

# **PRIMUSS PIPES & TUBES LIMITED**

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

**CIN:L22219UP1975PLC004105**

## **ANNUAL REPORT**

**2018-19**

#### BOARD OF DIRECTORS

Mr. Ajay Kumar Jain	Managing Director
Mr. Aditya Jain	Whole Time Director
Mrs. Santosh Jain	Non-Executive Director
Mr. Satya Narain Dubey	Independent Director
Mr. Namu Narain Dubey	Independent Director
Mrs. Harbhajan Kaur	Independent Director

#### KEY MANAGERIAL PERSONNEL

Mr. Arun Kumar Shrivastava	Chief Financial Officer
Mr. Vaibhav Shukla	Company Secretary

#### AUDITORS

Amit Goyal & Co.	Chartered Accountants (Statutory Auditors)
Adesh Tandon & Associates	Company Secretaries (Secretarial Auditor)
Rajesh & Company	Cost Accountants (Cost Auditor)

#### BANKERS/ FINANCIAL INSTITUTIONS

State Bank of India  
Kotak Mahindra Bank

#### REGISTERED OFFICE

8/225-A, 2<sup>nd</sup> Floor,  
Arya Nagar,  
Kanpur – 208 002 (Uttar Pradesh)  
CIN: L22219UP1975PLC004105  
Email ID: [info@primusspipes.com/cs@primusspipes.com](mailto:info@primusspipes.com/cs@primusspipes.com)  
Website: [www.premierpipesltd.com](http://www.premierpipesltd.com)  
Phone: 0512-2531809, 2531909

#### 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)

#### 44<sup>TH</sup> ANNUAL GENERAL MEETING

44<sup>th</sup> Annual General Meeting of the  
Members of the Company will be held on  
Monday, September 30, 2019  
At 12:30 P.M. at the Registered Office of  
the Company

## NOTICE OF 44<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE FORTY FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF PRIMUSS PIPES & TUBES LIMITED** will be held on Monday, the 30<sup>th</sup> day of September, 2019, at the Registered Office of the Company, 8/225-A, 2<sup>nd</sup> Floor, Arya Nagar, Kanpur- 208002 (Uttar Pradesh) at 12:30 Noon to transact the following business:-

### ORDINARY BUSINESS:

1. To Receive, Consider and Adopt the Audited Financial Statements of the Company for the Financial Year 2018-19 together with the Reports of the Auditors and Board of Directors.
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.

### SPECIAL BUSINESS:

3. **To appoint Mr. Praveen Chauhan (DIN: 06686792) as Non-Executive Director 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 the provisions of Section 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. Praveen Chauhan (DIN 06686792), who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 14<sup>th</sup> August, 2019, 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 a Non-Executive Director of the Company with effect from October 01, 2019.”

4. **To increase Borrowing Power Limit from Rs. 75 Crores to Rs. 200 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 30<sup>th</sup> September, 2017 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.2,00,00,00,000/- (Rupees Two Hundred 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 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** Mr. Ajay Kumar Jain, Managing Director of the Company be and is hereby authorized to do all such acts, deeds, matters and things as he may in his 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."

5. **Consent of Members for increase in the limits applicable for making investments / extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate.**

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

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of Rs. 50 Crores (Rupees Fifty Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** Mr. Ajay Kumar Jain, Managing Director of the Company be and is hereby authorized to do all such acts, deeds, matters and things as he may in his absolute discretion deem necessary, proper and desirable and to settle any question, difficulty, doubt that may arise in respect of the resolution 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."

6. **To approve the appointment of Mrs. Preeti Jain as an Executive (Administration) of the Company, holding office and place of profit.**

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 Sections 188 of the Companies Act, 2013 ("the Act"); Companies (Meetings of Board and its Powers) Rules, 2014, and other applicable statutory provisions, rules, regulations and guidelines (including any statutory modification(s), amendments, or reenactment thereof for the time being in force), and subject to such approvals as may be required, approval of the members of the Company be and is hereby accorded for holding of office or place of profit /employment by Mrs. Preeti Jain, wife of Mr. Ajay Kumar Jain, Managing Director of the Company and one of the promoters of the Company, as Executive

(Administration) of the Company with effect from October 1, 2019 at a remuneration of Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand only) per month.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, be and is hereby authorized to review and determine from time to time, the term of holding of the said office or place of profit/employment of Mrs. Preeti Jain, including her remuneration at its discretion, and to do all such necessary acts, deeds, matters and things as are required to be done in this regard."

7. **To ratify the remuneration of M/s Rajesh & Company, Cost Accountants (Firm Registration No. 000031) as the Cost Auditors of the Company for the Financial Year 2019-20.**

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 as manufactured by the Company at its factory situated at Harsinghpur, Bindki Road, P.O. – Mauhar, Distt. – Fatehpur (U.P.) for the Financial Year 2019-20 be paid remuneration of Rs. 25,000/- plus out of pocket expenses and applicable taxes."

8. **To grant approval of Material Related Party Transactions.**

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 188 of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and disclosures requirements) Regulations 2015 (including any amendments, modifications or re-enactments thereof) and on the recommendation of the Audit Committee, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company for transfer or receipt of products, goods, materials, services or other resources and obligations for the financial year 2018-19 and subsequent financial years exceeding ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company relevant for the financial years on such terms and conditions as may be mutually agreed between the Company and Related Parties in the ordinary course of business other than transactions which are not on arm's length basis or otherwise.

"**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to decide upon the nature and value of the products, goods, materials, services or other resources and obligations to be transacted with Related Party and to do and perform all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for giving effect to this Resolution."

**By order of the Board of Directors  
For PRIMUSS PIPES & TUBES LIMITED**

**Date : 01.09.2019  
Place : Kanpur**

**Sd/-  
(Vaibhav Shukla)  
Company Secretary**

**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/HER 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.*
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, 2019 to 30<sup>th</sup> September, 2019, 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. 3 to 6 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. 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.
8. Electronic copy of the Annual Report for 2018-19 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 2018-19 is being sent in the permitted mode.
9. Members may also note that the Notice of the 44th Annual General Meeting, Attendance Slip, Proxy Form, Route Map and the Annual Report for 2018-19 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@primusspipes.com](mailto:cs@primusspipes.com)
10. **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 44<sup>th</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 Friday, 27<sup>th</sup> September, 2019 (9:00 A.M.) and ends on Sunday, 29<sup>th</sup> September, 2019 (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 Monday, 23<sup>rd</sup> September, 2019, 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 remote 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"
- (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 Primuss Pipes & Tubes 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 [adesh.tandon11@gmail.com](mailto:adesh.tandon11@gmail.com) 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@primusspipes.com](mailto:cs@primusspipes.com) or contact at the Registered Office address.
- 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, 2019.
- 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, 2019, 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@primusspipes.com](mailto:cs@primusspipes.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. Adesh Tandon, Practicing Company Secretary (M. No. FCS 2253; CP No. 1121), 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.com](http://www.premierpipesltd.com) 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.
11. 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  
For PRIMUSS PIPES & TUBES LIMITED**

**Date : 01.09.2019  
Place : Kanpur**

**Sd/-  
(Vaibhav Shukla)  
Company Secretary**

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

**ITEM NO. 3:**

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Praveen Chauhan (DIN 06686792) as an Additional Director with effect from August 14, 2019 under Section 161(1) of the Companies Act, 2013. He is liable to hold office up to the date of this Annual General Meeting of the Company.

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. Praveen Chauhan as a candidate for the office of Director of the Company.

Mr. Praveen Chauhan aged about 33 years holds Bachelor of Engineering (Mtech.), MBA (Finance) and LLB degrees. He has around two decades of hardcore hands-on experience in Real estate, Garments, Hospitality, Finance and Exports segments. He started his operations in finance business in the year 2004 with small ventures in India and slowly moved into the international arena with ample business exposure in Malaysia, Singapore, Hong Kong and Bahrain. A strong business sense, interpersonal skills and business management are his key strengths. Mr. Chauhan, a very lively, dynamic and multi-talented person, holds position of Director on the board of several companies.

None of the Directors or any other key managerial personnel or their relatives has got any concern or interest whether financial or otherwise, if any, in respect of Resolution proposed at Item No. 7 of the accompanying Notice. Therefore, The Board recommends approving the resolution set out at Item No. 5 of the Notice.

**ITEM NO. 4:**

The existing borrowing powers of Board of Directors is upto Rs.75,00,00,000/- (Rupees Seventy 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.200,00,00,000/- (Rupees Two Hundred 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.4 of the accompanying Notice.

**ITEM NO. 5:**

The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

In view of the above and considering the long term business plans of the Company, which requires the Company to make sizeable loans / investments and issue guarantees / securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits. Therefore, The Directors recommend the Special Resolution as set out at Item No. 5 of the accompanying Notice, for Members' approval.

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. 5 of the accompanying Notice.

**ITEM NO. 6:**

Mrs. Preeti Jain aged about 45 years is wife of Mr. Ajay Kumar Jain, Managing Director of the Company. She is a Commerce Graduate from Kanpur University and has been associated with the business for past many years in the administrative activities. She is also actively involved in various social activities and possesses rich administrative experience. Currently, she also holds directorship in M/s Primuss Metroll Limited and M/s APA Ispat Pvt. Limited in the non-executive capacity. The Board of Directors of the company believes that her appointment to the Post of Executive (Administration) will immensely benefit the Company in managing the various administration activities of the Company. Therefore, The Directors recommend the Ordinary Resolution as set out at Item No. 6 of the accompanying Notice, for Members' approval.

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 Ordinary Resolution proposed at Item No. 6 of the accompanying Notice.

**ITEM NO. 7:**

The Board of Directors of the Company at its meeting held on August 14, 2019 approved 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 2019-20 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. 7 of the accompanying Notice for ratification of remuneration payable to the Cost Auditors for the Financial Year 2019-20.

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 Ordinary Resolution proposed at Item No. 7 of the accompanying Notice.

**ITEM NO. 8:**

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time, the contracts, arrangements and transactions relating to transfer or receipt of products, goods, materials, services, other resources and obligations with related party are material in nature if the transactions entered into or to be entered into individually or taken together with previous transactions during the financial year exceeds ten percent of the annual turnover of the Company as per the last audited financial statements of the Company. Accordingly, the contracts, arrangements and transactions with related party require the approval of the members of the Company through Ordinary Resolution and the related parties shall abstain from voting on such resolutions.

**Name of the Related Parties:**

1. Primuss Metroll Limited.
2. Venus AP Global Fragrances LLP
3. APA Ispat Private Limited.
4. Super A Square Steel LLP.

**Description of relationship between the Parties:**

Entities in which Directors are interested and presumption of significant influence.

**Name of the Director or Key Managerial Personnel (KMP) who is related:**

Mr. Ajay Kumar Jain, Mr. Aditya Jain, Mrs. Santosh Jain to the extent being common board members/designated partners.

**Nature, Material terms of contracts/arrangements:**

Sale and/or purchase of goods.

**Monetary Value:**

The actual value of material transactions for the financial year 2018-19 is given in Note No. 9 of the Notes to financial statements. The estimated value of material transactions for the Financial Year 2019-20 in case of related party transaction may exceed ten percent of the annual turnover of the Company as per the latest audited financial statements of the Company for the respective Financial Years based on the subsisting contracts, arrangements and transactions entered into or to be entered into;

**Any other information relevant or important for the Members to make a decision on a proposed transaction:**

Transactions entered into on arm's length basis and in the ordinary course of business or not.

None of the Directors and/or Key Managerial Personnel (KMP) or their relatives except to the extent of their common directorships and presumption of significant influence are in any way concerned or interested, financial or otherwise in the Ordinary Resolution set out at item no. 8 above. Therefore, The Directors recommend the Ordinary Resolution as set out at Item No. 8 of the accompanying Notice, for Members' approval.

**By order of the Board of Directors  
For PRIMUSS PIPES & TUBES LIMITED**

**Date : 01.09.2019  
Place : Kanpur**

**Sd/-  
(Vaibhav Shukla)  
Company Secretary**

**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):**

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.

