

# *Annual Report*

2011 - 2012



**PREMIER PIPES LIMITED**

(Formerly Known as QST Limited)

**PREMIER PIPES LIMITED**  
(Formerly Known as QST Limited)  
**ANNUAL REPORT**  
2011-2012

**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*

**COMPANY SECRETARY:**

Mr. Vaibhav Shukla

**CORPORATE LAW ADVISORS:**

K. N. Shridhar & Associates  
Company Secretaries  
Kanpur

**REGISTERED OFFICE:**

Agarwala Building,  
The Mall,  
Kanpur

**BANKERS:**

State Bank of India  
Kotak Mahindra Bank Ltd.

**AUDITORS:**

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

**REGISTRAR AND SHARE  
TRANSFER AGENT:**

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

**ADMINISTRATIVE OFFICE:**

Som Biz ness Xqure,  
4<sup>th</sup> Floor, 1-The Mall, Kanpur

**WORKS:**

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

**PREMIER PIPES LIMITED**  
(Formerly Known as QST Limited)  
**ANNUAL REPORT**  
**2011-2012**

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**37th Annual General Meeting**

Saturday 29th Day of September 2012 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

**Notice :**

Notice is hereby given that the THIRTY SEVENTH Annual General Meeting of the members of **PREMIER PIPES LIMITED** will be held on Saturday the 29th Day of September, 2012 at 12.30 P.M. at the Administrative office of the Company at Som Biz - ness Xqure, 4th Floor, 1, The Mall, Kanpur - 208 001 to transact the following business :-

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 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. Vinay Kumar Jain who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sanjay Kumar Agarwal who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Satish Kumar Garg 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.

By Order of the Board of Directors  
For PREMIER PIPES LIMITED

Vaibhav Shukla  
Company Secretary

Place : Kanpur  
Date : 14.08.2012

**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 23.09.2012 to 29.09.2012 (both days inclusive).
4. 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.
5. In case of physical transfer or transmission of shares, copy of PAN Card of the transferee is mandatory.
6. Members are requested to notify changes in their address quoting their Registered Folio Nos. to the Company or its RTA.
7. 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.
8. 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, 1<sup>st</sup> 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.

## DIRECTORS' REPORT

To,  
The Members,

Your Directors have pleasure in presenting herewith the **THIRTY SEVENTH ANNUAL REPORT** and the Audited Accounts of the Company for the year ended 31st March, 2012.

The financial figures are summarized below :

### FINANCIAL RESULTS :

Particulars	2011-12 (Rs. inLacs)	2010-11 (Rs. inLacs)
Sales and other Income	2054.84	3892.93
Profit/ (Loss) before Depreciation	64.51	68.91
Depreciation	46.01	40.09
Profit / (Loss) before Tax	18.50	28.81
Less : Provision for taxation	3.55	4.50
Profit / (Loss) after Tax	14.95	24.31

### DIVIDEND :

In view of the little work of the Company, the Board does not recommend any dividend for the year 2011-2012.

### FINANCIAL PERFORMANCE :

The Company has achieved the sales and other Income of Rs. 2054.84 lacs against Rs. 4027.18 lacs reported last year. The Profit after tax was Rs. 14.95 lacs during the year.

### OPERATION AND ACTIVITIES :

The Company has started its manufacturing as well as trading activities and is in a recovering phase. Further, the suspension in trading in securities of the Company has been revoked w.e.f. 13<sup>th</sup> 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 :

Mr. Vinay Kumar Jain, Mr. Sanjay Kumar Agarwal and Mr. Satish Kumar Garg, 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 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 2011-2012.

**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, 2012, 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  
14.08.2012

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



**Corporate Governance Report**  
**1st April, 2011 to 31st March, 2012.**

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 31<sup>st</sup> March 2012, the Board of Premier Pipes Limited comprises of two Executive Directors (Managing Director and Whole Time Director) and Six Non-Executive Directors. Out of Six, Four Non-Executive Directors are Independent Directors.

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	13	Yes	2	1	-	-
Mr. Vinay Kumar Jain	Promoter Executive Director	13	Yes	2	5	-	-
Mr. Amit Kumar Jain	Promoter Non-Executive Director	13	Yes	3	3	-	-
Mr. Arun Kumar Jain	Promoter Non-Executive Director	06	Yes	2	5	-	-
Mr. Satish Kumar Garg	Non-Executive & Independent Director	07	Yes	-	-	-	-
Mr. Sanjay Kumar Agarwal	Non-Executive & Independent Director	06	Yes	2	12	-	-
Mr. Satya Narain Dubey	Non-Executive & Independent Director	05	Yes				
Mr. Shyam Babu Gupta	Non-Executive & Independent Director	08	Yes				

**Details of Board Meeting held during the year 2011-12**

The Board of Directors duly met 13 (thirteen) times on 4<sup>th</sup> April 2011, 10<sup>th</sup> May 2011, 27<sup>th</sup> May 2011 28<sup>th</sup> Jun 2011, 30<sup>th</sup> Jun 2011, 18<sup>th</sup> July 2011, 10<sup>th</sup> August 2011, 8<sup>th</sup> September 2011, 11<sup>th</sup> November 2011, 1<sup>st</sup> February 2012, 10<sup>th</sup> February 2012, 20<sup>th</sup> February 2012, 23<sup>rd</sup> March 2012, respect of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

**3. AUDIT COMMITTEE:**

Terms of reference of the Audit Committee include review of:

- Financial statements and draft audit report, including quarterly/half-yearly financial information;
- Reports relating to compliance with laws and to risk management;
- Management letters/ letters of internal control weakness issued by statutory/internal auditors; and
- Records of related party transactions
- Any change in accounting policies and practices.

During the year, four meetings were held one of which was before finalization of accounts. The said meetings were held on 27<sup>th</sup> May 2011, 10<sup>th</sup> Aug 2011, 11<sup>th</sup> Nov 2011, 10<sup>th</sup> Feb 2012.

During the year the Committee was re-constituted and the present composition of the committee and attendance of each member is as below :

Name	Category	Designation	No. of Meetings attended
Mr. Satish Kumar Garg	Independent Director	Chairman	4
Mr. Sanjay Kumar Agarwal	Independent Director	Member	4
Mr. Shyam Babu Gupta	Independent Director	Member	3
Mr. Ajay Kumar Jain	Executive Director, CEO	Member	4

**4. REMUNERATION COMMITTEE:**

During the year the Committee was re-constituted and the present composition of the committee is :

Name	Category	Designation
Mr. Satya Narain Dubey	Independent Director	Chairman
Mr. Amit Kumar Jain	Non-Executive Director	Member
Mr. Arun Kumar Jain	Non-Executive Director	Member

Details of remuneration paid to each Executive Director of the Company w.e.f. 1<sup>st</sup> August, 2010 for the financial year 2011-12:-

S. No.	Name	Designation	Total Salary p.a.(Rs.in Lacs)
1.	Mr. Ajay Kumar Jain	Managing Director	6.80
2.	Mr. Vinay Kumar Jain	Whole Time Director - Executive	6.80

**5. SHAREHOLDERS COMMITTEE:**

During the year four meetings were held. The said meetings were held on 27<sup>th</sup> May 2011, 10<sup>th</sup> Aug 2011, 11<sup>th</sup> Nov 2011, 10<sup>th</sup> Feb 2012.

During the year the Committee was re-constituted and the present composition of the committee and attendance of each member is as below :

Name	Category	Designation	No. of Meetings attended
Mr. Shyam Babu Gupta	Non-Executive Director	Chariman	3
Mr. Ajay Kumar Jain	Executive Director	Member	4
Mr. Vinay Kumar Jain	Executive Director	Member	4

The Board had designated Mr. Ajay Kumar Jain, Director as Compliance Officer.

