

6<sup>th</sup> October, 2017

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
**Mumbai – 400 001**

**Scrip Code: 513291**

**Sub: Annual Report of Premier Pipes Limited ("the Company") for the Financial Year 2016-17**

Dear Sir/Ma'am,

Pursuant to the regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report for the Financial Year 2016-17 of the Company duly approved and adopted by the Members at the 42<sup>nd</sup> Annual General Meeting of the Company which was held on Saturday, the 30<sup>th</sup> day of September, 2017.

Kindly take the same on records.

Yours truly,

For **PREMIER PIPES LIMITED**

  
(Diksha Khandelwal)  
Company Secretary and Compliance Officer





**PREMIER<sup>®</sup> PIPES LTD**

STEEL TUBES | PIPES | TUBULAR POLES

**Annual Report 2016-17**

**LEADING**  
MANUFACTURER OF  
ERW STEEL TUBES,  
PIPES & HOLLOW  
SECTIONS

SQUARE (SHS)



CIRCULAR (CHS)

RECTANGULAR (RHS)

M/S BLACK PIPE

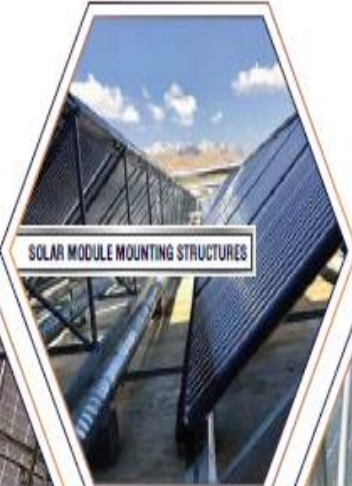
G.I. ROUND PIPE

- ARCHITECTURAL
- INDUSTRIAL
- INFRASTRUCTURAL
- GENERAL ENGINEERING
- AUTOMOBILE
- SOLAR
- GREEN HOUSE

 [sales@premierpipes.com](mailto:sales@premierpipes.com)  
 [www.premierpipes.com](http://www.premierpipes.com)

# APPLICATION AREA

SOLAR MODULE MOUNTING STRUCTURES



SCAFFOLDING



PLANT FABRICATION



CEILING FABRICATION



BUS & TRUCK FABRICATION



METRO ROOFING SHED



STAIRCASE



INDUSTRY ROOFING SHED



RAILING



GREEN HOUSE



BUS STAND OUTDOOR DISPLAY



## STRUCTURAL STEEL HOLLOW SECTIONS (RHS/SHS/CHS)

### FOR STRUCTURAL USAGE SHS/RHS/CHS

IS 4923 : 1997, IS 1161 : 1998

ADHERING TO: EN 10219, AS/NZS 1163: 2009, ASTM A 500-13,  
GRADE YST 210, YST 240, YST 310.

#### ► SIZE RANGE

25x25 mm to 220x220 mm (Square Section) & 30x20 mm to 240x120 mm (Rectangular Sections)

#### ► SURFACE FINISH

Black & Painted / Galvanized

#### ► END FINISH

Plain end

#### ► FEATURES

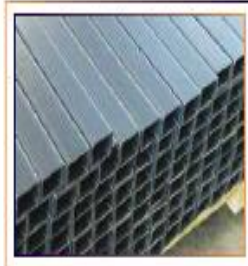
High strength, corrosion resistance, high torsional rigidity

#### ► APPLICATIONS

- Super structure supports & railings
- Furniture industries & domestic applications
- Scaffolding, columns & purlins
- Equipment frames & plant structures
- Agricultural & fencing

#### ► IDENTIFICATION

Premier cold stamped



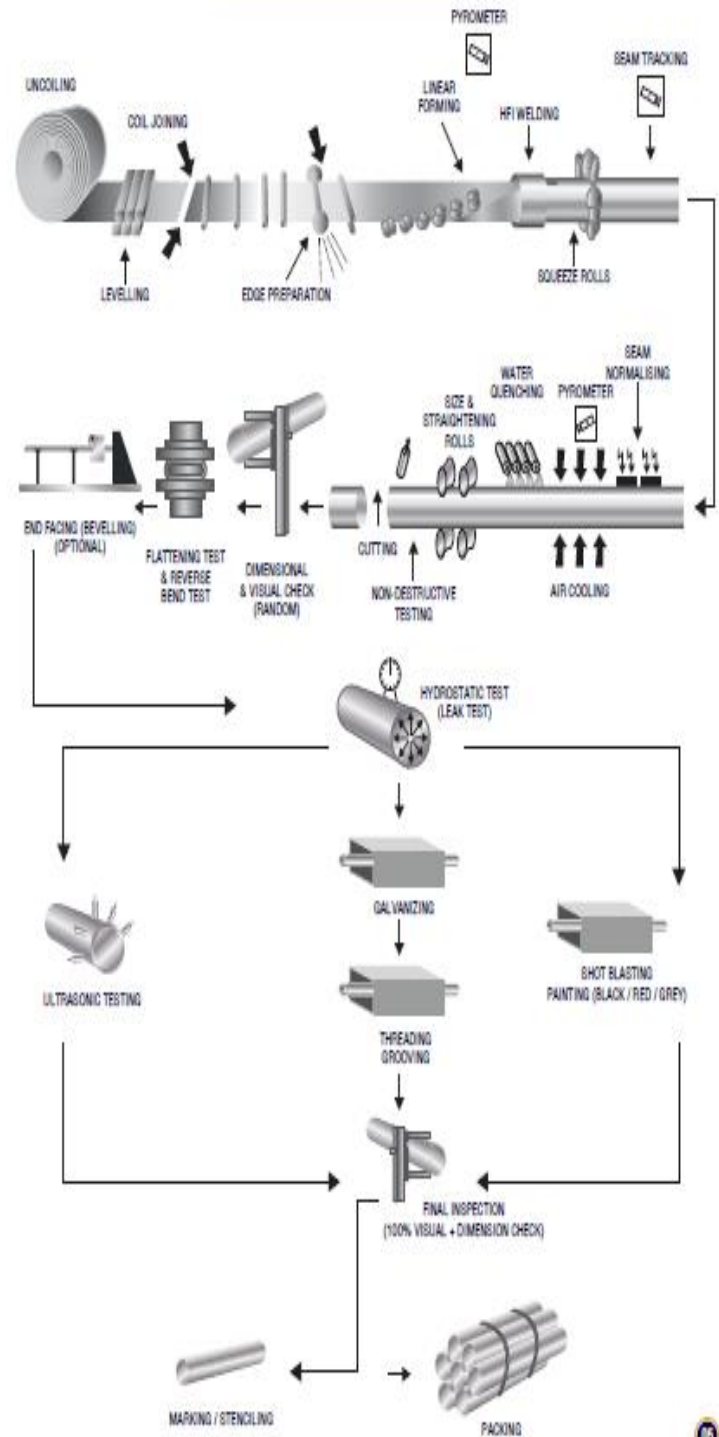
### APPLICATIONS

| INFRASTRUCTURE                   | GENERAL ENGINEERING                      | INDUSTRIAL APPLICATION           |
|----------------------------------|--|----------------------------------|
| Airport                          | Agricultural implement frames            | Industrial sheds                 |
| Metro                            | Amusement parks & playground equipment's | Pipe rack & supporting structure |
| Bridge                           | Bus body / Commercial lorry              | Material handling                |
| Stadium                          | Bus stand                                | Storage racks                    |
| Steel and power plant            | Furniture                                | Space frames                     |
| Residential & commercial complex | Foot-over bridge / Cross walkway         | Industrial fabrication           |
| Power transmission               | Signage board structure                  |                                  |



## MANUFACTURING PROCESS

### FLOW CHART: ERW PIPES



# TABLE OF CONTENTS

|    |   |
|----|---|
| 2  | Corporate Information   |
| 3  | Managing Director's Message   |
| 20 | Notice of Annual General Meeting & Statement<br>Accompanying Notice of Annual General Meeting |
| 28 | Directors Report  |
| 56 | Annexure to Directors Report  |
| 77 | Financial Statements  |
| 78 | Route Map to the venue of the Annual General Meeting  |
| 79 | Attendance Slip   |
| 81 | Form of Proxy   |



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

|                          |                        |
|--------------------------|------------------------|
| Mr. Ajay Kumar Jain      | Managing Director      |
| Mr. Arun Kumar Jain      | Non-Executive Director |
| Mr. Vinay Kumar Jain     | Non-Executive Director |
| Mr. Amit Kumar Jain      | Non-Executive Director |
| Mrs. Santosh Jain        | Non-Executive Director |
| Mr. Satish Kumar Garg    | Independent Director   |
| Mr. Satya Narain Dubey   | Independent Director   |
| Mr. Balram Narain Bansal | Independent Director   |
| Mr. Himmit Jain          | Independent Director   |

### KEY MANAGERIAL PERSONNEL

|                       |                         |
|-----------------------|-------------------------|
| Mr. Raju Lal Gupta    | Chief Financial Officer |
| Ms. Diksha Khandelwal | Company Secretary       |

### AUDITORS

|                            |   |
|----------------------------|---|
| C.L. Kanodia & Co.         | Chartered Accountants<br>(Statutory Auditors) |
| K.N. Shridhar & Associates | Company Secretaries<br>(Secretarial Auditor)  |
| Rajesh & Company           | Cost Accountants<br>(Cost Auditor)            |

### BANKERS/ FINANCIAL INSTITUTIONS

State Bank of India  
Kotak Mahindra Bank  
HDFC Bank  
Karnataka Bank

### REGISTERED OFFICE

Som Biz-Ness Xqure,  
4<sup>th</sup> Floor, 1, The Mall Kanpur  
Kanpur – 208 001 (Uttar Pradesh)  
CIN: L22219UP1975PLC004105  
Email ID: [infopipes@premierispac.com](mailto:infopipes@premierispac.com)/[cs@premierispac.com](mailto:cs@premierispac.com)  
Website: [www.premierpipesltd.com](http://www.premierpipesltd.com)  
Phone: +91-7522002351/58,  
Fax: +91-512-2360560

### REGISTRAR & TRANSFER AGENT

Skyline Financial Services Private Limited  
D-153/A, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase-1, New Delhi-110020  
Email: [parveen@skylinerta.com](mailto:parveen@skylinerta.com);  
[admin@skylinerta.com](mailto:admin@skylinerta.com)  
Phone: 011-26812682, 26812683

### Works

Harsinghpur, Bindki Road, P.O.-Mauhar,  
Distt. – Fatehpur (U.P.) – 212665 (India)

### LUCKNOW OFFICE

Room No.10-11, 1<sup>st</sup> Floor, Unnao Arcade,  
5 G.B Marg, Latouche Road,  
Lucknow – 226004 (U.P.)

### JAIPUR OFFICE

916-917, 7<sup>th</sup> Floor, Anchor Mall,  
Ajmer Road, Jaipur-302006 (Rajasthan)

### 42<sup>ND</sup> ANNUAL GENERAL MEETING

42<sup>nd</sup> Annual General Meeting of the  
Members of the Company will be held on  
Saturday, September 30, 2016  
At 3:00 P.M. at the Registered Office of  
the Company



## MANAGING DIRECTOR'S MESSAGE

*Dear Shareholder,*

India is witnessing a paradigm shift, fueled by the central government's various new initiatives. With the objective of creating jobs and business opportunities, the central government has targeted to make India a manufacturing hub through its 'Make in India' drive. This may lead to a significant increase in industrialization. The pipeline is undoubtedly the lifeline for any industry, therefore the demand for pipes is expected to grow. The 'Smart Cities' initiative will be another big opportunity, as it will lead to the demand for better infrastructure which is already witnessing an increased consumption of steel structures. The government has also pushed for City Gas Distribution for 'Smart Cities' which would open new avenues of growth for pipes. With the need for speed in construction, Pre-Engineered Building is fast gaining acceptance across industries.



The global steel industry continues to face headwinds in a largely volatile global economic environment. However, it must be admitted that the industry performance during FY 2016-17 was better with improved realizations and a more disciplined supply side response.

If we consider the current stage of development of the Indian economy and the growth trajectory that it is likely to follow in the coming years, the domestic industry has credible reasons for optimism. India's steel demand is likely to see significant growth, going forward. The Government of India has also outlined its intent for ensuring long-term viability of the sector through the recently announced National Steel Policy 2017.

At PPL, we have demonstrated exceptional foresight and fortitude to emerge stronger, notwithstanding challenges. During the year, we achieved higher operational efficiencies, higher capacity utilizations and optimizing our raw material usage.

Premier Group is an esteemed brand so long applauded for its consistency and reputation, earned across years of hard work, brainstorming innovating ideas and team spirit. Premier Group is a well diversified 20 Year old conglomerate whose operations range from manufacturing of reinforcement steel (TMT Bars, Billets, PVC & Steel Pipes & Precast Concrete) and has recently ventured into Real Estate operations. Premier has recently ramped up its production facility at Bindki Road, Fatehpur (U.P) to produce structural Steel Hollow Section (SHS/RHS/CHS) along with high- end industrial ERW Galvanised /Black Pipes, Tubular Poles and Scaffolding & Formwork System.

Premier Group has more than 5 Manufacturing units situated across Northern India & is growing at an exponential pace across all the verticals to achieve its dominant position within its peer group and markets its product under brand name "PREMIER".

At Premier, we work striving towards excellence in everything we do so as to keep up with our brand reputation as well as to emerge even stronger as a team. We have been entrusted with years of trust from customers and it's our responsibility to deliver only the best, affirming everyone's faith and to stand tall each time as the defending champions in the industry.

**Ajay Kumar Jain**  
**Managing Director**



## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE FORTY SECOND ANNUAL GENERAL MEETING OF THE PREMIER PIPES LIMITED** will be held on Saturday, the 30<sup>th</sup> day of September, 2017, at the Registered Office of the Company, at Som Business Xqure, 4<sup>th</sup> Floor, 1, The Mall Kanpur, Kanpur – 208 001 (Uttar Pradesh) at 3:00 P.M., to transact the following business:-

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statement for the Financial Year 2016-17 and the reports of Auditors and Directors thereon.
2. To appoint a Director in place of Mrs. Santosh Jain (DIN: 01767425), who retires by rotation and, being eligible, offers herself for re-appointment.
3. To appoint M/s Amit Goyal & Co., Chartered Accountants, having Firm Registration No. 003778C as the Statutory Auditors of the Company by passing the following resolution as an ORDINARY RESOLUTION with or without modification(s):

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s Amit Goyal & Co., Chartered Accountants, having Firm Registration No. 003778C, be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s C.L. Kanodia & Co., Chartered Accountants (Firm Registration No. 001002C), the retiring Statutory Auditors, to hold office for the period of five years i.e. from the Financial Year 2017-18 upto the Financial Year 2021-22 and who shall hold office from the conclusion of this 42<sup>nd</sup> Annual General Meeting until the conclusion of 47<sup>th</sup> Annual General Meeting, subject to ratification by the Members of the Company at every Annual General Meeting during the said period of five years at such remuneration as may be decided by any one of the Directors of the Company in due consultation with the Statutory Auditors of the Company.”

### **SPECIAL BUSINESS**

4. **To appoint Mr. Himat Jain (DIN 02633335) as an Independent Director**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

**“RESOLVED THAT** pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Himat Jain (DIN 02633335), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 12<sup>th</sup> November, 2016, in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for a term up to 11<sup>th</sup> November, 2021.”





## NOTICE

### 5. To appoint Mr. Balram Narain Bansal (DIN 02625932) as an Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

**“RESOLVED THAT** pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Balram Narain Bansal (DIN 02625932), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 12<sup>th</sup> November, 2016, in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for a term up to 11<sup>th</sup> November, 2021.”

### 6. To increase Borrowing Power Limit from Rs.25 Crores to Rs.75 Crores

To consider and if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION:

**“RESOLVED THAT** in supersession of the earlier resolution passed by the Members of the Company in the Annual General Meeting held on 27<sup>th</sup> September, 2014 and pursuant to provisions of Section 179(3)(d), 180 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), the consent of the shareholders be and is hereby accorded to borrow any sum or sums of money from time to time at the discretion of the Company and for the purpose of business of the Company, at any time, in any manner, from any one or more of any Banks, Financial Institutions or from any other entities, bodies corporate, Company(ies), Mutual Fund(s) and Trust(s) notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not exceed the limit of Rs.75,00,00,000/- (Rupees Seventy Five Crores Only) on such terms and conditions as may be mutually agreed between the Board of Directors and the respective Lender(s) and/or their Agents and Trustee(s).”

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Act, consent of the shareholders be and is hereby accorded to mortgage/ pledge / hypothecate and/or create charge on all or any one or more of the movable/ immovable properties or such other assets of the Company, wheresoever situated, both present and future, on such terms and conditions and at such time or times and in such form or manner as it may deem fit, to or in favour of the Lender(s), Agent(s) and Trustee(s), for securing the borrowings availed / to be availed by the Company by way of loan(s) (in foreign currency and / or rupee currency) and securities (comprising fully / partly convertible debentures and/or non convertible debentures with or without detachable or non-detachable warrants and / or secured premium notes and / or floating rate notes / bonds or other debt instruments), issued / to be issued by the Company including deferred sales tax loans availed / to be availed by various Units of the Company, from time to time, together with interest thereon at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s) / Trustee(s), premium (if any) on redemption, all other costs, charges and expenses, and all other monies



## NOTICE

payable by the Company in terms of the Loan Agreement(s) or any other document, entered into / to be entered into between the Company and the Lender(s) in respect of said borrowing(s), such security to rank in such manner and ranking as may be thought expedient by the Board and as may be agreed to between the concerned parties.

**RESOLVED FURTHER THAT** any one of Mr. Ajay Kumar Jain, Managing Director or Mr. Arun Kumar Jain or Mr. Amit Kumar Jain, Directors of the Company be and are hereby authorized severally to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper and desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds, matters and things and to execute all documents and writings as may be necessary, incidental, consequential, proper, desirable or expedient to give effect to above resolution.”

**7. To adopt the new set of Memorandum of Association in consonance with the provisions of the Companies Act, 2013**

To consider and if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION:

“**RESOLVED THAT** pursuant to provisions of Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force, any other applicable regulation(s), policy(ies) or guideline(s) and subject to the approval of the Registrar of Companies, Kanpur (the “ROC”) and other regulatory authorities), as may be applicable, the new set of Memorandum of Association, as placed at the meeting and initialled by the Chairman for the purpose of identification, be and is hereby approved and adopted as new Memorandum of Association of the Company in the place and exclusion of the existing Memorandum of Association of the Company.

**RESOLVED FURTHER THAT** any one of the Directors of the Company be and are hereby authorized severally to make necessary Application(s) and to sign and execute and file all such forms, papers and documents as may be applicable, for making necessary application to give effect to the above resolution and to do all such acts, deeds and things as may be required in this connection and to settle any or all questions and matters arising with respect to above matter and to execute all such deeds, documents, agreements, writings as may be necessary, incidental or consequential to give effect to the above resolution.”

**8. To adopt the new set of Articles of Association in consonance with the provisions of the Companies Act, 2013**

To consider and if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force, any other applicable regulation(s), policy(ies) or guideline(s) and subject to the approval of the Registrar of Companies, Kanpur (the “ROC”) and other regulatory authorities), as may be applicable, the new set of Article of Association, as placed at the meeting and initialled by the Chairman for the purpose of identification, be and is hereby approved and adopted as new Article of Association of the Company in the place and exclusion of the existing Article of Association of the Company.



## NOTICE

**RESOLVED FURTHER THAT** any one of the Directors of the Company be and is hereby authorized severally to prepare, execute, sign/digitally sign, file, tender, submit any application, fees, explanation(s), document(s), paper(s), form(s) etc. and to make any amendment(s), alteration(s), addition(s), deletion(s) in the application, form(s), explanation(s), document(s) or paper(s) filed, to be filed with and to obtain necessary approvals, consents, permissions, registrations from the office of Registrar of Companies, Kanpur and to do all such acts, deeds, matters & things as may be necessary, incidental and/or consequential to give effect to the above resolutions.”

**9. To approve the split (sub-division) each of the Equity Shares of the Company having Face Value of Rs.10/- each into 2 (Two) Equity Shares having a face value of Rs.5/- each and consequent amendment in the Authorized Share Capital of the Company, subject to necessary approvals and permissions**

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 61 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification or re-enactment thereof, for the time being in force) and Memorandum of Association and Articles of Association of the Company and subject to the approval such other Statutory Authority(ies), if any, as may be prescribed from time to time, consent of the shareholders be and is hereby accorded to split or sub-divide each of the Equity Shares of the Company having Face Value of Rs.10/- (Rupees Ten only) each into 2 (Two) Equity Shares having a Face Value of Rs.5/- (Rupees Five only) each fully paid-up and consequently, the Authorized Share Capital of the Company of Rs.4,00,00,000/- (Rupees Four Crores only) would comprise of 80,00,000 (Eighty Lacs only) Equity Shares of Rs.5/- (Rupees Five only) each with effect from the “Record Date” to be determined for this purpose.