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 28,000 Equity Shares in the Company and appointment to 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. Praveen Chauhan (Item No. 3):**

Mr. Praveen Chauhan aged about 33 years holds Bachelor of Engineering (Mtech.), MBA (Finance) and LLB degrees. He has around two decades of hardcore hands-on experience in Real estate, Garments, Hospitality, Finance and Exports segments. He started his operations in finance business in the year 2004 with small ventures in India and slowly moved into the international arena with ample business exposure in Malaysia, Singapore, Hong Kong and Bahrain. A strong business sense, interpersonal skills and business management are his key strengths. Mr. Chauhan, a very lively, dynamic and multi-talented person, holds position of Director on the board of several companies.

**By order of the Board of Directors  
For PRIMUSS PIPES & TUBES LIMITED**

**Date : 01.09.2019  
Place : Kanpur**

**Sd/-  
(Vaibhav Shukla)  
Company Secretary**

## DIRECTORS' REPORT

To,  
The Members

The Board of Directors of your Company take pleasure in presenting herewith their report on accounts and affairs of the Company for the financial year ended March 31, 2019:

### FINANCIAL SUMMARY:

<u>PARTICULARS</u>	<u>2018-19</u>	<u>2017-18</u>
Revenue from Operations	1,425,899,470	1,402,830,017
Other Income	1,954,260	4,838,466
Finance Income	2,515,886	7,52,937
<b>Total Revenue</b>	<b>1,430,369,616</b>	<b>1,408,421,420</b>
<b>Total Expenses</b>	<b>1,416,087,649</b>	<b>1,394,376,302</b>
Profit/(Loss) Before Tax	14,281,967	1,40,45,118
Tax Expense (Including Deffered Tax)	4,468,649	38,69,430
<b>Profit/(Loss) for the Year</b>	<b>9,813,318</b>	<b>1,01,75,688</b>
Other Comprehensive Income for the period	4,73,688	1,50,346
<b>Total Comprehensive Income</b>	<b>1,02,87,006</b>	<b>1,03,26,033</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 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.

### RESERVES:

During the year under review an amount of Rs. 1,02,87,006/- being the total comprehensive income for the year has been carried forward in the Retained Earnings in the Balance Sheet for the Financial Year 2018-19. The detailed breakup treatment of the said amount is depicted at Note No.11 of the Financial Statement for the year ended 31<sup>st</sup> March, 2019.

### DIVIDEND:

Keeping in view the fund requirements, the Directors do not recommend any Dividend for the Financial Year 2018-19.

### 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 there under. Hence, no amount of principal or interest was outstanding as on the date of Balance Sheet.

### LOANS, GUARANTEES OR INVESTMENTS:

The company has not granted any loans, given guarantees/ securities and made 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, 2019.

### 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.

### DIRECTOR/ KEY MANAGERIAL PERSONNEL:

During the year Mr. Ajay Kumar Jain was reappointed as Managing Director of the Company for a period of three consecutive years. Mr. Aditya Jain, was appointed as Whole Time Director for a period of five consecutive years. 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.

Further, Mr. Satish Kumar Garg, Mr. Balram Narain Bansal and Mr. Himmit Jain, independent directors of the company have tendered their resignation from the Board of Directors of the Company and Mr. Namo Narain Dubey and Mrs. Harbhajan Kaur were appointed as new independent directors of the Company.

During the Financial Year under review, Mr. Arun Kumar Shrivastava was appointed as the Chief Financial Officer of the Company pursuant to Section 203 of the Companies Act, 2013 and rules framed thereunder.

Now, Shri Ajay Kumar Jain, Managing Director, Shri Arun Kumar Shrivastava, Chief Financial Officer and Shri Vaibhav Shukla, 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.

**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 year under review, the Board of Directors of Company has met Seven times i.e., on May 14, 2018, May 30, 2018, June 28, 2018, August 14, 2018, September 25, 2018, November 14, 2018 and February 14, 2019.

**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, 24A, 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.13,19,92,342 (Rupees Thirteen Crores Nineteen Lacs Ninety Two Thousand Three Hundred and Forty Two only) as on the last day of the previous Financial Year i.e. as on 31<sup>st</sup> March, 2019.

**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:

**AUDIT COMMITTEE:**

In accordance with the provisions of Section 177 of the Companies Act, 2013, the Board of Directors of the Company have duly constituted the Audit Committee as under :

S.NO.	NAME OF THE MEMBER	CATEGORY	DESIGNATION
1.	Ajay Kumar Jain	Managing Director	Chairman
2.	Harbhajan Kaur	Independent Director	Member
3.	Namo Narayan Dubey	Independent Director	Member

Further, during the Financial Year under review the Members of Audit Committee has met four times i.e., on May 30, 2018, August 14, 2018, November 14, 2018 and February 14, 2019.

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:**

In accordance with the provisions of Section 178 of the Companies Act, 2013, the Board of Directors of the Company have duly constituted the Nomination and Remuneration Committee as under:

S.NO.	NAME OF THE MEMBER	CATEGORY	DESIGNATION
1.	Santosh Jain	Non-Executive Director	Member
2.	Namo Narayan Dubey	Independent Director	Member
3.	Harbhajan Kaur	Independent Director	Member

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:**

In accordance with the provisions of Section 178(5) of the Companies Act, 2013, the Board of Directors of the Company have duly constituted Stakeholders Relationship Committee as under:

S.NO.	NAME OF THE MEMBER	CATEGORY	DESIGNATION
1.	Santosh Jain	Non-Executive Director	Member
2.	Namo Narayan Dubey	Independent Director	Member
3.	Harbhajan Kaur	Independent Director	Member

The Committee considers and resolves the grievances of security holders of the Company in timely manner to the extent possible.

**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;
- (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, 2019 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:**

M/s Amit Goyal & Co., Chartered Accountants, Jaipur, having Firm Registration No. 003778C, continue to be the Statutory Auditors of the Company.

The Auditors Report to the Members together with the Financial Statement for the year ended 31<sup>st</sup> March, 2019 and notes thereon are attached.

The report of Statutory Auditors for the Financial Year 2018-19, 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.

**COST AUDITORS:**

M/s Rajesh & Company Cost Accountants (Firm Registration No. 000031) who were appointed as Cost Auditor for the financial year 2018-19 have submitted their report.

The Board of Directors of your Company, on the recommendations made by the Audit Committee at its Meeting held on August 14, 2019 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 2019-20 at such remuneration as decided by the Directors of the Company subject to ratification by the Members at the ensuing 44<sup>th</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 2019-20 along with a certificate confirming their independence and arm's length relationship.

**SECRETARIAL AUDITORS:**

The Secretarial Audit Report for the Financial Year 2018-19 is annexed herewith as "Annexure C" to this report.

In terms of Section 204 of the Companies Act, 2013, the Board of Directors of your Company at their Meeting held on August 14, 2019 has appointed M/s Adesh Tandon & Associates, Company Secretaries as the Secretarial Auditor to conduct an audit of the secretarial records, for the Financial Year 2019-20.

The Company has received consent from M/s M/s Adesh Tandon & 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, 2020.

**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.

**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 not incurred the expenditure in Foreign Exchange.

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, 2019) 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.

**On Behalf of the Board of Directors  
For Primuss Pipes & Tubes Limited**

**Date: August 14, 2019  
Place: Kanpur**

**Sd/-  
(Ajay Kumar Jain)  
Managing Director  
Din: 00493685**

**Sd/-  
(Aditya Jain)  
Whole Time Director  
Din: 08079076**

**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 Primuss Pipes & Tubes Limited ("the Company") constituted the "Nomination and Remuneration Committee" consisting of three (3) Non-Executive Directors of which Majority 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.

"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 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.

**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.

**On Behalf of the Board of Directors  
For Primuss Pipes & Tubes Limited**

**Date: August 14, 2019  
Place: Kanpur**

**Sd/-  
(Ajay Kumar Jain)  
Managing Director  
Din: 00493685**

**Sd/-  
(Aditya Jain)  
Whole Time Director  
Din: 08079076**

**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 2018-19 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	55,60,000	0.00
2.	Aditya Jain	Whole Time Director	22,13,667	0.00

- \*Median Remuneration for the Financial Year 2018-19 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 2018-19.

(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 2018-19 are as follows:

S. No.	Name of the Director/CFO/CS	Designation	Remuneration (Rs.)		% increase/decrease in the remuneration
			2018-19	2017-18	
1.	Ajay Kumar Jain	Managing Director	55,60,000	33,60,000	65.47%
2.	Aditya Jain	Whole Time Director	22,13,667	-----	Appointment in 2018-19
3.	Arun Kumar Shrivastava	Chief Financial Officer	9,00,000	-----	Appointment in 2018-19
4.	Vaibhav Shukla	Company Secretary	4,80,000	-----	Appointment in 2018-19

(iii) the percentage increase in the median remuneration of employees in the financial year 2018-19:

	2018-19	2017-18	Increase (%)
Median remuneration of employees per annum		60,075	22.08

(iv) the number of permanent employees on the rolls of company as on 31<sup>st</sup> March, 2019: 81

(v) 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.

(vi) 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, 2019:

## (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 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
1.	Ajay Kumar Jain	Managing Director	55,60,000	Permanent	Qualification: M.COM Experience: almost 25 years	17 <sup>th</sup> November, 2006	13 Yrs.	-	0.62%	Relative of following Directors: 1. Aditya Jain (Relation - Father) 2. Santosh Jain (Relation - Son)
2.	Vipin Agarwal	DGM (Sales)	13,71,432	Permanent	Qualification: MBA (Finance & Marketing) Experience: 12 Years	28 <sup>th</sup> November, 2017	16 Months Year	Bhushan Power & Steel Limited.	-	-
3.	Amit Singh	AGM (Project Sales)	3,85,391	Permanent	Qualification: B.tech. Experience: 13 Years	February, 2017	25 Months	Hi-tech Pipes Limited.	-	-
4.	Arun Shrivastava	CFO	12,00,000	Permanent	Qualification: CA (Inter) Experience: 30 Years	March 2018	1 Year	Premier Ispat Limited.	-	-
5.	Raju Verma	Manager (Production)	9,35,909	Permanent	Qualification: B.tech.	07 <sup>th</sup> March, 2017	2 Years	Fedders Lloyd Corporation	-	-



					(Mechanical) Experience: 16 Years				Limited.		
6.	Ajit Jain	Business Development Manager	9,00,000	Permanent	Qualification: MBA Experience: 16 Years	5 <sup>th</sup> September, 2017	19 Months	APL Apollo Limited.	-	-	
7.	Bhanu Pratap Srivastava	AGM (Sales)	9,00,000	Permanent	Qualification: M.B.A. Experience: 10 Years	01 <sup>st</sup> June 2018	10 Months	APL Apollo Limited.	-	-	
8.	Priyaranjan Kumar	AGM (Sales)	6,17,148	Permanent	Qualification: M.B.A. Experience: 14 Years	03 <sup>rd</sup> April, 2017	2 Years	Laxmi Pipes Limited.	-	-	
9.	Ashish Tiwari	G.I. Incharge	5,17,742	Permanent	Qualification: B.sc. Experience: 30 Years	01 <sup>st</sup> January, 2017	2 Years 3 Months	Chetna Pipes Limited.	-	-	
10.	Vinay Bhasin	General Manager (Admin)	4,45,300	Permanent	Qualification: Diploma (Mechanical Engineering) Experience: 24 Years	November, 2016	2 Years 5 Months	Purva Alloys Limited.	-	-	

(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 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										

(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										

On Behalf of the Board of Directors  
For Primuss Pipes & Tubes Limited

Sd/- (Ajay Kumar Jain) (Aditya Jain)  
Managing Director Whole Time Director  
Din: 00493685 Din: 08079076

Date: August 14, 2019  
Place: Kanpur

**Form No.MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2019.**

[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]

To,  
The Members,  
**PRIMUSS PIPES AND TUBES LIMITED,**  
(FORMERLY KNOWN AS **PREMIER PIPES LIMITED**)  
8/225-A, 2nd Floor, Arya Nagar,  
Kanpur – 208005

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PRIMUSS PIPES AND TUBES LIMITED** formerly known as **PREMIER PIPES LIMITED** (hereinafter called as "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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 March 31, 2019 ("Audit Period"), 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 March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made there under as amended from time to time;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the Audit Period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), as amended from time to time:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not applicable to the Company during the Audit Period**);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not applicable to the Company during the Audit Period**);

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client **(Not applicable to the Company during the Audit Period);**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period);**
- (h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period);**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that, as per the management representation letter for Secretarial Audit, there is no specific law applicable to the Company.