All complaints which the Company received during the year have been replied/ redressed to the satisfaction of the shareholders. There are no pending complaint upto 31<sup>st</sup> March 2012.

**6.GENERAL BODY MEETINGS:**

i. Location date time of Annual General Meetings held during the preceding three years are as follows:

Year	Date and Time	Location
2010-11	Friday the 30 <sup>th</sup> September, 2011 at 11:30 A.M.	Som Biz-ness Xqure, 4th Floor, 1 The Mall, Kanpur.
2009-10	Tuesday the 28 <sup>th</sup> September, 2010 at 11.00 A.M.	Agarwala Building, The Mall, Kanpur.
2008-09	Wednesday the 2 <sup>nd</sup> September, 2009 at 11:00 A.M.	Agarwala Building, The Mall, Kanpur.

- ii. No special resolution was passed in the previous three AGMs.
- iii. No special resolution was put through Postal Ballot last year nor is it proposed to put any special resolution to vote through Postal Ballot this year.

**7. DISCLOSURES :**

- A. There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management, their Subsidiaries or relative etc. that may have potential conflict with the interests of the Company at large.

- B. There is no instance of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital markets during the last three years.
- C. The Company has complied with all the mandatory requirements and most of the non-mandatory requirements specified in clause 49 of the Listing Agreement.
- D. The Management Discussions and Analysis form part of Director's Report.

**8. WHISTLE BLOWER POLICY:**

The Company has adopted a whistle blower policy in which all the employees of the Company are entitled to approach the audit committee (in respect of unethical or improper practice) without necessarily informing their supervisors. The Company has not denied any personal access to the audit committee of the Company and it has policy to provide protection to "Whistle Blowers" from unfair termination and other unfair or prejudicial employment practices.

**9. CEO AND CFO CERTIFICATION:**

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of the Clause 49. The Managing Director and Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of clause 41 of the Listing Agreement.

**10. MEANS OF COMMUNICATION:**

The quarterly, half yearly and annual results of the Company are sent to the Stock Exchange where the Company's shares are listed immediately after they are approved by the Board. These are also published in local Hindi newspaper and in a National English Daily as per the listing agreement.

**11. GENERAL SHAREHOLDERS INFORMATION:**

A. Date of Annual General Meeting, time and venue	29 <sup>th</sup> September, 2012 at 12:30 P.M. at Som Biz - ness Xqure, 4 <sup>th</sup> Floor, 1, The Mall, Kanpur 208 001
B. Financial Year:	1 <sup>st</sup> April to 31 <sup>st</sup> March
C. Financial Calendar (Tentative and subject to change) 2011-12 First Quarterly Results ending 30th June, 2011 Second Quarterly Results ending 30th Sep., 2011 Third Quarterly Results ending 31st Dec., 2011 Audited Accounts for the year ending 31st Mar. 2012 Annual General Meeting	Second week of August, 2012 Second week of November, 2012 Second week of February, 2013 Last week of May, 2013 September, 2013
D. Record Date / Date of Book Closure	From 23.09.2012 to 29.09.2012 (both days inclusive)
E. Listing at Stock Exchanges	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. 3. The Delhi Stock Exchange Association Ltd. DSE House, 3/1, Asaf Ali Road, New-Delhi.
F. Stock Code at The Stock Exchange, Mumbai	513291

**F. REGISTRAR AND TRANSFER AGENTS:**

M/s. Skyline Financial Services (P) Limited,  
D 153/A, 1<sup>ST</sup> Floor Okhla Industrial Area Phase 1,  
New Delhi 110020

**G. SHARE TRANSFER SYSTEM:**

The Company has made arrangements with M/s Skyline Financial Services (P) limited, for Share transfer/ transmission of shares as per listing agreement.

**H. DISTRIBUTION OF SHAREHOLDERS:**

Distribution of shareholding as at 31<sup>st</sup> March, 2012 are as under:

Range	No. of Members	%age	Amount in Rupees	% of Total amount
Upto 500	4947	93.93	6796030	19.14
501 - 1000	139	2.64	1093000	3.08
1001 - 2000	53	1.00	774000	2.18
2001 - 3000	19	0.36	502000	1.41
3001 - 4000	11	0.21	389000	1.10
4001 - 5000	23	0.44	1081000	3.05
5001 - 10000	30	0.57	2182700	6.15
10001 & Above	45	0.85	22682270	63.89
<b>TOTAL</b>	<b>5267</b>	<b>100.00</b>	<b>35500000</b>	<b>100</b>

**According to Categories of Shareholders :**

S. No.	Category	No. of Shares	% of Shareholders
1.	RI General	1896116	53.42
2.	RI Promoter Group & Director	407294	11.47
3.	NRI	208100	5.86
4.	Body Corporate	1038490	29.25
	Total	3550000	100

**I. DEMATERIALIZATION OF SHARES AND LIQUIDITY:**

The Shares of the Company are covered under the category of compulsory delivery in dematerialized form by all the categories of investors.

The Company has entered into tripartite agreement with both Depositories i.e. NSDL and CDSL and obtained ISIN number for dematerialization of the securities of the Company.

**J. OUTSTANDING INSTRUMENT:**

There is no outstanding GDRs/ADRs/Warrants or any Convertible Instrument of the Company.

**K. PLANT LOCATION:**

The Company has one plant located at Bindki Road, Chaudagra, Distt. Fatehpur (U.P.).

**L. ADDRESS FOR COMMUNICATION:**

Mr. Ajay Kumar Jain  
Premier Pipes Limited  
Som Biz ness Xqure, 4<sup>th</sup> Floor,  
1, The Mall, Kanpur 208 001

**DECLARATION**

I, Ajay Kumar Jain, Managing Director of Premier Pipes Limited, hereby declare that all the members of the Board and the Senior Management personnel have affirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2012.

By order of the Board

(Ajay Kumar Jain)  
Managing Director

Place: Kanpur

Date: 14.08.2012

**CEO AND CFO CERTIFICATE**

To,  
The Board of Directors,  
Premier Pipes Limited,  
Kanpur

- a) We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March 2012 and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2011-2012 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) They have indicated to the auditors and the Audit committee
- (i) significant changes in internal control over financial reporting during the year 2011-12
  - (ii) significant changes in accounting policies during the year 2011-12 and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

sd/-  
(Vinay Kumar Jain)  
Whole Time Director & CFO

sd/-  
(Ajay Kumar Jain)  
Managing Director & CEO

Place : Kanpur  
Date : 14.08.2012

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To the members  
of Premier Pipes Limited:

We have examined the compliance of conditions of corporate governance by Premier Pipes Limited for the year ended on 31<sup>st</sup> March, 2012, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and Management, we certify that the company had been in bad phase and suffering financial constraints since 2002 as it became Sick Industrial Company as per the provisions of Section 3(1) (o) of the Sick Industrial Companies (Special Provisions) Act, 1985 but now it is out of the preview of Sick Company and has appointed two Independent Directors till 31.03.2011, and two more independent Directors on 30<sup>th</sup> June 2012, Company has complied the other conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We state that in respect of Investor Grievances received during the year ended 31<sup>st</sup> March, 2012, no investor grievances are pending against the company as per the records maintained by the company and presented to the shareholders'/investors' Grievance committee of the company.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

FOR C.L. KANODIA & CO.  
Chartered Accountant

(C.L.Kanodia)  
Prop.  
Membership No. 11427

Place: Kanpur  
Date : 14.08.2012

## MANAGEMENT DISCUSSION AND ANALYSIS

As you are aware that the trading in securities of your company was suspended by the BSE. In this context, the Management of your company takes immense pleasure in informing you that the company has successfully made all the compliances regarding the same, as a result of which, suspension of trading in securities of the company has been revoked by the Bombay Stock Exchange w.e.f. 13th August 2012. In addition to this your management is also pleased to inform you that the trading of Equity Shares of your Company at the Trading Counter of the Stock Exchange will commence soon.

