Annual Report

Book Post

2015 - 2016



PREMIER PIPES LIMITED

PREMIER PIPES LIMITED

ANNUAL REPORT 2015-2016

ROAR	RD OF	DIRFC	TORS

Managing Director
 Non Executive Director
 Mr. VINAY KUMAR JAIN
 Mr. AMIT KUMAR JAIN
 Mr. ARUN KUMAR JAIN
 Women Director
 Smt. SANTOSH JAIN

• Independent Director Mr. SATISH KUMAR GARG

Mr. SANJAY KUMAR AGARWAL Mr. SATYA NARAIN DUBEY Mr. SHYAM BABU GUPTA

COMPANY SECRETARY Mr. Vaibhav Shukla

AUDITORS: M/s. C.L. Kanodia & Co.

Chartered Accountants

Kanpur

SECRETARIAL AUDITORS: K. N. Shridhar & Associates

Company Secretaries

Kanpur.

BANKERS: State Bank of India

Kotak Mahindra Bank Ltd.

REGISTRAR AND SHARE TRANSFER AGENT: M/s. Skyline Financial Services Pvt. Ltd.

D- 153A, 1st Floor, Okhla Industrial Area,

Phase-I, New Delhi 110 020

REGISTERED OFFICE: Som Biz-Ness Xqure, 4th Floor,

1-The Mall, Kanpur

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

PREMIER PIPES LIMITED

ANNUAL REPORT 2015-2016

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41st Annual General Meeting

Friday 30th Day of September 2016 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 41st Annual General Meeting of the Members of **PREMIER PIPES LIMITED (CIN: L22219UP1975PLC004105)** will be held on Friday, the 30th day of September, 2016 at 12:30 P.M. at the Registered Office of the Company at Som Biz – Ness Xquare, 4th Floor, 1- The Mall, Kanpur – 208 001 to transact the following business:

ORDINARY BUSINESS:

- To Receive, Consider and Adopt the Audited Financial Statement of the Company for the Financial Year ended on 31st March, 2016, together with the reports of the Board of Directors and Auditors thereon.
- 2. To appoint a Director in place of Shri Arun Kumar Jain (DIN: 00493763) who retires by rotation and being eligible, offers himself for re-appointment.
- 3. To ratify the appointment of auditors M/s C. L. Kanodia & Co, Chartered Accountants, (Firm Registration No. 001002C) as Statutory Auditors of the Company to hold office until the conclusion of the 42nd Annual General Meeting of the company to be held in the year 2017.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s), the _following _resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof, the consent of the Members of the Company be and is hereby given to appoint Shri Ajay Kumar Jain (DIN: 00493685) as Managing Director of the Company for a period of five years w.e.f. 12th August 2016 at a remuneration of Rs. 2,80,000/- (Rupees Two Lakh eighty thousand) per month."

- 5. To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:
 - "RESOLVED THAT Pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as may be amended from time to time, Shri Arun Kumar Srivastava, Cost Accountant in Practice, 96, Harjinder Nagar, behind old LIC office, Kanpur-208007, the Cost Auditors appointed by the Board

Premier Pipes Ltd. (2015-16)

of Directors of the Company, to conduct the audit of the Cost Records of the Company for the financial year 2016-17, be paid a remuneration of Rs. 20000/- (Rupees Twenty Thousand Only) apart from reimbursement of actual expenses to be incurred by them in connection with conducting the audit of Cost Records of the Company.

Place : Kanpur Date : 12.08.2016 By Order of the Board of Directors For PREMIER PIPES LIMITED

> 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, THE INSTRUMENT APPOINTING PROXY, DULY STAMPED SIGNED AND COMPLETED MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- 2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder
- Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 4. A statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Special Business under Item No. 4 & 5 as set out above is annexed hereto.
- 5. The Register of Members and Share Transfer Books of the company shall remain closed from 24.09.2016 to 30.09.2016 (both days inclusive).
- 6. Members desirous of any information on the accounts are requested to send their queries at least ten days before the meeting to enable the management to keep the information ready.
- 7. 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.
- 8. Members are requested to notify changes in their address quoting their Registered Folio Nos. to the Company or its RTA.
- 9. In case of physical transfer or transmission of shares, copy of PAN Card of the transferee is mandatory.
- 10. The addresses of the Stock Exchange where Company's Shares are listed are :
 - Bombay Stock Exchange, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001:
- 11. 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

12. Voting through electronic means and procedure thereof:

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 (1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company is pleased to provide members facility to exercise their right to vote on resolution proposed to be considered at the 41st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on Tuesday, September 27, 2016 (9:00 am) and ends on Thursday, September 29, 2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, September 24, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is casted by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting is as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:
 - (i) Open email and open PDF file viz; "e-voting.pdf" with your Client ID or Folio No. As password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: https://evoting.nsdl.com/
 - (iii) Click on shareholder- Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above and click Login.
 - (v) Password change menu appears. Change the Password /PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (Vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of Premier Pipes Limited.
 - (viii) Now you are ready for e-Voting as cast page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM No. 4:

Mr. Ajay Kumar Jain is a Post Graduate in Commerce. He got associated with Premier Pipes Limited as a Director on the Board since his appointment on 17th November 2006. Later, considering his experience and expertise he was appointed as Managing Director of your Company w.e.f. 1st August 2010 for a period of three years and thereafter again for a period of three years w.e.f. 1st August 2013. Under his able guidance and supervision the company is constantly improving upon its performance, as a result the Board of Directors of the Company at their meeting held on 12th August 2016 re-appointed Mr. Ajay Kumar Jain as Managing Director of the Company to hold office for a period of five years with immediate effect on a remuneration of Rs. 2,80,000/- per month as approved by the Remuneration Committee. As per the provisions of the Companies Act 2013 his re-appointment is subject to the approval of the Shareholders in general meeting.