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

- I. Secretarial Standards issued by the Institute of Company Secretaries of India (as amended from time to time);
- II. The Listing Agreement as entered into by the Company with the Stock Exchange(s).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and we have the following Observations:-

- 1. The company has not send the Annual Report to the stock exchange in terms of the provisions of regulation 34 of the SEBI (Listing Obligation and Disclosure Requirement) 2015;
- 2. The Company has not strictly adhered the provisions of Secretarial Standard as issued by the ICSI;
- 3. We are unable to comment upon the contents of the website of the company as the same is showing error that- "THIS SITE CAN NOT BE REACHED"

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and we have the following Observations:-

- 1. The company has not send the Annual Report to the stock exchange in terms of the provisions of regulation 34 of the SEBI (Listing Obligation and Disclosure Requirement) 2015;
- 2. The Company has not strictly adhered the provisions of Secretarial Standard as issued by the ICSI;
- 3. We are unable to comment upon the contents of the website of the company as the same is showing error that- "THIS SITE CAN NOT BE REACHED."

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board Meetings and Committee Meetings have been carried out without dissent, as recorded in the minutes of the meetings of the Board or Committees of the Board, as the case may be.

We further report that, there exist 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.

We further report that, during the Audit Period, there was no instance of:

- (a) Issue of Public/Right/Preferential issue of shares/sweat equity shares, etc.
- (b) Major decisions taken by the members in pursuance to Section 180 of the Act.
- (c) Merger / amalgamation / re-construction, etc. and
- (d) Foreign technical collaborations.

**For ADESH TANDON & ASSOCIATES**  
**Company Secretaries**

**Adesh Tandon**  
Proprietor  
FCS No. 2253  
C. P. No. 1121

Date: 14.08.2019  
Place: Kanpur









ii. Shareholding of Promoters (including Promoter Group)

Sl 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)	88,120	1.24	-	44,060	1.24	-	-
2.	Ajay Kumar Jain (HUF)	87,228	1.23	-	43,614	1.23	-	-
3.	Preeti Jain	72,000	0.39	-	36,000	1.01	-	-
4.	Ragini Jain	60,000	0.23	-	30,000	0.85	-	-
5.	Deepali Jain	58,000	0.20	-	29,000	0.82	-	-
6.	Ajay Kumar Jain	44,200	0.62	-	22,100	0.62	-	-
7.	Vivek Jain	42,000	0.59	-	21,000	0.59	-	-
8.	Rishabh Jain	42,000	0.59	-	21,000	0.59	-	-
9.	Pawan Kumar Jain	42,000	0.59	-	21,000	0.59	-	-
10.	Ashok Kumar Jain	42,800	0.60	-	21,400	0.60	-	-
11.	Vinay Kumar Jain	42,200	0.59	-	21,100	0.59	-	-
12.	Arun Kumar Jain	85,580	0.59	-	21,000	1.21	-	-
13.	Amit Kumar Jain	42,000	0.59	-	21,000	0.59	-	-
14.	Des Raj Jain (HUF)	40,000	0.56	-	20,000	0.56	-	-
15.	Tara Devi Jain	38,000	0.54	-	19,000	0.54	-	-
16.	Jai Kumar Jain	36,200	0.51	-	18,100	0.51	-	-
17.	Santosh Jain	28,000	0.39	-	14,000	0.39	-	-
18.	Des Raj Jain	25,800	0.36	-	12,900	0.36	-	-
19.	Jai Kumar Jain (HUF)	24,300	0.34	-	12,150	0.34	-	-
20.	Madhukar Jain	17,400	0.25	-	8,700	0.25	-	-
21.	Sudesh Jain	16,620	0.23	-	8,310	0.23	-	-
22.	Vipin Kumar Jain	15,720	0.22	-	7,860	0.22	-	-
	<b>Total</b>	<b>9,90,168</b>	<b>13.95</b>	<b>-</b>	<b>9,90,168</b>	<b>13.95</b>	<b>-</b>	<b>-</b>

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)	88,120	1.24	-	-	-	88,120	1.24
2.	Ajay Kumar Jain (HUF)	87,228	1.23	-	-	-	87,228	1.23
3.	Preeti Jain	72,000	0.39	-	-	-	72,000	0.39
4.	Ragini Jain	60,000	0.23	-	-	-	60,000	0.23
5.	Deepali Jain	58,000	0.20	-	-	-	58,000	0.20
6.	Ajay Kumar Jain	44,200	0.62	-	-	-	44,200	0.62
7.	Vivek Jain	42,000	0.59	-	-	-	42,000	0.59
8.	Rishabh Jain	42,000	0.59	-	-	-	42,000	0.59
9.	Pawan Kumar Jain	42,000	0.59	-	-	-	42,000	0.59
10.	Ashok Kumar Jain	42,800	0.60	-	-	-	42,800	0.60
11.	Vinay Kumar Jain	42,200	0.59	-	-	-	42,200	0.59
12.	Arun Kumar Jain	85,580	0.59	-	-	-	85,580	0.59
13.	Amit Kumar Jain	42,000	0.59	-	-	-	42,000	0.59
14.	Des Raj Jain (HUF)	40,000	0.56	-	-	-	40,000	0.56
15.	Tara Devi Jain	38,000	0.54	-	-	-	38,000	0.54
16.	Jai Kumar Jain	36,200	0.51	-	-	-	36,200	0.51
17.	Santosh Jain	28,000	0.39	-	-	-	28,000	0.39
18.	Des Raj Jain	25,800	0.36	-	-	-	25,800	0.36
19.	Jai Kumar Jain (HUF)	24,300	0.34	-	-	-	24,300	0.34
20.	Madhukar Jain	17,400	0.25	-	-	-	17,400	0.25
21.	Sudesh Jain	16,620	0.23	-	-	-	16,620	0.23
22.	Vipin Kumar Jain	15,720	0.22	-	-	-	15,720	0.22
		<b>9,90,168</b>	<b>13.95</b>	-	-	-	<b>9,90,168</b>	<b>13.95</b>

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.	8,58,000	12.08	-	-	-	8,58,000	12.08
2.	M/s Gold Star Business Pvt. Ltd.	3,98,000	5.61	-	-	-	3,98,000	5.61
3.	M/s Spectrum Sheet Grih Pvt. Ltd.	3,14,000	4.42	-	-	-	3,14,000	4.42
4.	Prashant Jain	3,01,892	4.25	-	-	-	3,01,892	4.25
5.	Ajay Dubey	2,87,934	4.06	-	-	-	2,87,934	4.06
6.	Pushpa Garg	2,31,860	3.26	-	-	-	2,31,860	3.26
7.	Mr. Arun Sharma	1,47,400	2.08	-	-	-	1,47,400	2.08
8.	M/s Rotex Profiles Pvt. Ltd.	1,24,820	1.76	-	-	-	1,24,820	1.76
9.	Arun Kumar Goel	1,12,600	1.59	-	-	-	1,12,600	1.59
10.	Shashi Dhar Tripathi	1,05,600	1.49	-	-	-	1,05,600	1.49
		<b>14,57,423</b>	<b>40.60</b>	-	-	-	<b>14,57,423</b>	<b>40.60</b>

v. Shareholding of Directors and Key Managerial Personnel:

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	44,200	0.62	-	-	-	44,200	0.62

V. INDEBTEDNESS:  
Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	13,48,88,122	9,84,81,089	-	23,33,69,211
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>13,48,88,122</b>	<b>9,84,81,089</b>	-	<b>23,33,69,211</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	4,24,31,598	-	-	4,24,31,598
* Reduction	-	-1,45,17,131	-	-1,45,17,131
<b>Net Change</b>	<b>4,24,31,598</b>	<b>-1,45,17,131</b>	-	<b>2,79,14,467</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	17,73,19,720	8,39,63,958	-	26,12,83,678
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>17,73,19,720</b>	<b>8,39,63,958</b>	-	<b>26,12,83,678</b>

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		55,60,000	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>55,60,000</b>	<b>33,60,000</b>

B. Remuneration to other directors- NIL

Sl No.	Particulars of Remuneration	Name of Directors				Total Amount
		-	-	-	-	
1	Independent Directors	-	-	-	-	-
	Fee for attending Board/ Committee Meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending Board/ Committee Meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-	-
	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			Total
		CS*	CFO		
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4,80,000	9,00,000	-	13,80,000
	(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>4,80,000</b>	<b>9,00,000</b>		<b>13,80,000</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					

On Behalf of the Board of Directors  
For Primuss Pipes & Tubes Limited

Sd/-

(Ajay Kumar Jain)

Managing Director

Din: 00493685

Sd/-

(Aditya Jain)

Whole Time Director

Din: 08079076

Date: August 14, 2019  
Place: Kanpur

**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.

**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.

**On Behalf of the Board of Directors  
For Primuss Pipes & Tubes Limited**

**Date: August 14, 2019  
Place: Kanpur**

**Sd/-  
(Ajay Kumar Jain)  
Managing Director  
Din: 00493685**

**Sd/-  
(Aditya Jain)  
Whole Time Director  
Din: 08079076**



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

**(A) Conservation of Energy:**

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) Technology Absorption:**

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

**(C) Foreign Exchange Earnings and Outgo**

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	NIL

**On Behalf of the Board of Directors  
For Primuss Pipes & Tubes Limited**

Date: August 14, 2019  
Place: Kanpur

Sd/- (Ajay Kumar Jain) Managing Director Din: 00493685	Sd/- (Aditya Jain) Whole Time Director Din: 08079076
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## Independent Auditor's Report

### **To The Members of Primuss Pipes and Tubes Limited.**

(Previously known as Premier Pipes Limited)

### Report on the Audit of the Standalone Financial Statements

#### **Opinion**

We have audited the accompanying standalone financial statements of Primuss Pipes and Tubes Limited (Previously known as Premier Pipes Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### **1. Key Audit Matter**

##### **Evaluation of uncertain tax positions**

The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.

Refer Notes to the Standalone Financial Statements

#### **Auditor's Response**

##### **Principal Audit Procedures**

Obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2018 to evaluate whether any change was required to management's position on these uncertainties.

#### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other

information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is

materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of

assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our

auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in:

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **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 Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) 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.
  - d) 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.
  - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the Internal Financial Control with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197(16) of the Act.
  - h) 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 does not have any material pending litigation which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**FOR AMIT GOYAL & CO.  
CHARTERED ACCOUNTANTS  
FRN: 003778C**

**Place: Kanpur  
Date: 30.05.2019**

**[CHARAN GUPTA]  
PARTNER  
Membership No. 074450**

## Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Primuss Pipes and Tubes Limited (Previously known as Premier Pipes Limited) of even date)

### **Report on the Internal Financial Controls Over Financial Reporting 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 Primuss Pipes and Tubes Limited (Previously known as Premier Pipes Limited) ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Board of Directors of the Company 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. 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 respective 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.

#### **Auditor's Responsibility:**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 auditor's

judgement, 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 internal financial controls system over financial reporting of the Company.