**RESOLVED FURTHER THAT** pursuant to the sub-division of the Equity Shares of the Company, each Equity Shares of the Face value of Rs.10/- (Rupees Ten only) each as existing on the Record Date shall stand sub-divide into 2 (Two) Equity Shares of the Face Value of Rs.5/- (Rupees Five only) each fully paid-up, with effect from the Record Date.

**RESOLVED FURTHER THAT** on sub-division, the 2 (Two) Equity Shares of the Face Value of Rs.5/- (Rupees Five only) each be issued in lieu of one Equity Shares of Rs.10/- (Rupees Ten only) each, subject to the terms of Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with and carry the same rights as the existing fully paid Equity Shares of Rs.10/- (Rupees Ten only) each of the Company and shall be entitled to dividend(s), if any, declared after the sub-division of Equity Shares.

**RESOLVED FURTHER THAT** upon sub-division of the Equity Shares of the Company as aforesaid, the existing Share Certificate(s) in respect to the existing Equity Shares of Face Value of Rs.10/- (Rupees Ten only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and that no letter of allotment shall be issued to the allottees of the new Equity Shares of Rs.5/- (Rupees Five only) each on sub-division and the Company may, without requiring the surrender of existing Share Certificate(s), directly issue and dispatch the new Share Certificate(s) of the Company, in lieu of such existing Share Certificate(s), within the period prescribed or that may be prescribed in this behalf, from time to time and in the case of shares held in dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of existing credits representing the Equity Shares before sub-division.



## NOTICE

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 13 of the Companies Act, 2013, the existing Clause V of the Memorandum of Association of the Company as to the Authorized Share Capital of the Company be and is hereby deleted and in its place and stead the following Clause V be substituted:

V. The Authorized Share Capital of the Company is Rs.4,00,00,000/- (Four Crores Only) divided into 80,00,000 (Eighty Lacs) Equity Shares of Rs.5/- (Rupees Five Only) each.

**RESOLVED FURTHER THAT** the Directors of the Company be and is hereby authorized jointly to fix a Record Date and further authorized severally to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deed(s), application(s), document(s), representation(s), declaration(s), affidavit(s), paper(s), form(s), undertaking(s) and writing(s) that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to execute all documents and writings as may be necessary, incidental, consequential, proper, desirable or expedient to give effect to above resolution.

**RESOLVED FURTHER THAT** any one of the Directors of the Company be and is hereby authorized severally to delegate all or any of the aforesaid powers to any other official(s)/ employee(s) of the Company by executing letter of authority and all acts done by such official(s) employee(s) shall be binding on the Company.”

**10. To ratify the remuneration of M/s Rajesh & Company, Cost Accountants (Firm Registration No. 000031) as the Cost Auditors of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“**RESOLVED THAT** pursuant to provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Rajesh & Company, Cost Accountants (Firm Registration No. 000031), appointed as cost auditors by the Board of Directors of the Company to conduct the audit of the cost accounting records in respect of Steel products and articles of polymers as manufactured by the Company at its factory situated at Harsinghpur, Bindki Road, P.O. – Mauhar, Distt. – Fatehpur (U.P.) for the Financial Year 2017-18 be paid 25,000/- plus out of pocket expenses and applicable taxes.”

By order of the Board of Directors  
**PREMIER PIPES LIMITED**

Date : 01.09.2017  
Place : Jaipur

**(Diksha Khandelwal)**  
Company Secretary



## NOTICE

### NOTES:

- 1.1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY, OR ONE OR MORE PROXIES (WHERE ALLOWED) TO ATTEND AND VOTE ON A POLL ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY MAY BE SENT IN FORM NO. MGT-11 AS ENCLOSED AND IN ORDER TO BE EFFECTIVE MUST REACH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- 1.2. A Member holding more than 10% 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 Proxy for any other person or Shareholder.**
- 1.3. A person can act as Proxy for maximum 50 Members and aggregate holding of such Members shall not be more than 10% of total Share Capital of the Company having Voting Rights.**
- 1.4. The Members shall have the right to inspect proxies as lodged with the Company in accordance with the provisions of Section 105(8) of the Companies Act, 2013 for the ensuing Annual General Meeting and the provisions of Section 105(8) are reproduced herein below.**

*(8) Every member entitled to vote at a meeting of the company, or on any resolution to be moved there at, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three days' notice in writing of the intention so to inspect is given to the company.*
- 2. Members/ Proxies should bring their Attendance slip/ sheet duly completed for attending the Meeting.**
- 3. The Register of Members and the Share Transfer books of the Company will remain closed from 25<sup>th</sup> September, 2017 to 30<sup>th</sup> September, 2017, both days inclusive, for annual closing.**
- 4. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 4 to 10 of the accompanying Notice, is annexed hereto.**
- 5. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.**
- 6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.**
- 7. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.**



## NOTICE

8. Details as required in sub-regulation (3) of Regulation 36 of the Listing Regulations in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms integral part of the notice. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.
9. In accordance with Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s C.L. Kanodia & Co., Chartered Accountants, Kanpur (Firm Registration No. 001002C), Statutory Auditors of the Company shall retire at the conclusion of the Annual General Meeting of the Company and also in terms of Section 139(2) of the Companies Act, 2013, the Company shall not re-appoint the above Audit Firm as Auditor for more than two terms of five consecutive years. Pursuant to the provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Board of Directors has, on recommendation of the Audit Committee, recommended for the appointment of M/s Amit Goyal & Co., Chartered Accountants, (Firm Registration No. 003778C) as the Statutory Auditors at the Annual General Meeting for a period of five years i.e. from the Financial Year 2017-18 upto the Financial Year 2021-22 and who shall hold office from the conclusion of this 42<sup>nd</sup> Annual General Meeting until the conclusion of 47<sup>th</sup> Annual General Meeting, subject to ratification by the Members of the Company at every Annual General Meeting during the said period of five years at such remuneration as may be decided by any one of the Directors of the Company in due consultation with the Statutory Auditors of the Company.

Consent and certificate u/s 139 of the Companies Act, 2013 have been obtained from M/s Amit Goyal & Co., Chartered Accountants, to the effect that their appointment, if made, shall be in accordance with the applicable provisions of the Act and the Rules issued thereunder.

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s Amit Goyal & Co., Chartered Accountants, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

10. Electronic copy of the Annual Report for 2016-17 is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 is being sent in the permitted mode.

Electronic copy of the Notice of the 42<sup>nd</sup> Annual General Meeting of the Company inter alia indicating the process and manner of electronic voting ('e-voting') along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 42<sup>nd</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.

11. Members may also note that the Notice of the 42<sup>nd</sup> Annual General Meeting, Attendance Slip, Proxy Form, Route Map and the Annual Report for 2016-17 will also be available on the Company's website [www.premierpipesltd.com](http://www.premierpipesltd.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Kanpur for inspection without any fee during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [cs@premierispac.com](mailto:cs@premierispac.com).



## NOTICE

### 12. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015'), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the 42<sup>nd</sup> 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 ("remote e-voting") 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 Wednesday, 27<sup>th</sup> September, 2017 (9:00 A.M.) and ends on Friday, 29<sup>th</sup> September, 2017 (5:00 P.M.). 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, 23<sup>rd</sup> September, 2017, 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 cast by the member, the member shall not be allowed to change it subsequently.
- V. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- VI. The process and manner for remote e-voting are as under:
  - A. Member whose email IDs are registered with the Company/Depository Participants(s) will receive an email from NSDL informing them of their User-ID and Password. Once the Members receive the email, he or she will need to go through the following steps to complete the e-voting process:
    - (i) Open email and open PDF file titled; "e-voting.pdf" with your Client ID (in case you are holding shares in Demat mode) or Folio No. (in case you are holding shares in Physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password.

*Note: Shareholders already registered with NSDL for e-voting will not receive the PDF file "e-voting.pdf".*
    - (ii) Launch internet browser by typing the following URL:  
<https://www.evoting.nsdl.com/>
    - (iii) Click on "Shareholder – Login"



## NOTICE

- (iv) Put the user ID and password as initial password noted in step (i) above. Click on Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.

*NOTE: Shareholders who forgot the User Details/Password can use "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nSDL.com](http://www.evoting.nSDL.com).*

*In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).*

*In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No. + Folio No.).*

- (v) The Password change menu will appear. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote "e-voting" opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of Premier Pipes Limited.
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and Remember to "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authorization letter etc. together with attested specimen signature of the duly authorized signatory(ies) who is/are authorized to vote, to the Scrutinizer through e-mail [kn.shridhar@yahoo.co.in](mailto:kn.shridhar@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy]:

- (i) The Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :  
EVEN (E-Voting Event Number) USER ID PASSWORD
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nSDL.com](http://www.evoting.nSDL.com) or call on toll free no.: 1800-222-990 or at telephone nos. +91 22 2499 4600/ +91 22 2499 4360 who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at the email ID: [cs@premierispac.com](mailto:cs@premierispac.com) or contact at the Registered Office address.





## NOTICE

- VIII. Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" Option available on the site to reset the same.
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23<sup>rd</sup> September, 2017.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. 23<sup>rd</sup> September, 2017, may obtain the User ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [admin@skylinerta.com](mailto:admin@skylinerta.com) or [cs@premierispac.com](mailto:cs@premierispac.com). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting.
- XII. Mr. K.N. Sridhar, Practicing Company Secretary (M. No. FCS 3882; CP No. 2612), Partner of M/s K.N. Shridhar & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIII. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIV. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.premierpipesltd.in](http://www.premierpipesltd.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
13. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection without any fee at the Registered Office of the Company during normal business hours (10:00 A.M. to 6:00 P.M.) on all working days, up to and including the date of the Annual General Meeting of the Company.

By order of the Board of Directors  
**PREMIER PIPES LIMITED**

Date : 01.09.2017  
Place : Jaipur

**(Diksha Khandelwal)**  
Company Secretary



## NOTICE

### **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS (PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)**

#### **Item No.4**

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Himmit Jain (DIN 02633335) as an Additional Director with effect from 12<sup>th</sup> November, 2016 under Section 161(1) of the Companies Act, 2013 and as an Independent Non-Executive Director of the Company under Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, to hold office upto 11<sup>th</sup> November, 2021. His appointment is subject to the approval of the members.

A notice has been received from a Member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing Mr. Himmit Jain as a candidate for the office of Director of the Company.

Mr. Himmit Jain aged about 31 Years, is an MA in International Business from University of Greenwich, London (UK). He possesses a very rich experience in the Business services. He holds directorship of the Path Darshak Industries Private Limited and is also a Partner in Trump Holidays.

Mr. Himmit Jain does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Himmit Jain has given a declaration that he meets the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). He is independent of the management of the Company.

In the opinion of the Board, Mr. Himmit Jain fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for his appointment as an Independent Non-Executive Director of the Company. Copy of the draft letter for appointment of Mr. Himmit Jain as an Independent Non-Executive Director is available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Himmit Jain as an Independent Non-Executive Director. Mr. Himmit Jain would bring with his immense experience to the Company in the areas of management and corporate governance. Accordingly, it's now proposed to appoint Mr. Himmit Jain as an Independent Non-Executive Director of the Company not liable to retire by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 at the forthcoming Annual General Meeting.

None of the Directors or any other key managerial personnel or their relatives except Mr. Himmit Jain upto the extent of his appointment and office as Independent Non-Executive Director, has got any concern or interest whether financial or otherwise, if any, in respect of Ordinary Resolution proposed at Item No.4 of the accompanying Notice.

The Company has disclosed all the related information and to the best of understanding of the Board of Directors no other information and facts are required to be disclosed that may enable the members to understand the meaning, scope and implications of the items of business and to take decision thereon.



## NOTICE

Further, the disclosure related to interest of the promoters, directors or manager and all other key managerial personnel in any other company is not applicable, except the fact that the present resolution as stated at Item No.4 pertains to the appointment of Mr. Himmit Jain as an Independent Non-Executive Director of the Company.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

### **Item No.5**

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Balram Narain Bansal (DIN 02625932) as an Additional Director with effect from 12<sup>th</sup> November, 2016 under Section 161(1) of the Companies Act, 2013 and as an Independent Non-Executive Director of the Company under Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, to hold office upto 11<sup>th</sup> November, 2021. His appointment is subject to the approval of the members.

A notice has been received from a Member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing Mr. Balram Narain Bansal as a candidate for the office of Director of the Company.

Mr. Balram Narain Bansal aged about 77 years, possesses a very rich experience of more than 50 years in Business. He has gained considerable experience and knowledge in the field of Finance and Accounts. He holds directorship of the Sri Durga Bansal Fertilizer Limited and Shree Constructions and Leisure Private Limited.

Mr. Balram Narain Bansal does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Balram Narain Bansal has given a declaration that he meets the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). He is independent of the management of the Company.

In the opinion of the Board, Mr. Balram Narain Bansal fulfils the conditions specified in the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for his appointment as an Independent Non-Executive Director of the Company. Copy of the draft letter for appointment of Mr. Balram Narain Bansal as an Independent Non-Executive Director is available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Balram Narain Bansal as an Independent Non-Executive Director. Mr. Balram Narain Bansal would bring with his immense experience to the Company in the areas of Accounts and Management. Accordingly, it's now proposed to appoint Mr. Balram Narain Bansal as an Independent Non-Executive Director of the Company not liable to retire by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 at the forthcoming Annual General Meeting.

None of the Directors or any other key managerial personnel or their relatives except Mr. Balram Narain Bansal upto the extent of his appointment and office as Independent Non-Executive Director, has got any concern or interest whether financial or otherwise, if any, in respect of Ordinary Resolution proposed at Item No.5 of the accompanying Notice.



## NOTICE

The Company has disclosed all the related information and to the best of understanding of the Board of Directors no other information and facts are required to be disclosed that may enable the members to understand the meaning, scope and implications of the items of business and to take decision thereon.

Further, the disclosure related to interest of the promoters, directors or manager and all other key managerial personnel in any other company is not applicable, except the fact that the present resolution as stated at Item No.5 pertains to the appointment of Mr. Balram Narain Bansal as an Independent Non-Executive Director of the Company.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

### **ITEM NO.6**

The existing borrowing powers of Board of Directors is upto Rs.25,00,00,000/- (Rupees Twenty Five Crores only). Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits upto Rs.75,00,00,000/- (Rupees Seventy Five Crores Only).

Further, the borrowings made/ to be made to raise long term funds for implementation of its existing/ new projects or other expansion programs by way of long term loan/ equipment finance/ cash credit facilities or the like from Financial Institutions/ Banks or other bodies are required to be secured by creation of charge/ mortgage to the extent and in such manner as may be agreed to between the Board of Directors of the Company and the said lenders. Accordingly, it is proposed to have corresponding authorization for creation of charge on assets of the Company in respect of the borrowings.

In pursuance of the provisions of Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013, approval of shareholders is required to borrow money in excess of the Paid-up Capital of the Company and its Free Reserves and to create security by way of creating mortgage and/or charge on movable/immovable properties of the Company. Accordingly, the Board recommends the Resolution as set out in Item No.6 for the approval of the members as Special Resolution.

None of the Directors or any other key managerial personnel or their relatives except to the extent that he or she is Director and/or Shareholder of the Company, has got any concern or interest whether financial or otherwise, if any, in respect of Special Resolution proposed at Item No.6 of the accompanying Notice.

Further, the disclosure related to interest of the promoters, directors or manager and all other key managerial personnel in any other company is not applicable in the present matter as the proposed Special Resolution relates to the Company itself.

The Company has disclosed all the related information and to the best of understanding of the Board of Directors no other information and facts are required to be disclosed that may enable the members to understand the meaning, scope and implications of the items of business and to take decision thereon.



## **NOTICE**

### **ITEM NO.7**

The present Memorandum of Association has been drawn in terms of the Companies Act, 1956. Henceforth the existing set of Memorandum of Association is not in consonance with the provisions of the Companies Act, 2013.

Therefore, the Company proposes to replace the existing set of Memorandum of Association with the new set of Memorandum of Association which is drawn in terms of the provisions of Companies Act, 2013.

Pursuant to the provisions of Section 13 of the Companies Act, 2013, the approval of Members of the Company is required by way of Special Resolution to alter the Memorandum of Association of the Company.

The Board of Directors accordingly, recommends the Special Resolution as set out at Item No. 7 of the accompanying notice for approval of the Members to adopt the new set of Memorandum of Association of the Company and the Members are requested to consider and pass this resolution as a Special Resolution.

None of the Director, Key Managerial Personnel or their relatives has got any concern or interest whether financial or otherwise, if any, in respect of Special Resolution proposed at Item No. 7.

Further, the disclosure related to interest of the promoters, directors or manager and all other key managerial personnel in any other company is not applicable in the present matter as the proposed Special Resolution relates to the Company itself.

The Company has disclosed all the related information and to the best of understanding of the Board of Directors, no other information and facts are required to be disclosed that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.

The Board recommends the Special Resolution as set out at Item No. 7 for approval of the Members.

### **ITEM NO.8**

The present Articles of Association has been drawn in terms of the Companies Act, 1956. Henceforth the existing set of Articles of Association is not in consonance with the provisions of the Companies Act, 2013.

Therefore, the Company proposes to replace the existing set of Articles of Association with the new set of Articles of Association which is drawn in terms of the provisions of Companies Act, 2013.

Pursuant to the provisions of Section 14 of the Companies Act, 2013, the approval of Members of the Company is required by way of Special Resolution to alter the Articles of Association of the Company.

The Board of Directors accordingly, recommends the Special Resolution as set out at Item No. 8 of the accompanying notice for approval of the Members to adopt the new set of Articles of Association of the Company and the Members are requested to consider and pass this resolution as a Special Resolution.

None of the Director, Key Managerial Personnel or their relatives has got any concern or interest whether financial or otherwise, if any, in respect of Special Resolution proposed at Item No. 8.

Further, the disclosure related to interest of the promoters, directors or manager and all other key managerial personnel in any other company is not applicable in the present matter as the proposed Special Resolution relates to the Company itself.



## NOTICE

The Company has disclosed all the related information and to the best of understanding of the Board of Directors, no other information and facts are required to be disclosed that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.

### **ITEM NO.9**

The Equity Shares of the Company are listed on the BSE Limited (BSE). With a view to broad base the investor base by encouraging the participation of the small investors and also to increase the liquidity of Equity Shares of the Company, the Board of Directors at their meeting held on 10<sup>th</sup> August, 2017 have approved the split (sub-division) of each Equity Share of the face value of Rs.10/- (Rupees Ten only) of the Company into 2 (Two) Equity Shares of face value of Rs.5/- (Rupees Five only) each, subject to the approval of Members. The Company is seeking approval of the Members through Ordinary Resolution for sub-division of each of the existing Equity Shares of the Company.

Accordingly, each issued Equity Share of nominal value of Rs.10/- (Rupees Ten only) of the Company existing on the Record Date shall stand sub-divided into 2 (Two) Equity Shares of nominal value of Rs.5/- (Rupees Five only) each.

The Record Date for the aforesaid sub-division of the Equity Shares will be fixed by the Board of Directors after the approval of the shareholders is obtained, pursuant to this Ordinary Resolution.

At present, the Authorized Share Capital of the Company is Rs.4,00,00,000/- (Rupees Four Crores only) comprising of 40,00,000 (Forty Lacs) Equity Shares of Rs.10/- (Rupees Ten only) each. The Issued, Subscribed & Paid Up Share Capital of the Company is Rs.3,55,00,000/- (Rupees Three Crores Fifty Five Lacs only) comprising of 35,50,000 (Thirty Five Lacs Fifty Thousand) Equity Shares of Rs.10/- (Rupees Ten Only) each.

The proposed sub-division of Equity Shares of the Company from Rs.10/- per Equity Share to Rs.5/- per Equity Share requires changes in Authorized Share Capital of the Company. Accordingly, Clause V of the Memorandum of Association is proposed to be altered in the manner set out in Resolution at Item No.9, to reflect the alteration in the Authorized Share Capital of the Company i.e. from Rs.4,00,00,000/- (Rupees Four Crores only) divided into 40,00,000 (Forty Lacs) Equity Shares of Rs.10/- (Rupees Ten only) each to Rs.4,00,00,000/- (Rupees Four Crores only) divided into 80,00,000 (Eighty Lacs only) Equity Shares of Rs.5/- (Rupees Five only) each.

The resolution as set out in Item No.9 of the Notice for altering Clause V of the Memorandum of Association of the Company to reflect the corresponding changes in the Capital Clause of the Memorandum of Association of the Company, consequent to the proposed Sub-Division of each existing Equity Share of Rs.10/- (Rupees Ten only) into Rs.5/- (Rupees Five only) each.

Accordingly, the Board seeks approval of the Members for Resolutions at Item No.9 for the proposed sub-division of each Equity Shares of nominal value of Rs.10/- (Rupees Ten only) of the Company existing into 2 (Two) Equity Shares of nominal value of Rs.5/- (Rupees Five only) each and the consequent amendments to Clause V of the Memorandum of Association of the Company.

The Board is of the opinion that the aforesaid sub-division of the nominal value of Equity Shares is in the best interest of the members and hence recommends the Ordinary Resolution as set out at Item No. 9 of the accompanying notice for approval of the Members.