The summarized financial performance during the year is as under :-

(Rs. in lacs)

	<u>2011-12</u>	<u>2010-11</u>
<b>Sales</b>	1999.66	3891.96
<b>Other Income</b>	55.17	0.98
<b>PBT</b>	18.50	28.81
<b>PAT</b>	14.95	24.31
<b>Paid up Capital</b>	355.00	355.00
<b>Reserves &amp; Surplus</b>	669.14	669.91
<b>Net Worth</b>	916.21	901.24
<b>Earning per share</b>	0.42	0.68

Your company has also commenced the manufacturing of Steel Tubular Electric Poles in UPPCL and other Government Sectors used for Gas and Sewerage purpose and electrification purpose respectively. We are also planning to manufacture Hollow Rectangular and Square Section, used for fabrication and structural work in open market. The management is happy to report that the company is one on the verge of regaining its lost glory in near future.

Statement in the Management Discussion and Analysis may be 'forward-looking statement' within the meaning of applicable securities laws and regulations. Further, the performance of the company is also dependent on domestic and global conditions, government and regulatory policies on which company is not having any control.



**ANNEXURE TO DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2012**

ADDITIONAL INFORMATION AS REQUIRED UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956 AND THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

**(A) CONSERVATION OF ENERGY :**

- |   |  |
|---|--|
| (a) Energy conservation measures taken.   | (i) The diesel oil consumption during the year was 60 KL.  |
| (b) Additional Investments and proposal, if any, being implemented for reduction of consumption of energy.                              | (ii) Power consumption was reduced in Welders, Motors and Tube Mills by replacement of critical components with the newly designed ones for job work |
| (c) Impact of measures of (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods. | No additional investment has been made during the year.  |
| (d) Total energy consumption per unit of production as per Annexure A of the Annexure in respect of specified Industries.               | The Company is relying on existing arrangements for energy conservation.   |
|   | Not applicable.  |

**(B) TECHNOLOGY ABSORPTION :**

- |  |                               |
|--|-------------------------------|
| (e) Efforts made in technology absorption. | As per Form B of the Annexure |
|--|-------------------------------|

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

- |   |         |
|---|---------|
| (f) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and exports plans. | NIL     |
| (g) Total Foreign Exchange used and earned Foreign Exchange outgo.  | Rs. NIL |
- By Order of the Board

FORM - B

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION**

(I) RESEARCH AND DEVELOPMENT (R& D):

- |  |   |
|--|---|
| 1. Specific areas in which R & D carried out.      | No such research activity carried out by the Company  |
| 2. Benefits derived as a result of the above R & D | NIL   |
| 3. Future Plan of action.                          | Hollow Rectangular and Square Section, used for fabrication and structural work in open market. |
| 4. Expenditure on R & D                            |   |
| (a) Capital  | NIL   |
| (b) Recurring                                      | NIL   |
| (c) Total  | NIL   |
| (d) Expenditure as a percentage of total turnover. | NIL   |

(II) TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION :

- |  |   |
|--|---|
| 1. Efforts, in brief, made towards technology absorption, adaptation and innovation. | No new technology was required to be observed.        |
| 2. Benefits derived as a result of the efforts.                                      | Not applicable  |
| 3. Details of Imported Technology.   | No new technology imported during the last five year. |

**COMPLIANCE CERTIFICATE**

Under Rule 3 of the Companies (Compliance Certificate) Rules, 2001

Name of the Company : **PREMIER PIPES LIMITED**

Registration No. L22219UP1975PLC004105

Nominal Capital : Rs. 4.00 Crore

To,  
The Members,  
Premier Pipes Limited,  
Agarwala Building,  
The Mall,  
Kanpur-208 004

I have examined the registers, records, books and papers of M/s Premier Pipes Limited (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended on 31<sup>st</sup> March, 2012. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Companies, Regional Directors, Central Government, Company Law Board or other rules made thereunder whenever required.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Directors, Central Government, Company Law Board or other rules made thereunder whenever required.
3. The Company being a Public Company, the comments are not required.

The Board of Directors duly met 13 (thirteen) times on 4<sup>th</sup> April 2011, 10<sup>th</sup> May 2011, 27<sup>th</sup> May 2011 28<sup>th</sup> Jun 2011, 30<sup>th</sup> Jun 2011, 18<sup>th</sup> July 2011, 10<sup>th</sup> August 2011, 8<sup>th</sup> September 2011, 11<sup>th</sup> November 2011, 1<sup>st</sup> February 2012, 10<sup>th</sup> February 2012, 20<sup>th</sup> February 2012, 23<sup>rd</sup> March 2012, respect of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

4. The Annual General Meeting for the Financial Year ended on 31.03.2011 was held on 30<sup>th</sup> September, 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
5. No Extra-Ordinary General Meeting was held during the Financial Year.
6. The Company has not advanced any loans to directors, persons, companies or firms as referred under Section 295 of the Act.

7. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
8. The Company was not required to make entries in the register maintained under Section 301 of the Act.
9. As there was no instance falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
10. The Company has not issued any duplicate share certificates during the Financial Year.
11. The Company:
  - i. has delivered all the certificates on lodgment thereof for transfer / transmission any other purpose in accordance with the provisions of the Act, there was no allotment of shares during the year.
  - ii. has not deposited any money in a separate Bank Account as no dividend was declared during the Financial Year.
  - iii. was not required to post warrant to any member of the Company as no dividend was declared during the Financial Year.
  - iv. has no unpaid, unclaimed dividend account, application money, matured deposits, matured debentures and the interest accrued thereon, due for payment, which have remained unclaimed or unpaid for a period of seven years required to be transferred to Investor Education and Protection Fund;
  - v. has duly complied with the requirements of Section 217 of the Act.
12. The Company has not appointed any Sole Selling Agent during the Financial Year.
13. The Company has obtained approval of the Central Government, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act, wherever required, during the financial year.
14. The Directors have disclosed their interest in other Firms / Companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
15. The Company has not issued Equity shares during the Financial Year.
16. The Company has not bought back any shares during the Financial Year.
17. There was no redemption of preference shares or debentures during the Financial Year as such there was none.
18. There was no transaction necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.

19. The Company has not accepted deposits including any unsecured loans falling within the purview of Section 58A during the Financial Year.
20. The Company has not made any borrowings during the Financial Year.
21. The Company has not made any loans or advances or provided securities to and consequently no entries have been made in the register kept for the purpose.
22. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny.
23. The Company has altered the provisions of Memorandum with respect to name of the Company during the year under scrutiny as the name of the Company has been changed from QST Limited to Premier Pipes Limited during the year.
24. The Company has not altered the provisions of Memorandum with respect to object of the Company during the year under scrutiny.
25. The Company has not altered the provisions of Memorandum with respect to share capital of the Company during the year under scrutiny.
26. The Company has not altered its Articles of Association during the Financial Year.
27. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any punishment was imposed on the Company during the Financial Year, for the offences under the Act.
28. The Company has not received any money as security from its employees during the Financial Year.
29. The Company has deposited both employer's and employees contribution to Provident Fund with prescribed authorities under Employees Provident Fund & Miscellaneous Provisions Act, 1952.