#### **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 authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**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, to the best of our information and according to the explanations given to us, 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 March 31, 2019, 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 AMIT GOYAL & CO.  
CHARTERED ACCOUNTANTS  
FRN: 003778C**

**Place: Kanpur  
Date: 30.05.2019**

**[CHARAN GUPTA]  
PARTNER  
Membership No. 074450**

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

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Primuss Pipes and Tubes Limited (Previously known as Premier Pipes Limited) of even date)

Based on our audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- (i) (a) The Company is in the process of updating its Fixed Assets Register showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have been physically verified by the management during the year and there is a regular programme of verification, intended to cover all the fixed assets of the Company over a period, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties recorded as Fixed Assets in the books of accounts of the company are held in the name of the company..
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public within the provisions of section 73 to 76 of the Act and the rules framed there under.
- (vi) We have broadly reviewed the cost records maintained by the company pursuant to the order of Central Government under sub-section (1) of section 148 of the Companies Act and are of the opinion that, prima facie, the prescribed records have been made and maintained. We are, however, not required to make a detailed examination of records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follow:

Name of the Statute	Nature of dues	Period to which it relates	Amount (Rupees)	Forum where dispute is pending
ESI Act 1948	Damages and Interest	November 1981 to February 1984	135617	Civil Judge (Senior) ESI Court, Kanpur Nagar
Income Tax Act 1961	Demand on assessment U/s 143(2)	AY 2018-19	-	Commissioner of Income Tax Appeals - Kanpur

- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to 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 and banks. The Company did not have any borrowings by way of debentures or from government.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management and on an overall examination of the balance sheet, we report that monies raised by the Company by way of term loans were applied for the purpose for which the loans were obtained. No monies were raised, during the year, by the Company by way of initial public offer or further public offer (including debt instruments).
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence para 3(xiv) of the Order is not applicable to the company.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR AMIT GOYAL & CO.  
CHARTERED ACCOUNTANTS  
FRN: 003778C**

**[CHARAN GUPTA]  
PARTNER  
Membership No. 074450**

**Place: Kanpur  
Date: 30.05.2019**



**PRIMUSS PIPES & TUBES LIMITED**  
**Previously known as Premier Pipes Limited**  
Balance Sheet as at 31st March 2019

(All amounts are in Indian Rupees unless stated otherwise)

Sr No.	Particulars	Note No.	As at 31-03-2019	As at 31-03-2018
<b>I</b>	<b>Assets</b>			
	<b>Non-Current Assets</b>			
(a)	Property Plant and Equipment			
i.	Tangible	2	72,426,096	73,560,929
ii.	Intangible	2	756,163	584,312
	<b>Total</b>		<b>73,182,259</b>	<b>74,145,241</b>
(b)	Financial Assets	3		
i.	Investments		100,000	100,000
ii.	Security Deposits		11,710,884	17,154,265
iii.	Loans and Advances		1,748,900	-
(c)	Other Non Current Assets	4	-	48,652
(d)	Deferred Tax Assets	5	860,513	860,513
	<b>Total Non Current Assets</b>		<b>87,602,557</b>	<b>92,308,670</b>
	<b>Current Assets</b>			
(a)	Inventories	6	158,897,970	156,912,966
(b)	Financial Assets			
i.	Trade Receivables	7	113,961,338	130,544,577
ii.	Loans & Advances	7	-	161,256
iii.	Security Deposits	7	1,327,736	13,497,087
iv.	Cash and Cash Equivalent	8	16,970,889	2,905,763
(c)	Other Current Assets	9	161,930,854	56,477,446
	<b>Total Current Assets</b>		<b>453,088,787</b>	<b>360,499,095</b>
	<b>Total Assets</b>		<b>540,691,344</b>	<b>452,807,765</b>
<b>II</b>	<b>Equity and Liabilities</b>			
	<b>Equity</b>			
(a)	Equity Share Capital	10	35,500,000	35,500,000
(b)	Other Equity			
i.	Share Premium	11	8,875,000	8,875,000
ii.	Retained Earning	11	87,617,342	77,330,337
	<b>Total Equity (a+b)</b>		<b>131,992,342</b>	<b>121,705,337</b>
	<b>Non Current Liabilities</b>			
(a)	Financial Liabilities			
i.	Borrowings	12	61,563,999	98,937,199
ii.	Other Financial Liabilities		-	-
(b)	Deferred Tax Liabilities	13	3,503,035	2,655,188
(c)	Other Non - Current Liabilities	14	-	115,668
	<b>Total Non Current Liabilities</b>		<b>65,067,035</b>	<b>101,708,055</b>
	<b>Current Liabilities</b>			
(a)	Financial Liabilities			
i.	Borrowings	15	199,768,414	134,432,012
ii.	Trade Payables	16	94,743,702	57,411,827
iii.	Other Payables	16	1,942,734	2,915,035
(b)	Liability for Current Tax (Net)	17	3,815,693	1,839,854
(c)	Other Current Liabilities	18	43,361,424	32,795,645
	<b>Total Current Liabilities</b>		<b>343,631,967</b>	<b>229,394,373</b>
	<b>Total Liabilities</b>		<b>408,699,001</b>	<b>331,102,428</b>
	<b>Total Equity &amp; Liabilities</b>		<b>540,691,344</b>	<b>452,807,765</b>

See Accompanying notes to the Financial Statements

As per our attached report of even date

For Amit Goyal & Co.  
Chartered Accountants  
FRN - 003778C

For and on behalf of the Board

Charan Gupta  
Partner  
Membership No 074450

Ajay Kumar Jain Aditya Jain  
Managing Director Director  
DIN: 00493685 Din: 08079076

Place: Kanpur

Vaibhav Shukla Arun Shrivastav  
Company Secretary Chief Financial  
Officer

Date: 30 May 2019

**PRIMUSS PIPES & TUBES LIMITED**

Previously known as Premier Pipes Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

(All amounts are in Indian Rupees unless stated otherwise)

Sr No.	Particulars	Note No.	For the Year ended 31-03-2019	For the Year ended 31-03-2018
<b>Continuing Operations</b>				
I	Revenue from Operation	19	1,425,899,470	1,402,830,017
II	Other Income	20	1,954,260	4,838,466
II	Finance Income	21	2,515,886	752,937
III	<b>Total Income (I+II)</b>		<b>1,430,369,617</b>	<b>1,408,421,419</b>
IV	<b>Expenses</b>			
i.	Cost of Materials Consumed	22	1,199,787,411	1,225,701,745
ii.	Purchases of Traded Goods	22	74,319,039	33,154,782
iii.	Changes in Inventory of Finished Goods, Work In Progress and Traded Goods	23	(3,542,097)	(1,665,366)
iv.	Excise Duty on Sale of Goods			2,755,787
v.	Employee Benefits Expenses	24	38,542,863	26,915,493
vi.	Depreciation and Amortization Expenses	2	6,432,122	5,344,377
vii.	Finance Cost	25	24,415,819	20,818,967
viii.	Other Expenses	26	76,132,491	81,350,517
	<b>Total Expenses (IV)</b>		<b>1,416,087,649</b>	<b>1,394,376,302</b>
	<b>Profit / (Loss) before exceptional Items and tax from continuing operations</b>		<b>14,281,968</b>	<b>14,045,117</b>
	Exceptional Items		-	-
V	<b>Profit before tax (III-IV)</b>		<b>14,281,968</b>	<b>14,045,117</b>
VI	<b>Tax Expense</b>			
i.	Current Tax	27	3,815,693	3,139,854
ii.	Adjustment of Tax relating to earlier period - FBT			-
iii.	Deferred Tax		652,957	729,576
	<b>Total Tax Expense (VI)</b>		<b>4,468,649</b>	<b>3,869,430</b>
VII	<b>Profit For The Year (V-VI)</b>		<b>9,813,318</b>	<b>10,175,687</b>
VIII	<b>Other comprehensive income</b>			
A(i)	Items that will not be classified to profit or Loss		668,578	207,517
A(ii)	Income Tax Relating to Items that will not be reclassified to Profit or Loss		194,890	57,171
B(i)	Items that will be classified to profit or Loss		-	-
B(ii)	Income Tax Relating to Items that will be reclassified to Profit or Loss		-	-
	<b>Total Other comprehensive Income for the period (VIII)</b>		<b>473,688</b>	<b>150,346</b>
IX	<b>Total Comprehensive Income (VI+VIII)</b>		<b>10,287,006</b>	<b>10,326,033</b>
X	<b>Earning Per Share (Face Value Rs. 5 per share (Previous Year Rs. 10 per share))</b>			
	Basic & Diluted		INR 1.4589	INR 1.4644

See Accompanying notes to the Financial Statements

As per our attached report of even date

For Amit Goyal & Co.  
Chartered Accountants  
FRN - 003778C

For and on behalf of the Board

Charan Gupta  
Partner  
Membership No 074450

Ajay Kumar Jain Aditya Jain  
Managing Director Director  
DIN: 00493685 Din: 08079076

Place: Kanpur

Vaibhav Shukla  
Company Secretary

Arun Shrivastav  
Chief Financial Officer

Date: 30 May 2019

**Notes to Financial Statements for the year ended March 31, 2019**

**1.- SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF FINANCIAL STATEMENTS**

**1.1 General information:**

The financial statements comprise of Balance Sheet, Statement of Profit and Loss, Statement of Change in Equity and Statement of Cash Flows together with the notes thereon of Primuss Pipes and Tubes Limited (previously known as Premier Pipes Limited (PPTL) for the year ended March 31, 2019.

The Company is a public limited company incorporated and domiciled in India under the provisions of the Companies Act applicable in India. It is a company listed at Bombay Stock Exchange (BSE). The Corporate office of the Company is located at 8/225A, IIInd Floor, Arya Nagar, Kanpur – 208002. The manufacturing facility of the company is located at Bindki Road, Harsingar Nagar, P.O. Mauhar, Fatehpur, Uttar Pradesh.

The Company is primarily engaged in the business of Manufacturing of iron & steel (Black & G.I.) tubes and PVC Pipes.

**1.2 Basis of Preparation and Statement of compliance:**

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

For all periods up to and including the year ended March 31, 2017, the Company prepared Its financial statements in accordance with the requirements of previous GAAP prescribed under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements for the financial year ended March 31, 2018 were the Company's first Ind AS compliant annual financial statements with comparative figures for the year ended March 31, 2017 also under Ind AS. The date of transition was April 1, 2016.

The financial statements are prepared under the historical cost convention, on the accounting principles of a going concern. All assets and liabilities have been classified as current or non-current in accordance with the operating cycle criteria set out in Ind AS 1 and Schedule III to the Companies Act, 2013.

Accounting Policies not specifically referred to otherwise are consistent and in consonance with the applicable accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

All expenses and incomes to the extent ascertainable with reasonable certainty are accounted for on accrual basis. All taxes, duties and cess etc paid on purchases have been charged to the Statement of Profit and Loss except such taxes, duties and cess, which are subsequently recoverable with reasonable certainty from the taxing authorities.

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in India sometimes requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual result could differ from these estimates. Any revision to such estimate is recognised in the period in which same is determined.

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest rupee, except otherwise indicated.

**1.3 Significant Accounting Policies:**

**1.3.1.- Property, Plant and Equipment:**

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold or Leasehold land is stated at historical cost.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimate cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized.

Cost of regular comprehensive maintenance work (such as major overhaul) are capitalized as a separate component if they satisfy the recognition criteria. Otherwise they are charged to Profit and Loss during the reporting period in which they are incurred.

**1.3.2- Other Intangible Assets:**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.

**1.3.3 Derecognition of intangible assets:**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

**1.3.4- Depreciation & Amortisation:**

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method as per the provisions of Part C of Schedule II of the Companies Act, 2013 based on useful life and residual value specified therein. The residual values are not more than 5% of the original cost of the asset's the asset's residual value and useful life are reviewed and adjusted if appropriate at the end of each reporting period.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Estimated useful lives of the assets are as follows:

Class of assets	Useful life in Years
Buildings	30
Plant and Machinery	15
Furniture and fixtures	10
Vehicles	08
Office equipment	05
Computer	03

The Use full life are taken as determined based on technical evaluation done by the management expert or those specified by schedule II of the company Act,2013 in order to reflect to the actual usages of the Assets.