The Directors, Key Managerial Personnel and their relatives are deemed to be concerned or interested in the resolution as set out at Item No.9 only to the extent of shares held by them, if any, in the Company. The proposed Resolution does not relate to or affect any other Company.



## NOTICE

The Company has disclosed all the related information and to the best of understanding of the Board of Directors, no other information and facts are required to be disclosed that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.

The Board recommends the Ordinary Resolution as set out at Item No. 9 for approval of the Members.

### **ITEM NO.10**

The Board, on the recommendation of the Audit Committee, has approved at their Meeting held on 10<sup>th</sup> August, 2017, the appointment of M/s Rajesh & Company, Cost Accountants, Jaipur, (Firm Registration No. 000031), as Cost Auditors to conduct the audit of the cost records of the Company pertaining to steel products manufactured by the Company for the Financial Year 2017-18 at a remuneration of 25,000/- plus out of pocket expenses and applicable taxes.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 10 of the Notice for ratification of remuneration payable to the Cost Auditors for the Financial Year 2017-18.

None of the Director, Key Managerial Personnel or their relatives has got any concern or interest whether financial or otherwise, if any, in respect of Ordinary Resolution proposed at Item No. 10.

Further, the disclosure related to interest of the promoters, directors or manager and all other key managerial personnel in any other company is not applicable in the present matter as the proposed Ordinary Resolution relates to the Company itself.

The Company has disclosed all the related information and to the best of understanding of the Board of Directors, no other information and facts are required to be disclosed that may enable members to understand the meaning, scope and implications of the items of business and to take decision thereon.

By order of the Board of Directors  
**PREMIER PIPES LIMITED**

Date : 01.09.2017  
Place : Jaipur

**(Diksha Khandelwal)**  
Company Secretary



## NOTICE

### DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE LISTING REGULATIONS

#### **Re-appointment of Mrs. Santosh Jain (Item No. 2)**

In terms of Section 152(6) of the Companies Act, 2013, Mrs. Santosh Jain shall retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible offers herself for re-appointment.

Mrs. Santosh Jain has been appointed as an Additional Director with effect from 27<sup>th</sup> March, 2015 and thereafter has been regularized at the 40<sup>th</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September, 2015 as a Regular Non-Executive Director.

Mrs. Santosh Jain is an active social worker. She possesses great acumen and business understanding. She is a religious lady and is the mother of Mr. Ajay Kumar Jain, Managing Director, Mr. Amit Kumar Jain, Director, Mr. Vinay Kumar Jain, Director and Mr. Arun Kumar Jain, Director.

She does not hold directorship in any listed entity or any other entity and membership of committees of the Board. None of the Directors or any other key managerial personnel or their relatives except Mrs. Santosh Jain upto the extent of her shareholding of 14,000 Equity Shares in the Company and appointment and office as Non-Executive Director, has got any concern or interest whether financial or otherwise, if any, in respect of Resolution proposed at Item No.2 of the accompanying Notice.

Upon her re-appointment as a Director, Mrs. Santosh Jain shall continue to hold office as a Non-Executive Director. Accordingly, the Board recommends her re-appointment.

#### **Appointment of Mr. Himat Jain (Item No. 4)**

For the details of Mr. Himat Jain, please refer to the above Explanatory Statement in respect of the Special Business set out at Item No. 4 of the accompanying Notice pursuant to Section 102 of the Companies Act, 2013.

#### **Appointment of Mr. Balram Narain Bansal (Item No. 5)**

For the details of Mr. Balram Narain Bansal, please refer to the above Explanatory Statement in respect of the Special Business set out at Item No. 4 of the accompanying Notice pursuant to Section 102 of the Companies Act, 2013.

By order of the Board of Directors  
**PREMIER PIPES LIMITED**

Date : 01.09.2017  
Place : Jaipur

**(Diksha Khandelwal)**  
Company Secretary





## DIRECTORS REPORT

TO,  
THE MEMBERS OF THE COMPANY

Your Directors have pleasure in presenting the 42<sup>nd</sup> Annual Report of the Company on the Audited Accounts for the Financial Year ended on 31<sup>st</sup> March, 2017.

### AUDITED FINANCIAL RESULTS

| <u>PARTICULARS</u>                          | <i>(In Rupees)</i>  |                     |
|---|---------------------|---------------------|
|   | <u>2016-17</u>      | <u>2015-16</u>      |
| Revenue from Operations (Net)               | 42,30,35,571        | 31,29,50,774        |
| Other Income                                | 38,18,535           | 56,50,128           |
| <b>Total Revenue</b>                        | <b>42,68,54,106</b> | <b>31,86,00,902</b> |
| Total Expenses                              | 42,14,13,841        | 31,42,42,763        |
| <b>Profit/( Loss) Before Tax</b>            | <b>54,40,265</b>    | <b>43,58,139</b>    |
| Tax Expenses (including deferred tax)       | 16,89,881           | 13,75,924           |
| <b>Profit/(Loss) After Tax for the year</b> | <b>37,50,384</b>    | <b>29,82,215</b>    |

### STATE OF COMPANY'S AFFAIRS

Your Company is 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. The Company caters mainly to the needs of Indian Market. Constant efforts are being made to derive maximum output.

### SUBSIDIARY COMPANIES/ JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary Company/ Joint Ventures/ Associate Company.

Further, the details of the Associate Companies / Firms as per Accounting Standard are set out in Note 25(j) to the Financial Statements forming part of this report.

### RESERVES

During the year under review an amount of Rs.37,50,384/- being the net profit for the year has been carried forward in the Reserve & Surplus in the Balance Sheet for the Financial Year 2016-17. The detailed breakup treatment of the said amount is depicted at Note No.3 of the Financial Statement for the year ended 31<sup>st</sup> March, 2017.

### DIVIDEND

During the year under review, the Directors do not recommend any Dividend for the Financial Year 2016-17.

### DEPOSITS

During the Financial Year under review the Company has not accepted any deposits from public under Section 73 of the Companies Act, 2013 and rules made thereunder. Hence no amount of principal or interest was outstanding as on the date of Balance Sheet.



## **DIRECTORS REPORT**

### **LOANS, GUARANTEES OR INVESTMENTS**

Details of loans, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on 31<sup>st</sup> March, 2017, are set out in Note 10 & 11 of the Financial Statements along with its schedule attached thereto which forms part of this report.

### **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of contracts / arrangements with related parties referred to in Section 188(1) entered into during the Financial Year under review as required to be given in Form AOC-2, have been provided in an **"Annexure-G"** which forms part of the Directors' Report.

Further, the details of the related party transactions as per Accounting Standard 18 are set out in Note 25(j) to the Financial Statements forming part of this report.

### **DIRECTOR/ KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Smt. Santosh Jain, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered herself for re-appointment. Shri Ajay Kumar Jain was re-appointed as the Managing Director of the Company for the period of five consecutive years with effect from 12<sup>th</sup> August, 2016, designated as Executive Director and Shri Vinay Kumar Jain has not been re-appointed as Whole Time Director and shall remain hold office in the capacity of Non-Executive Director.

Further, Shri Sanjay Kumar Agarwal and Shri Shyam Babu Gupta, Non-Executive Independent Directors of the Company has tendered their resignation with effect from 12<sup>th</sup> November, 2016 and Shri Himmit Jain and Shri Balram Narain Bansal have been appointed respectively as Additional Directors of the Company in the capacity of Non-Executive Independent Directors who are not liable to retire by rotation with the same effect. The respective office of Mr. Himmit Jain and Mr. Balram Narain Bansal shall be regularized at the ensuing Annual General Meeting of the Company in terms of Section 152 of the Companies Act, 2013.

During the Financial Year under review, Mr. Kuldeep Mishra was appointed as the Chief Financial Officer of the Company with effect from 30<sup>th</sup> May, 2016 pursuant to Section 203 of the Companies Act, 2013 and rules framed thereunder. Thereafter he has tendered his resignation with effect from 29<sup>th</sup> May, 2017 and Mr. Raju Lal Gupta has been appointed as new Chief Financial Officer of the Company with effect from 30<sup>th</sup> May, 2017.

Now, Shri Ajay Kumar Jain, Managing Director, Shri Raju Lal Gupta, Chief Financial Officer and Ms. Diksha Khandelwal, Company Secretary, are the Key Managerial Personnel of your Company in accordance with the provisions of Sections 2(51), 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

### **POLICY ON APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTE, INDEPENDENCY OF DIRECTOR**

The policy on appointment and remuneration including criteria for determining qualifications, positive attribute and independency of Director is annexed herewith as **"Annexure A"** forming part of Directors Report.



## **DIRECTORS REPORT**

### **DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES:**

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and such other provisions as may be applicable (including any statutory modification(s) or re-enactment(s) for the time being in force).

The information required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "**Annexure B**" forming part of Directors Report.

### **DECLARATION OF INDEPENDENCE:**

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder and such other applicable provisions, as may be prescribed (including any statutory modification(s) or re-enactment(s) for the time being in force).

### **NUMBER OF MEETINGS OF THE BOARD**

During the Calendar Year 2016, the Board of Directors of Company has met four times i.e., on 14<sup>th</sup> February, 2016, 30<sup>th</sup> May, 2016, 12<sup>th</sup> August, 2016 and 12<sup>th</sup> November, 2016.

Further, till now during the Calendar Year 2017, the Board of Directors has met four times i.e., on 13<sup>th</sup> February, 2017, 30<sup>th</sup> May, 2017, 18<sup>th</sup> July, 2017 and 10<sup>th</sup> August, 2017.

### **CORPORATE GOVERNANCE**

Pursuant to the provisions of Regulation 15(2) of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the Corporate Governance provisions as specified in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 and Para C, D and E of Schedule V shall not be applicable to the Listed Entity having Paid up Equity Share Capital not exceeding Rupees Ten Crore and Net Worth not exceeding Rupees Twenty Five Crore, as on the last day of the previous Financial Year.

Accordingly, our Company is exempted to comply with the aforesaid Corporate Governance provisions as the Paid up Share Capital of the Company is Rs.3,55,00,000/- (Three Crores Fifty Five Lacs only) and Net Worth is Rs.11,28,31,513 (Rupees Eleven Crores Twenty Eight Lacs Thirty One Thousand Five Hundred and Thirteen only) as on the last day of the previous Financial Year i.e. as on 31<sup>st</sup> March, 2017.

However the provisions as specified in Companies Act, 2013 shall continue to apply, wherever applicable.

Henceforth, the Corporate Governance Report is not required to be attached herewith.



## **DIRECTORS REPORT**

### **CORPORATE SOCIAL RESPONSIBILITY**

The Company is not required to carry out the CSR activities as it has not triggered any of the threshold limits as prescribed under Section 135 of Companies Act, 2013 during the period under review and accordingly has not formulated the CSR Committee. This may be treated as disclosure under Section 134(3)(o) of Companies Act, 2013.

### **COMMITTEES OF THE BOARD OF DIRECTORS**

Being a Listed Company, the Company has constituted the following Committees pursuant to the provisions of Companies Act, 2013:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder Committee

The Composition of above committees is mentioned here under the respective heading.

### **AUDIT COMMITTEE**

Subsequent to change in the Board Structure by virtue of appointment of Mr. Himmit Jain and Mr. Balram Narain Bansal as Non-Executive Independent Director of the Company w.e.f 12.11.2016 and resignation of Mr. Shyam Babu Gupta and Mr. Sanjay Kumar Agarwal from the office of Independent Director of the Company with effect from 12.11.2016, the Audit Committee had reconstituted comprising of following Directors as the members of the Committee and Mr. Satish Kumar Garg continue to be the Chairman for the said Committee:

1. Mr. Satish Kumar Garg, Independent Director
2. Mr. Balram Narain Bansal, Independent Director
3. Mr. Ajay Kumar Jain, Managing Director
4. Mr. Himmit Jain, Independent Director

Further, during the Financial Year under review the Members of Audit Committee has met four times i.e., on 30<sup>th</sup> May, 2016, 12<sup>th</sup> August, 2016, 12<sup>th</sup> November, 2016 and 13<sup>th</sup> February, 2017.

The Audit Committee acts in accordance with the terms of reference specified by the Board of Directors of the Company. Further during the period under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

### **NOMINATION AND REMUNERATION COMMITTEE**

Pursuant to the provisions of Section 178(1) of the Companies Act, 2013, the Board of Directors of every listed company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors.

Accordingly, the Board of Directors had reconstituted the Nomination and Remuneration Committee to fulfill the above requirement comprising of following Directors as the members of the Committee and Mr. Satya Narain Dubey continue to be the Chairman for the said Committee:



## **DIRECTORS REPORT**

1. Mr. Satya Narain Dubey, Non-Executive Independent Director
2. Mr. Balram Narain Bansal, Non-Executive Independent Director
3. Mr. Himmit Jain, Non-Executive Independent Director
4. Mr. Arun Kumar Jain, Non-Executive Director
5. Mr. Amit Kumar Jain, Non-Executive Director

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. The said policy is already annexed as **“Annexure A”** to this report.

### **STAKEHOLDER’S RELATIONSHIP COMMITTEE**

Due to the resignation of Mr. Shyam Babu Gupta from the office of Independent Director of the Company with effect from 12.11.2016, the Stakeholder’s Relationship Committee had reconstituted comprising of following Directors as the members of the Committee and Mr. Satya Narain Dubey shall be the Chairman for the said Committee:

1. Mr. Satya Narain Dubey, Non-Executive Independent Director
2. Mr. Ajay Kumar Jain, Managing Director
3. Mr. Vinay Kumar Jain, Director

### **Details of Investor’s grievances/ Complaints:**

The Company has received complaints four times during the year, among which two Complaints of the Shareholders/Investors registered with SEBI are unresolved at the end of the Financial Year ended on 31<sup>st</sup> March, 2017.

### **VIGIL MECHANISM**

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has established Vigil Mechanism/Whistle Blower Policy for Directors and employees of the Company to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company’s code of conduct and ethics Policy. The said mechanism also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Board of Directors of the Company frequently reviews the Vigil Mechanism/Whistle Blower Policy in order to ensure adequate safeguards to employees and Directors against victimization.

The said policy is also available on the website of the Company at [www.premierpipesltd.com](http://www.premierpipesltd.com).

### **DIRECTORS’ RESPONSIBILITY STATEMENT UNDER SECTION 134 (5) OF THE COMPANIES ACT, 2013**

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Board of Directors of the Company confirms that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;



## **DIRECTORS REPORT**

- (ii) the directors had selected such accounting policies and applied them consistently and made judgments 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 period ended 31<sup>st</sup> March, 2017 and of the profit ~~and loss~~ of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis;
- (v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (i) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **AUDITORS AND AUDITOR'S REPORT**

### **STATUTORY AUDITORS**

At the 41<sup>st</sup> Annual General Meeting of the Company held on the 30<sup>th</sup> day of September, 2014, the Members of the Company, had appointed M/s C.L. Kanodia & Co., Chartered Accountants, Kanpur, having a Firm Registration No. 001002C, as the Statutory Auditors of the Company to hold office till the conclusion of 42<sup>nd</sup> Annual General Meeting for the Financial Year 2016-17.

The tenure of office of M/s C.L. Kanodia & Co., Chartered Accountants, as Statutory Auditors of the Company will expire with the conclusion of the ensuing 42<sup>nd</sup> Annual General Meeting of the Company and also in terms of Section 139(2) of the Companies Act, 2013, the Company shall not re-appoint the above Audit Firm as Auditor for more than two terms of five consecutive years.

Accordingly, the Board of Directors of your Company at their meeting held on 10<sup>th</sup> August, 2017, have on the recommendations of the Audit Committee and subject to your approval at the ensuing 42<sup>nd</sup> Annual General Meeting, approved the appointment of M/s Amit Goyal & Co., Chartered Accountants, Jaipur, having Firm Registration No. 003778C, as the Statutory Auditors of the Company for the period of five years i.e. from the Financial Year 2017-18 upto the Financial Year 2021-22 and who shall hold office from the conclusion of this 42<sup>nd</sup> Annual General Meeting until the conclusion of 47<sup>th</sup> Annual General Meeting, subject to ratification by the Members of the Company at every Annual General Meeting during the said period of five years. In this regard, the Company has received the consent and eligibility under Section 139 and 141 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for appointment as the Auditors of the Company.

### **STATUTORY AUDITORS REPORT FOR THE FINANCIAL YEAR 2016-17**

The Auditors Report to the Members together with the Financial Statement for the year ended 31<sup>st</sup> March, 2017 and notes thereon are attached.

The report of Statutory Auditors for the Financial Year 2016-17, doesn't have any qualification, reservations or adverse remark or disclaimer and accordingly the Board of Directors are not required to deal with the same in any manner.



## **DIRECTORS REPORT**

### **COST AUDITORS**

The Board of Directors of your Company, on the recommendations made by the Audit Committee at its Meeting held on 10<sup>th</sup> August, 2017 has approved the appointment of M/s Rajesh & Company, Cost Accountants (Firm Registration No. 000031) as the Cost Auditor of the Company to conduct the audit of cost records for the Financial Year 2017-18 at such remuneration as decided by the Directors of the Company subject to ratification by the Members at the ensuing 42<sup>nd</sup> Annual General Meeting.

The Company has received consent from M/s Rajesh & Company, Cost Accountants, to act as the Cost Auditor for conducting audit of the cost records for the Financial Year 2017–18 along with a certificate confirming their independence and arm's length relationship.

### **SECRETARIAL AUDITORS**

In terms of Section 204 of the Companies Act, 2013, the Board of Directors of your Company at their Meeting held on 18<sup>th</sup> July, 2017 has appointed M/s K.N. Shridhar & Associates, Company Secretaries as the Secretarial Auditor to conduct an audit of the secretarial records, for the Financial Year 2016–17.

The Company has received consent from M/s K.N. Shridhar & Associates, Company Secretaries to act as the auditor for conducting audit of the Secretarial records for the Financial Year ending 31<sup>st</sup> March, 2017.

The Secretarial Audit Report for the Financial Year 2016-17 is annexed herewith as "**Annexure C**" to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### **EXTRACT OF ANNUAL RETURN**

As per the provisions of Section 92(3) of the Companies Act, 2013 read with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return in Form MGT-9 is attached at "**Annexure D**" forming part of the Directors' report.

### **EVALUATION OF THE PERFORMANCE OF BOARD AND OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued there under or any other provisions, as may be applicable (including any statutory modification(s) or re-enactment(s) for the time being in force), the process for evaluation of the annual performance of the Directors/ Board/ Committees was carried out. The criteria applied in the evaluation process are detailed in the "**Annexure A**" which forms part of this report.

### **MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

The Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith as "**Annexure E**" forming part of the Directors' report.

### **RISK MANAGEMENT POLICY**

The Company, in view of the size of its business and the risks associated therewith, has framed a risk management policy for the purpose of minimizing and mitigating risk.



## **DIRECTORS REPORT**

### **ANTI-SEXUAL HARASSMENT POLICY**

The Company has formulated Anti-Sexual Harassment Policy to provide for prevention, prohibition and redressal of sexual harassment of Women at work place and to ensure due compliance under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

An Internal Complaints Committee (ICC) is in place to redress complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the year:

- No. of complaints received: Nil
- No. of complaints disposed off : NA

### **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO AS PER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013.**

During the Financial Year under review, your Company has not incurred expenditure on R&D. Your Company has not earned Foreign Exchange earnings and has incurred the expenditure in Foreign Exchange amounting to Rs.92,78,160/-.

Further, the particulars relating to conservation of Energy, Technology, Absorption, Foreign Exchange Earning and Outgo as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed herewith as "**Annexure F**" forming part of the Directors' report.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF FINANCIAL PERIOD AND THE DATE OF REPORT**

There were no material changes and commitments affecting the financial position of the Company between the end of financial period (March 31, 2017) and the date of the Report.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate system of internal control commensurate with its size and operations to ensure orderly and efficient conduct of the business. These controls ensure safeguard of assets, reduction and detection of frauds and error, adequacy and completeness of the accounting record and timely preparation of reliable financial information.

### **SIGNIFICANT AND MATERIAL ORDERS**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

### **APPRECIATION**

Your Directors wishes to place on record their appreciation towards the contribution of Bankers, all stakeholders, business associates of the Company, Central and State Government departments, their local authorities for their co-operation, guidance and support and look forward to their continued support in future.

For and on behalf of Board of Directors  
**Premier Pipes Limited**

|                                   |  |  |  |
|-----------------------------------|--|--|--|
|                                   | <b>(Ajay Kumar Jain)</b><br>Managing Director<br>DIN: 00493685 | <b>(Vinay Kumar Jain)</b><br>Director<br>DIN: 00580112 | <b>(Amit Kumar Jain)</b><br>Director<br>DIN: 00493795          |
| Date: 10/08/2017<br>Place: Kanpur | Address: H-1/10, Kidwai<br>Nagar, Kanpur – 208 011             | Address: H-1/10, Kidwai<br>Nagar, Kanpur – 208 011     | Address: 131/128/6, K Block,<br>Kidwai Nagar, Kanpur – 208 011 |





**NOMINATION AND REMUNERATION POLICY**

**INTRODUCTION**

In pursuance to the Company’s policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel and Employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013, this policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC”) and approved by the Board of Directors of the Company.