For K. N. Shridhar & Asso.  
Company Secretaries

(K. N. Shridhar)  
Prop.  
C.P. No. 2612

Place : Kanpur  
Date : 14.08.2012

Registers as maintained by the Company

1. Register of Members Share Ledger
2. Register of Share Transfer
3. Register of Directors, Managing Director etc. u/s 303 of the Act.
4. Register of Directors shareholding
5. Register of Investment
6. Register of Charges
7. Register of Common Seal
8. Directors' Attendance Register
9. Members' Attendance Register

Forms and Returns filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2012 wherever applicable.

Sl. No.	Form No./ Return	Filed u/s	For	Date of filing	Whether filed within prescribed time Yes / No	If delay in filing whether requisite Additional Fee Paid Yes / No
1	18	146	Change of Registered Office	30.05.2011	YES	N.A.
2	17	138 & 600	Particulars for satisfaction of Charge	20.05.11	YES	N.A.
3	32	303(2), 264(2), or 266(1)(a) & 266(1) (b)(iii)	Appointment of Additional Director	05.07.11	YES	N.A.
4	23C	233B	Appointment of Cost Auditor	01.09.11	YES	N.A.
5	23AC & 23 ACA	220	Balance Sheet	09.12.11	YES	N.A.
6	20B	159	Annual Return	21.11.11	YES	N.A.

**Note :** Forms / Returns mentioned above were uploaded on MCA-21 portal, requisite fee were paid and receipts to these were available for inspection.

## AUDITOR'S REPORT

To,  
The Members of  
**PREMIER PIPES LIMITED**

We have audited the attached Balance Sheet of **PREMIER PIPES LIMITED** as at 31st March, 2012 and also the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with Auditing Standards Generally Accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 (As amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.
2. Further to our Comments in the Annexure referred to in paragraph 1 above, we report that :-
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. in our opinion, proper books of Account as required by law have been kept by the Company, so far as appears from our examination of the books.
  - c. the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
  - d. in our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - e. on the basis of the written representations received from the Directors, as on 31st March, 2012, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - f. in our opinion and to the best of our information and according to the explanation given to us, the said accounts, read with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :-
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31.03.2012 and
    - ii) in the case of the Profit and Loss Account, of the Profit for the year ended on that date.
    - iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

For C. L. Kanodia & Co.  
Chartered Accountants

(C. L. Kanodia)

Place : Kanpur

Date : 30.05.2012

Prop.

Membership No. 11427

## ANNEXURE TO THE AUDITOR'S REPORT (Referred to in Paragraph (1) of our Report of even date)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
(b) The Fixed Assets have been physically verified by the management according to the program of periodical verification which in our opinion is reasonable having regard to the size of the company and nature of its fixed assets. The discrepancies noticed on such physical verification were not material.  
(c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
2. (a) As explained to us, management has carried out physical verification of the inventory at reasonable intervals.  
(b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
(c) In our opinion, and according to the information and explanations given to us, the Company has maintained proper records of its inventory, and discrepancies noticed on physical verification of inventory as compared to the books records, were not material and have been properly dealt with in the books of accounts
3. (a) During the year, the Company has taken unsecured loans of Rs. 108.68 lacs from companies listed in the register maintained under section 301 of the Companies Act, 1956. The year end balance of the loan from companies and other party is Rs. 38.02 lacs. The company has granted loans to companies listed in the register maintained under section 301 of the Companies Act, 1956, having year end balance of Rs. 623.04 lacs.  
(b) The rate of Interest and other terms and conditions of the loan taken or granted by the Company covered under sub-para (a) above are not, *prima-facie* prejudicial to the interest of the Company.  
(c) In our opinion and according to the information and explanations given to us, the company is regular in repayment of the Principal amount as per stipulations.  
(d) In our opinion and according to the information given to us, there are no overdue amounts for payment of principal.
4. In our opinion, and according to the information and explanations given to us, the Company has adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and Fixed Assets and for the sale of goods services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal controls system.
5. (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act, 1956, have been so entered.  
(b) In respect of transactions made in pursuance of such contracts or arrangements exceeding value of rupees five lacs entered into during the financial year, at price which are reasonable having regard to the prevailing market prices at the relevant time.
6. As explained to us, the Company has not accepted deposits from the public under Sections 58A and 58AA of the Companies Act, 1956.
7. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records u/s 209 (1) (d) of the Companies Act, 1956, in regard to its products. We are of the opinion that *prima-facie* the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records.
9. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been regular in depositing during the year undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, and other statutory dues with appropriate authorities. As inform to us, there are no undisputed dues in arrears as at 31st March, 2012 for a period of more than six months from the date they become payable.



(b) According to the information and explanations given to us, the dues of Employees Estate Insurance, Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute and the forum where the dispute is pending are as under :-

Name of the Statute	Nature of dues	Amount (Rupees)	Forum where dispute is pending
ESI Act, 1948	Damages and Interest	135617.00	Civil Judge (Senior) ESI, Court, Kanpur Nagar

10. The Company does not have any accumulated losses as at the year end, and has not incurred any cash losses during the financial year and the immediately preceding financial year.
11. In our opinion and based on the information and explanations given to us, the Company has not defaulted in repayment of dues to the Bank and financial institutions, during the above year.
12. Based on our examination of documents and records, we are of the opinion that the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures, and other investments. The investments have been held by the Company in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us, no term loan has been taken by the Company during the year.
17. In our opinion, and according to the information and explanations given to us, the Company has not *prima-facie*, used the funds borrowed on short term basis during the year for long term investments and vice versa.
18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. According to the information and explanations given to us, the Company has not issued any debentures during the year.
20. The Company has not raised any money by Public issue during the year.
21. Based on the audit procedures performed and on the basis of information and explanations given to us by the management, no fraud on or by the Company has been noticed or reported during the course of our audit.

For C. L. Kanodia & Co.  
Chartered Accountants

(C. L. Kanodia)

Prop.

Membership No. 11427

Place : Kanpur  
Date : 30.05.2012

**BALANCE SHEET AS AT 31ST MARCH 2012**

<b>PARTICULARS</b>	<b>SCHEDULE</b>	<b>Current Year (Rupees)</b>	<b>Previous Year (Rupees)</b>
<b><u>SOURCE OF FUNDS</u></b>			
<b><u>SHAREHOLDER'S FUND</u></b>			
Share Capital	2	35,500,000	35,500,000
Reserves & Surplus	3	66,914,690	66,991,530
		<b>102,414,690</b>	<b>102,491,530</b>
<b><u>NON-CURRENT LIABILITIES</u></b>			
Long Term Borrowings	4	56,711,237	97,540,578
Other Long-Term Liabilities	5	2,256,353	13,260
		<b>58,967,590</b>	<b>97,553,838</b>
<b><u>CURRENT LIABILITIES</u></b>			
Short Term Liabilities	6	57,818,447	17,157,877
Trade Payables	7	17,279,753	11,795,350
Short Term Provisions	8	3,680,150	6,956,709
		<b>78,778,350</b>	<b>35,909,936</b>
Total..		<b>240,160,630</b>	<b>253,955,304</b>
<b><u>ASSETS</u></b>			
<b><u>NON-CURRENT ASSETS</u></b>			
<b><u>FIXED ASSETS</u></b>			
Tangible Assets	9	57,785,435	47,928,204
Intangible Assets		-	-
Capital Work in Progress	10	-	11,196,721
Non-Current Investments	11	104,355	104,355
Long Term Loans & Advances	12	37,301,596	34,948,873
Other Non-Current Assets	13	24,735,501	15,895,128
		<b>115,926,887</b>	<b>110,073,281</b>
<b><u>CURRENT ASSETS</u></b>			
inventories	14	26,085,463	69,856,008
Trade Receivables	15	30,498,969	40,311,473
Cash & Bank Balances	16	5,478,083	153,594
Short-Term Loans & Advances	17	61,938,544	15,560,948
Other Current Assets	18	232,684	--
		<b>124,233,743</b>	<b>125,882,023</b>
		<b>240,160,630</b>	<b>235,955,304</b>

**Significant Accounting Policies**

1

**Notes on Financial Statements**

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As per our report of even date  
For C. L. Kanodia & Co.  
Chartered Accountants

For and on behalf of the Board  
Ajay Kumar Jain  
Managing Director  
Vinay Kumar Jain  
Director  
Amit Kumar Jain  
Director

Kanpur (C. L. Kanodia)  
30.05.2012 Prop.