**1.3.5 Capital Work-in-progress/ intangible assets under development and Pre-Operative Expenses during Construction Period:**

Capital work-in-progress comprises of the cost of PPE that are not yet ready for their intended use at the Balance Sheet date.

Cost of material consumed, erection charges thereon along with other related expenses incurred for the projects are shown as CWIP for capitalization.

Expenditure attributable to construction of fixed assets are identified and allocated on a systematic basis to the cost of the related asset.

Interest during construction and expenditure (net) allocated to construction are apportioned to CWIP/ intangible assets under development on the basis of the closing balance of Specific asset or part of asset being capitalized. The balance, if any, left after such capitalization is kept as a separate item under the CWIP/intangible assets Schedule.

Claims for price variation / exchange rate variation in case of contracts are accounted for on acceptance of claims.

Any other expenditure which is not directly or indirectly attributable to the construction of the Project / construction of the Fixed Asset is charged off to statement of profit and loss in the period in which they are incurred.

**1.3.6 - Impairment of tangible and intangible assets other than goodwill:**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**1.3.7 - Borrowing costs:**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

**1.3.8 - Cash and cash equivalents:**

Cash and cash equivalent in the balance sheet comprise of cash at banks and on hand and demand deposits with an original maturity of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

**1.3.9 - Inventories:**

Inventories of Finished Goods, Raw Material and Work in Process are valued at cost or net realizable value whichever is lower. Cost of inventories includes Cost of manufacturing and other cost incurred for the manufacturing and in bringing the inventory to their present location and condition and applicable statutory levies net of under recovered levies charge to Profit and loss but exclude borrowing cost. Costs are assigned on the basis of FIFO method. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

**1.3.10 - Revenue Recognition:**

**(a) Sale of Tubes and Pipes:**

Revenue is recognised to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are exclusive of excises duty, and net of returns, trade allowances, rebate, value added taxes and amount collected on behalf of third party.

Sales are recognised when the Goods are delivered to customers. No element of financing is deemed present as the sales are made with a credit of 60-75 days which is consistent with market practice.

**(b) Interest income:**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**1.3.11 - Taxation:**

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

**Current tax:**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets relate to the same taxable entity and same taxation authority.

**Current and deferred tax for the year:**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**1.3.12 - Earnings per share:**

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive

potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

**1.3.13 - Provisions, Contingencies and commitments:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A disclosure for contingent liabilities is made when there is

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- (b) a present obligation that arises from past events but is not recognized because:
  - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

**1.3.14 - Financial instruments:**

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

**Financial Assets:**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through

profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss. Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

**Classification of financial assets:**

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

**Effective interest method:**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

**Impairment of financial assets:**

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Company trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

**Derecognition of financial assets:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.



For financial assets other than trade receivables, the Company recognizes 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

### **1.3.15 - Financial liabilities and equity instruments:**

#### **Classification as debt or equity:**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

#### **Financial liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the company documented risk management or investment strategy, and information about the Companying is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

**Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

**Derecognition of financial liabilities:**

The Company derecognises financial liabilities when, and only when, the Company obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the

original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying

amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

**Reclassification of financial assets and liabilities:**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such change are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in the business model.

The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and the how they are accounted for:

Original Classification	Revised Classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit and loss.
FVPTL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new gross carrying amount. No other adjustment is required.
FCTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss at the reclassification date.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### 1.3.16 Employee related Benefits:

##### Defined Benefit Plans - General Description

Gratuity: Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to maximum of 10 Lakhs at the time of separation from the company.

##### Other long-term employee benefits - General Description

Leave Encashment: Each employee is entitled to get 15 earned leaves for each completed year of service. Encashment of earned leaves is made at the end of the financial years.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Table I: Assumptions

Assumptions	March 31, 2018	March 31, 2019
Discount Rate	7.54% per annum	7.77% per annum
Rate of increase in Compensation levels	8.00% per annum	8.00% per annum
Rate of Return on Plan Assets	Not Applicable	Not Applicable
Average future service (in Years)	20.13 Years	21.21 Years

Table II: Service Cost

All Figures in INR	March 31, 2018	March 31, 2019
Current Service Cost	470,779	881,166
Past Service Cost (including curtailment Gains/Losses)	606,238	0
Gains or losses on Non Routine settlements	0	0
<b>Total</b>	<b>1,077,017</b>	<b>881,166</b>

Table III: Net Interest Cost

All Figures in INR	March 31, 2018	March 31, 2019
Interest Cost on Defined Benefit Obligation	98,750	182,503
Interest Income on Plan Assets	0	0
<b>Net Interest Cost (Income)</b>	<b>98,750</b>	<b>182,503</b>

Table IV: Change in Present Value of Obligations

All Figures in INR	March 31, 2018	March 31, 2019
Opening of defined benefit obligations	1,452,208	2,420,458
Service cost	1,077,017	881,166
Interest Cost	98,750	182,503
Benefit Paid	0	0
<b>Actuarial (Gain)/Loss on total liabilities:</b>	<b>(207,517)</b>	<b>(668,578)</b>
- due to change in financial assumptions	(153,499)	(62,050)
- due to change in demographic assumptions	0	0
- due to experience variance	(54,018)	(606,528)
<b>Closing of defined benefit obligation</b>	<b>2,420,458</b>	<b>2,815,549</b>

Table V: Change in Fair Value of Plan Assets

All Figures in INR	March 31, 2018	March 31, 2019
Opening fair value of plan assets	0	0
Actual Return on Plan Assets	0	0
Employer Contribution	0	0
Benefit Paid	0	0
<b>Closing fair value of plan assets</b>	<b>0</b>	<b>0</b>

Table VI: Actuarial (Gain)/Loss on Plan Asset

All Figures in INR	March 31, 2018	March 31, 2019
Expected Interest Income	0	0
Actual Income on Plan Asset	0	0
<b>Actuarial gain /(loss) on Assets</b>	<b>0</b>	<b>0</b>

Table VII: Other Comprehensive Income

All Figures in INR	March 31, 2018	March 31, 2019
Opening amount recognized in OCI outside P&L account	0	0
Actuarial gain / (loss) on liabilities	207,517	668,578
Actuarial gain / (loss) on assets	0	0
<b>Closing amount recognized in OCI outside P&amp;L account</b>	<b>207,517</b>	<b>668,578</b>

Table VIII: The amount to be recognized in Balance Sheet Statement

All Figures in INR	March 31, 2018	March 31, 2019
Present Value of Obligations	2,420,458	2,815,549
Fair value of plan assets	0	0
Net Obligations	2,420,458	2,815,549
Amount not recognized due to asset limit	0	0
<b>Net defined benefit liability / (assets) recognized in balance sheet</b>	<b>2,420,458</b>	<b>2,815,549</b>

Table IX: Expense Recognized in Statement of Profit and Loss

All Figures in INR	March 31, 2018	March 31, 2019
Service cost	1,077,017	881,166
Net Interest Cost	98,750	182,503
<b>Expenses Recognized in the statement of Profit &amp; Loss</b>	<b>1,175,767</b>	<b>1,063,669</b>

Table X: Major categories of plan assets (as percentage of total plan assets)

Item	March 31, 2018	March 31, 2019
Government of India Securities	0%	0%
State Government Securities	0%	0%
High Quality Corporate Bonds	0%	0%
Equity Shares of Listed Companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Fund Managed by Insurer	0%	0%
Bank Balance	0%	0%
Other Investments	0%	0%
<b>Total</b>	<b>0%</b>	<b>0%</b>

Table XI: Change in Net Defined Obligations

All Figures in INR	March 31, 2018	March 31, 2019
Opening of Net defined benefit liability	1,452,208	2,420,458
Service cost	1,077,017	881,166
Net Interest Cost	98,750	182,503
Re-measurements	(207,517)	(668,578)
Contribution paid to fund	0	0
<b>Closing of Net defined benefit liability</b>	<b>2,420,458</b>	<b>2,815,549</b>

**1.3.17 Investments:**

Long term investments are stated at cost. In case, there is a decline other than temporary in the value of the investment, a provision for same is made. Current investments are valued at lower of cost or fair value.

**1.4 Use of Estimates, Assumptions and Judgements:**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**1.4.1 Taxes:**

The Company provides for tax considering the applicable tax regulations and based on reasonable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any. The recognition of deferred tax assets is based on availability of sufficient taxable profits in the Company against which such assets can be utilized. MAT (Minimum Alternate Tax) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will be able to absorb such credit during the specified period.

**1.4.2 Useful life of Property, Plant and Equipment:**

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**1.4.3 Impairment of Non-financial assets:**

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.4.4 Provision for decommissioning:**

In measuring the provision for ARO, the Company uses technical estimates to determine the expected cost to dismantle and remove the infrastructure equipment from the site and the expected timing of these costs. Discount rates are determined based on the risk adjusted bank rate of a similar period as the liability.

**1.4.5 Provisions and Contingent Liabilities:**

Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**1.5 Fair value of financial assets and financial liabilities:**

The management consider that the carrying amounts of non current and current financial assets and liabilities recognised in the financial statements approximate their fair values.

**1.6 Liquidity risk management:**

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Gearing ratio:**

The gearing ratio at end of the reporting period was as follows:

Particulars	As at 31/03/19	As at 31/03/18
Debt (i)	261332413	233369211
Cash and bank balances (including cash and bank balances in a disposal Company held for sale)	16970889	2905763
<b>Net debt</b>	<b>244361525</b>	<b>230463448</b>
Total equity	131992342	121705337
<b>Net debt to equity ratio</b>	<b>1.85</b>	<b>1.89</b>

(i) Debt is defined as long-term and short-term borrowings (excluding derivative and contingent consideration).

**28.- Other Notes on Financials Statements:**

(a) All the balance shown under the heads Trade Receivables, Trade Payables, Loans and Advances, Security Deposits, Other Current Assets, Other Current Liabilities and Unsecured Loans are subject to confirmation and reconciliation if any.

**(b) Corporate Social Responsibility (CSR):**

As the net worth of the company is below Rs. 500 crores, Turnover is below Rs. 1000 crores and Net Profit is below Rs. 5 crores, provision of Section 135 of Companies Act, 2013 are not applicable on the company.

(c) The Company has provided the provision for liability of works carried/supplies received pertaining to Financial year 2018-19 till such invoices are received by the Company up to 15.05.2019.

(d) Figures have been taken to nearest rupees. Previous year figures have been regrouped / rearranged wherever considered necessary to make them comparable with the Current Year figures.

(e) In respect of Income Tax, the regular assessment up to the AY 2017- 18 has been complete. In respect of VAT, the regular assessment up to FY 2017- 2018 has been complete. A Demand of Rs. 14,29,437/- is outstanding in respect of such assessment against which the company has filed an appeal with the Commissioner of Income Tax Appeals, Kanpur.

(f) Consumption of Raw Materials, Stores and Spares, Diesel, Furnace Oil, Lubricants and Power etc. have been considered in the accounts as made available by a Director of Company being technical in nature.

**(g) Commitments:**

(Rupees)

Particulars	As at 31/03/19	As at 31/03/18
Commitments to contribute funds for the acquisition of property, plant and equipment.	0	0
	0	0

**(h) Contingent liabilities not provided for:**

(Rupees)

Particulars	As at 31/03/19	As at 31/03/18
(a) Bank Guarantees	45000000	45000000
(b) Damages and interest under Employees State Insurance Act 1948 being disputed and appeal there against pending for final disposal.	136000	136000

**(i) Raw Material Consumed:**

(Rupees)

Particulars	As at	31.03.2019	As at	31.03.2018
	%	Amount	%	Amount
Imported	0	0	1.55	19035635
Indigenous	100	1199787411	98.45	1206666110
Total	100.00	1199787411	100.00	1225701745

(j) Stores & Spares Consumed is all Indigenous.