**CONSTITUTION OF COMMITTEE**

The Board of Directors of Premier Pipes Limited (“the Company”) constituted the “Nomination and Remuneration Committee” consisting of five (5) Non-Executive Directors of which one-half are Independent Directors in accordance with the provisions of Section 178 of the Companies Act, 2013.

**OBJECTIVE**

**The key objectives of the Committee would be:**

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) Formulate the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees
- c) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- d) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management
- e) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- f) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage
- g) To develop a succession plan for the Board and to regularly review the plan.

**DEFINITIONS:**

“Act” means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

“Board” means Board of Directors of the Company.

“Directors” mean Directors of the Company.

“Key Managerial Personnel” means:

- a) Chief Executive Officer or the Managing Director or the Manager;
- b) Whole-time director;
- c) Chief Financial Officer;
- d) Company Secretary; and
- e) such other officer as may be prescribed.



## ANNEXURE TO DIRECTORS REPORT

“Senior Management” means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

### Policy for appointment and removal of Director, KMP and Senior Management

#### A. Appointment criteria and qualifications

- I. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- II. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- III. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

#### B. Term / Tenure

##### ➤ Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time.

No re-appointment shall be made earlier than one year before the expiry of term.

##### ➤ Independent Director:

❖ An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

❖ No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

❖ At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent



## ANNEXURE TO DIRECTORS REPORT

Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

### C. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

### D. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

### E. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

While determining the remuneration of Executive Directors and Key Managerial Personnel, the Committee shall consider following factors:

- i) Industry standards, if the data in this regard is available.
- ii) The job description.
- iii) Qualification and experience level of the candidate.

The remuneration payable to the Executive Directors, including the value of the perquisites, shall not exceed the permissible limits as are mentioned within the provisions of the Companies Act, 2013. They shall not be eligible for any sitting fees for attending any meetings.

The Non-Executive Directors shall not be eligible to receive any remuneration/ salary from the Company. However, the Non-Executive Directors shall be paid sitting fees for attending the meeting of the Board or committees thereof and commission, as may be decided by the Board/ Shareholders from time to time, presently the Company is not paying any sitting fee. They shall also be eligible for reimbursement of out of pocket expenses for attending Board/ Committee Meetings.



## ANNEXURE TO DIRECTORS REPORT

### DUTIES IN RELATION TO NOMINATION MATTERS

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- c) Determining the appropriate size, diversity and composition of the Board;
- d) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- e) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- f) Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- g) Recommend any necessary changes to the Board; and

### DUTIES IN RELATION TO REMUNERATION MATTERS:

The duties of the Committee in relation to remuneration matters include:

- ❖ To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

### REVIEW AND AMENDMENTS:

- i. The NRC or the Board may review the Policy as and when it deems necessary.
- ii. The NRC may issue guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this policy, if it thinks necessary.

This Policy may be amended or substituted by the NRC or by the Board and as when required and also by the Compliance Officer where there is any statutory change necessitating the change in the policy.

For and on behalf of Board of Directors  
**Premier Pipes Limited**

|                                   |  |  |   |
|-----------------------------------|--|--|---|
|                                   | <b>(Ajay Kumar Jain)</b><br>Managing Director<br>DIN: 00493685 | <b>(Vinay Kumar Jain)</b><br>Director<br>DIN: 00580112 | <b>(Amit Kumar Jain)</b><br>Director<br>DIN: 00493795             |
| Date: 10/08/2017<br>Place: Kanpur | Address: H-1/10, Kidwai<br>Nagar, Kanpur – 208 011             | Address: H-1/10, Kidwai<br>Nagar, Kanpur – 208 011     | Address: 131/128/6, K<br>Block, Kidwai Nagar,<br>Kanpur – 208 011 |



**ANNEXURE TO DIRECTORS REPORT**

**“Annexure B”**

**DETAILS UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

(i) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 is as follows:

| S. No. | Name of the Director | Designation       | Remuneration (Rs.) | Ratio of Directors remuneration to Median Remuneration* |
|--------|----------------------|-------------------|--------------------|---|
| 1.     | Ajay Kumar Jain      | Managing Director | 33,60,000          | 55.93   |

Notes:

- \*Median Remuneration for the Financial Year 2016-17 is Rs.60,075/- (Rupees Sixty Thousand and Seventy Five only)
- The aforesaid details are calculated on the basis of remuneration for the Financial Year 2016-17.

(ii) Details of percentage increase in remuneration of each Director and Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year 2016-17 are as follows:

| S. No. | Name of the Director/CFO/CS | Designation       | Remuneration (Rs.) |          | % increase/decrease in the remuneration |
|--------|-----------------------------|-------------------|--------------------|----------|---|
|        |                             |                   | 2016-17            | 2015-16  |   |
| 1.     | Ajay Kumar Jain             | Managing Director | 33,60,000          | 9,60,000 | 250                                     |
| 2.     | Vinay Kumar Jain            | Director          | -                  | 7,20,000 | *                                       |
| 3.     | Vaibhav Shukla              | Company Secretary | 2,20,800           | 2,19,200 | 0.73                                    |

Notes:

- \*Percentage decrease in remuneration is not reported as he was not re-appointed as Whole Time Director and shall remain hold office in the capacity of Non-Executive Director.

(iii) the percentage increase in the median remuneration of employees in the financial year 2016-17:

|  | 2016-17 | 2015-16 | Increase (%) |
|--|---------|---------|--------------|
| Median remuneration of employees per annum | 60,075  | 49,208  | 22.08        |



## ANNEXURE TO DIRECTORS REPORT

- (iv) the number of permanent employees on the rolls of company as on 31<sup>st</sup> March, 2017: 70
- (v) Comparison of average percentage increase in salary of employees other than Key Managerial Personnel and the percentage increase in the remuneration paid to Key Managerial Personnel:

|   | 2016-17   | 2015-16  | Increase/Decrease (%) |
|---|-----------|----------|-----------------------|
| Average salary of all employees (other than Key Managerial Personnel) | 84,756    | 67,328   | 25.88                 |
| Key Managerial Personnel  |           |          |                       |
| - Salary of Managing Director   | 33,60,000 | 9,60,000 | 250                   |
| - Salary of Whole Time Director                                       | -         | 7,20,000 | *                     |
| - Salary of Company Secretary   | 2,20,800  | 2,19,200 | 0.73                  |
| - Salary of Chief Financial Officer                                   | 89,250    | -        | **                    |

### Notes:

- \*Percentage decrease in remuneration is not reported as he was not re-appointed as Whole Time Director and shall remain hold office in the capacity of Non-Executive Director.
- \*\*Percentage increase in remuneration is not reported as there were no Chief Financial Officer appointed in Financial Year 2015-16

- (vi) the key parameters for any variable component of remuneration availed by the directors; NIL
- (vii) affirmation that the remuneration is as per the remuneration policy of the company:

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Nomination and Remuneration Policy of the Company.



## ANNEXURE TO DIRECTORS REPORT

(viii) Statement of particulars of Employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2017

(a) The names of the top ten employees in terms of remuneration drawn:

| S. No. | Name of the Employee | Designation             | Remuneration received (Rs.) | Nature of employment, whether contractual or otherwise | Qualifications and experience of the employee           | Date of commencement of employment | The age of such employment | The last employment held by such employee before joining the Company | The % of Equity Shares held by such employee in the Company | Whether such employee is a relative of any director or manager of the Company and if so, name of such director or manager  |
|--------|----------------------|-------------------------|-----------------------------|--|---|------------------------------------|----------------------------|--|---|--|
| 1.     | Ajay Kumar Jain      | Managing Director       | 33,60,000                   | Permanent  | Qualification: M.COM<br><br>Experience: almost 22 years | 17 <sup>th</sup> November, 2006    | 11 Yrs.                    | -  | 0.62%   | Relative of following Directors:<br>1. Vinay Kumar Jain (Relation – Brother)<br>2. Amit Kumar Jain (Relation – Brother)<br>3. Arun Kumar Jain (Relation – Brother)<br>4. Santosh Jain (Relation – Son) |
| 2.     | Pradip Nigam         | Vice President (Infra)  | 4,19,086                    | Permanent  | Qualification: BAC+PGD IFT<br><br>Experience: 38 Years  | July'16                            | 1 Year                     | Vishal Pipes   | -   | -  |
| 3.     | Sandeep Khuda        | Assitant Vice President | 3,85,391                    | Permanent  | Qualification: Mechanical                               | 17 <sup>th</sup> November,         | 9 Months                   | Meini Constructions  | -   | -  |



|     |                  |                                 |          |           |  |                           |          |                      |   |   |
|-----|------------------|---------------------------------|----------|-----------|--|---------------------------|----------|----------------------|---|---|
|     |                  | (Sales & Marketing Scaffolding) |          |           | Engineering<br>Experience: 16 Years                                      | 2016                      |          | Private Limited      |   |   |
| 4.  | Siyaram Sharma   | Foreman Production              | 2,64,000 | Permanent | Qualification: B.A.<br>Experience: 30 Years                              | Sep'09                    | 8 Years  | PP & Waste           | - | - |
| 5.  | Jai Hind Singh   | Foreman Electric                | 2,37,600 | Permanent | Qualification: Diploma in Electrical<br>Experience: 23 Years             | Sep'09                    | 8 Years  | Vishal Pipes         | - | - |
| 6.  | Vaibhav Shukla   | Company Secretary               | 2,20,800 | Permanent | Qualification: B.Com & Company Secretary<br>Experience: 8 Years 8 Months | 7 <sup>th</sup> May, 2012 | 5 Years  | Rahman industries    | - | - |
| 7.  | Amit Kumar Singh | AGM Sales                       | 2,05,716 | Permanent | Qualification: B.Tech<br>Experience: 10 Years                            | Feb'17                    | 1 Year   | Hitech Pipes Ltd.    | - | - |
| 8.  | Somesh Shukla    | Manager Sales (Project)         | 2,00,000 | Permanent | Qualification: M.B.A.<br>Experience: 11 Years                            | Nov'16                    | 11 Years | Green Ply Industries | - | - |
| 9.  | Shiv Lakhan      | Foreman Maintenance             | 1,92,000 | Permanent | 25 Years   | Sep'09                    | 8 Years  | -                    | - | - |
| 10. | Brajesh Mishra   | Manager (Sales & Marketing)     | 1,80,000 | Permanent | Qualification: MBA (Marketing)<br>Experience: 17 Years                   | Oct'15                    | 2 Years  | Panem Steel (P) Ltd. | - | - |





## ANNEXURE TO DIRECTORS REPORT

(b) If employed throughout the Financial Year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees:

| S. No. | Name of the Employee | Designation | Remuneration received | Nature of employment, whether contractual or otherwise | Qualifications and experience of the employee | Date of commencement of employment | The age of such employee | The last employment held by such employee before joining the Company | The % of Equity Shares held by such employee in the Company | Whether such employee is a relative of any director or manager of the Company and if so, name of such director or manager |
|--------|----------------------|-------------|-----------------------|--|---|------------------------------------|--------------------------|--|---|---|
| NIL    |                      |             |                       |  |   |                                    |                          |  |   |   |

(c) If employed for a part of the Financial Year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lakh and Fifty Thousand Rupees per month:

| S. No. | Name of the Employee | Designation | Remuneration received | Nature of employment, whether contractual or otherwise | Qualifications and experience of the employee | Date of commencement of employment | The age of such employee | The last employment held by such employee before joining the Company | The % of Equity Shares held by such employee in the Company | Whether such employee is a relative of any director or manager of the Company and if so, name of such director or manager |
|--------|----------------------|-------------|-----------------------|--|---|------------------------------------|--------------------------|--|---|---|
| NIL    |                      |             |                       |  |   |                                    |                          |  |   |   |



## ANNEXURE TO DIRECTORS REPORT

(d) If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company

| S. No. | Name of the Employee | Designation | Remuneration received | Nature of employment, whether contractual or otherwise | Qualifications and experience of the employee | Date of commencement of employment | The age of such employee | The last employment held by such employee before joining the Company | The % of Equity Shares held by such employee in the Company | Whether such employee is a relative of any director or manager of the Company and if so, name of such director or manager |
|--------|----------------------|-------------|-----------------------|--|---|------------------------------------|--------------------------|--|---|---|
| NIL    |                      |             |                       |  |   |                                    |                          |  |   |   |

For and on behalf of Board of Directors  
**Premier Pipes Limited**

**(Ajay Kumar Jain)**  
Managing Director  
DIN: 00493685

**(Vinay Kumar Jain)**  
Director  
DIN: 00580112  
Address: H-1/10, Kidwai Nagar,  
Kanpur – 208 011

**(Amit Kumar Jain)**  
Director  
DIN: 00493795  
Address: 131/128/6, K Block,  
Kidwai Nagar, Kanpur – 208 011

Date: 10/08/2017  
Place: Kanpur

Address: H-1/10, Kidwai Nagar, Kanpur – 208 011



**Form No.MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017.**

[Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

The Members,  
PREMIER PIPES LIMITED  
SOM BIZ-NESS XQUARE, 4<sup>TH</sup> FLOOR  
1-THE MALL, KANPUR  
UTTAR PRADESH-208001.

We were appointed by the Board of Directors of the Premier Pipes Limited (hereinafter called the Company) to conduct Secretarial Audit of the Company for the financial year ended 31<sup>st</sup> March, 2017.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Premier Pipes Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification of the Premier Pipes Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit.

We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 Complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute, books, forms and returns filed and other records maintained by the company for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder:
- (ii) The Securities contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder:
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder:
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment Overseas Direct Investment and External Commercial Borrowings :
  
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) regulation, 2011:
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 :
  - (c) The securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009 –**Not applicable to the Company for the year under review;**



## ANNEXURE TO DIRECTORS REPORT

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 : **Not applicable to the Company for the year under review;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008: **Not applicable to the Company for the year under review;**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue And Share Transfer Agents) Regulation, 1993 regarding the Companies Act and dealing With client: **Not applicable to the Company for the year under review;**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Share) Regulations,2009: **Not applicable to the Company for the year under review;**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: **Not applicable to the Company for the year under review;**
- (vi) (Mention the other laws as may be applicable specifically to the Company) N.A

we have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. The Company is maintaining Minutes Book as per the norms, but not as Stated in the SS-1 and SS-2. *The Company has yet to comply all the norms of SS-1 and SS-2.*
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited (hereinafter called as "Listing Agreement):

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. Mentioned above, to the extent applicable.

### We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to convene the Board Meeting, agenda (detailed notes on agenda were sent, but sometime at least seven days in advance notice were not adhered), and a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and recorded as part of the minutes, it was found that most of the time it was unanimous.

### We further report that

The adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines to the extent applicable.



## ANNEXURE TO DIRECTORS REPORT

### We further report that

On the basis of the questionnaire provided to the Company, during the audit period, on the basis of reply received from the various departments, it was concluded that the company has complied with the following laws applicable to the Company.

For example:

- (i) Water (prevention and control of pollution) Act,1974;
- (ii) Air (prevention and control of pollution)Act,1981;
- (iii) Environment Protection Act,1986;
- (iv) Factories Act,1948;
- (v) Industrial Disputes Act, 1947;
- (vi) Payment of Wages Act,1936;
- (vii) The Minimum Wages Act,1948;
- (viii) Employees State Insurance Act,1948;
- (ix) The Employees Provident Fund and Miscellaneous Provisions Act,1952
- (x) The Payment of Bonus Act,1965;
- (xi) The Payment of Gratuity Act, 1972; *yet to be complied.*
- (xii) The Sexual Harassment of Women at work place, (Prohibition and Redressal) Act, 2013 *yet to be complied.*

### (xiii) We further report that during the audit period:

1. The company has not made Public/Right/Preferential Issue of Shares/ debentures/ Sweat Equity etc.
2. The company has not made Redemption/ Buy-Back of securities.
3. The company has not any passed special resolution.
4. The company has not made Mergers/ Amalgamations/reconstruction etc.
5. The company has not made foreign technical collaborations.

**Date: 10.08.2017**

**Place: Kanpur**

**Signature: K.N. Shridhar**  
**Company Secretary in Practice/ Firm**  
**FCS No.3882; CP No.2612**

**ANNEXURE TO DIRECTORS REPORT****“Annexure D”****Form No. MGT-9  
EXTRACT OF ANNUAL RETURN****AS ON FINANCIAL YEAR ENDED ON 31.03.2017****[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014]****I. REGISTRATION AND OTHER DETAILS:**

|   |  |  |
|---|--|--|
| 1 | CIN  | L22219UP1975PLC004105  |
| 2 | Registration Date  | 15 <sup>th</sup> April, 1975   |
| 3 | Name of the Company  | Premier Pipes Limited  |
| 4 | Category of the Company<br>Sub-category of the Company                     | Company Limited by Shares<br>Indian Non-Govt. Company  |
| 5 | Address of the Registered office & contact details                         | Som Biz-ness Xqure, 4 <sup>th</sup> Floor, 1, The Mall Kanpur, Kanpur – 208 001 (U.P.)<br>Email: <a href="mailto:infopipes@premierispac.com">infopipes@premierispac.com</a><br>Website: <a href="http://www.premierpipesltd.com">www.premierpipesltd.com</a><br>Tel.: +91-7522002351/58<br>Telefax: +91-512-2360560        |
| 6 | Whether Listed Company   | Yes/ <del>No</del>   |
| 7 | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Skyline Financial Services Private Limited<br>D-153/A, 1 <sup>st</sup> Floor, Okhla Industrial Area Phase-1, New Delhi – 110 020<br>T: +91-11-64732681-88, Fax: +91-11-26812682-83<br>Email: <a href="mailto:info@skylinerta.com">info@skylinerta.com</a> ; <a href="mailto:admin@skylinerta.com">admin@skylinerta.com</a> |



## ANNEXURE TO DIRECTORS REPORT

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated

| S. No. | Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover of the Company |
|--------|---|----------------------------------|------------------------------------|
| 1      | Sale of Manufactured Goods                      | 2431                             | 99%                                |

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S. No | Name and Address of the Company | CIN/<br>GLN | Holding/ Subsidiary/<br>Associate | % of shares held | Applicable Section |
|-------|---------------------------------|-------------|-----------------------------------|------------------|--------------------|
|       |                                 |             |                                   |                  |                    |
|       |                                 |             |                                   |                  |                    |
|       |                                 |             |                                   |                  |                    |
|       |                                 |             |                                   |                  |                    |
|       |                                 |             |                                   |                  |                    |
|       |                                 |             |                                   |                  |                    |
|       |                                 |             |                                   |                  |                    |