Vaibhav Shukla  
Company Secretary

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31st MARCH 2012**

PARTICULARS	SCHEDULE	Current Year (Rupees)	Previous Year (Rupees)
<b>INCOME</b>			
Revenue from Operations (Gross)	19	215,799,382	421,258,515
Less : Excise Duty		15,833,037	32,062,583
Revenue from Operations (Net)		199,966,345	389,195,932
Other Income	20	5,517,803	97,790
		<b>205,484,148</b>	<b>389,293,722</b>
<b>EXPENDITURE</b>			
Raw Material Consumed	21	147,703,497	276,954,751
Purchases of Stock-in-Trade		7,421,358	40,656,373
Change in Inventories of Finished Goods, Stock-in-process and Stock-in-Trade	22	15,381,581	1,333,980
Employee Benefit Expenses	23	4,745,145	5,067,271
Finance Costs	24	10,586,455	6,362,381
Depreciation and Amortization expenses	6173166		
Less : Transfer from Revaluation Reserve	1571858	4,601,308	4,009,658
Other Expenses	25	13,194,787	52,027,740
Total Expenses		<b>203,634,130</b>	<b>386,412,154</b>
<b>Profit/(Loss) Before Tax</b>		<b>1,850,018</b>	<b>2,881,568</b>
<b>Tax Expense</b>			
Current Tax		355,000	450,000
<b>Profit/(Loss) for the year</b>		<b>1,495,018</b>	<b>2,413,568</b>
<b>Earning per equity share of face value of Rs. 10/-</b>			
-Basic/Diluted		0.42	0.68

**Notes on Financial Statements**

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For and on behalf of the Board

As per our report of even date  
For C. L. Kanodia & Co.  
Chartered Accountants

Ajay Kumar Jain  
Managing Director

Vinay Kumar Jain  
Director

Kanpur  
30.05.2012

(C. L. Kanodia)  
Prop.

Vaibhav Shukla  
Company Secretary

Amit Kumar Jain  
Director

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

**NOTE - 1**

**SIGNIFICANT ACCOUNTING POLICIES**

**(a) Accounting Convention**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India. The financial statements have been prepared on an accrual basis following the historical cost convention, except for certain fixed assets which have been adjusted by revaluation.

**(b) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles in India (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the results of operations during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Further results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which these gets materialised.

**(c) Fixed Assets & Depreciation**

Fixed Assets are stated at cost or at revalued amounts less accumulated depreciation. Cost comprises the purchase price (net of CENVAT/VAT) and any attributable cost of bringing the assets to its working condition for its intended use.

Depreciation on fixed assets is provided on all the assets (including amounts added on revaluation) on Straight-line method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956.

The carrying amount of cash generating units / assets is reviewed at the balance sheet due to determine whether there is any indication of impairment, If such indication exist the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any is recognised whenever carrying amount exceeds the recoverable amount.

**(d) Investment**

Long Term Investments are stated at cost.

**(e) Revenue Recognition**

Revenue from sale of goods is recognised when significant risk and rewards of ownership is transferred to customers. Sales are stated inclusive of excise duty and net of rebates, trade discounts and Sales Tax / Vat.

Service Income is recognised on an accrual basis as per the contractual terms with the customers, net of service tax.

Interest Income is recognised on a time proportion basis taking into account the amount, outstanding and the rate applicable. Interest income is included under the head "Other Income" in the statement of Profit and Loss.

**(f) Valuation of Inventories**

Raw Materials & Stores are valued at cost on first in first out/weighted average basis, which is lower and includes freight, taxes and duties, net of CENVAT/VAT credit, wherever applicable.

**(g) Employee Benefits**

The Company has contributed to provident fund & ESIC which are considered as defined contribution Plans. The contributions paid/payable under the scheme is recognised in the Profit and Loss Account in the financial year to which it relates.

Retirement benefits in the form of gratuity and leave encashment are considered as defined benefit obligations and are provided for on the basis of an actual valuation, using the projected unit credit method, as the date of the balance sheet. Any gain/loss, if any, are immediately recognised in the Profit and Loss Account.

**(h) Borrowing Costs**

Borrowing Cost is charged to statement of Profit and Loss except cost of borrowing for acquisition of qualifying assets which is capitalised till the date of commercial use of the asset.

**(i) Taxes on Income**

Current year tax is the amount of tax payable on the estimated taxable income for the current year as the provisions of Income Tax Act, 1961.

**(j) Provisions and contingent liabilities**

Provisions in respect of present obligation arising of past events as made in accounts when reliable estimates can be made of the amount of the obligation, Contingent Liabilities (if material) are disclosed in the notes for present obligation arising from past events, when it is not possible that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made and possible obligation arising from past events which will be confirmed only by future events not wholly within the control of the company.

**SCHEDULE TO THE BALANCE SHEET AND PROFIT LOSS ACCOUNT**

PARTICULARS	Current Year (Rupees)	Previous Year (Rupees)
<b>NOTE -2</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
4000000 Equity Shares of Rs. 10/- each	<u>40,000,000</u>	<u>40,000,000</u>
<b>ISSUED, SUBSCRIBED &amp; PAID-UP</b>		
3550000 Equity Shares of Rs. 10/- each fully paid-up	<u>35,500,000</u>	<u>35,500,000</u>
<b>Total.....</b>	<u><u>35,500,000</u></u>	<u><u>35,500,000</u></u>

There has been no movement in the Share Capital during the year.

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder equity share is entitled to one vote per share. In the event of liquidation, the shares holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts. In proportion to their shareholding.

**NOTE -3**

**RESERVES & SURPLUS**

Capital Reserve

Balance as per Last Balance Sheet 319,750 319,750

Capital Subsidy

Balance as per Last Balance Sheet 2,222,250 2,222,250

Security Premium Reserve

Balance as per Last Balance Sheet 8,875,000 8,875,000

Share Premium

Revaluation Reserve

Balance as per Last Balance Sheet 12,365,734 12,365,734

Less : Transfer to Profit & Loss Account 1,571,858

Profit & Loss Account

Balance as per Last Balance Sheet 44,703,814 43,208,796

Add : Transfer from Profit & Loss Account 1,495,018

**Total .....** 66,914,814 66,991,530

**NOTE -4**

**LONG TERM BORROWINGS UNSECURED**

Loan from other Companies 52,909,315 94,420,742

Loan from related parties 3,801,922 3,119,836

**Total.....** 56,711,237 97,540,578

**NOTE -5**

**OTHER LONG TERM LIABILITIES**

Trade Payables	2,256,353	13,260
<b>Total.....</b>	<b><u>2,256,353</u></b>	<b><u>13,260</u></b>

**NOTE -6**

**SHORT TERM BORROWINGS**

**SECURED LOANS**

**Working Capital Borrowing from Banks**

- Kotak Mahindra Bank	57,818,447	-
- State Bank of India (Due to over issue of cheques)	-	10,271,889
- State Bank of Hyderabad (Due to over issue of cheques)	-	6,885,988
<b>Total.....</b>	<b><u>57,818,447</u></b>	<b><u>17,157,877</u></b>

\* Working capital borrowing from Bank is secured by way of first equitable mortgage of Factory Land & Building by deposit of the title deeds and first charge on all existing and future current assets/movable fixed assets and personal guarantees of all the Directors. There has been no continuing default as on the balance sheet date in repayment of any of the above borrowings & interest thereon.