**(k) CIF Value of Imports**

(Rupees)

Particulars	As at 31/03/19	As at 31/03/18
CIF Value of Imports.	0	23699106

**(l) Expenditure & Earnings in Foreign Currency**

(Rupees)

Particulars	As at 31/03/19	As at 31/03/18
Expenditure in Foreign Currency	0	19035635
Earnings in Foreign Currency	0	0

**29.- Related party disclosure:**

The related parties where control and significant influence exists are Parents and associates respectively. Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director whether executive or otherwise.

**(A) List of Related Parties**

Related parties with whom the Company has entered into transactions during the year:

<b>I</b>	<b>Enterprises over which key management personnel and relatives of such personnel exercise significant influence.</b>
1	Premier Power & Steels Pvt. Ltd.
2	Premier Alloys Pvt. Ltd.
3	Premier Ispat Pvt. Ltd.
4	Premier Bars Pvt. Ltd.
4	Premier Metacast Pvt. Ltd.
6	Mahabir Securities Pvt. Ltd.
7	Jain Overseas Pvt. Ltd.
8	Rajratan Smelters Ltd.
<b>II</b>	<b>Key Managerial Personnel</b>
1	Mr. Ajay Kumar Jain – Managing Director
2	Mr. Aditya Jain – Director (Appointed on 14.05.2018)
3	Mr. Vinay Kumar Jain – Director( up to 15.03.2018)
4	Mr. Amit Kumar Jain – Director( up to 15.03.2018)
5	Mr. Arun Jain – Director( up to 15.03.2018)
6	Mrs. Preeti Jain – Wife of Director
<b>III</b>	<b>Relative of Key Managerial Personnel – NA</b>
<b>IV</b>	<b>Subsidiaries of Associates and Joint Ventures – NA</b>
<b>V</b>	<b>Post-Employment Benefit Plans – NA</b>

(B) Transactions with Related Parties for the year ended March 31, 2019 and March 31, 2018:

(Rupees)

Sr. No.	Particulars	Current Year	Previous Year
1-	<b>Remuneration Paid:</b>		
	Shri Ajay Kumar Jain	5560000	3360000
	Shri Aditya Jain	2213667	0
	Preeti Jain	1800000	0
2-	<b>Interest Paid :</b>		
	Premier Bars Pvt. Ltd.		3249698
	Premier Metacast Pvt. Ltd.		154160
	Mahabir Securities Pvt. Ltd.		2205031
3-	<b>Purchase From:</b>		
	Premier Alloys Pvt. Ltd.	0	1013373
	Premier Bars Pvt. Ltd.	14397608	33363712
	Premier Bars Pvt. Ltd.	0	5022012
	Premier Ispat Pvt. Ltd.	0	12579
	Rajratan Smelter Limited	455716	0
4-	<b>Sales To</b>		
	Premier Alloys Pvt. Ltd.	505574	4853711
	Premier Bars Pvt. Ltd.	22926072	1078531
	Premier Metacast Pvt. Ltd.	1868030	18482567
	Premier Ispat Pvt. Ltd.	15576	238042
	Rajratan Smelter Limited	12578459	0
5-	<b>Interest Received:</b>		
	Rajratan Smelter Limited	1740792	0



**(C) – Closing Balances with Related Parties:****(Rupees)**

Sr. No.	Particulars	Current Year	Previous Year
1-	Premier Metacast Pvt. Ltd.		Dr. 2262445
2-	Premier Alloys Pvt. Ltd.		DR. 3396637
3-	Premier Ispat Pvt. Ltd.		Dr. 16591
4-	Premier Bars Pvt. Ltd.		0
5-	Mahabir Securities Pvt. Ltd.		0
6-	Rajratan Smelter Limited		0

**30.- Auditors Remuneration:**

Remuneration to Auditors (excluding service tax):

**(Rupees)**

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Audit Fees / Tax Audit Fees	225000	200000
Other Services/ Certifications	0	0

**31.- Events after the reporting period:**

In respect of the financial year ending March 31, 2019, no events are required to be reported which occurred after the reporting period.

**32.- Approval of financial statements:**

The financial statements were approved for issue by the Board of Directors on 30<sup>th</sup> May, 2019.

**33.- Disclosure under Micro, Small and Medium Enterprises Development Act:**

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

S No	Particulars	As at 31/03/2019	As at 31/03/2018
1	Principal amount outstanding	-	-
2	Principal amount due and remaining unpaid	-	-
3	Interest due on (2) above and the unpaid interest	-	-
4	Interest paid on all delayed payments under the MSMED Act.	-	-
5	Payment made beyond the appointed day during the year	-	-
6	Interest due and payable for the period of delay other than (4) above	-	-
7	Interest accrued and remaining unpaid	-	-
8	Amount of further interest remaining due and payable in succeeding years	-	-

**34.- Market risk:**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company operates in a competitive environment and is exposed in the ordinary course of its business to risk related to changes in foreign currency exchange rates, commodity prices and interest rates. The fair value of future cash flows of sale of products manufactured and traded will depend upon the demand and supply as well as import of raw material mainly from China which has major effect on prices in local markets.

**35.- Credit Risk:**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. It encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. Company's credit risk arises principally from the trade receivable and advances.

**Trade Receivables:**

Customer credit risk is managed by the company through established policy, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on financial position, past performance, business/economic conditions, market reputation, expected business etc. Based on that credit limits and credit terms are decided. Outstanding customer receivables are regularly monitored.

Trade receivables consists of large number of customers spread across diverse segments and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

The average credit period on sales of Pipes and PVC Tubes lignite is 60-75 days.

Trade receivables are disclosed below in the aged analysis and during the reporting period, the Company has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are considered recoverable.

**Age of receivables:****(Rupees)**

Particulars	As at 31/03/19	As at 31/03/18
Within the credit period (60-75 days)	93737583	105466562
Overdue	20226755	25078015
<b>Total</b>	<b>113961338</b>	<b>130544577</b>

**NOTE: - 36 Tax balances:****a) Deferred Tax:**

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

**(Rupees)**

Particulars	As at 31/03/19	As at 31/03/18
Deferred tax assets (DTA)	860513	860513
Deferred tax Liabilities (DTL)	3503035	2655188
<b>Net (DTL)</b>	<b>2642522</b>	<b>1794675</b>

**b) Income tax:**

The income tax expense for the year can be reconciled to the accounting profit as follows:

**(Rupees)**

Particulars	Year ended 31/03/19	Year ended 31/03/18
Profit before tax	14281968	14045117
Enacted tax rate (%)	31.30	27.55
<b>Computed Expected tax expenses</b>	<b>4468649</b>	<b>3869430</b>
Tax impact of non-deductible / deductible expenses and timing difference	652957	729576
<b>Income Tax Expenses charged</b>	<b>3815693</b>	<b>3139854</b>

**37.- Operating segment:**

The Managing Director of the Company is Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators, however only for one segment viz. " Iron & steel (Black & G.I.) tubes and PVC Pipes". Hence the Company does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

**38.- Earnings per share:**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(Rupees)

Particulars	March 31,2019	March 31,2018
Profit attributable to equity holders of the company:		
Continuing operations	10287006	10326033
<b>Profit attributable to equity holders of the parent for basic earnings</b>	<b>10287006</b>	<b>10326033</b>
Weighted average number of Equity shares for basic EPS	7100000	7100000
<b>Weighted average number of Equity shares adjusted for the effect of dilution</b>	<b>7100000</b>	<b>7100000</b>
Earnings per equity share of face value of Rs. 5 each (In rupees)( Previous Year Face Value of Rs. 10 each (In Rupees)	<b>1.459</b>	<b>1.464</b>

As per our report of even date attached  
**For Amit Goyal & Co.**  
**Chartered Accountants**

**Charan Gupta**  
 Partner  
 Membership No. 074450

**On Behalf of the Board**  
**For Primuss Pipes & Tubes Ltd.**

**Ajay Kumar Jain**      **Aditya Jain**  
 Managing Director      Whole Time Director  
 Din: 00493685      Din: 08079076

**Arun Shrivastava**      **Vaibhav Shukla**  
 Chief Financial Officer      Company Secretary

# PRIMUSS PIPES & TUBES LIMITED

Previously known as Premier Pipes Limited

## 2. Property Plant and Equipments

DEPRECIATION OF ASSETS	GROSS BLOCK AS AT 1ST APRIL 2018	ADDITION DURING THE YEAR	AT COST			GROSS BLOCK AS AT 31ST MARCH 19	DEPRECIATION AND IMPAIRMENT				NET BLOCK		
			SALES / DISCARDED	ADJUSTMENTS DURING THE YEAR	DEPRECIATION AS AT 31ST MARCH 2018		DEPRECIATION DURING THE YEAR	ADJUSTMENT DURING THE YEAR	TOTAL DEPRECIATION AS AT 31ST MARCH 2019	AS AT 31ST MARCH 2018	AS AT MARCH		
<b>A. TANGIBLE ASSETS</b>													
LAND	2,144,545	-	-	-	2,144,545	-	-	-	-	-	2,144,545	2,144,545	2,144,545
BUILDING	43,772,145	-	-	-	43,772,145	25,455,418	1,071,667	-	26,527,085	-	17,245,060	18,311,127	18,311,127
PLANT & EQUIPMENTS	138,197,922	1,661,336	-	-	139,859,258	87,484,612	4,383,763	-	91,868,375	-	47,990,883	50,772,240	50,772,240
ELECTRICAL EQUIPMENTS	640,000	245,763	-	-	885,763	188,527	51,792	-	240,319	-	645,444	645,444	645,444
FURNITURE & FIXTURES	1,640,315	1,302,192	-	-	2,942,507	1,597,512	57,193	-	1,654,705	-	1,287,802	1,287,802	1,287,802
COMPUTERS	849,729	71,524	-	-	921,253	367,632	258,740	-	626,372	-	294,881	294,881	294,881
OFFICE EQUIPMENTS	3,000,344	177,792	-	-	3,178,136	2,248,813	179,911	-	2,428,724	-	749,412	749,412	749,412
VEHICLES	3,508,584	1,556,655	-	-	5,065,239	2,850,143	147,027	-	2,997,170	-	2,068,069	2,068,069	2,068,069
<b>TOTAL (A)</b>	<b>193,753,584</b>	<b>5,015,262</b>	<b>-</b>	<b>-</b>	<b>198,768,846</b>	<b>120,192,657</b>	<b>6,150,093</b>	<b>-</b>	<b>126,342,750</b>	<b>-</b>	<b>72,426,096</b>	<b>73,561,846</b>	<b>73,561,846</b>
<b>B. INTANGIBLE ASSETS</b>													
LICENSES & SOFTWARES	1,052,348	453,880	-	-	1,506,228	468,036	282,029	-	750,065	-	756,163	756,163	756,163
<b>TOTAL (B)</b>	<b>1,052,348</b>	<b>453,880</b>	<b>-</b>	<b>-</b>	<b>1,506,228</b>	<b>468,036</b>	<b>282,029</b>	<b>-</b>	<b>750,065</b>	<b>-</b>	<b>756,163</b>	<b>756,163</b>	<b>756,163</b>
<b>TOTAL (A+B)</b>	<b>194,805,932</b>	<b>5,469,142</b>	<b>-</b>	<b>-</b>	<b>200,275,074</b>	<b>120,660,693</b>	<b>6,432,122</b>	<b>-</b>	<b>127,092,815</b>	<b>-</b>	<b>73,182,259</b>	<b>74,117,989</b>	<b>74,117,989</b>

Note: Under the previous GAAP (Indian GAAP), property, plant and equipment were carried in the balance sheet at cost net of accumulated depreciation and accumulated impairment losses, if any as at 31st March 2016. The Company has elected to regard historical cost model for property, plant and equipment at the date of transition to Ind AS except for certain items which have been continued to measure at the carrying value as on that date. Property, plant and equipment are stated at cost [i.e., cost of acquisition or construction inclusive of freight, erection and commissioning charges, non-refundable duties and taxes, expenditure during construction period, borrowing costs (if any) of a qualifying asset] upto the date of acquisition/ installation], net of accumulated depreciation and accumulated impairment losses, if any. Depreciation on all property, plant and equipment has been provided on Written Value method.