## ANNEXURE TO DIRECTORS REPORT

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i. Category-wise Share Holding

| Category of Shareholders                                  | No. of Shares held at the beginning of the year i.e., as on 01 <sup>st</sup> April, 2016 |                 |                 |                   | No. of Shares held at the end of the year i.e., as on 31 <sup>st</sup> March, 2017 |                 |                 |                   | % Change during the year |
|---|--|-----------------|-----------------|-------------------|--|-----------------|-----------------|-------------------|--------------------------|
|   | Demat  | Physical        | Total           | % of Total Shares | Demat  | Physical        | Total           | % of Total Shares |                          |
| <b>A. Promoters</b>                                       |  |                 |                 |                   |  |                 |                 |                   |                          |
| <b>(1) Indian</b>   |  |                 |                 |                   |  |                 |                 |                   |                          |
| a) Individual/ HUF  | 93,100   | 3,14,194        | 4,07,294        | 11.47             | 2,81,774   | 1,91,520        | 4,73,294        | 13.33             | 1.86                     |
| b) Central Govt   | -  | -               | -               | -                 | -  | -               | -               | -                 | -                        |
| c) State Govt (s)   | -  | -               | -               | -                 | -  | -               | -               | -                 | -                        |
| d) Bodies Corp.   | -  | -               | -               | -                 | -  | -               | -               | -                 | -                        |
| e) Banks / FI   | -  | -               | -               | -                 | -  | -               | -               | -                 | -                        |
| f) Any other  | -  | -               | -               | -                 | -  | -               | -               | -                 | -                        |
| <b>Sub total (A) (1)</b>                                  | <b>93,100</b>  | <b>3,14,194</b> | <b>4,07,294</b> | <b>11.47</b>      | <b>2,81,774</b>  | <b>1,91,520</b> | <b>4,73,294</b> | <b>13.33</b>      | <b>1.86</b>              |
| <b>(2) Foreign</b>  |  |                 |                 |                   |  |                 |                 |                   |                          |
| a) NRIs – Individuals                                     | -  | -               | -               | -                 | -  | -               | -               | -                 | -                        |
| b) Other Individuals                                      | -  | -               | -               | -                 | -  | -               | -               | -                 | -                        |
| c) Body Corp.   | -  | -               | -               | -                 | -  | -               | -               | -                 | -                        |
| d) Bank/FI  | -  | -               | -               | -                 | -  | -               | -               | -                 | -                        |
| Any Other   | -  | -               | -               | -                 | -  | -               | -               | -                 | -                        |
| <b>Sub total (A) (2)</b>                                  | <b>-</b>   | <b>-</b>        | <b>-</b>        | <b>-</b>          | <b>-</b>   | <b>-</b>        | <b>-</b>        | <b>-</b>          | <b>-</b>                 |
| <b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b> | <b>93,100</b>  | <b>3,14,194</b> | <b>4,07,294</b> | <b>11.47</b>      | <b>2,81,774</b>  | <b>1,91,520</b> | <b>4,73,294</b> | <b>13.33</b>      | <b>1.86</b>              |
| <b>B. Public Shareholding</b>                             |  |                 |                 |                   |  |                 |                 |                   |                          |
| <b>1. Institutions</b>                                    |  |                 |                 |                   |  |                 |                 |                   |                          |





|   |              |                  |                  |              |               |                  |                  |              |               |
|---|--------------|------------------|------------------|--------------|---------------|------------------|------------------|--------------|---------------|
| a) Mutual Funds   | -            | -                | -                | -            | -             | -                | -                | -            | -             |
| b) Banks / FI   | -            | -                | -                | -            | -             | -                | -                | -            | -             |
| c) Central Govt   | -            | -                | -                | -            | -             | -                | -                | -            | -             |
| d) State Govt (s)   | -            | -                | -                | -            | -             | -                | -                | -            | -             |
| e) Venture Capital Funds  | -            | -                | -                | -            | -             | -                | -                | -            | -             |
| f) Insurance Companies  | -            | -                | -                | -            | -             | -                | -                | -            | -             |
| g) FIs  | -            | -                | -                | -            | -             | -                | -                | -            | -             |
| h) Foreign Venture Capital Funds  | -            | -                | -                | -            | -             | -                | -                | -            | -             |
| i) Others (specify)   | -            | -                | -                | -            | -             | -                | -                | -            | -             |
| <b>Sub-total (B)(1)</b>   | -            | -                | -                | -            | -             | -                | -                | -            | -             |
| <b>2. Non-Institutions</b>  |              |                  |                  |              |               |                  |                  |              |               |
| a) Bodies Corp.   |              |                  |                  |              |               |                  |                  |              |               |
| i) Indian   | -            | 10,38,490        | 10,38,490        | 29.26        | -             | 10,38,490        | 10,38,490        | 29.26        | -             |
| ii) Overseas  | -            | -                | -                | -            | -             | -                | -                | -            | -             |
| b) Individuals  |              |                  |                  |              |               |                  |                  |              |               |
| i) Individual shareholders holding nominal share capital upto Rs.1 lakh           | 3,700        | 10,09,623        | 10,13,323        | 28.54        | 15,700        | 9,97,623         | 10,13,323        | 28.54        | -             |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | -            | 8,82,993         | 8,82,993         | 24.88        | 39,150        | 7,77,843         | 8,16,993         | 23.02        | (1.86)        |
| c) Others (specify)<br>- NRI<br>- Clearing Members                                | 500          | 2,07,400         | 2,07,900         | 5.85         | 500           | 2,07,400         | 2,07,900         | 5.85         | -             |
| <b>Sub total (B)(2)</b>   | <b>4,200</b> | <b>31,38,506</b> | <b>31,42,706</b> | <b>88.53</b> | <b>55,350</b> | <b>30,21,356</b> | <b>30,76,706</b> | <b>86.67</b> | <b>(1.86)</b> |
| Total Public Shareholding (B) = (B)(1) + (B)(2)                                   | <b>4,200</b> | <b>31,38,506</b> | <b>31,42,706</b> | <b>88.53</b> | <b>55,350</b> | <b>30,21,356</b> | <b>30,76,706</b> | <b>86.67</b> | <b>(1.86)</b> |
| <b>C. Shares held by Custodian for GDRs</b>                                       |              |                  |                  |              |               |                  |                  |              |               |
|   | -            | -                | -                | -            | -             | -                | -                | -            | -             |



|                            |               |                  |                  |            |                 |                  |                  |            |          |
|----------------------------|---------------|------------------|------------------|------------|-----------------|------------------|------------------|------------|----------|
| <b>&amp; ADRs</b>          |               |                  |                  |            |                 |                  |                  |            |          |
| <b>Grand Total (A+B+C)</b> | <b>97,300</b> | <b>34,52,700</b> | <b>35,50,000</b> | <b>100</b> | <b>3,37,124</b> | <b>32,12,876</b> | <b>35,50,000</b> | <b>100</b> | <b>0</b> |

ii. Shareholding of Promoters (including Promoter Group)

| SI No | Shareholder's Name    | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in shareholding during the year |
|-------|-----------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
|       |                       | No. of Shares                             | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares                       | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares |  |
| 1.    | Amit Kumar Jain (HUF) | 44,060                                    | 1.24                             | -  | 44,060                              | 1.24                             | -  | -  |
| 2.    | Ajay Kumar Jain (HUF) | 43,614                                    | 1.23                             | -  | 43,614                              | 1.23                             | -  | -  |
| 3.    | Preeti Jain           | 14,000                                    | 0.39                             | -  | 36,000                              | 1.01                             | -  | 0.62                                     |
| 4.    | Ragini Jain           | 8,000                                     | 0.23                             | -  | 30,000                              | 0.85                             | -  | 0.62                                     |
| 5.    | Deepali Jain          | 7,000                                     | 0.20                             | -  | 29,000                              | 0.82                             | -  | 0.62                                     |
| 6.    | Ajay Kumar Jain       | 22,100                                    | 0.62                             | -  | 22,100                              | 0.62                             | -  | -  |
| 7.    | Vivek Jain            | 21,000                                    | 0.59                             | -  | 21,000                              | 0.59                             | -  | -  |
| 8.    | Rishabh Jain          | 21,000                                    | 0.59                             | -  | 21,000                              | 0.59                             | -  | -  |
| 9.    | Pawan Kumar Jain      | 21,000                                    | 0.59                             | -  | 21,000                              | 0.59                             | -  | -  |
| 10.   | Ashok Kumar Jain      | 21,400                                    | 0.60                             | -  | 21,400                              | 0.60                             | -  | -  |
| 11.   | Vinay Kumar Jain      | 21,100                                    | 0.59                             | -  | 21,100                              | 0.59                             | -  | -  |
| 12.   | Arun Kumar Jain       | 21,000                                    | 0.59                             | -  | 21,000                              | 0.59                             | -  | -  |
| 13.   | Amit Kumar Jain       | 21,000                                    | 0.59                             | -  | 21,000                              | 0.59                             | -  | -  |
| 14.   | Des Raj Jain (HUF)    | 20,000                                    | 0.56                             | -  | 20,000                              | 0.56                             | -  | -  |
| 15.   | Tara Devi Jain        | 19,000                                    | 0.54                             | -  | 19,000                              | 0.54                             | -  | -  |
| 16.   | Jai Kumar Jain        | 18,100                                    | 0.51                             | -  | 18,100                              | 0.51                             | -  | -  |
| 17.   | Santosh Jain          | 14,000                                    | 0.39                             | -  | 14,000                              | 0.39                             | -  | -  |
| 18.   | Des Raj Jain          | 12,900                                    | 0.36                             | -  | 12,900                              | 0.36                             | -  | -  |
| 19.   | Jai Kumar Jain (HUF)  | 12,150                                    | 0.34                             | -  | 12,150                              | 0.34                             | -  | -  |
| 20.   | Madhukar Jain         | 8,700                                     | 0.25                             | -  | 8,700                               | 0.25                             | -  | -  |
| 21.   | Sudesh Jain           | 8,310                                     | 0.23                             | -  | 8,310                               | 0.23                             | -  | -  |
| 22.   | Vipin Kumar Jain      | 7,860                                     | 0.22                             | -  | 7,860                               | 0.22                             | -  | -  |
|       | <b>Total</b>          | <b>4,07,294</b>                           | <b>11.47</b>                     | <b>-</b>   | <b>4,73,294</b>                     | <b>13.33</b>                     | <b>-</b>   | <b>1.86</b>                              |



## ANNEXURE TO DIRECTORS REPORT

### iii. Change in Promoters' Shareholding (please specify, if there is no change)-

| Sl No | Name of the Promoter (including Promoter's Group) | Shareholding at the beginning of the year |                                  | Date       | Increase/ Decrease in Shareholding during the year | Reason   | Cumulative Shareholding during the year |                                  |
|-------|---|---|----------------------------------|------------|--|----------|---|----------------------------------|
|       |   | No. of shares                             | % of total shares of the Company |            |  |          | No. of shares                           | % of total shares of the Company |
| 1.    | Amit Kumar Jain (HUF)                             | 44,060                                    | 1.24                             | -          | -  | -        | 44,060                                  | 1.24                             |
| 2.    | Ajay Kumar Jain (HUF)                             | 43,614                                    | 1.23                             | -          | -  | -        | 43,614                                  | 1.23                             |
| 3.    | Preeti Jain                                       | 14,000                                    | 0.39                             | 31/03/2017 | 22,000   | Purchase | 36,000                                  | 1.01                             |
| 4.    | Ragini Jain                                       | 8,000                                     | 0.23                             | 31/03/2017 | 22,000   | Purchase | 30,000                                  | 0.85                             |
| 5.    | Deepali Jain                                      | 7,000                                     | 0.20                             | 31/03/2017 | 22,000   | Purchase | 29,000                                  | 0.82                             |
| 6.    | Ajay Kumar Jain                                   | 22,100                                    | 0.62                             | -          | -  | -        | 22,100                                  | 0.62                             |
| 7.    | Vivek Jain  | 21,000                                    | 0.59                             | -          | -  | -        | 21,000                                  | 0.59                             |
| 8.    | Rishabh Jain                                      | 21,000                                    | 0.59                             | -          | -  | -        | 21,000                                  | 0.59                             |
| 9.    | Pawan Kumar Jain                                  | 21,000                                    | 0.59                             | -          | -  | -        | 21,000                                  | 0.59                             |
| 10.   | Ashok Kumar Jain                                  | 21,400                                    | 0.60                             | -          | -  | -        | 21,400                                  | 0.60                             |
| 11.   | Vinay Kumar Jain                                  | 21,100                                    | 0.59                             | -          | -  | -        | 21,100                                  | 0.59                             |
| 12.   | Arun Kumar Jain                                   | 21,000                                    | 0.59                             | -          | -  | -        | 21,000                                  | 0.59                             |
| 13.   | Amit Kumar Jain                                   | 21,000                                    | 0.59                             | -          | -  | -        | 21,000                                  | 0.59                             |
| 14.   | Des Raj Jain (HUF)                                | 20,000                                    | 0.56                             | -          | -  | -        | 20,000                                  | 0.56                             |
| 15.   | Tara Devi Jain                                    | 19,000                                    | 0.54                             | -          | -  | -        | 19,000                                  | 0.54                             |
| 16.   | Jai Kumar Jain                                    | 18,100                                    | 0.51                             | -          | -  | -        | 18,100                                  | 0.51                             |
| 17.   | Santosh Jain                                      | 14,000                                    | 0.39                             | -          | -  | -        | 14,000                                  | 0.39                             |
| 18.   | Des Raj Jain                                      | 12,900                                    | 0.36                             | -          | -  | -        | 12,900                                  | 0.36                             |
| 19.   | Jai Kumar Jain (HUF)                              | 12,150                                    | 0.34                             | -          | -  | -        | 12,150                                  | 0.34                             |
| 20.   | Madhukar Jain                                     | 8,700                                     | 0.25                             | -          | -  | -        | 8,700                                   | 0.25                             |
| 21.   | Sudesh Jain                                       | 8,310                                     | 0.23                             | -          | -  | -        | 8,310                                   | 0.23                             |
| 22.   | Vipin Kumar Jain                                  | 7,860                                     | 0.22                             | -          | -  | -        | 7,860                                   | 0.22                             |
|       |   | <b>4,07,294</b>                           | <b>11.47</b>                     | -          | -  | -        | <b>4,73,294</b>                         | <b>13.33</b>                     |



## ANNEXURE TO DIRECTORS REPORT

### iv. Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sl No | Name of the Top 10 Shareholders   | Shareholding at the beginning of the year |                                  | Date | Increase/ Decrease in Shareholding during the year | Reason | Cumulative Shareholding during the year |                                  |
|-------|-----------------------------------|---|----------------------------------|------|--|--------|---|----------------------------------|
|       |                                   | No. of shares                             | % of total shares of the Company |      |  |        | No. of shares                           | % of total shares of the Company |
| 1.    | M/s Lewis Exim (P) Ltd.           | 4,29,000                                  | 12.08                            | -    | -  | -      | 4,29,000                                | 12.08                            |
| 2.    | M/s Gold Star Business Pvt. Ltd.  | 1,99,000                                  | 5.61                             | -    | -  | -      | 1,99,000                                | 5.61                             |
| 3.    | M/s Spectrum Sheet Girh Pvt. Ltd. | 1,57,000                                  | 4.42                             | -    | -  | -      | 1,57,000                                | 4.42                             |
| 4.    | Prashant Jain                     | 1,50,946                                  | 4.25                             | -    | -  | -      | 1,50,946                                | 4.25                             |
| 5.    | Ajay Dubey                        | 1,43,967                                  | 4.06                             | -    | -  | -      | 1,43,967                                | 4.06                             |
| 6.    | Pushpa Garg                       | 1,32,300                                  | 3.73                             | -    | -  | -      | 1,32,300                                | 3.73                             |
| 7.    | Mr. Arun Sharma                   | 73,700                                    | 2.08                             | -    | -  | -      | 73,700                                  | 2.08                             |
| 8.    | M/s Rotex Profiles Pvt. Ltd.      | 62,410                                    | 1.76                             | -    | -  | -      | 62,410                                  | 1.76                             |
| 9.    | Arun Kumar Goel                   | 56,300                                    | 1.59                             | -    | -  | -      | 56,300                                  | 1.59                             |
| 10.   | Shashi Dhar Tripathi              | 52,800                                    | 1.49                             | -    | -  | -      | 52,800                                  | 1.49                             |
|       |                                   | <b>14,57,423</b>                          | <b>42.54</b>                     | -    | -  | -      | <b>14,57,423</b>                        | <b>42.54</b>                     |

### v. Shareholding of Directors and Key Managerial Personnel: There is no shareholding of Key Managerial Personnel as on 31.03.2017

| Sl No | Name of Director | Shareholding at the beginning of the year |                                  | Date | Increase/ Decrease in Shareholding during the year | Reason | Cumulative Shareholding during the year |                                  |
|-------|------------------|---|----------------------------------|------|--|--------|---|----------------------------------|
|       |                  | No. of shares                             | % of total shares of the Company |      |  |        | No. of shares                           | % of total shares of the Company |
| 1.    | Ajay Kumar Jain  | 22,100                                    | 0.62                             | -    | -  | -      | 22,100                                  | 0.62                             |
| 2.    | Vinay Kumar Jain | 21,100                                    | 0.59                             | -    | -  | -      | 21,100                                  | 0.59                             |



|    |                 |               |             |   |   |   |               |             |
|----|-----------------|---------------|-------------|---|---|---|---------------|-------------|
| 3. | Amit Kumar Jain | 21,000        | 0.59        | - | - | - | 21,000        | 0.59        |
| 4. | Arun Kumar Jain | 21,000        | 0.59        | - | - | - | 21,000        | 0.59        |
| 5. | Santosh Jain    | 14,000        | 0.39        | - | - | - | 14,000        | 0.39        |
|    |                 | <b>99,200</b> | <b>2.78</b> | - | - | - | <b>99,200</b> | <b>2.78</b> |

#### V. INDEBTEDNESS

##### Indebtedness of the Company including interest outstanding/accrued but not due for payment

|  | Secured Loans<br>excluding deposits | Unsecured Loans     | Deposits           | Total Indebtedness  |
|--|-------------------------------------|---------------------|--------------------|---------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                     |                     |                    |                     |
| i) Principal Amount  | 7,34,09,631                         | 2,46,19,076         | 1,38,39,033        | 11,18,67,740        |
| ii) Interest due but not paid                              | -                                   | -                   | -                  | -                   |
| iii) Interest accrued but not due                          | -                                   | -                   | -                  | -                   |
| <b>Total (i+ii+iii)</b>                                    | <b>7,34,09,631</b>                  | <b>2,46,19,076</b>  | <b>1,38,39,033</b> | <b>11,18,67,740</b> |
| <b>Change in Indebtedness during the financial year</b>    |                                     |                     |                    |                     |
| * Addition   | 85,01,89,295                        | 24,43,25,914        | 62,98,000          | 1,10,08,13,209      |
| * Reduction  | 85,92,12,278                        | 14,54,55,752        | 49,57,167          | 1,00,96,25,197      |
| <b>Net Change</b>  | <b>(90,22,983)</b>                  | <b>9,88,70,162</b>  | <b>13,40,833</b>   | <b>91188012</b>     |
| <b>Indebtedness at the end of the financial year</b>       |                                     |                     |                    |                     |
| i) Principal Amount  | 6,43,86,648                         | 12,34,89,238        | 1,51,79,866        | 20,30,55,752        |
| ii) Interest due but not paid                              | -                                   | -                   | -                  | -                   |
| iii) Interest accrued but not due                          | -                                   | -                   | -                  | -                   |
| <b>Total (i+ii+iii)</b>                                    | <b>6,43,86,648</b>                  | <b>12,34,89,238</b> | <b>1,51,79,866</b> | <b>20,30,55,752</b> |



## ANNEXURE TO DIRECTORS REPORT

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sl No | Particulars of Remuneration   | Name of MD/WTD/Manager             | Total Amount     |
|-------|---|------------------------------------|------------------|
|       |   | Ajay Kumar Jain, Managing Director |                  |
| 1     | Gross salary  |                                    |                  |
|       | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 33,60,000                          | 33,60,000        |
|       | (b) Value of perquisites u/s 17(2) Income Tax Act, 1961 Bonus                       | -                                  | -                |
|       | (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961              | -                                  | -                |
| 2     | Stock Option  | -                                  | -                |
| 3     | Sweat Equity  | -                                  | -                |
| 4     | Commission  | -                                  | -                |
|       | - as % of profit  | -                                  | -                |
|       | - others, specify...  | -                                  | -                |
| 5     | Others, please specify  | -                                  | -                |
|       | <b>Total</b>  | <b>33,60,000</b>                   | <b>33,60,000</b> |

#### B. Remuneration to other directors

| Sl No. | Particulars of Remuneration                 | Name of Directors |                      |            |                    | Total Amount |
|--------|---|-------------------|----------------------|------------|--------------------|--------------|
|        |   | Satish Kumar Garg | Balram Narain Bansal | Himit Jain | Satya Narain Dubey |              |
| 1      | Independent Directors                       | -                 | -                    | -          | -                  | -            |
|        | Fee for attending Board/ Committee Meetings | -                 | -                    | -          | -                  | -            |
|        | Commission                                  | -                 | -                    | -          | -                  | -            |
|        | Others, please specify                      | -                 | -                    | -          | -                  | -            |
|        | <b>Total (1)</b>                            | -                 | -                    | -          | -                  | -            |
| 2      | Other Non-Executive Directors               | Amit Jain         | Arun Jain            | Santosh    |                    |              |



|  |   |   |   |      |   |   |
|--|---|---|---|------|---|---|
|  |   |   |   | Jain |   |   |
|  | Fee for attending Board/ Committee Meetings | - | - | -    | - | - |
|  | Commission                                  | - | - | -    | - | - |
|  | Others, please specify                      | - | - | -    | - | - |
|  | Total (2)                                   | - | - | -    | - | - |
|  | Total (B)=(1+2)                             | - | - | -    | - | - |
|  | Total Managerial Remuneration               | - | - | -    | - | - |
|  | Overall Ceiling as per the Act              | - | - | -    | - | - |

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

| Sl No | Particulars of Remuneration   | Key Managerial Personnel |               |                 |
|-------|---|--------------------------|---------------|-----------------|
|       |   | CS*                      | CFO           | Total           |
| 1     | Gross salary  |                          |               |                 |
|       | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 2,20,800                 | 89,250        | 3,10,050        |
|       | (b) Value of perquisites u/s 17(2) Income Tax Act, 1961                             | -                        | -             | -               |
|       | (c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961              | -                        | -             | -               |
| 2     | Stock Option  | -                        | -             | -               |
| 3     | Sweat Equity  | -                        | -             | -               |
| 4     | Commission  | -                        | -             | -               |
|       | - as % of profit  | -                        | -             | -               |
|       | - others, specify...  | -                        | -             | -               |
| 5     | Others, please specify  | -                        | -             | -               |
|       | <b>Total</b>  | <b>2,20,800</b>          | <b>89,250</b> | <b>3,10,050</b> |



**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD/ NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|-----------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                             |                                    |
| Penalty                             |                              |                   |   |                             |                                    |
| Punishment                          |                              |                   |   |                             |                                    |
| Compounding                         |                              |                   |   |                             |                                    |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                             |                                    |
| Penalty                             |                              |                   |   |                             |                                    |
| Punishment                          |                              |                   |   |                             |                                    |
| Compounding                         |                              |                   |   |                             |                                    |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                             |                                    |
| Penalty                             |                              |                   |   |                             |                                    |
| Punishment                          |                              |                   |   |                             |                                    |
| Compounding                         |                              |                   |   |                             |                                    |

For & On behalf of Board of Directors  
**PREMIER PIPES LIMITED**

**(Ajay Kumar Jain)**  
Managing Director  
DIN: 00493685

**(Vinay Kumar Jain)**  
Director  
DIN: 00580112

**(Amit Kumar Jain)**  
Director  
DIN: 00493795

Date :  
10/08/2017  
Place: Kanpur

Address: H-1/10, Kidwai Nagar,  
Kanpur – 208 011

Address: H-1/10, Kidwai Nagar, Kanpur – 208  
011

Address: 131/128/6, K Block,  
Kidwai Nagar, Kanpur – 208 011





**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**i) Industry Structure and Developments**

The Company is engaged in the business of manufacturing Black Steel Tubes, G.I. Steel Tubes, Steel Tubular Poles and PVC Pipes at its units located at Bindki, District Fatehpur, Uttar Pradesh. The Company intends to extend its area of operations to other steel and pipe industry. The steel and pipe industry in which the Company is dealing is recently having trends of volatility and there are very good chances for the Company to develop its area of operation in the steel and pipe industry.

