directors place on record their sincere thanks to the Company's bankers, shareholders, customers, dealers and business constituents for their support and co-operation, and are grateful to you for the trust and confidence reposed in the Company.

By Order of the Board

Kanpur
10.08.2011

(Ajay Kumar Jain) (Vinay Kumar Jain)
(Managing Director) (Whole Time Director)

Corporate Governance Report For the 1st April, 2010 to 31st March, 2011.

Annexure I

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

At PREMIER PIPES LIMITED, we believe in philosophy of serving society through Industry. This philosophy is backed by principles of concern, commitment, ethics, excellence and learning in all its acts and relationships with Shareholders, customers, associates and community at large which has always propelled the group towards higher horizons. At PREMIER PIPES LIMITED, we continue to strive to transform the Business Environment in which we operate.

We believe in the principles of trusteeship, fair and transparency in all our dealings. We endeavor to have a work culture, which is performance driven and conducive to improving discipline in all our personal and professional relationships.

The Company views Corporate Governance under the following major parameters:

1. Transparency in relation to appointments, remuneration, meetings of the Directors on the Board of the Company, responsibility and accountability of the Board of Directors.
2. Providing maximum possible information to the shareholders regarding the functioning and performance of the Company pertaining to financial and other non-financial matters.
3. Internal and External controls and audits.

2. BOARD OF DIRECTORS:

As on 31st March 2011, the Board of Premier Pipes Limited comprises of two Executive Directors (Managing Director and Whole Time Director) and Four Non-Executive Directors. Out of Four, Two Non-Executive Directors are Independent Directors. Two additional Independent Directors appointed on the Board on 30th June 2011.

The composition of the Board of Directors, attendance of each director at the Board of Directors' Meeting and at the last Annual General Meeting and number of memberships of committees of each director are as follows:

Name of Directors	Categories	No. of Board Meetings attended	Attendance at last AGM	No. of other Directorship		No. of other Committee Membership	
				Public	Private	Chairman	Member
Mr. Ajay Kumar Jain	Promoter Executive Director	11	Yes	2	1	-	-
Mr. Vinay Kumar Jain	Promoter Executive Director	11	Yes	2	5	-	-
Mr. Amit Kumar Jain	Promoter Non-Executive Director	10	Yes	3	3	-	-
Mr. Arun Kumar Jain	Promoter Non-Executive Director	10	Yes	2	5	-	-
Mr. Satish Kumar Garg	Non-Executive & Independent Director	7	Yes	-	-	-	-
Mr. Sanjay Kumar Agarwal	Non-Executive & Independent Director (Additional)	3	No	2	12	-	-