**NOTE -7**

**TRADE PAYABLES**

Sundry Creditors	17,279,753	11,795,350
<b>Total.....</b>	<b><u>17,279,753</u></b>	<b><u>11,795,350</u></b>

**NOTE -8**

**SHORT TERM PROVISIONS**

Provision for employee benefits	495,907	520,992
Other Statutory Dues	3,184,243	6,435,717
<b>Total.....</b>	<b><u>3,680,150</u></b>	<b><u>6,956,709</u></b>

**NOTE -8  
FIXED ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2011	Addition	Deduction	As at 31.03.2012	As at 01.04.2011	For the Year	On Sale/ Adjustment	Total as at 31.03.2012	As at 31.03.2012	As at 31.03.2011
<b>TANGIBLE ASSETS</b>										
Land	2,144,545	-	-	2,144,545	-	-	-	-	2,144,545	2,144,545
Building	32,852,329	64,950	-	32,852,329	18,971,893	1,099,194	-	20,071,087	12,846,192	13,880,436
Plant & Machinery	91,027,648	11,864,902	-	91,027,648	60,209,318	4,801,142	-	65,010,460	37,882,090	30,818,330
Furniture & Fixtures	1,640,315	-	-	1,640,315	1,524,612	4,657	-	1,529,269	111,046	115,703
Air Conditioner	678,419	-	-	678,419	593,463	32,225	-	625,688	52,731	84,956
Cycle	2,750	-	-	2,750	291	194	-	485	2,265	2,459
Computer	150,700	-	-	150,700	36,165	24,428	-	60,593	90,107	114,535
Officer Equipments	1,493,303	100,545	-	1,493,303	1,113,842	75,669	-	1,189,511	404,337	379,461
Tools & Equipments	616,972	-	-	616,972	485,409	29,306	-	514,715	102,257	131,563
Vehicles	2,997,231	-	-	2,997,231	2,741,015	106,351	-	2,847,366	149,865	256,216
<b>Total (a) Rs.</b>	<b>133,604,212</b>	<b>12,030,397</b>	<b>-</b>	<b>145,634,609</b>	<b>85,676,008</b>	<b>6,173,166</b>	<b>-</b>	<b>91,849,174</b>	<b>53,785,435</b>	<b>47,928,204</b>
<b>INTANGIBLE ASSETS</b>										
Total.. (b)	-	-	-	-	-	-	-	-	-	-
<b>Total.. (a+b)</b>	<b>133,604,212</b>	<b>12,030,397</b>	<b>-</b>	<b>145,634,609</b>	<b>85,676,008</b>	<b>6,173,166</b>	<b>-</b>	<b>91,849,174</b>	<b>53,785,435</b>	<b>47,928,204</b>
Previous Year	113,179,228	20,424,983	-	133,604,212	80,094,492	5,581,516	-	85,676,008	47,928,204	-

**Note :** Gross Depreciation of Rs. 6173166.00 Includes Rs. 1571858.00 amount added on Revaluation.



**SCHEDULE TO THE BALANCE SHEET AND PROFIT LOSS ACCOUNT**

PARTICULARS	Current Year (Rupees)	Previous Year (Rupees)
<b>NOTE - 9</b>		
<b><u>CAPITAL WORK IN PROGRESS</u></b>		
Factory Building	-	64,950
Plant & Machinery	-	11,131,771
<b>Total.....</b>	<b>-</b>	<b>11,196,721</b>

**NOTE - 11**

**NON-CURRENT INVESTMENTS**

**Non Trade - Quoted**

**Long Term Other Investment (At Cost) (Quoted)**

10 Equity Shares of Rs. 100/- each fully paid in Gujrant Steel Tubes Ltd. (Market Value Rs. 140/- Previous Year Rs. 140/-)	3,430	3,430
50 Equity Shares of Rs. 10/- each fully paid in BST Manufacturing Ltd. (Market Value Rs. 100/- Previous Year Rs. 100/-)	925	925

**Non Trade-Unquoted**

10000 Equity Shares of Rs. 10/- each fully paid-up in The Benaras State Bank Ltd.	100,000	100,000
<b>Total.....</b>	<b>104,355</b>	<b>104,355</b>

As the market value of the shares is not available, purchase value is considered as market value.

**NOTE - 12**

**LONG-TERM LOANS AND ADVANCES**

(Unsecured - Considered Goods )

Loans and Advances to related parties	9,219,839	--
Security Deposits	14,427,286	14,999,286
Advance Income Tax	11,039,203	17,970,818
Others	2,615,268	1,978,769
<b>Total.....</b>	<b>37,301,596</b>	<b>34,948,873</b>

**NOTE - 13**

**OTHER NON-CURRENT ASSETS**

Long-Term Trade Receivables	24,735,501	15,895,128
<b>Total.....</b>	<b>24,735,501</b>	<b>15,895,128</b>

**SCHEDULE TO THE BALANCE SHEET AND PROFIT LOSS ACCOUNT**

PARTICULARS	Current Year (rupees)	Previous Year (rupees)
<b>NOTE - 14</b>		
<b><u>INVENTORIES</u></b>		
(As taken, valued & certified by the management)		
<u>At Lower of Cost or Net Realisable Value</u>		
Raw Materials	3,003,522	30,883,322
Finished Products	19,382,475	33,508,949
Stores & Spares	3,253,085	3,736,515
Furnace Oil & Diesel	-	25,734
<u>At Estimated Market Value</u>		
By-products (Scrap & Cuttings)	446,381	1,701,488
<b>Total.....</b>	<b><u>26,085,463</u></b>	<b><u>69,856,008</u></b>
<b>NOTE - 15</b>		
<b><u>TRADE RECEIVABLES</u></b>		
(Unsecured - Considered Goods)		
Debts Outstanding for a period exceeding six months	3,702,133	6,638,878
Other Debts	26,796,836	33,672,595
<b>Total.....</b>	<b><u>30,498,969</u></b>	<b><u>40,311,473</u></b>
<b>NOTE - 16</b>		
<b><u>CASH &amp; BANK BALANCES</u></b>		
Cash on Hand	596,342	62,893
Balance with Banks in Current Accounts	274,321	90,701
Balance with Banks in Fixed Deposit Accounts	4,607,420	-
<b>Total.....</b>	<b><u>5,478,083</u></b>	<b><u>153,594</u></b>
<b>NOTE - 17</b>		
<b><u>SHORT-TERM LOANS AND ADVANCES</u></b>		
(Unsecured - Considered Good)		
Loans and Advances to Related Parties	53,084,725	-
Advance Income Tax & TDS (Net of Provision)	648,505	6,98,253
Balance with Govt. Authorities & Other Advances	8,205,314	9,462,695
<b>Total.....</b>	<b><u>61,938,544</u></b>	<b><u>15,560,948</u></b>
<b>NOTE - 18</b>		
<b><u>OTHER CURRENT ASSETS</u></b>		
Accrued Interest on FDR's	232,684	-
<b>Total.....</b>	<b><u>232,684</u></b>	<b><u>-</u></b>