**ii) Opportunities and Threats**

A future of opportunities exists in the form of increasing user and increasing demand. Growth in Indian economy leads to creation of immense opportunities to the Company for future growth and development. The pipeline is one of the important parts of a nation's infrastructure. The demand for the pipe industry in India is driven by steady growth in India as well as strong demand from key export regions such as the Middle East, West Asia, Africa, South East Asia and Australia. With the growing need for transportation of Oil & Gas as water & waste water the demand for steel pipes is increasing.

For market players of Steel and Pipe industry, a major cause of volatility is the cost of raw materials, which has been exacerbated by the change from annual to shorter-term price contracts. Shortages in supply have enabled suppliers to re-engineer the pricing mechanisms. However, this has created challenges for market players. They now have to deal not only with the increased volatility in raw material prices, but also with how to maintain margins with fluctuating demand. These developments are significantly affecting the earnings of the steel and pipe industry and try to achieve stability in steel and pipe market.

**iii) Internal Control system and their adequacy**

The Company has adequate system of internal control commensurate with its size and operations to ensure orderly and efficient conduct of the business. These controls ensure safeguard of assets, reduction and detection of frauds and error, adequacy and completeness of the accounting record and timely preparation of reliable financial information.

**iv) Financial performance with respect to operational performance**

The financial performance of the Company for the year 2016-17 is described in the Directors Report.

**v) Segment wise Performance:**

During the year the Company has not achieved a notable progress in its operations but due to its future expansion plans, projects and emerging opportunities your directors expect increase in its revenue and income. Our Company's operations belong to a single segment and therefore no segment wise performance given.

**vi) Recent Trend and Future Outlook:**

The sector in which the Company has been operating is developing faster and provides ample growth opportunities.

Further due to rise in foreign direct investment in the sector, Company will be able to develop projects at fast pace and looking forward for better development and high investment returns.



## ANNEXURE TO DIRECTORS REPORT

vii) **Risk and Concerns**

For market players of steel and pipe industry, a major cause of volatility is the cost of raw materials, which has been exacerbated by the change from annual to shorter-term price contracts. Shortages in supply have enabled suppliers to re-engineer the pricing mechanisms. However, this has created challenges for market players. They now have to deal not only with the increased volatility in raw material prices, but also with how to maintain margins with fluctuating demand. These developments are significantly affecting the earnings of the steel and pipe industry and try to achieve stability in steel and pipe market.

viii) **Material developments in Human Resources/Industrial Relations front, including the number of people employed**

During the year under review, no such initiatives and/or developments in Human Resources/Industrial Relations front has been taken by the Company.

ix) **Cautionary Statement**

Statement in this Management Discussion and Analysis describing the company's objectives, projections, estimated and expectations are "forward looking statements" Actual results might differ, materially from those anticipated because of changing ground realities.

For and on behalf of Board of Directors  
**Premier Pipes Limited**

**(Ajay Kumar Jain)**

Managing Director

DIN: 00493685

Date: 10/08/2017

Place: Kanpur

Address: H-1/10, Kidwai  
Nagar, Kanpur – 208 011

**(Vinay Kumar Jain)**

Director

DIN: 00580112

Address: H-1/10, Kidwai  
Nagar, Kanpur – 208 011

**(Amit Kumar Jain)**

Director

DIN: 00493795

Address: 131/128/6, K Block,  
Kidwai Nagar, Kanpur – 208  
011



**ANNEXURE TO DIRECTORS REPORT**

**“ANNEXURE F”**

**PARTICULARS REQUIRED UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 AND RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014**

|  |   |   |
|--|---|---|
| <b>(A) Conservation of Energy:</b>             |   |   |
|  | Steps taken or impact on conservation of energy:  | <ul style="list-style-type: none"> <li>Power consumption was reduced in Welders, Motors and Tube Mills by replacement of critical components with the newly designed ones for job work</li> <li>Light Emitting Diode (LED) light installations in the entire plant premises.</li> <li>Energy efficient air conditioners (inverter duty) used in new installations to reduce the power consumption.</li> </ul>                           |
|  | Steps taken by the Company for utilizing alternate sources of energy  | No additional investment has been made during the year.   |
|  | Capital investment on energy conservation equipments and consequent impact on the cost of production of goods.                              | The Company is relying on existing arrangements for energy conservation.  |
| <b>(B) Technology Absorption:</b>              |   |   |
|  | Efforts, in brief, made towards technology absorption, adaptation & innovation  | Major initiatives are being taken to upgrade the various processes by making use of latest and better techniques. Efforts are constantly being made to make the maximum use of the available infrastructure, at the same time innovating new techniques to bring about efficiency as well as economy in different areas. Employees are given appropriate training of and on the job, to enable them to achieve the planned performance. |
|  | Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.: | There were various benefits derived as a result of the efforts listed above, some of them included better utilization of the available resources, product improvement and development, cost reduction, better overall efficiency  |
|  | In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)                         | NIL   |
| <b>(C) Foreign Exchange Earnings and Outgo</b> |   |   |
|  | Foreign exchange earned in terms of actual inflows during the Financial Year 2016-17  | NIL   |
|  | Foreign exchange earned in terms of actual outflows during the Financial Year 2016-17   | Rs.92,78,160/-  |

For and on behalf of Board of Directors  
**Premier Pipes Limited**

**(Ajay Kumar Jain)**

Managing Director  
DIN: 00493685

Date: 10/08/2017  
Place: Kanpur

Address: H-1/10, Kidwai  
Nagar, Kanpur – 208 011

**(Vinay Kumar Jain)**

Director  
DIN: 00580112

Address: H-1/10, Kidwai  
Nagar, Kanpur – 208 011

**(Amit Kumar Jain)**

Director  
DIN: 00493795

Address: 131/128/6, K Block,  
Kidwai Nagar, Kanpur – 208 011



## ANNEXURE TO DIRECTORS REPORT

“ANNEXURE-G”

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

#### 1. Details of contracts or arrangements or transactions not at arm's length basis:

| Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements/ transactions | Duration of the contracts / arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Justification for entering into such contracts or arrangements or transactions | Date(s) of approval by the Board | Amount paid as advances, if any | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 |
|---|---|--|--|--|----------------------------------|---------------------------------|---|
| (a)   | (b)   | (c)  | (d)  | (e)  | (f)                              | (g)                             | (h)   |
| NIL   |   |  |  |  |                                  |                                 |   |

#### 2. Details of contracts or arrangements or transactions at arm's length basis:

| Name(s) of the related party and nature of relationship  | Nature of contracts/ arrangements/ transactions | Duration of the contracts / arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|--|---|--|--|--|---------------------------------|
| (a)  | (b)   | (c)  | (d)  | (e)                                      | (f)                             |
| Premier Alloys Limited (Public Company in which Mr. Ajay Kumar Jain, Mr. Amit Kumar Jain and Mr. Vinay Kumar Jain are Director and holds along with his relatives, more than two per cent. of its paid-up share capital) | Sale  | May, 2016 to Feb 2017                                  | 2,63,713   | 14.02.2016                               | NIL                             |
| Premier Ispat Limited (Public Company in which Mr. Ajay Kumar Jain, Mr. Amit Kumar Jain and Mr. Vinay Kumar Jain are Director and holds along with his relatives, more than two per cent. of its paid-up share capital)  | Sale  | Dec., 2016 to Jan 2017                                 | 44,462   | 14.02.2016                               | NIL                             |
| Premier Metcast Private Limited (Private Company in which Mr. Arun Kumar Jain and Mr. Amit Kumar Jain are Director)  | Sale  | May, 2016 to March 2017                                | 36,39,333  | 14.02.2016                               | NIL                             |
| Premier Bars Private Limited (Private Company in which Mr. Ajay Kumar Jain, Arun Kumar Jain and Mr. Vinay Kumar Jain are Director)   | Sale  | June, 2016 to March 2017                               | 8,41,999   | 14.02.2016                               | NIL                             |
|  | Purchase  | Feb., 2016 to March 2017                               | 10,48,982  |  |                                 |

For and on behalf of Board of Directors  
Premier Pipes Limited

(Ajay Kumar Jain)  
Managing Director  
DIN: 00493685

(Vinay Kumar Jain)  
Director  
DIN: 00580112  
Address: H-1/10, Kidwai  
Nagar, Kanpur – 208 011

(Amit Kumar Jain)  
Director  
DIN: 00493795  
Address: 131/128/6, K Block,  
Kidwai Nagar, Kanpur – 208 011

Date: 10/08/2017  
Place: Kanpur

Address: H-1/10, Kidwai Nagar, Kanpur – 208 011



## INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

TO THE MEMBERS OF **PREMIER PIPES LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **PREMIER PIPES LIMITED** ('the Company') which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion on the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the *manner* so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2017 and its profit and its cash flows for the year ended on that date.



## INDEPENDENT AUDITOR'S REPORT

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (ii) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (iii) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - (iv) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (v) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (vi) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - (vii) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) the Company has disclosed the impact of pending litigations on its financial position in its financial statements;
    - (ii) the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
    - (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - (iv) the Company has provided requisite disclosure in its financial statements as to holdings as well as dealing in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company- Refer Note 25(k) to the financial statements.

FOR C.L. KANODIA & CO.  
CHARTERED ACCOUNTANTS  
Firm's Regn. No.: 001002C

KANPUR  
26.05.2017

[C.L. KANODIA]  
PROP.  
Membership No. 11427



## ANNEXURE TO THE AUDITOR'S REPORT

### ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Annexure referred to in Independent Auditors Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

1.
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. As explained to us, there were, no material discrepancy noticed on physical verification of inventories by the management as compared to book records.
3. As informed to us, the Company has granted unsecured loan to a company covered in the register maintained under Section 189 of the Companies Act, 2013. In respect of such loans:
  - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the company listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
  - (b) In the case of the loan granted to the company listed in the register maintained under section 189 of the Act, the terms of arrangement do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount.
  - (c) There are no overdue amounts in respect of the loans granted to company listed in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans granted during the year.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public under the provision of the Sec 73 to 76 of the Act.
6. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.



## ANNEXURE TO THE AUDITOR'S REPORT

7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues to the extent applicable have been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the following dues of employees' state insurance 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] | Period to which the amount relates | Forum where dispute is pending               |
|---------------------|----------------------|-----------------|------------------------------------|--|
| ESI Act. 1948       | Damages and Interest | 135617.00       | November 1981 to February 1984     | Civil Judge (Senior) ESI Court, Kanpur Nagar |

8. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to financial institutions or banks.
9. According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and term loans availed by the company have been applied for the purpose for which the loans were obtained.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
12. In our opinion and according to the information and explanation given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.





## ANNEXURE TO THE AUDITOR'S REPORT

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR C.L. KANODIA & CO.  
CHARTERED ACCOUNTANTS  
Firm's Regn. No.: 001002C

KANPUR  
26.05.2017

[C.L. KANODIA]  
PROP.  
Membership No. 11427



## ANNEXURE TO THE AUDITOR'S REPORT

### ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

#### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Premier Pipes Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



## ANNEXURE TO THE AUDITOR'S REPORT

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR C.L. KANODIA & CO.  
CHARTERED ACCOUNTANTS  
Firm's Regn. No.: 001002C

KANPUR  
26.05.2017

[C.L. KANODIA]  
PROP.  
Membership No. 11427



## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017

|                                       | Note | AS AT 31 <sup>ST</sup> March, 2017<br>[RUPEES] | AS AT 31 <sup>ST</sup> March,<br>2016 [RUPEES] |
|---------------------------------------|------|--|--|
| <b><u>EQUITY AND LIABILITIES</u></b>  |      |  |  |
| <b><u>SHAREHOLDER'S FUND</u></b>      |      |  |  |
| Share Capital                         | 2    | 35,500,000                                     | 35,500,000                                     |
| Reserves & Surplus                    | 3    | 77,331,513                                     | 73,581,129                                     |
|                                       |      | 112,831,513                                    | 109,081,129                                    |
| <b><u>NON-CURRENT LIABILITIES</u></b> |      |  |  |
| Long Term Borrowings                  | 4    | 123,489,238                                    | 24,650,311                                     |
| Deferred Tax Liabilities (Net)        |      | 1,868,441                                      | 1,075,787                                      |
| Other Long-Term Liabilities           | 5    | 5,549,170                                      | 4,264,180                                      |
|                                       |      | 130,906,849                                    | 29,990,278                                     |
| <b><u>CURRENT LIABILITIES</u></b>     |      |  |  |
| Short Term Borrowings                 | 6    | 64,386,648                                     | 73,378,396                                     |
| Trade Payables                        | 7    | 57,311,714                                     | 15,984,231                                     |
| Short Term Provisions                 | 8    | 11,050,841                                     | 2,843,711                                      |
|                                       |      | 132,749,203                                    | 92,206,338                                     |
| Total...                              |      | 376,487,565                                    | 231,277,745                                    |
| <b><u>ASSETS</u></b>                  |      |  |  |
| <b><u>NON-CURRENT ASSETS</u></b>      |      |  |  |
| <b><u>FIXED ASSETS</u></b>            |      |  |  |
| Tangible Assets                       | 9    | 56,292,402                                     | 35,733,507                                     |
| Intangible Assets                     |      | 805,683  | -  |
| Non-Current Investments               | 10   | 100,000  | 100,000  |
| Long Term Loans & Advances            | 11   | 15,179,866                                     | 13,839,033                                     |
| Other Non-Current Assets              | 12   | 35,606,809                                     | 7,363,514                                      |
|                                       |      | 107,984,760                                    | 57,036,054                                     |
| <b><u>CURRENT ASSETS</u></b>          |      |  |  |
| Inventories                           | 13   | 134,368,042                                    | 19,273,838                                     |
| Trade Receivables                     | 14   | 58,235,426                                     | 67,927,032                                     |
| Cash & Bank Balances                  | 15   | 9,212,766                                      | 10,119,243                                     |
| Short-Term Loans & Advances           | 16   | 64,060,829                                     | 74,855,650                                     |
| Other Current Assets                  | 17   | 2,625,742                                      | 2,065,928                                      |
|                                       |      | 268,502,805                                    | 174,241,691                                    |
| Total...                              |      | 376,487,565                                    | 231,277,745                                    |

**Significant Accounting Policies**

1

**Notes on Financial Statements**

25

As per our report of even date  
For C.L. KANODIA & CO.  
Firm Registration Number : 001002C  
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

|            |                         |   |   |  |   |  |
|------------|-------------------------|---|---|--|---|--|
| KANPUR     | [C.L. KANODIA]<br>PROP. | [Ajay Kumar Jain]<br>Managing Director<br>DIN: 00493685 | [Vinay Kumar Jain]<br>Director<br>DIN: 00580112 | [Amit Kumar Jain]<br>Director<br>DIN: 00493795 | [Kuldeep Mishra]<br>Chief<br>Financial<br>Officer | [Vaibhav Shukla]<br>Company<br>Secretary |
| 26.05.2017 | Membership No. 11427    |   |   |  |   |  |



**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017**

|  | Note | CURRENT YEAR<br>[RUPEES] | PREVIOUS YEAR<br>[RUPEES] |
|--|------|--------------------------|---------------------------|
| <b>INCOME</b>  |      |                          |                           |
| Revenue from Operations (Gross)  | 18   | 475,898,323              | 348,372,513               |
| Less : Excise Duty   |      | 52,862,752               | 35,421,739                |
| Revenue from Operations (Net)  |      | 423,035,571              | 312,950,774               |
| Other Income   | 19   | 3,818,535                | 5,650,128                 |
| Total Revenue  |      | 426,854,106              | 318,600,902               |
| <b>EXPENDITURE</b>   |      |                          |                           |
| Raw Material Consumed  | 20   | 417,504,778              | 261,420,206               |
| Purchases of Stock-in-Trade  |      | 4,997,369                | 13,788,722                |
| Changes in Inventories of Finished Goods,<br>Stock-in-process and Stock-in-Trade | 21   | (53,842,758)             | 7,852,125                 |
| Employee Benefit Expenses  | 22   | 11,184,644               | 5,025,021                 |
| Finance Costs  | 23   | 12,456,494               | 12,401,084                |
| Depreciation and Amortization expense  |      | 3,660,596                | 3,061,408                 |
| Other Expenses   | 24   | 25,452,718               | 10,694,197                |
| Total Expenses   |      | 421,413,841              | 314,242,763               |
| Profit/(Loss) Before Tax   |      | 5,440,265                | 4,358,139                 |
| Tax Expense  |      |                          |                           |
| - Current Tax  |      | 923,057                  | 1,125,185                 |
| - Deferred Tax Liabilities/(Assets)  |      | 792,654                  | 243,058                   |
| - Income Tax/FBT of earlier years Written Off                                    |      | (25,830)                 | 7,681                     |
| Profit/(Loss) for the year   |      | 3,750,384                | 2,982,215                 |

Earnings per equity share of face value of Rs. 10/-  
- Basic/Diluted

1.06 0.84

**Notes on Financial Statements**

25

As per our report of even date  
For C.L. KANODIA & CO.  
Firm Registration Number : 001002C  
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

|                      |                         |   |                                   |                                  |   |   |
|----------------------|-------------------------|---|-----------------------------------|----------------------------------|---|---|
|                      | [C.L. KANODIA]<br>PROP. | [Ajay Kumar Jain]<br>Managing<br>Director | [Vinay Kumar<br>Jain]<br>Director | [Amit Kumar<br>Jain]<br>Director | [Kuldeep<br>Mishra]<br>Chief Financial<br>Officer | [Vaibhav<br>Shukla]<br>Company<br>Secretary |
| KANPUR<br>26.05.2017 | Membership No. 11427    | DIN: 00493685                             | DIN: 00580112                     | DIN: 00493795                    |   |   |



**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2017**

|  | 2016-2017<br>[RUPEES]     | 2015-2016<br>[RUPEES] |
|--|---------------------------|-----------------------|
| <b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>         |                           |                       |
| Net Profit before tax and extraordinary items          | <b>54,40,265</b>          | 43,58,139             |
| <i>Adjustments for</i>                                 |                           |                       |
| Depreciation and amortization                          | <b>36,60,596</b>          | 30,61,408             |
| Interest Income  | <b>(34,57,444)</b>        | (56,50,128)           |
| Interest on Borrowings                                 | <b>1,14,06,155</b>        | 92,86,783             |
| Provision for Income Tax/FBT written back              | <b>25,830</b>             | (7,681)               |
| Loss/(Profit) on sale of Fixed Assets                  | <b>- 1,16,35,137</b>      | - 66,90,382           |
| Operating Profit before working Capital changes        | <b>1,70,75,402</b>        | 1,10,48,521           |
| <i>Changes in</i>                                      |                           |                       |
| Trade & Other receivables                              | <b>94,23,600</b>          | 1,07,58,404           |
| Inventories  | <b>11,50,94,204</b>       | (65,02,989)           |
| Trade Payables   | <b>5,08,19,603</b>        | <b>(7,36,98,201)</b>  |
|  | <b>(33,36,558)</b>        | (75,91,973)           |
| Cash generated from Operation                          | <b>(5,66,22,799)</b>      | 34,56,548             |
| interest Paid  | <b>(1,14,06,155)</b>      | (92,86,783)           |
| Direct Tax Paid  | <b>(11,56,972)</b>        | 7,79,171              |
| Cash Flow before extra-ordinary items                  | <b>(6,91,85,926)</b>      | (50,51,064)           |
| <i>Adjustment for Extra-ordinary items</i>             | -                         | -                     |
| Prior Period Adjustment                                | -                         | -                     |
| <b>Net Cash from operating activities</b>              | <b>(A) (6,91,85,926)</b>  | <b>(50,51,064)</b>    |
| <b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>         |                           |                       |
| Purchase of Fixed Assets                               | <b>(2,50,25,174)</b>      | (8,74,018)            |
| Sale of Fixed Assets                                   | -                         | -                     |
| Interest Received                                      | <b>34,57,444</b>          | 56,50,128             |
| <b>Net Cash from / (used in) Investing activities</b>  | <b>(B) (2,15,67,730)</b>  | <b>47,76,110</b>      |
| <b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>         |                           |                       |
| Unsecured Loans  | 9,88,38,927               | (38,00,095)           |
| Repayment of Short Term Borrowings                     | (89,91,748)               | 56,37,604             |
| Dividend Paid  | -                         | -                     |
| <b>Net Cash from / (used in) Financing activities</b>  | <b>(C) 8,98,47,179</b>    | <b>18,37,509</b>      |
| <b>Increase/(Decrease) in Cash and Cash Equivalent</b> | <b>(A+B+C) (9,06,477)</b> | <b>15,62,555</b>      |
| Opening Balance of Cash & Cash Equivalents             | 1,01,19,243               | 85,56,688             |
| Closing Balance of Cash & Cash Equivalents             | 92,12,766                 | 1,01,19,243           |

**NOTE:** Previous year's figure have been re-grouped wherever necessary to conform to the current year's classification.

