

*Annual Report*  
2015 - 2016

Book Post



**PREMIER PIPES LIMITED**

## PREMIER PIPES LIMITED

### ANNUAL REPORT 2015-2016

**BOARD OF DIRECTORS:**

- *Managing Director* Mr. AJAY KUMAR JAIN
- *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, 4<sup>th</sup> Floor,  
1-The Mall, Kanpur

**WORKS:**

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

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**ANNUAL REPORT**  
**2015-2016**

**CONTENTS**

**Page No**

Notice & Explanatory Statement	:	1-5
Director's Report	:	6-9
Corporate Governance Report	:	10-15
CEO & CFO Certificate	:	16
Management Discussion & Analysis Report	:	17
Extract of Annual Return	:	19-25
Secretarial Audit Report	:	26-28
Auditor's Report	:	30-33
Balance Sheet	:	34
Profit & Loss Account	:	35
Notes Annexed to B/s & P/L	:	36-47
Cash Flow Statement	:	48
Route Map of the Venue of the AGM	:	49
Proxy Form & Attendance Slip	:	50-52

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

**ORDINARY BUSINESS:**

1. To Receive, Consider and Adopt the Audited Financial Statement of the Company for the Financial Year ended on 31<sup>st</sup> 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 42<sup>nd</sup> 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. 12<sup>th</sup> 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

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**



- 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.

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. 1<sup>st</sup> August 2010 for a period of three years and thereafter again for a period of three years w.e.f. 1<sup>st</sup> 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 12<sup>th</sup> 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.

Pursuant to section 148(3) of the Companies Act, 2013, read with Rule 14 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 30<sup>th</sup> 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.

**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 :****Particulars****2015-16**  
**(Rs. inLacs)****2014-15**  
**(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 16<sup>th</sup> 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.