The Board recommends passing of above resolution appearing at item no. 4 of the accompanying Notice as Ordinary Resolution.

None of the Directors, except Mr. Ajay Kumar Jain himself and Mr. Amit Kumar Jain, Mr. Vinay Kumar Jain and Mr. Arun Kumar Jain, being relatives of Mr. Ajay Kumar Jain are concerned or interested in the said resolution.

ITEM No. 5:

Pursuant to section 148(3) of the Companies Act, 2013, read with Rule14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to cost auditors should be ratified by the shareholders of the company. Board of Directors had in its meeting held on 30th May, 2016 appointed Shri Arun Kumar Srivastava, Cost Accountant in Practice, 96, Harjinder Nagar, behind old LIC office, Kanpur-208007, as the Cost Auditor to conduct the audit of the Cost Records of the Company for the financial year 2016-17 and fixed his remuneration at Rs. 20000/- (Rupees Twenty Thousand Only) apart from reimbursement of actual expenses to be incurred by him in connection with conducting the audit of cost records of the company subject to ratification by the shareholders of the company.

None of the Directors / Key Managerial Personal of the company / their relatives is in any way concerned or interested in this resolution. The Board recommends passing of above resolution appearing at item no. 5 of the accompanying Notice as Ordinary Resolution.

Place : Kanpur Date : 12.08.2016 By Order of the Board of Directors For PREMIER PIPES LIMITED

Vaibhav Shukla Company Secretary

DIRECTORS' REPORT

To. The Members,

Your Directors have pleasure in presenting herewith the FORTY FIRST ANNUAL REPORT and the Audited Accounts of the Company for the year ended 31st March, 2016.

The financial figures are summarized below:

FINANCIAL RESULTS:

ANCIAL RESULTS : Particulars	2015-16	<u>2014-15</u>
T di tiodidio	(Rs. inLacs)	(Rs. inLacs)
Sales and other Income	3483.72	3788.26
Profit/ (Loss) before Depreciation	74.19	70.22
Depreciation	30.61	31.46
Profit / (Loss) before Tax	43.58	38.76
Tax Expenses:		
Current Tax	11.25	8.28
Add: Differed Tax Liabilities/(Assets)	2.43	3.73
Less: Income Tax of ealier years written off	0.08	0.00
Profit / (Loss) after Tax	29.82	26.75

FINANCIAL PERFORMANCE:

The company has achieved the sales and other income of Rs. 3483.72 lacs as against Rs. 3788.26 lacs reported last year. The Profit before tax is Rs. 43.58 lacs as compared to Rs. 38.76 lacs in 2014-15. The Profit after tax stood at Rs. 29.82 lacs during the year in comparison to 26.75 lacs during the previous year.

OPERATIONS 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, Uttar Pradesh. Constant efforts are being made to derive maximum output.

DIVIDEND:

In view of the meager profits of the company, the Board does not recommend any dividend for the financial year 2015-2016.

DEPOSITS:

Your Company has not accepted any deposits covered under chapter V of the Companies Act, 2013.

COMPULSORY DEMATERIALIZATION OF SHARES:

In order to facilitate trading of shares of the company through Stock Exchange(s) and shifting of trading from Trade to Trade Settlement Basis to Rolling Settlement Basis, atleast fifty percent of the non-promoter shareholding of the company needs to be in electronic form. The company is making constant efforts on its part to communicate with the shareholders in this regard. Shareholders are requested to get their shares dematerialized at the earliest in order to ensure trading through Stock Exchange(s).

DIRECTORS:

Shri Arun Kumar Jain, Non- Executive Director, (DIN: 00493763) of the company retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment as director of the company, liable to retire by rotation. No other changes took place in the Board of Directors which is duly constituted in accordance with the provisions of the Companies Act, 2013 and the Listing Agreement.

INDEPENDENT DIRECTORS:

Presently, Shri Satya Narain Dubey, Shri Satish Kumar Garg, Shri Sanjay Kumar Agarwal and Shri Shyam Babu Gupta, are the Independent Directors of the Company. All the Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

AUDITOR'S:

M/s C. L. Kanodia & Co., Chartered Accountants, (Firm Regn. No 001002C) were appointed as Statutory Auditors of your Company for a period of 3 years in the Annual General Meeting held on 27/09/2014. Their continuance of appointment is placed for ratification at the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if their appointment is ratified, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

AUDITOR'S REPORT:

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

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 Shri Arun Kumar Srivastava, Cost Accountant in Practice, 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:

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure 'III' which forms part of this Report.

No employee of the Company is covered under any of the clauses of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.