As per our report of even date

FOR AND ON BEHALF OF THE BOARD

For C.L. KANODIA & CO.

Firm Registration Number : 001002C

Chartered Accountants

|            |                      |                   |                    |                   |                         |                   |
|------------|----------------------|-------------------|--------------------|-------------------|-------------------------|-------------------|
| KANPUR     | [C.L. KANODIA]       | [Ajay Kumar Jain] | [Vinay Kumar Jain] | [Amit Kumar Jain] | [Kuldeep Mishra]        | [Vaibhav Shukla]  |
| 26.05.2017 | PROP.                | Managing Director | Director           | Director          | Chief Financial Officer | Company Secretary |
|            | Membership No. 11427 | DIN: 00493685     | DIN: 00580112      | DIN: 00493795     |                         |                   |



## 1.00 SIGNIFICANT ACCOUNTING POLICIES

(a) **Basis of Preparation of Financial Statements**

These financial statements of the company have been prepared in accordance with Generally Accepted Accounting Principles in India to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (to the extent notified and applicable). The financial statements have been prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts. The Accounting Policies adopted in the preparation of financial statements are consistent with those of previous years.

(b) **Use of Estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year the management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialize.

(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/NAT) 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 based on useful life of the assets as prescribed in Schedule If to the Companies Act, 2013.

Depreciation for additions to/deductions from fixed assets is calculated pro rata from/to the month of addition/deductions.

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

(d) **Investments**

Investments that are held for more than a year, from the date of acquisition, are classified as long term investments and are carried at cost. Provision for diminution in the value of Non Current Investment is made only if such a decline is other than temporary.

(e) **Revenue Recognition**

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

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

Interest Income is recognized 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 & Spares are valued at cost on first in first out/weighted average basis, whichever is lower and includes freight, taxes and duties, net of CENVAT/VAT credit, wherever applicable.



## 1.00 SIGNIFICANT ACCOUNTING POLICIES

Finished Goods are valued at lower of cost and net realizable value. Cost includes an appropriate portion of manufacturing and other overheads, wherever applicable. Excise Duty on finished products is included in the value of finished products inventory. By-products are stated at estimated market value.

(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 recognized in the Profit and Loss Account in the financial year to which it relates.

No liability in respect of present liability or future payment of gratuity has been ascertained and provided in the accounts. The liability for leave encashment has not been actuarially determined. The Company continues to account for such liability on actual payment basis.

(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 per the provisions of Income Tax Act, 1961. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

(j) **Provisions and contingent liabilities**

Provisions in respect of present obligation arising out of past events are 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 cannot 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.





## 2.00 NOTES TO ACCOUNTS

### NOTE – 2

|  | AS AT<br>31.03.2017<br>[RUPEES] | AS AT<br>31.03.2016<br>[RUPEES] |
|--|---------------------------------|---------------------------------|
| <b>SHARE CAPITAL</b>                                 |                                 |                                 |
| <b>AUTHORISED</b>                                    |                                 |                                 |
| 4000000 Equity Shares of Rs 10/- each                | <b>4,00,00,000</b>              | 4,00,00,000                     |
| <b>ISSUED, SUBSCRIBED &amp; PAID-UP</b>              |                                 |                                 |
| 3550000 Equity Shares of Rs. 10/- each fully paid-up | <b>3,55,00,000</b>              | 3,55,00,000                     |
| Total  | <b>3,55,00,000</b>              | 3,55,00,000                     |

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 of the equity shares is entitled to one vote per share. In the event of liquidation, the share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

#### Details of Shares held by shareholders holding more than 5% shares in the Company:

| Name of Shareholders        | As at 31.03.2017 |           | As at 31.03.2016 |           |
|-----------------------------|------------------|-----------|------------------|-----------|
|                             | No. of Shares    | % holding | No. of Shares    | % holding |
| Lewis Exim (P) Ltd.,        | 429000           | 12.08     | 429000           | 12.08     |
| Goldstar Business (P) Ltd., | 199000           | 5.61      | 199000           | 5.61      |

### NOTE – 3

#### RESERVES & SURPLUS

|   |                  |                    |             |
|---|------------------|--------------------|-------------|
| <u>Capital Reserve</u>                    |                  | 3,19,750           | 3,19,750    |
| Balance as per Last Balance Sheet         |                  |                    |             |
| <u>Capital Subsidy</u>                    |                  | 22,22,250          | 22,22,250   |
| Balance as per Last Balance Sheet         |                  |                    |             |
| <u>Securities Premium Reserve</u>         |                  | 88,75,000          | 88,75,000   |
| Balance as per Last Balance Sheet         |                  |                    |             |
| <u>Revaluation Reserve</u>                |                  | 76,50,160          | 76,50,160   |
| Balance as per Last Balance Sheet         |                  |                    |             |
| <u>Profit &amp; Loss Account</u>          |                  | 5,82,64,353        | 5,45,13,969 |
| Balance as per Last Balance Sheet         | 5,45,13,969      |                    |             |
| Add : Transfer from Profit & Loss Account | <b>37,50,384</b> |                    |             |
| Total...                                  |                  | <b>7,73,31,513</b> | 7,35,81,129 |



## 2.00 NOTES TO ACCOUNTS

### NOTE – 4

|  | AS AT<br>31.03.2017<br>[RUPEES] | AS AT<br>31.03.2016<br>[RUPEES] |
|--|---------------------------------|---------------------------------|
| <b>LONG TERM BORROWINGS</b>  |                                 |                                 |
| <b>SECURED</b>   |                                 |                                 |
| <b>TERM LOAN</b>   |                                 |                                 |
| Mahindra & Mahindra Financial Services Ltd.<br><i>(Term Loan is secured by hypothecation of Generator Set and personal guarantees of the Directors.)</i> | -                               | 31,235                          |
| <b>UNSECURED</b>   |                                 |                                 |
| Loan from other Companies  | 12,04,04,976                    | 2,15,34,814                     |
| Loan from Directors  | 30,84,262                       | 30,84,262                       |
| Total...   | <b>12,34,89,238</b>             | <b>2,46,50,311</b>              |

### NOTE – 5

#### **OTHER LONG TERM LIABILITIES**

|                         |                  |                  |
|-------------------------|------------------|------------------|
| Trade Payables          | 51,27,010        | 38,61,700        |
| Advances from Customers | 4,22,160         | 4,02,480         |
| Total...                | <b>55,49,170</b> | <b>42,64,180</b> |

### NOTE – 6

#### **SHORT TERM BORROWINGS**

##### **SECURED LOANS**

##### **Working Capital Borrowing from Banks**

|  |                    |                    |
|--|--------------------|--------------------|
| Kotak Mahindra Bank Ltd. (Cash Credit A/c) * | 6,43,86,648        | 6,65,01,178        |
| NSIC Limited #                               | -                  | 68,77,218          |
| Total...                                     | <b>6,43,86,648</b> | <b>7,33,78,396</b> |

\* Working capital borrowing from Bank is secured by way of first equitable mortgage of Factory Land & Building by deposit of title deeds and first charge on all existing and future current assets/moveable 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.

# Working Capital Loan from National Small Industrial Corporation Ltd. is secured by way of Bank Guarantee provided by the company.

### NOTE – 7

#### **TRADE PAYABLES**

|                               |                    |                    |
|-------------------------------|--------------------|--------------------|
| Sundry Creditors              | 2,98,97,153        | 1,51,47,610        |
| Advances from Customers       | 2,09,70,354        | 8,36,621           |
| Advances from Related Parties | 64,44,207          | -                  |
| Total...                      | <b>5,73,11,714</b> | <b>1,59,84,231</b> |



## 2.00 NOTES TO ACCOUNTS

### NOTE – 8

#### SHORT-TERM PROVISIONS

|                                 |                    |           |
|---------------------------------|--------------------|-----------|
| Provision for employee benefits | <b>24,46,816</b>   | 4,69,118  |
| Income Tax Payable              | <b>3,31,320</b>    | 2,80,769  |
| Other Statutory Dues            | <b>82,72,705</b>   | 20,93,824 |
| Total...                        | <b>1,10,50,841</b> | 28,43,711 |

### NOTE – 9

#### FIXED ASSETS

| PARTICULARS              | GROSS BLOCK         |             |           |                     | DEPRECIATION        |                 |                        |                           | NET BLOCK           |                     |
|--------------------------|---------------------|-------------|-----------|---------------------|---------------------|-----------------|------------------------|---------------------------|---------------------|---------------------|
|                          | As at<br>01.04.2016 | Additions   | Deduction | As at<br>31.03.2017 | As at<br>01.04.2016 | For the<br>Year | On Sale/<br>Adjustment | Total as at<br>31.03.2017 | As at<br>31.03.2017 | As at<br>31.03.2016 |
| <b>TANGIBLE ASSETS</b>   |                     |             |           |                     |                     |                 |                        |                           |                     |                     |
| Land                     | 21,44,545           | -           | -         | 21,44,545           | -                   | -               | -                      | -                         | 21,44,545           | 21,44,545           |
| Building                 | 3,29,17,279         | 29,41,036   | -         | 3,58,58,315         | 2,38,02,061         | 7,46,168        | -                      | 2,45,48,229               | 1,13,10,085         | 91,15,218           |
| Plant & Machinery        | 10,40,33,306        | 2,06,77,811 | -         | 12,47,11,117        | 8,04,31,986         | 27,18,565       | -                      | 8,31,50,551               | 4,15,60,567         | 2,36,01,320         |
| Furniture & Fixtures     | 16,40,315           | -           | -         | 16,40,315           | 15,77,906           | 9,803           | -                      | 15,87,709                 | 52,606              | 62,409              |
| Generator                | 6,40,000            | -           | -         | 6,40,000            | 1,04,633            | 41,947          | -                      | 1,46,580                  | 4,93,420            | 5,35,367            |
| Air Conditioner          | 6,78,419            | 62,009      | -         | 7,40,428            | 6,57,913            | 7,421           | -                      | 6,65,334                  | 75,094              | 20,506              |
| Cycle                    | 2,750               | -           | -         | 2,750               | 1,967               | 645             | -                      | 2,612                     | 138                 | 783                 |
| Computer                 | 1,50,700            | 3,77,938    | -         | 5,28,638            | 1,43,165            | 41,753          | -                      | 1,84,918                  | 3,43,719            | 7,535               |
| Office Equipments        | 15,93,848           | 75,762      | -         | 16,69,610           | 15,26,260           | 6,721           | -                      | 15,32,981                 | 1,36,629            | 67,588              |
| Tools & Equipments       | 6,16,972            | -           | -         | 6,16,972            | 5,88,601            | 2,637           | -                      | 5,91,238                  | 25,734              | 28,371              |
| Vehicles                 | 29,97,231           | -           | -         | 29,97,231           | 28,47,366           | -               | -                      | 28,47,366                 | 1,49,865            | 1,49,865            |
| Total.. (a)              | Rs. 14,74,15,365    | 2,41,34,555 | -         | 17,15,49,920        | 11,16,81,858        | 35,75,660       | -                      | 11,52,57,518              | 5,62,92,402         | 3,57,33,507         |
| <b>INTANGIBLE ASSETS</b> |                     |             |           |                     |                     |                 |                        |                           |                     |                     |
| Licenses & Softwares     | -                   | 8,90,619    | -         | 8,90,619            | -                   | 84,936          | -                      | 84,936                    | 8,05,683            | -                   |
| Total.. (b)              | Rs. -               | 8,90,619    | -         | 8,90,619            | -                   | 84,936          | -                      | 84,936                    | 8,05,683            | -                   |
| Total.. (a+b)            | Rs. 14,74,15,365    | 2,50,25,174 | -         | 17,24,40,539        | 11,16,81,858        | 36,60,596       | -                      | 11,53,42,454              | 5,70,98,085         | 3,57,33,507         |
| Previous Year            | Rs. 14,65,41,347    | 8,74,018    | -         | 14,74,15,365        | 10,86,20,450        | 30,61,408       | -                      | 11,16,81,858              | 3,57,33,507         | -                   |

Note : Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, accordingly the unamortised carrying value is being depreciated over the remaining useful lives. Gross Depreciation includes Rs. 463120.00 amount added on Revaluation and charged to Profit and Loss Account as the provisions of the Companies Act, 2013.

### NOTE – 10

|  | <b>AS AT<br/>31.03.2017<br/>[RUPEES]</b> | <b>AS AT<br/>31.03.2016<br/>[RUPEES]</b> |
|--|--|--|
| <b>NON-CURRENT INVESTMENTS</b>   |  |  |
| <b>Non Trade – Unquoted</b>  |  |  |
| 10000 Equity Shares of Rs. 10/- each fully paid-up in<br>The Benaras State Bank Ltd. | <b>1,00,000</b>                          | 1,00,000                                 |
| Total...   | <b>1,00,000</b>                          | 1,00,000                                 |



## 2.00 NOTES TO ACCOUNTS

### NOTE – 11

|                                       | AS AT<br>31.03.2017<br>[RUPEES] | AS AT<br>31.03.2016<br>[RUPEES] |
|---------------------------------------|---------------------------------|---------------------------------|
| <b>LONG-TERM LOANS &amp; ADVANCES</b> |                                 |                                 |
| (Unsecured and Considered goods)      |                                 |                                 |
| Security Deposits                     | 1,32,67,985                     | 1,23,57,985                     |
| Others                                | <b>19,11,881</b>                | 14,81,048                       |
| Total...                              | <b>1,51,79,866</b>              | 1,38,39,033                     |

### NOTE – 12

#### **OTHER NON-CURRENT ASSETS**

|                             |                    |           |
|-----------------------------|--------------------|-----------|
| Long-Term Trade Receivables | <b>3,47,46,296</b> | 66,42,416 |
| MAT Credit Receivable       | <b>8,60,513</b>    | 7,21,098  |
| Total...                    | <b>3,56,06,809</b> | 73,63,514 |

### NOTE – 13

#### **INVENTORIES**

(As taken, valued & certified by the management)

##### At Lower of Cost or Net Realisable Value

|                   |                    |             |
|-------------------|--------------------|-------------|
| Raw Materials     | <b>6,53,66,569</b> | 63,20,574   |
| Finished Products | <b>6,30,81,764</b> | 1,02,73,139 |
| Stores & Spares   | <b>38,30,941</b>   | 16,25,490   |

##### At Estimated Market Value

|                                |                     |             |
|--------------------------------|---------------------|-------------|
| By-products (Scrap & Cuttings) | <b>20,88,768</b>    | 10,54,635   |
| Total...                       | <b>13,43,68,042</b> | 1,92,73,838 |

### NOTE – 14

#### **TRADE RECEIVABLES**

(Unsecured - Considered Goods)

|   |                    |             |
|---|--------------------|-------------|
| Debts Outstanding for a period exceeding six months | <b>6,91,179</b>    | 2,52,43,630 |
| Other Debts   | <b>5,75,44,247</b> | 4,26,83,402 |
| Total...  | <b>5,82,35,426</b> | 6,79,27,032 |

### NOTE – 15

#### **CASH & BANK BALANCES**

|  |                  |             |
|--|------------------|-------------|
| Cash on Hand                                 | <b>5,48,585</b>  | 42,57,688   |
| Balance with Banks in Current Accounts       | <b>3,52,511</b>  | 5,27,885    |
| Balance with Banks in Fixed Deposit Accounts | <b>83,11,670</b> | 53,33,670   |
| Total...                                     | <b>92,12,766</b> | 1,01,19,243 |



## 2.00 NOTES TO ACCOUNTS

### NOTE – 16

|   | AS AT<br>31.03.2017<br>[RUPEES] | AS AT<br>31.03.2016<br>[RUPEES] |
|---|---------------------------------|---------------------------------|
| <b>SHORT-TERM LOANS AND ADVANCES</b>            |                                 |                                 |
| (Unsecured and Considered goods)                |                                 |                                 |
| Loans and Advances to Related Parties           | 2,18,78,718                     | 7,38,63,507                     |
| Advance Income Tax & TDS (Net of Provision)     | 2,91,789                        | 1,97,289                        |
| Balance with Govt. Authorities & Other Advances | 4,18,90,322                     | 7,94,854                        |
| Total...  | <u>1,51,79,866</u>              | <u>1,38,39,033</u>              |

### NOTE – 17

#### **OTHER CURRENT ASSETS**

|                           |                  |                  |
|---------------------------|------------------|------------------|
| Accrued Interest on FDR's | 26,25,742        | 20,65,928        |
| Total...                  | <u>26,25,742</u> | <u>20,65,928</u> |

### NOTE – 18

|                                 | CURRENT<br>YEAR<br>[RUPEES] | PREVIOUS<br>YEAR<br>[RUPEES] |
|---------------------------------|-----------------------------|------------------------------|
| <b>REVENUE FROM OPERATIONS</b>  |                             |                              |
| Sale of Manufactured Goods      |                             |                              |
| Black/G.I. Pipes & Poles        | 43,58,09,877                | 14,80,71,073                 |
| Slitts                          | 1,70,37,213                 | 15,85,04,748                 |
| PVC Pipes                       | 1,04,48,538                 | 84,43,006                    |
| Others (Scrap)                  | 72,39,568                   | 37,76,355                    |
| Sale of Traded Goods            |                             |                              |
| H R Coil/Skelp                  | 51,47,819                   | 1,38,23,265                  |
| Resin/Calcium Carbonate         | 19,258                      | 6,60,057                     |
| Sale of Services *              |                             |                              |
| Job Work Charges                | 1,96,050                    | 15,81,281                    |
| Other Trading Income            | -                           | 1,35,12,728                  |
| Revenue from Operations (Gross) | <u>47,58,98,323</u>         | <u>34,83,72,513</u>          |
| * Income Tax deducted at Source | 3,922                       | 30,167                       |

### NOTE – 19

#### **OTHER INCOME**

|                                 |                  |                  |
|---------------------------------|------------------|------------------|
| Interest (Gross) *              | 34,57,444        | 56,50,128        |
| Refund of Octroi on settlement  | 3,61,091         | -                |
| Total...                        | <u>38,18,535</u> | <u>56,50,128</u> |
| * Income Tax deducted at Source | 83,621           | 5,37,994         |



## 2.00 NOTES TO ACCOUNTS

### NOTE – 20

|   | <b>CURRENT<br/>YEAR<br/>[RUPEES]</b> | <b>PREVIOUS<br/>YEAR<br/>[RUPEES]</b> |
|---|--------------------------------------|---------------------------------------|
| <b><u>COST OF MATERIAL CONSUMED</u></b> |                                      |                                       |
| Opening Stock                           | 63,20,574                            | 51,77,083                             |
| <u>Purchases</u>                        |                                      |                                       |
| - H R Coils/Skelps                      | <b>45,59,33,839</b>                  | 25,25,13,648                          |
| - Black Pipes                           | -                                    | 6,40,266                              |
| - PVC Resin                             | <b>89,33,893</b>                     | 84,03,038                             |
| - Calcium Carbonate & Others            | <b>17,04,668</b>                     | 10,06,745                             |
| - Zinc                                  | <b>99,78,373</b>                     | -                                     |
|   | <b>48,28,71,347</b>                  | 26,77,40,780                          |
| Less Closing Stock                      | <b>6,53,66,569</b>                   | 63,20,574                             |
| Consumed...                             | <b>41,75,04,778</b>                  | <b>26,14,20,206</b>                   |

### NOTE – 21

#### **CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE**

##### **OPENING STOCK**

|                   |                    |             |
|-------------------|--------------------|-------------|
| Finished Goods    | <b>1,02,73,139</b> | 1,74,49,491 |
| Scraps & Cuttings | <b>10,54,635</b>   | 17,30,408   |
| Total...          | <b>1,13,27,774</b> | 1,91,79,899 |

##### **CLOSING STOCK**

|                              |                    |             |
|------------------------------|--------------------|-------------|
| Finished Goods               | <b>6,30,81,764</b> | 1,02,73,139 |
| Scraps & Cuttings            | <b>20,88,768</b>   | 10,54,635   |
| Total...                     | <b>6,51,70,532</b> | 1,13,27,774 |
| Increase/(Decrease) in stock | <b>5,38,42,758</b> | (78,52,125) |