**PRIMUSS PIPES & TUBES LIMITED**

Previously known as Premier Pipes Limited

Notes to the Financial Statements for the year ended 31st March 2019

**3- Financial Assets - Non Current**

		(All amounts are in Indian Rupees unless stated otherwise)	
S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
(a)	Investments		
	Investment in Banaras Bank Ltd. Equity Shares	100,000	100,000
	<b>TOTAL</b>	<b>100,000</b>	<b>100,000</b>
(b)	Security Deposits		
i.	With Government Departments	11,509,284	15,954,265
ii.	With Others	201,600	1,200,000
	<b>Total</b>	<b>11,710,884</b>	<b>17,154,265</b>
(c)	Loan and Advances		
	Loans and Advances	1,748,900	-
	<b>Total</b>	<b>1,748,900</b>	<b>-</b>

**4.- Other Non current Assets**

S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
(a)	BALANCE WITH GOVT AUTHORITIES		
i.	UP VAT UNDER PROTEST	-	33,344
ii.	EMPLOYEE GRATUTY FUND	-	15,308
	<b>TOTAL</b>	<b>-</b>	<b>48,652</b>

**5.- Deferred Tax Assets**

S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
	As per Last Financial Statements	860,513	860,513
	Less : Utilised against current tax	-	-
	Add: MAT Credit Receivable	-	-
	Add: Earlier year tax credit	-	-
	<b>TOTAL</b>	<b>860,513</b>	<b>860,513</b>

**6.- Inventories**

S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
	Inventories: (at lower of Cost and Net Relisable Value)		
i.	Raw Materials	79,164,767	86,811,720
ii.	Consumable Stores and Spares	10,369,823	3,265,348
iii.	Finished Goods	68,344,432	66,100,953
iv.	Scrap & Currings	1,018,948	734,945
	<b>TOTAL</b>	<b>158,897,970</b>	<b>156,912,966</b>

(Inventories have been pledged as security against the bank borrowings as at 31st March 2019 - Refer Note No. 12)

**7.- Current Financial Assets**

S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
	<b>Unsecured Considered Good</b>		
(a)	Trade Receivables		
	Refer Note No.	113,961,338	130,544,577
		<b>113,961,338</b>	<b>130,544,577</b>
(b)	Loans & Advances		
i.	Related Parties	-	161,256
ii.	Others	-	-
	<b>Total</b>	<b>-</b>	<b>161,256</b>
(c)	Short Term Deposits with Government and Others	1,327,736	13,497,087
	<b>Total</b>	<b>1,327,736</b>	<b>13,497,087</b>
	<b>TOTAL</b>	<b>115,289,074</b>	<b>144,202,920</b>

**8.- Cash and Cash Equivalent**

S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
(a)	Balances with Banks		
	In Current Accounts	143,025	39,753
	In FDR's Accounts	16,129,912	-
		<u>16,272,937</u>	<u>39,753</u>
(b)	Cash on hand	697,952	2,866,010
		<u>697,952</u>	<u>2,866,010</u>
	<b>TOTAL</b>	<u><u>16,970,889</u></u>	<u><u>2,905,763</u></u>

**9.- Other Current Assets**

S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
	<b>Unsecured Considered Good</b>		
(a)	Advances for Goods and Supplies	155,296,675	39,077,043
		<u>155,296,675</u>	<u>39,077,043</u>
(b)	Loans & Advances		
ii.	Staff Advances	1,192,027	893,000
		<u>1,192,027</u>	<u>893,000</u>
(c)	Balances with Government Authorities		
i.	For Indirect Taxes	472,715	16,276,779
ii.	For Direct Taxes	4,969,437	230,624
	Total	<u>5,442,152</u>	<u>16,507,403</u>
	<b>TOTAL(a+b+c)</b>	<u><u>161,930,854</u></u>	<u><u>56,477,446</u></u>

**10.- Equity Share Capital**

S. No.	PARTICULARS	31.03.2019		31.03.2018	
		No. of Shares	Amount	No. of Shares	Amount
	<b>Authorised Share Capital</b>				
	<b>As at the beginning of the year</b>				
	Equity Shares of Rs. 10 Each	8,000,000	40,000,000	4,000,000	40,000,000
	Increase/(Decrease) during the year				
	<b>Split of 1 Equity share of Rs. 10 each into 2 Equity shares of Rs. 5 Each</b>			4,000,000	-
	<b>As at the end of the year</b>	<u>8,000,000</u>	<u>40,000,000</u>	<u>8,000,000</u>	<u>40,000,000</u>
	<b>Issued Share Capital</b>				
	<b>AT THE BEGINNING OF THE YEAR</b>				
	Equity shares of Rs. 10 each issued, subscribed and fully paid up	7,100,000	35,500,000	3,550,000	35,500,000
	Increase/(Decrease) during the year				
	<b>Split of 1 Equity share of Rs. 10 each into 2 Equity shares of Rs. 5 Each</b>			3,550,000	-
	<b>AT THE END OF THE YEAR</b>	<u>7,100,000</u>	<u>35,500,000</u>	<u>7,100,000</u>	<u>35,500,000</u>

**Terms & Rights attached to equity shares**

- The Company has only one class of equity share having a par value of Rs. 5/- each ( Previous Year Rs. 10/- each). Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.
- No shares have been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestments as at balance sheet date.
- No securities convertible in to equity/preference shares have been issued by the Company during the year.
- No Bonus Shares and shares issued for consideration other than cash during the last five years by the Company

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

Name of Shareholders	As at 31.03.2019		As at 31.03.2018	
	No. of Shares	% holding	No. of Shares	% holding
Lewis Exim (P) Ltd.,	858000	12.08	858000	12.08
Goldstar Business (P) Ltd.,	398000	5.61	398000	5.61

**11.- Other Equity**

S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
(a)	Share Premium	8,875,000	8,875,000
		<u>8,875,000</u>	<u>8,875,000</u>
(b)	Capital Subsidy		
	As per Last Financial Statements	-	-
	Less: Transfer to Retained Earnings being difference of depreciation on actual cost (Net of subsidy) of Assets and that on the original cost	-	-
	<b>TOTAL</b>	<u>-</u>	<u>-</u>
(c)	Capital Reserve		
	As per Last Financial Statements	-	-
	Less: Transfer to Retained Earnings being credited at the time of restatement of Net Worth of the company	-	-
	<b>TOTAL</b>	<u>-</u>	<u>-</u>
(d)	Revaluation Reserve		
	As per Last Financial Statements	-	-
	Less: Transfer to Retained Earnings being difference of depreciation on revalued cost of assets and that on the original cost	-	-
	<b>TOTAL</b>	<u>-</u>	<u>-</u>
(e)	Profit and Loss Account Balances		
	As per Last Financial Statements	10,287,006	10,326,033
	Less: Transfer to Retained Earnings	10,287,006	10,326,033
	<b>TOTAL</b>	<u>-</u>	<u>-</u>
(f)	Retained Earnings		
	As per Last Financial Statements	77,330,336	67,004,303
	Add: Transfer from Capital Subsidy	-	-
	Transfer from Capital Reserve	-	-
	Transfer from Revaluation Reserve	-	-
	Transfer from P & L account balances of earlier years	10,287,006	10,326,033
	Transfer from current year's P&L A/C	-	-
	<b>TOTAL</b>	<u>87,617,342</u>	<u>77,330,336</u>

**12.- Borrowings - Non current**

S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
(a)	Term Loans (Secured)		
i.	ICICI Bank CE Loan A/c*	886,914	809,574
ii.	Tata Motors Finance Car Loan (Tiago)*	327,925	454,000
iii.	Bank of Baroda Car Loan	1,385,203	-
		<u>2,600,041</u>	<u>1,263,574</u>
(b)	Loans from Others (Unsecured)	58,963,958	97,673,625
	<b>TOTAL</b>	<u>61,563,999</u>	<u>98,937,199</u>

\* Equipment and Vehicle loans are repayable in 36 monthly installments of Rs. 47062 each till April 2021,  
Rate of Interest 8.5% p.a., Security - First charge on the financed equipment/vehicle.

**13.- Deferred Tax Liability**

S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
i.	Deferred Tax Liabilities / (assets) at the beginning of the year	2,655,188	1,868,441
ii.	Recognised/(reversed) through Profit and Loss	652,957	729,576
iii.	Recognised in/Reclassified from OCI	194,890	57,171
	<b>TOTAL</b>	<b>3,503,035</b>	<b>2,655,188</b>

**14.- Other Non Current Liabilities**

S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
	Advances from Customers	-	115,668
	<b>TOTAL</b>	<b>-</b>	<b>115,668</b>

**15.- Borrowings - Current**

S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
	Secured Loans		
(a)	Working Capital Loans repayable on demand from banks*		
	Kotak Mahindra Bank - CC Loan	174,719,679	133,624,548
(b)	Un-secured Loans		
	Anjali Capfin Private Limited	25,000,000	-
(c)	Current Maturities of Term Loans	48,735	807,464
	<b>TOTAL</b>	<b>199,768,414</b>	<b>134,432,012</b>

\* Working Capital Loans are repayable on demand and carries interest @ 7.5 to 9 % p.a. and secured by:

a) First charge on existing and future current assets and fixed assets belonging to the company.

b) Personal Guarantee by MD Ajay K Jain, Arun Jain, Amit Jain and Vinay Jain.

**16.- Other Financial Liabilities - Current**

S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
(a)	Trade Payables	94,743,702	57,411,827
(b)	Employee Benefits related liabilities	1,942,734	2,915,035
	<b>TOTAL OTHER FINANCIAL LIABILITIES</b>	<b>96,686,436</b>	<b>60,326,862</b>

\* Trade payables include due to Micro and Small Enterprises (refer to Note 33 )



**17.- Current Tax Liability**

S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
i.	Income Tax on Current Years Profit	3,815,693	3,139,854
ii.	Less: Advance Tax paid during the year	-	1,300,000
iii.	Less: MAT Credit utilized during the year	-	-
iv.	Add: MAT Credit receivable during the year	-	-
	<b>Net Current Tx Payable</b>	<b>3,815,693</b>	<b>1,839,854</b>

**18.- Other Current Liabilities**

S. No.	Particulars	As at 31-03-2019	As at 31-03-2018
i.	Advances from Customers	28,999,178	21,732,236
ii.	Excise Duty Payable	7,192,780	7,192,780
iii.	GST Payable	489,938	318,871
iv.	Provision for Gratuity as per Ind As 19 (refer Note No 1.3.16)	2,815,549	2,420,458
v.	Statutory Liability	3,863,979	1,131,300
	<b>TOTAL</b>	<b>43,361,424</b>	<b>32,795,645</b>

**19.- Revenue From Operations**

S. No.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
	Sale of Products / Services (Inclusive of Excise Duty)		
i.	GST Sales/VAT Intrastate	734,391,290	784,014,218
ii.	GST Sales/VAT Interstate	691,033,870	618,815,799
		<b>1,425,425,160</b>	<b>1,402,830,017</b>
iii.	Job Work Charges	474,310	196,050
	<b>TOTAL</b>	<b>1,425,899,470</b>	<b>1,403,026,067</b>

**20.- Other Income**

S. No.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
	Other Operating Income		
i.	Govt Grant Under PF PMPRY Scheme	132,579	-
ii.	Other Operating Income	1,821,681	4,838,466
	<b>TOTAL</b>	<b>1,954,260</b>	<b>4,838,466</b>

**21.- Finance Income**

S. No.	Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
i.	Interest on Fixed Deposit Receipts	703,851	514,279
ii.	Other Interests	1,812,035	238,658
	<b>TOTAL</b>	<b>2,515,886</b>	<b>752,937</b>