**SCHEDULE TO THE BALANCE SHEET AND PROFIT LOSS ACCOUNT**

<b>PARTICULARS</b>	<b>Current Year (rupees)</b>	<b>Previous Year (rupees)</b>
<b>NOTE - 19</b>		
<b>REVENUE FROM OPERATIONS</b>		
Sales of Manufactured Goods		
Iron & Steel Tubes, Pipes & Poles	<b>176,122,999</b>	337,586,859
Others	<b>3,927,881</b>	7,724,231
Sale of Traded Goods		
H R Coils /Silts	<b>5,313,037</b>	18,637,409
Zinc	<b>1,808,454</b>	-
PVC Pipes	<b>640,656</b>	-
Sale of Services*		
Job Work Charges	<b>3,744,176</b>	2,407,015
Commission Earned	<b>24,242,179</b>	54,840,001
Revenue from Operations (Gross)	<b><u>215,799,382</u></b>	<u>421,258,515</u>
* Income Tax deducted at Source	<b>537,238</b>	6,098,253
<b>NOTE - 20</b>		
<b>OTHER INCOME</b>		
Interest (Gross)	<b>5,517,803</b>	97,790
Total...	<b><u>5,517,803</u></b>	<u>97,790</u>
* Income Tax deducted at Source	<b>466,267</b>	
<b>NOTE - 21</b>		
<b>COST OF MATERIAL CONSUMED</b>		
Opening Stock	<b>30,883,322</b>	19,782,550
Purchases		
- H R Coils	<b>119,705,842</b>	255,922,662
- Zinc	<b>-</b>	29,851,257
- Steel Sockets	<b>117,855</b>	2,281,604
	<b><u>150,707,019</u></b>	<u>307,838,073</u>
Less - Closing Stock	<b>3,003,522</b>	30,883,322
Consumed...	<b><u>147,703,497</u></b>	<u>276,954,751</u>

**SCHEDULE TO THE BALANCE SHEET AND PROFIT LOSS ACCOUNT**

<b>PARTICULARS</b>	<b>Current Year (rupees)</b>	<b>Previous Year (rupees)</b>
<b>NOTE - 22</b>		
<b><u>CHANGES IN INVENTORIES OF FINISHED GOODS</u></b>		
<b><u>STOCK-IN-PROCESS AND STOCK-IN-TRADE</u></b>		
<b><u>OPENING STOCK</u></b>		
Finished Goods	<b>33,508,949</b>	35,481,838
Scaps & Cuttings	<b>1,701,488</b>	1,062,579
<b>Total.....</b>	<b><u>35,210,437</u></b>	<b><u>36,544,417</u></b>
<b><u>CLOSING STOCK</u></b>		
Finished Goods	<b>19,382,475</b>	33,508,949
Scaps & Cuttings	<b>446,381</b>	1,701,488
<b>Total.....</b>	<b><u>19,828,856</u></b>	<b><u>35,210,437</u></b>
Increase/(Decrease) in stock	<b>(15,381,581)</b>	(1,333,980)

<b>NOTE - 23</b>		
<b><u>EMPLOYEE BENEFIT EXPENSES</u></b>		
Salaries, Wages & Bonus	<b>3,145,824</b>	3,992,956
Provident & Other Funds	<b>195,271</b>	191,670
Labour & Staff Welfare (includes ESI)	<b>24,050</b>	82,645
Remuneration to Directors	<b>1,380,000</b>	800,000
<b>Total.....</b>	<b><u>5,478,083</u></b>	<b><u>5,067,271</u></b>

<b>NOTE - 24</b>		
<b><u>FINANCE COST</u></b>		
- Interest on Loans	<b>3,783,043</b>	6,337,252
- Interest to Bank	<b>6,803,412</b>	25,129
<b>Total.....</b>	<b><u>10,586,455</u></b>	<b><u>6,362,381</u></b>

**SCHEDULE TO THE BALANCE SHEET AND PROFIT LOSS ACCOUNT**

<b>PARTICULARS</b>	<b>Current Year (rupees)</b>	<b>Previous Year (rupees)</b>
<b>NOTE - 25</b>		
<b><u>OTHER EXPENSES</u></b>		
<b><u>MANUFACTURING &amp; OTHER EXPENSES</u></b>		
Stores Consumed	<b>1,664,017</b>	2,859,388
Power & Fuel	<b>4,281,78</b>	9,092,663
<b><u>Repairs</u></b>		
Building	-	47,944
Plant & Machinery	<b>245,393</b>	528,654
Job Work Charges	<b>1,591,185</b>	787,436
<b><u>SELLING AND ESTABLISHMENT EXPENSES</u></b>		
Rebate & Discount	<b>270,828</b>	3,171,093
Travelling & Conveyance	<b>250,809</b>	473,029
Bad Debts Written Off	-	26,982,715
Vehicle Maintenance	<b>15,645</b>	211,794
Sales Promotion	-	107,383
Bank Charges & Commission	<b>1,045,366</b>	42,365
Printing & Stationery	<b>32,113</b>	126,380
Telephone Expenses	<b>99,154</b>	131,787
Postage & Telegrams	<b>46,310</b>	113,226
Freight & Cartage	<b>735,599</b>	2,365,806
Advertisement	<b>794,127</b>	2,266,096
Rent	<b>84,227</b>	278,697
Rates, Taxes & Fees	<b>1,226,889</b>	252,336
Legal & Professional Charges	<b>618,391</b>	1,657,771
Auditor's Remuneration	<b>60,000</b>	68,180
Miscellaneous Expenses	<b>132,949</b>	464,99
<b>Total.....</b>	<b><u>13,194,787</u></b>	<b><u>52,027,740</u></b>

**NOTE - 25**

**OTHER EXPENSES**

**MANUFACTURING & OTHER EXPENSES**

**(a) Contingent Liabilities not provided for :**

Damages and interest under the Employees State Insurance Act, 1948 - Rs. 135617.00 (Previous Year Rs. 135617.00) being disputed and appeal thereagainst pending for final disposal.

**(b) Employee Benefit Expenses :**

	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
(a) Employer's Contribution to Provident Fund	195,271	191,670
(b) Employer's Contribution to ESIC	24,050	14,969

**(c) Auditor's Remuneration :**

	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
(a) Audit Fee	40,000	40,000
(b) Tax Audit Fee	10,000	10,000
(c) Taxation Matters	10,000	10,000
	<b>Rs. 60,000</b>	<b>Rs. 60,000</b>

(d)	(a) Raw Materials Consumed	-	All Indigenous	-	All Indigenous
	(b) Stores & Spares Consumed	-	All Indigenous	-	All Indigenous
	(e) C.I.F. Value of Imports		<b>NIL</b>		NIL
	(f) Expenditure in Foreign currency		<b>NIL</b>		NIL
	(g) Earning in Foreign currency on account of FOB value of Exports		<b>NIL</b>		1009003
	(h) Remittance in Foreign Currency		<b>NIL</b>		NIL

**(i) Segment Information**

**(a) Primary Segment**

The Company operations only in one business segment viz. iron and steel (Black & G.I) Tubes, Pipes and Poles.

**(b) Secondary Segment**

The Company caters mainly to the needs of Indian Market. Export turnover during the year being NIL of the total turnover of the Company, there are no reportable geographical segment.