### NOTE – 22

#### **EMPLOYEE BENEFIT EXPENSES**

|  |                    |           |
|--|--------------------|-----------|
| Salaries, Wages & Bonus                | <b>69,05,563</b>   | 29,40,953 |
| Provident & Other Funds                | <b>4,72,785</b>    | 3,08,502  |
| Labour & Staff Welfare (including ESI) | <b>1,66,307</b>    | 95,566    |
| Remuneration to Directors              | <b>36,39,989</b>   | 16,80,000 |
| Total...                               | <b>1,11,84,644</b> | 50,25,021 |

### NOTE – 23

#### **FINANCE COST**

|                               |                    |             |
|-------------------------------|--------------------|-------------|
| - Interest on Unsecured Loans | <b>40,85,644</b>   | 13,78,187   |
| - Interest to Others          | <b>4,13,332</b>    | 26,16,293   |
| - Interest to Bank            | <b>73,20,511</b>   | 79,08,596   |
| - Bank Charges & Commission   | <b>6,37,007</b>    | 4,98,008    |
| Total...                      | <b>1,24,56,494</b> | 1,24,01,084 |



## 2.00 NOTES TO ACCOUNTS

### NOTE – 24

|  | <b>CURRENT<br/>YEAR<br/>[RUPEES]</b> | <b>PREVIOUS<br/>YEAR<br/>[RUPEES]</b> |
|--|--------------------------------------|---------------------------------------|
| <b>OTHER EXPENSES</b>                                |                                      |                                       |
| <b>MANUFACTURING EXPENSES</b>                        |                                      |                                       |
| Stores Consumed                                      | <b>21,43,452</b>                     | 16,54,688                             |
| Power & Fuel   | 98,45,560                            | 59,63,760                             |
| Excise Duty on variation in stocks of finished goods | <b>59,34,934</b>                     | (8,72,460)                            |
| <b>Repairs</b>                                       |                                      |                                       |
| Plant & Machinery                                    | <b>3,98,875</b>                      | 1,85,847                              |
| <b>SELLING AND ESTABLISHMENT EXPENSES</b>            |                                      |                                       |
| Rebate & Discount                                    | <b>7,02,719</b>                      | 8,62,150                              |
| Vehicle Running & Maintenance                        | <b>9,727</b>                         | -                                     |
| Travelling & Conveyance                              | <b>3,50,442</b>                      | -                                     |
| Computer Expenses                                    | <b>67,544</b>                        | -                                     |
| Business Promotion                                   | <b>60,978</b>                        | 2,445                                 |
| Repairs & Maintenance                                | <b>3,26,045</b>                      | 6,950                                 |
| Insurance  | <b>32,065</b>                        | 48,912                                |
| Printing & Stationery                                | <b>2,16,627</b>                      | 35,133                                |
| Postage & Telephone                                  | <b>1,33,467</b>                      | 87,601                                |
| Freight & Cartage                                    | <b>19,06,607</b>                     | 12,06,012                             |
| Brokerage & Commission                               | <b>80,274</b>                        | 70,612                                |
| Advertisement Expenses                               | <b>19,71,879</b>                     | 1,38,731                              |
| Rates, Taxes & Fees                                  | <b>5,78,539</b>                      | 2,55,022                              |
| Legal & Professional Charges                         | <b>5,46,599</b>                      | 9,71,400                              |
| Auditor's Remuneration                               | <b>75,000</b>                        | 75,000                                |
| Miscellaneous Expenses                               | <b>71,385</b>                        | 2,394                                 |
| Consumed...  | <b>2,54,52,718</b>                   | 1,06,94,197                           |

### NOTE – 25

|   | <b>CURRENT YEAR<br/>[RUPEES]</b> | <b>PREVIOUS YEAR<br/>[RUPEES]</b> |
|---|----------------------------------|-----------------------------------|
| <b>NOTES TO ACCOUNTS</b>  |                                  |                                   |
| (a) Contingent Liabilities not provided for:  |                                  |                                   |
| -Bank Guarantees  | <b>Rs. 250.00 Lacs</b>           | NIL                               |
| -Damages and interest under the Employees State Insurance Act, 1948 being disputed and appeal there against pending for final disposal. | <b>Rs. 1.36 Lacs</b>             | Rs. 1.36 Lacs                     |
| (b) Employee Benefit Expenses:  |                                  |                                   |
| (a) Employers' Contribution to Provident Fund   | <b>4,72,785</b>                  | 3,08,502                          |
| (b) Employers' Contribution to ESIC   | <b>1,63,962</b>                  | 95,566                            |
| (c) Auditor's Remuneration:   |                                  |                                   |
| (a) Audit Fee   | <b>50,000</b>                    | 50,000                            |



|   |         |                     |         |                |
|---|---------|---------------------|---------|----------------|
| (b) Tax Audit Fee   |         | <b>10,000</b>       |         | 10,000         |
| (c) Taxation Matters  |         | <b>15,000</b>       |         | 15,000         |
|   | Rs.     | <b>75,000</b>       |         | 75,000         |
| (d) (a) <u>Raw Materials Consumed</u>   |         |                     |         |                |
| Imported  | 2.22%   | <b>92,78,160</b>    |         | -              |
| Indigenous  | 97.78%  | <b>40,82,26,618</b> | 100.00% | 26,14,20,206   |
|   | 100.00% | <b>41,75,04,778</b> | 100.00% | 26,14,20,206   |
| (b) Stores & Spares Consumed  | -       | All Indigenous      |         | All Indigenous |
| (e) C.I.F. Value of Imports   |         | <b>9978373.00</b>   |         | NIL            |
| (f) Expenditure in Foreign currency   |         | <b>9278160.00</b>   |         | NIL            |
| (g) Earning in Foreign currency<br>on account of FOB Value of Exports   |         | <b>NIL</b>          |         | NIL            |
| (h) Remittance in Foreign currency  |         | <b>NIL</b>          |         | NIL            |
| (i) <u>Segment Information</u>  |         |                     |         |                |
| (a) <u>Primary Segment</u>  |         |                     |         |                |
| The Company operates only in one business segment viz. Manufacturing of Iron & Steel (Black & G.I.) Tubes and PVC Pipes.  |         |                     |         |                |
| (b) <u>Secondary Segment</u>  |         |                     |         |                |
| 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 segments. |         |                     |         |                |
| (j) Related Party Disclosure :  |         |                     |         |                |
| (i) <u>Name of Related parties and description of relationship</u>  |         |                     |         |                |
| (A) Key Management Personal and their Relatives :   |         |                     |         |                |
| (a) Shri Ajay Kumar Jain  |         |                     |         |                |
| (b) Shri Vinay Kumar Jain   |         |                     |         |                |
| (B) <u>Associate Companies / Firms :</u>  |         |                     |         |                |
| (a) M/s. Premier Power & Steels (P) Ltd.  |         |                     |         |                |
| (b) M/s. Premier Alloys Ltd.  |         |                     |         |                |
| (c) M/s. Premier Ispat Ltd.   |         |                     |         |                |
| (d) M/s. Premier Metcast (P) Ltd.   |         |                     |         |                |
| (e) M/s. Premier Bars (P) Ltd.  |         |                     |         |                |
| (f) M/s. Mahabir Securities (P) Ltd.  |         |                     |         |                |
| (g) M/s. Jain Overseas (P) Ltd.   |         |                     |         |                |

(ii) Summary of Transactions :

|   | <b>For the year<br/>ended on<br/><u>31.03.2017</u></b> | <b>For the year<br/>ended on<br/><u>31.03.2016</u></b> |
|---|--|--|
| <b><u>Key Management Personal and their Relatives :</u></b> |  |  |
| Outstanding Payable   | <b>3084262.00</b>                                      | 3084262.00   |
| On Account of Remuneration                                  | <b>3639989.00</b>                                      | 1680000.00   |
| On Account of Interest Paid                                 | -  | 434281.00  |
| <b><u>Associate Companies / Firms :</u></b>                 |  |  |
| Outstanding Receivable                                      | <b>21878718.35</b>                                     | 73863507.35  |
| Outstanding Payable   | <b>84657818.59</b>                                     | -  |





|                                 |                   |            |
|---------------------------------|-------------------|------------|
| On Account of Sales             | <b>4107225.02</b> | 3808711.00 |
| On Account of Purchases         | <b>1003911.62</b> | -          |
| TDS (Net)                       | <b>(2451.00)</b>  | 403036.00  |
| On Account of Interest Paid     | <b>2587933.00</b> | 759325.00  |
| On Account of Interest Received | <b>2563430.00</b> | 4789689.00 |

**(k) Disclosure on Specified Bank Notes**

During the year, the company has Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated 31<sup>st</sup> March 2017. The details of SBNs held and transacted during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016, the denomination-wise SBNs and other notes as per notification are as under -

| Particulars                                   | SBN's * | Other denomination notes | Total |
|---|---------|--------------------------|-------|
| Closing Cash in hand as on 8th November 2016  | 0.00    | 0.00                     | 0.00  |
| Add : Permitted Receipts                      | 0.00    | 0.00                     | 0.00  |
| Less : Permitted Payments                     | 0.00    | 0.00                     | 0.00  |
| Less : Amount Deposited in Banks              | 0.00    | 0.00                     | 0.00  |
| Closing Cash in hand as on 30th November 2016 | 0.00    | 0.00                     | 0.00  |

\* For the purposes of this clause, the term "Specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E) dated 8th November 2016.

**(l) Earning Per Share**

|  |                   |                   |
|--|-------------------|-------------------|
| (a) Profit after Tax (Profit attributable to Equity Shareholders) (in Rs.) | <b>3750383.76</b> | <b>2982215.00</b> |
| (b) Weighted average nos. of Equity shares for Basic/Diluted EPS           | <b>3550000</b>    | <b>3550000</b>    |
| (c) Nominal Value of Equity Share (in Rs.)                                 | <b>10.00</b>      | <b>10.00</b>      |
| (d) Basic/Diluted Earning per Equity Share                                 | <b>1.06</b>       | <b>0.84</b>       |

- (m) 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.
- (n) The accounts of certain Debtors, Creditors and Advances are subject to confirmation/reconciliation, if any.
- (o) 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.
- (p) Previous year's figures have been regrouped/recast wherever necessary to make them comparable.

As per our report of even date  
For C.L. KANODIA & CO.  
Firm Registration Number : 001002C  
Chartered Accountants

FOR AND ON BEHALF OF THE BOARD

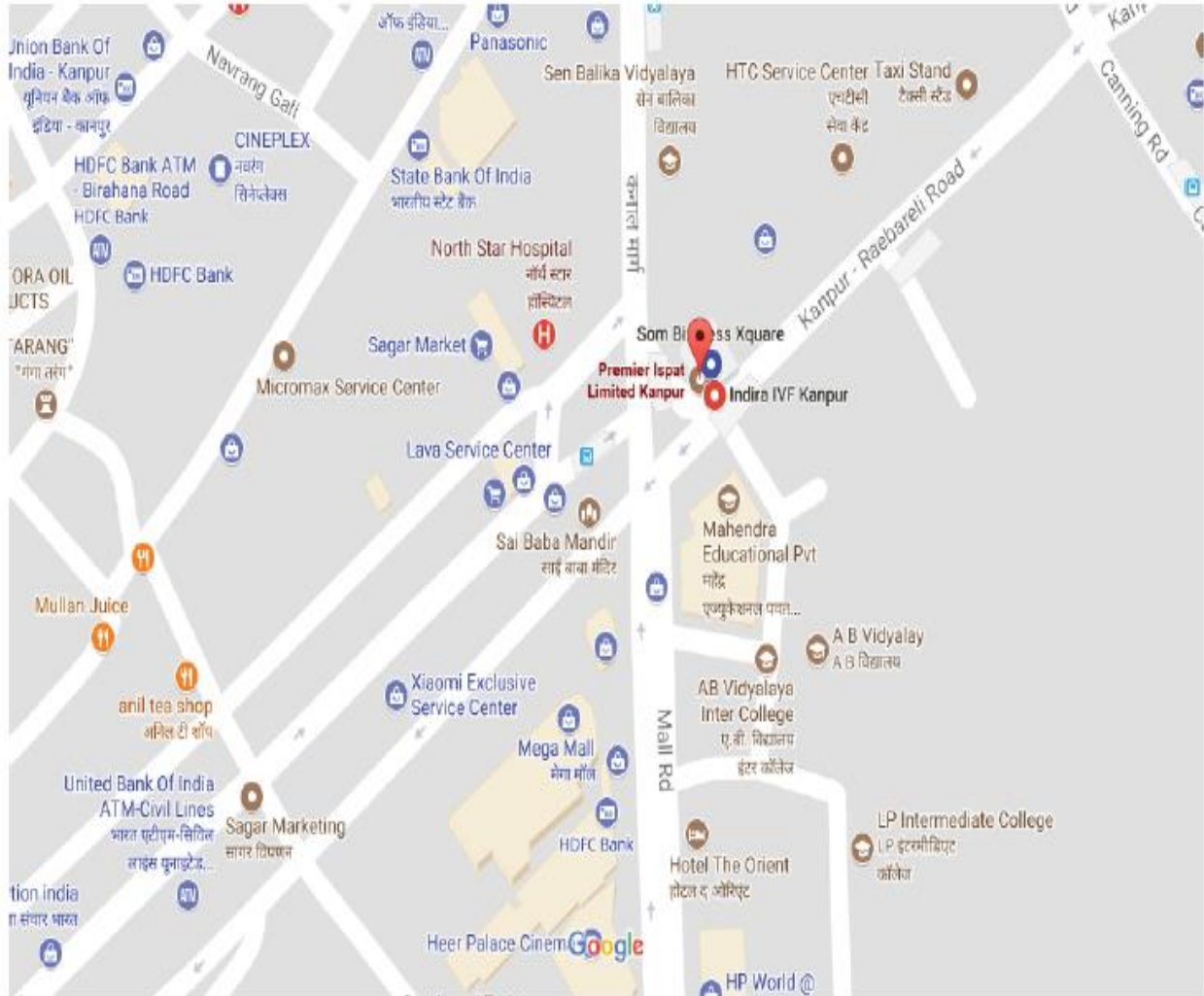
|            |                      |                   |                    |                   |                         |                   |
|------------|----------------------|-------------------|--------------------|-------------------|-------------------------|-------------------|
| KANPUR     | [C.L. KANODIA]       | [Ajay Kumar Jain] | [Vinay Kumar Jain] | [Amit Kumar Jain] | [Kuldeep Mishra]        | [Vaibhav Shukla]  |
|            | PROP.                | Managing Director | Director           | Director          | Chief Financial Officer | Company Secretary |
| 26.05.2017 | Membership No. 11427 | DIN: 00493685     | DIN: 00580112      | DIN: 00493795     |                         |                   |



## ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING

**Venue of the AGM:** Registered Office of Premier Pipes Limited at Som Biz-Ness Xqure, 4<sup>th</sup> Floor, 1, The Mall Kanpur, Kanpur – 208 001 (Uttar Pradesh)

**Landmark:** Indira IVF Kanpur





**ATTENDANCE SLIP**

**PREMIER PIPES LIMITED**

**CIN: L22219UP1975PLC004105**

**REGD. OFFICE:** Som Biz-ness Xquare, 4<sup>th</sup> Floor, 1, The Mall, Kanpur-208001, U.P. (India),

**T:** +91-7522002351/58, **Telefax:** +91-512-2360560

**E:** [infopipes@premierispat.com](mailto:infopipes@premierispat.com)/[cs@premierispat.com](mailto:cs@premierispat.com), **W:** [www.premierpipesltd.com](http://www.premierpipesltd.com)

Members are requested to present this form for admission at the Entrance of the Meeting Hall, duly signed in accordance with their specimen signatures registered with the Company.

|   |  |                     |  |
|---|--|---------------------|--|
| Regd. Folio No./ DP ID<br>No./ Client ID No.: |  | No. of Shares held: |  |
|---|--|---------------------|--|

|                            |  |
|----------------------------|--|
| Name of the Shareholder    |  |
| Address of the Shareholder |  |

I hereby record my presence at the 42<sup>ND</sup> ANNUAL GENERAL MEETING of the Company held on Saturday, the 30<sup>th</sup> day of September, 2017, at the Registered Office of the Company, at Som Biz-Ness Xqure, 4<sup>th</sup> Floor, 1, The Mall Kanpur, Kanpur – 208 001 (Uttar Pradesh) at 3:00 P.M.

Please (v) in the box

MEMBER  PROXY

Signature of the Shareholder/Proxy

**E- VOTING INFORMATION**

| EVEN<br>(E-Voting Event Number) | USER ID | PASSWORD |
|---------------------------------|---------|----------|
|                                 |         |          |

**Note:** Please read instructions given at Note No. 12 of the Notice of 42<sup>nd</sup> Annual General Meeting carefully before voting electronically.



**PROXY FORM**

**Form No.MGT-11**

**Proxy Form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

|                                  |   |   |
|----------------------------------|---|---|
| CIN                              | : | L22219UP1975PLC004105   |
| Name of Company                  | : | Premier Pipes Limited   |
| Address of its Registered Office | : | Som Biz-Ness Xqure, 4 <sup>th</sup> Floor, 1, The Mall Kanpur, Kanpur – 208 001 (Uttar Pradesh) |

|   |
|---|
| Name of the member(s):<br>Registered address:<br>E-mail Id:<br>Folio No./Client Id:<br>DP ID: |
|---|

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him
2. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him
3. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42<sup>nd</sup> Annual General Meeting/ ~~Extraordinary General Meeting~~ of the Company, to be held on the Saturday, 30<sup>th</sup> day of September, 2017 at 3:00 P.M. at Som Biz-Ness Xqure, 4<sup>th</sup> Floor, 1, The Mall Kanpur, Kanpur – 208 001 (Uttar Pradesh) and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No.           |  | Optional* |         |
|--------------------------|--|-----------|---------|
|                          |  | For       | Against |
| <b>Ordinary Business</b> |  |           |         |
| 1.                       | Adoption of the Audited Financial Statement for the Financial Year 2016-17 and the reports of Auditors and Directors thereon.  |           |         |
| 2.                       | Re-appointment of Mrs. Santosh Jain (DIN: 01767425), who retires by rotation.  |           |         |
| 3.                       | Appointment of M/s Amit Goyal & Co., Chartered Accountants, having Firm Registration No. 003778C as the Statutory Auditors of the Company and fixing their remuneration. |           |         |



| Special Business |  |  |  |
|------------------|--|--|--|
| 4.               | Appointment of Mr. Himmit Jain (DIN: 02633335) as an Independent Non-Executive Director.   |  |  |
| 5.               | Appointment of Mr. Balram Narain Bansal (DIN: 02625932) as an Independent Non-Executive Director.  |  |  |
| 6.               | Increase in the overall limit of Borrowing powers under section 179 and 180 of the Companies Act, 2013.  |  |  |
| 7.               | Adoption of new set of Memorandum of Association as drawn in terms of the provisions of Companies Act, 2013  |  |  |
| 8.               | Adoption of new set of Articles of Association as drawn in terms of the provisions of Companies Act, 2013  |  |  |
| 9.               | Sub-division of each Equity Shares of the Company having face value of Rs.10/- (Rupees Ten only) each into 2 (Two) Equity Shares having a Face Value of Rs.5/- (Rupees Five only) each fully paid-up and consequent change in the Authorized Share Capital of the Company. |  |  |
| 10.              | Ratification of remuneration of M/s Rajesh & Company, Cost Auditors (Firm Registration No. 000031)   |  |  |

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

Signature of Shareholder

Signature of Proxy holder(s)

Affix  
Revenue  
Stamp

Note:

- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 42<sup>nd</sup> Annual General Meeting.
3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.\*

**OUR GROUP VERTICALS**



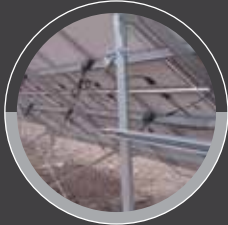
**EQR TMT REBARS**



**STEEL TUBES | PIPES  
TUBULAR POLES**



**BLOCKS | PAVERS | PRECAST  
EPS BLOCKS | RMC**



**SOLAR MODULE MOUNTING  
STRUCTURES**



**PVC PIPES**



**HIGHWAY  
GUARD RAILS**



**PREMIER<sup>®</sup> PIPES LTD**

**STEEL TUBES | PIPES | TUBULAR POLES**

**IS : 1239**



CM/L-0002154441

**IS : 1161**



CM/L-0002197863

**IS : 4923**



CM/L-9300046012

**IS : 3601**



CM/L-9300051712

**IS : 2713**



CM/L-9300030510

▶ **CORPORATE OFFICE**

JAIPUR

916-917, 7<sup>th</sup> Floor, Anchor Mall, Ajmer road, Jaipur-302006, Rajasthan (India)

T: +91-141-4910596, 4910594, F: +91-141-4053450

▶ **REGISTERED OFFICE**

KANPUR

4<sup>th</sup> Floor, Shiv Som Tower 1, The Mall, Kanpur(U.P.) 208001

T: 0512-2360560

▶ **WORKS**

Harsinghpur, Bindki Road, P.O.- Mauhar, Distt.- Fatehpur (U.P)- 212665

T: +7522002356

✉ [saletubes@premierispat.com](mailto:saletubes@premierispat.com)

🌐 [www.premierispat.com](http://www.premierispat.com)