**22.- Cost of Materials Consumed**

S. No.	Particulars	For the year ended	For the year ended
		31.03.2019	31.03.2018
(a)	<b>Cost of Material for Manufactured products</b>		
	Opening Inventories of Raw Material and Consumables	86,811,720	65,366,568
	Add: Purchases	1,192,140,458	1,247,146,897
		1,278,952,178	1,312,513,465
	Less : Closing Inventories of Raw Material and Consumables	79,164,767	86,811,720
	<b>Cost of Materials Consumed</b>	<b>1,199,787,411</b>	<b>1,225,701,745</b>
(b)	<b>Cost of Traded Goods sold</b>		
	Opening Inventory	1,014,615	-
	Add: Purchases	73,304,424	33,154,782
		74,319,039	33,154,782
	Less : Closing Inventories	-	1,014,615
	<b>Cost of Traded Goods sold</b>	<b>74,319,039</b>	<b>32,140,167</b>

**23.- Change In Inventory of Finished Goods, Work In Progress and Trade Goods**

S. No.	Particulars	For the year ended	For the year ended
		31.03.2019	31.03.2018
	Inventories: (at lower of Cost and Net Relisable Value)		
	Opening Stock		
i.	Finished Goods	65,086,338	63,081,764
ii.	Others	734,945	2,088,768
	<b>TOTAL</b>	<b>65,821,283</b>	<b>65,170,532</b>
	Closing Stock		
i.	Finished Goods	68,344,432	66,100,953
ii.	Others	1,018,948	734,945
		69,363,380	66,835,898
	Change In Inventory of Finished Goods, Work In Progress and Trade Goods	<b>(3,542,097)</b>	<b>(1,665,366)</b>
	(Inventories have been pledged as security against the bank borrowings as at 31st March 2019 - Refer Note No. 12)		

**24.- Employee Benefit Expenses**

S. No.	Particulars	For the year ended	For the year ended
		31.03.2019	31.03.2018
i.	Salary and Wages	28,275,085	20,202,481
ii.	Contribution for Provident Fund and ESI	1,430,442	2,177,245
iii.	Staff welfare Expenses	-	-
iv.	Directors Remuneration	7,773,667	3,360,000
v.	Gratuity - Employees ( Refer Note 1.3.16 )	1,063,669	1,175,767
	<b>TOTAL</b>	<b>38,542,863</b>	<b>26,915,493</b>
VI	PROVISION FOR GRATUITY UNDER IND AS 19 - OCI	668,578	(207,517)
		668,578	(207,517)

**25.- Finance Cost**

S. No.	Particulars	For the year ended	For the year ended
		31.03.2019	31.03.2018
i.	Interest on Unsecured Loans	2,734,648	12,240,721
ii.	Interest on Secured Loans	18,560,081	7,522,941
iii.	Interest on Raw Material Purchases/loans	2,886,560	575,388
iv.	Other Interest and Finance costs	89,331	479,917
v.	Brokerage & Commission	145,200	-
	<b>TOTAL</b>	<b>24,415,819</b>	<b>20,818,967</b>

**26.- Other Expenses**

S. No.	Particulars	For the year ended	For the year ended
		31.03.2019	31.03.2018
i.	Stores and Spares	41,139,181	18,933,589
ii.	Power and Fuel	506,216	24,373,281
iii.	Repairs and Maintenance	1,290,507	399,186
iv.	Excise Duty on increase/decrease in Inventory	-	-
v.	Freight and Forwarding Charges	19,348,106	21,584,718
vi.	Loading and Unloading Charges	520,762	629,401
vii.	Insurance Expenses	143,463	46,679
viii.	Dammurage and Warfage expenses	2,813,792	1,685,494
ix.	Rates and Taxes	713,278	793,948
x.	Rent	1,016,616	1,219,696
xi.	Advertisement and Sales Promotion	1,081,283	559,834
xii.	Printing and Stationary	176,437	489,704
xiii.	Communication Expenses	256,410	303,925
xiv.	Legal Expenses	1,006,622	1,875,450
xv.	Miscellaneous Expenses	3,105,884	3,249,229
xvi.	Commission and Discounts on Sales	278,696	2,680,023
xvii.	Travelling Expenses	1,260,170	1,073,754
xviii.	Bank Charges and Commission	1,250,069	1,157,951
xix.	Loss on Sale of Assets	-	94,656
xx.	<u>PAYMENT TO AUDITORS</u>		
	Audit fee	225,000	200,000
	<b>TOTAL</b>	<b>76,132,491</b>	<b>81,350,517</b>

**27.- Income Tax**

S. No.	Particulars	For the year ended	For the year ended
		31.03.2019	31.03.2018
(a)	Current Income Tax		
	CURRENT INCOME TAX CHARGES	3,815,693	3,139,854
	Adjustment in respect of income tax of previous year (FBT)	-	-
(b)	Deferred Tax		
	Relating to Origination and Reversal of temporary differences	652,957	729,576
	<b>TOTAL</b>	<b>4,468,649</b>	<b>3,869,430</b>

As per our attached report of even date  
**For Amit Goyal & Co.**  
Chartered Accountants  
FRN - 003778C

**For and on behalf of the Board**

**Charan Gupta**  
Partner  
Membership No 074450

**Ajay Kumar Jain** **Aditya Jain**  
Managing Director Director  
DIN: 00493685 Din: 08079076

Place: Kanpur  
Date: 30 May 2019

**Vaibhav Shukla** **Arun Shrivastav**  
Company Chief Financial  
Secretary Officer

**PRIMUSS PIPES & TUBES LIMITED**  
**Previously known as Premier Pipes Limited**  
**Cash Flow Statement for the Year Ended 31st March 2019**

(All amounts are in Indian Rupees unless stated otherwise)

Sr No.	Particulars	For the Year ended 03-2019	31- For the Year ended 31-03-2018
<b>A.</b>	<b>Cash Flow from operating activities</b>		
1	Profit / (Loss) Before Tax	14,281,968	14,045,117
2	Adjustment for :		
i.	Depreciation and Amortisation Expenses	6,432,122	5,344,377
ii.	Interest Income	(2,515,886)	(752,937)
iii.	Interest on Borrowings	24,415,819	20,818,967
iv.	(Profit) / Loss on Sale of Property / Investments	-	94,656
v.	Re-measurment of defined benefit plans	1,063,669	1,175,767
3	<b>Operating Profit before Working Capital Changes (1+2)</b>	<b>43,677,692</b>	<b>40,725,947</b>
4	<b>Change in Working Capital</b>		
	Adjustment for :		
i.	Increase(-) / Decrease in Trade & Other Receivables	16,583,239	(87,799,960)
ii.	Increase (-) / Decrease in Inventories	(1,985,004)	(22,544,925)
iii.	Increase (-) / Decrease in Loans and advances	1,054,256	46,025,374
iv.	Increase / Decrease (-) in Trade payables and Other Current Liabilities	(46,413,811)	87,589,166
	<b>Change in Working Capital</b>	<b>(30,761,321)</b>	<b>23,269,655</b>
5	<b>Cash Generated from Operations (3+4)</b>	<b>12,916,372</b>	<b>63,995,603</b>
6	<b>Tax Paid</b>	<b>(3,139,854)</b>	<b>(1,631,320)</b>
7	<b>Net Cash Flows from Operating Activities</b>	<b>9,776,518</b>	<b>62,364,283</b>
<b>B.</b>	<b>Cash Flows from Investing Activities</b>		
i.	Proceeds from sale of Property, Plant and equipment / Transfer of Assets	-	269,206
iii.	Interest Received	2,515,886	752,937
iv.	Dividend Income	-	-
iv.	Long Term Fixed Deposits / advances	3,694,481	(3,886,280)
	<b>Net Cash Generated from / (Used) in Investing Activities:</b>	<b>741,225</b>	<b>(25,619,531)</b>
i.	Preceeds / (Repayment) of Borrowings	27,963,202	(24,858,531)
ii.	Proceeds from Other Borrowings	-	0
ii.	Interest Paid	(24,415,819)	(20,818,967)
	<b>Net Cash Generated from / (Used) From Financing Activities</b>	<b>3,547,383</b>	<b>(45,677,498)</b>
<b>D.</b>	<b>Net Change in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>14,065,126</b>	<b>(8,932,746)</b>
	<b>Cash &amp; Cash Equivalents as at the Beginning of the Year</b>	<b>2,905,763</b>	<b>11,838,509</b>
	<b>Cash &amp; Cash Equivalents as at the end of the Year</b>	<b>16,970,889</b>	<b>2,905,763</b>

Note : 1. The above cash flow statement has been prepared by using the indirect method as per Ind AS -7.

2. Previous year's figures have been re-grouped / re-arranged wherever necessary to conform to current year's classification.

See Accompanying notes to the Financial Statements

As per our attached report of even date

For Amit Goyal & Co.

Chartered Accountants

FRN - 003778C

For and on behalf of the Board

Charan Gupta  
Partner  
Membership No 074450

Ajay Kumar Jain    Aditya Jain  
Managing Director    Director  
DIN: 00493685    Din: 08079076

Place: Kanpur

Date: May 30, 2018

Vaibhav Shukla  
Company Secretary

Arun Shrivastav  
Chief Financial Officer

## PRIMUSS PIPES & TUBES LIMITED

(Formerly Known as Premier Pipes Limited)

CIN: L22219UP1975PLC004105

REGD. OFFICE: 8/225-A, 2<sup>nd</sup> Floor, Arya Nagar, Kanpur- 208002.

T: 0512-2531809, 2531909

E: [cs@primusspipes.com](mailto:cs@primusspipes.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 No./ Client ID No.:	
---	--

No. of Shares held:	
---------------------	--

Name of the Shareholder	
Address of the Shareholder	

I hereby record my presence at the 44<sup>th</sup> Annual General Meeting/ ~~Extraordinary General Meeting~~ of the Company, to be held on the Monday, 30<sup>th</sup> day of September, 2019 at 12:30 P.M. at 8/225-A, 2<sup>nd</sup> Floor, Arya Nagar, Kanpur-208002 (Uttar Pradesh) at 12:30 P.M.

Please (v) in the box

MEMBER  PROXY

Signature of the Shareholder/Proxy

### E- VOTING INFORMATION

EVEN  
(E-Voting Event Number)

USER ID

PASSWORD

**Note:** Please read instructions given at Note No. 10 of the Notice of 42<sup>nd</sup> Annual General Meeting carefully before voting electronically.

**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 : Primuss Pipes & Tubes Limited.  
Address of its Registered Office : 8/225-A, 2<sup>nd</sup> Floor, Arya Nagar, Kanpur- 208002.

Name of the member(s):

Registered address:

E-mail Id:

Folio No./Client Id:

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 44<sup>th</sup> Annual General Meeting/ ~~Extraordinary General Meeting~~ of the Company, to be held on the Monday, 30<sup>th</sup> day of September, 2019 at 12:30 P.M. at 8/225-A, 2<sup>nd</sup> Floor, Arya Nagar, Kanpur- 208002 (Uttar Pradesh) and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.****Optional\*****Ordinary Business****For****Against**

1. To Receive, Consider and Adopt the Audited Financial Statements of the Company for the Financial Year 2018-19 together with the Reports of the Auditors and Board of Directors.
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.

**Special Business**

3. To appoint Mr. Praveen Chauhan (DIN: 06686792) as Non-Executive Director of the Company.
4. To increase Borrowing Power Limit from Rs. 75 Crores to Rs. 200 Crores.
5. Consent of Members for increase in the limits applicable for making investments / extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate.
6. To approve the appointment of Mrs. Preeti Jain as an Executive (Administration) of the Company, holding office and place of profit.
7. To ratify the remuneration of M/s Rajesh & Company, Cost Accountants (Firm Registration No. 000031) as the Cost Auditors of the Company for the Financial Year 2019-20.
8. To grant approval for Material Related Party Transactions.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019.

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 44<sup>th</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.\*

**Venue of the AGM:** Registered Office of Primuss Pipes & Tubes Limited at 8/225-A, 2<sup>ND</sup> Floor, Arya Nagar, Kanpur- 208002.  
**Landmark:** Arya Nagar Chauraha