**(j) Related Party Disclosure :-**

**(A) Name of Related parties and description of relationship**

**(A) Key Management Personal and their Relatives :**

- (a) Shri Ajay Kumar Jain
- (b) Shri Vinay Kumar Jain
- (c) Shri Amit Kumar Jain
- (d) Smt. Ragini Jain

**(B) Associate Companies / Firms**

- (a) M/s Premier Power & Steels (P) Ltd.
- (b) M/s Premier Alloys Ltd.
- (c) M/s Premier Bars (P) Ltd.
- (d) M/s Premier Ispat Ltd.
- (e) M/s Premier Metcast (P) Ltd.

(ii) Summary of Transactions:

	<b>Amount of Transactions as on <u>31.03.2012</u></b>	<b>Amount of Transactions as on <u>31.03.2011</u></b>
<u>Key Management Personal and their Relatives :</u>		
On Account of Sales	-	115927.00
On Account of Remuneration	1380000.00	800000.00
On Account of Expenses (Net)	374380.00	-
<u>Associate Companies / Firms :</u>		
Inter Corporate Loans Accepted	110633045.00	208794034.00
Inter Corporate Loans Repaid	198285316.00	191926773.00
Purchases of Fixed Assets	-	70454.00
On Account of Sales	2846200.00	5503205.00
TDS	402168.00	144280.00
On Account of Expenses	4027969.00	1442791.00

(k) Earning Per Share :

(a) Profit after Tax (Profit attributable to Equity Shareholders) (in Rs.)	1495017.96	2431568.09
(b) Weighted average nos. of Equity shares for Basic/Diluted EPS	3550000	3550000
(c) Nominal Value of Equity Share (in Rs.)	10.00	10.00
(d) Basic/Diluted Earning per Equity Share (in Rs.)	0.42	0.68

- (l) In the opinion of the Board, the current assets, Loans and Advances have a value on realisation in the ordinary course of business atleast equal to the amounts at which they are stated in the Balance Sheet.
- (m) The accounts of certain Debtors, Creditors and Advances are subject to confirmation/reconciliation, if any.
- (n) There are no dues to Micro, Small & Medium Enterprises (MSME) as at the Balance Sheet date and no interest has been paid to any such parties. This is based on the information on such parties having been identified on the basis of information available with the Company and relied upon by the Auditors. Hence "Trade payables-other than acceptances" in Note 7 represent payable to creditors other than MSME.
- (o) Current year accounts have been prepared in accordance with the Revised Schedule VI and previous year's figure have been regrouped/reclassified accordingly.

For C. L. Kanodia & Co.  
Chartered Accountants

Kanpur (C. L. Kanodia)  
30.05.2012 Prop.

For and on behalf of the Board

Ajay Kumar Jain Managing Director  
Vinay Kumar Jain Director  
Amit Kumar Jain Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012**

	Current Year (Rupees)	Previous Year (Rupees)
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax and extraordinary items	1,850,018	2,881,568
<u>Adjustments for :</u>		
Depreciation	4,601,308	40,09,658
Interest Income	(5,517,803)	(90,790)
Interest on Borrowings	10,586,455	64,89,254
Preliminary & Share Issue Exp. W/o	-	-
Loss/(Profit) on sale of Fixed Assets	-	-
	<b>9,669,960</b>	<b>10,401,122</b>
Operating Profit before working Capital changes	<b>11,519,978</b>	<b>13,282,690</b>
<u>Changes in :</u>		
Trade & Other receivables	60,372,235	(9,037,748)
Inventories	(43,770,545)	10,310,509
Trade Payables	4,450,937	(4,201,427)
	<b>(12,150,753)</b>	<b>(5,474,188)</b>
<b>Cash generated from operation</b>	<b>(630,775)</b>	<b>7,681,629</b>
Interest Paid	(10,586,455)	(6,362,381)
Direct Tax Paid	(12,026,363)	(5,340,994)
<b>Cash flow before Extra Ordinary items</b>	<b>809,133</b>	<b>(4,021,746)</b>
<i>Adjustment for Extra-ordinary items</i>		
Prior period Adjustment	-	-
<b>Net Cash Flow from operating activities</b>	<b>(A) 809,133</b>	<b>(4,021,746)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(833,676)	(26,136,671)
Sale of Fixed Assets	-	-
Interest Received	5,517,803	97,790
<b>Net Cash Flow from Investing activities</b>	<b>(B) 4,684,127</b>	<b>(26,038,881)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Unsecured Loans	(40,829,341)	2,531,009
Repayment of Term Loan / Long Term Borrowings	40,660,570	-
Dividend Paid	-	-
<b>Net Cash flow from Investing activities</b>	<b>(C) (168,771)</b>	<b>29,531,009</b>
<b>Net Changes in Cash &amp; Cash Equivalents</b>	<b>(A+B+C) 5,324,489</b>	<b>(A+B+C) (529,618)</b>
Cash & Cash Equivalents (Opening Balances)	153,594	683,212
Cash & Cash Equivalents (Closing Balances)	5,478,083	153,594

For and on behalf of the Board

Ajay Kumar Jain Director

Komal Puri

Vinay Kumar Jain Director

Company Secretary

Amit Kumar Jain Director

KANPUR  
30.05.2012

**AUDITOR'S CERTIFICATE**

We have verified the above Cash Flow Statement of PREMIER PIPES LIMITED, derived from audited financial statements and the books and records maintained by the Company for the years ended 31st March, 2012 and 31st March, 2011 and found the same to be in agreement therewith.

For C. L. Kanodia & Co.  
Chartered Accountants

(C. L. Kanodia)

Prop.

Membership No. 11427

Place : KANPUR  
Date : 30.05.2012



**ATTENDANCE SLIP**  
**Premier Pipes Limited**  
(Formerly Known as QST Limited)

Regd. Office: Agarwala Building, The Mall, Kanpur  
Administrative Office : Som Biz-ness Xqure, 4th Floor, 1-The Mall, Kanpur

PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint Shareholder may obtain additional  
Attendance Slip on request.

Folio No.

**NAME & ADDRESS OF THE SHAREHOLDER**

No. of Shares held :

I hereby record my presence at the THIRTY SEVENTH ANNUAL GENERAL MEETING of the Company being held on Saturday, 29th September, 2012 at 12.30 P.M. at the Administrative Office of the Company at Som Biz-ness Xqure, 4th Floor, The Mall, Kanpur.

\* Strike out whichever is not applicable

\_\_\_\_\_  
Signature of the Shareholder or Proxy\*

-----  
TEAR HERE  
-----

PROXY

**Premier Pipes Limited**  
(Formerly Known as QST Limited)

Regd. Office: Agarwala Building, The Mall, Kanpur  
Administrative Office : Som Biz-ness Xqure, 4th Floor, 1-The Mall, Kanpur

FOLIO NO. ....

(As shown in your Share Certificate)

I/WE .....

(BLOCK LETTERS)

of ..... being a member/members

of Premier Pipes Limited, Kanpur hereby appoint .....

of ..... or failing him .....

of .....

as my / our proxy to attend and vote for me/us on my/our behalf at the THIRTY SEVENTH ANNUAL GENERAL MEETING of the Company to be held on Saturday, 29th September 2012 at 12.30 P.M or at any adjournment thereof.

As witness I/We set my / our hand (s) this ..... day of .....

Signed by the said .....

Revenue  
Stamp  
Rupee  
1.00

Note : The Proxy to be valid, must be deposited at the Registered Office of the Company, not less than 48 hours before the time of the meeting.

*If Undelivered please return to*



**PREMIER PIPES LIMITED**

Som Biz-ness Xqure, 4th Floor,  
1-The Mall, Kanpur - 208 001 (U.P.)

CREATIVE GRAPHIC  
Mobile : 93354406029