

Annual Report
2012 - 2013

Book Post



PREMIER PIPES LIMITED
(Formerly Known as QST Limited)

PREMIER PIPES LIMITED

**ANNUAL REPORT
2012-2013**

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*
Mr. SATYA NARAIN DUBEY, *Independent Director*
Mr. SHYAM BABU GUPTA, *Independent Director*

BANKERS:

State Bank of India
Kotak Mahindra Bank Ltd.

AUDITORS:

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

COMPANY SECRETARY:

Mr. Vaibhav Shukla

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

REGISTERED OFFICE:

Som Biz-Ness Xqure,
4th Floor, 1-The Mall, Kanpur

WORKS:

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

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38th Annual General Meeting

Saturday 28th Day of September 2013 at 12.30 P.M. at Som Biz-Ness Xqure, 4th Floor, 1-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

Notice :

Notice is hereby given that the THIRTY EIGHTH Annual General Meeting of the members of **PREMIER PIPES LIMITED** will be held on Saturday the 28th Day of September, 2013 at 12.30 P.M. at the Registered office of the Company at Som Biz - Ness Xpure, 4th Floor, 1-The Mall, Kanpur - 208 001 to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit & Loss Account for the year ended on that date together with the reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Satya Narayan Dubey who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Shyam Babu Gupta who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Ajay Kumar Jain who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT Subject to the approval of the members and pursuant to the provisions of section 198, 269, 309, 310 and 311 read with Schedule XIII of the Companies Act 1956 and pursuant to Articles of Association of the Company and other applicable provisions, if any, of the Companies Act 1956 (Including any statutory modification or re-enactment thereof for the time being in force) consent of the Company be and is hereby given to the re-appointment of Mr. Ajay Kumar Jain as Managing Director of the Company on remuneration in a scale of 80,000-10,000-1,00,000/- p.m. as approved by remuneration committee for a period of three years effective from 1st August 2013.

"RESOLVED FURTHER THAT In case of inadequate profit or no profit in any financial year, Mr. Ajay Kumar Jain will be entitled to the aforesaid remuneration as minimum remuneration.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds, things and take such steps as may be necessary, proper or expedient to give effect to this resolution."

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

"RESOLVED THAT Subject to the approval of the members and pursuant to the provisions of section 198, 269, 309, 310 and 311 read with Schedule XIII of the Companies Act, 1956 and pursuant to Articles of Association of the Company and other applicable provisions, if any, of the Companies Act, 1956 (Including any statutory

RESOLVED FURTHER THAT In case of inadequate profit or no profit in any financial year, Mr. Vinay Kumar Jain will be entitled to the aforesaid remuneration as minimum remuneration.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds, things and take such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors
For PREMIER PIPES LIMITED

Place : Kanpur
Date : 12.08.2013

Vaibhav Shukla
Company Secretary

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 Monday to 23.09.2013 to Saturday 28.09.2013 (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. 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.

ITEM No. 6:

Vaibhav Shukla
Company Secretary

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting herewith the **THIRTY EIGHTH** ANNUAL REPORT and the Audited Accounts of the Company for the year ended 31st March, 2013.

The financial figures are summarized below :

FINANCIAL RESULTS :

Particulars	2012-13 (Rs. inLacs)	2011-12 (Rs. inLacs)
Sales and other Income	3062.73	2043.61
Profit/ (Loss) before Depreciation	71.36	64.51
Depreciation	45.61	46.01
Profit / (Loss) before Tax	25.75	18.50
Tax Expenses:		
Current Tax	4.91	3.55
Less : MAT Credit Entitlement	<u>4.91</u>	0.00
Add: Differed Tax Liabilities/(Assets)	0.82	0.00
Profit / (Loss) after Tax	26.57	14.95

FINANCIAL PERFORMANCE :

The Company has achieved the sales and other Income of Rs. 3062.73 lacs against Rs. 2043.61 lacs reported last year showing an increase of almost 50% . The Profit after tax increased to Rs. 26.57 lacs during the year as compared to 14.95 lacs during the previous year. The management of your company takes pleasure in reporting that the plans, policies and efforts put in, are revealing positive results and endeavor is being made to improve the performance in future as well.

OPERATION AND ACTIVITIES :

Your Company is primarily engaged in the manufacturing of Black steel tubes, G.I. steel tubes, steel tubular poles and PVC pipes at its unit located at Bindki, District Fatehpur (U.P.) having installed capacity of about 46000 MT per annum. Constant efforts are being made to derive maximum output and improve the production level.

The Board of Directors of the Company is happy to report that your company is making steady progress as is evident from the better financial performance this year in comparison to the previous financial year and are hopeful that the trend will continue in the coming years as well and your company will be able to regain its lost glory.

DIVIDEND :

In view of the meager profit of the Company, the Board does not recommend any dividend for the financial year 2012-2013.

SHIFTING OF REGISTERED OFFICE :

In order to ensure smooth working of the company the registered office has been shifted from Agarwala Building,

The Mall, Kanpur to Som Biz-Ness Xqure, 4th floor, 1,-The Mall, Kanpur w.e.f. 12th November 2012. All the related compliances in this regard have been successfully made including information to the Stock Exchanges where the Companies Shares are listed and the concerned stakeholders.

REVOCATION OF SUSPENSION IN TRADING AT BSE:

Your company takes immense pleasure in reporting that the suspension in trading in securities of the company at Bombay Stock Exchange (BSE) has been revoked w.e.f. 13th August 2012 and the company has entered into tripartite agreement with both the Depositories i.e. NSDL and CDSL and obtained ISIN number for dematerialization of the securities of the company.

DIRECTORS :

The Tenure of Mr. Ajay Kumar Jain as Managing Director of the Company and Mr. Vinay Kumar Jain as Whole Time Director of the Company expired on 31st July 2013. The Board of Directors of your company after being of the opinion that the company has made steady progress under their able guidance and supervision, at its meeting held on 31st July 2013 re-appointed Mr. Ajay Kumar Jain as Managing Director of the Company and Mr. Vinay Kumar Jain as Whole Time Director of the Company subject to the approval of the shareholders in the ensuing Annual General Meeting for a period of three years effective from 1st August, 2013.

Mr. Ajay Kumar Jain, Managing Director of the Company, Mr. Satya Narain Dubey and Mr. Shyam Babu Gupta, Directors of the Company retire from the Board by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

AUDITOR'S :

M/s. C. L. Kanodia & Co. Chartered Accountants, retire as Statutory 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 2012-2013.

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 take pleasure in reporting that the industrial relations remained cordial with all the stakeholders and would like to appreciate the co-operation extended by the Officers, Staff and Workers of the Company in sharing the burden of work in the adverse circumstances.

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

Particulars with respect to conservation of Energy, Technology absorption and Foreign exchange earnings and outgo, as required under section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in report of Board of Directors) Rules, 1988 are set out in Annexure III and from 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, 2013, 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 continue to remain 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, 25th Floor, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai.
3. The Delhi Stock Exchange Association Limited, DSE House, 3/1 Asaf 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
For PREMIER PIPES LIMITED

Kanpur
12.08.2013

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