

Form – A

1.	Name of the Company	Premier Ltd.
2.	Annual financial statement for the year ended	31 st March, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable



Maitreya V. Doshi
(Chairman & Managing Director)



S. Padmanabhan
(Audit Committee Chairman)



K.S. Nair
(Chief Financial Officer)



Auditor
(K. S. Aiyar & Co.)



PREMIER LTD.

69TH ANNUAL REPORT

2014-15

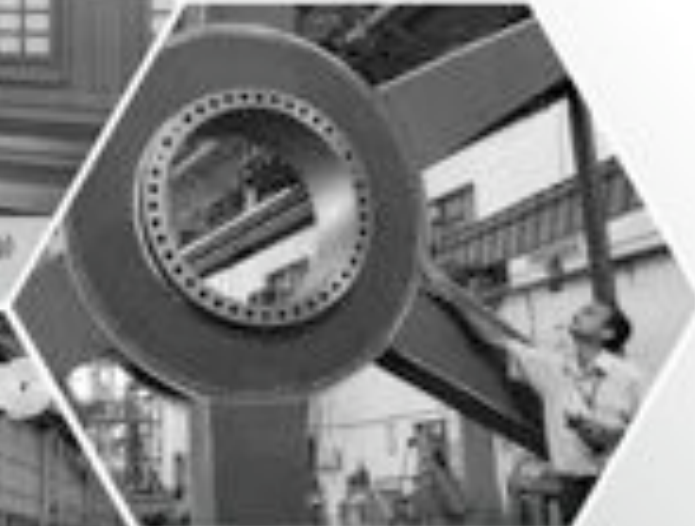
Engineering



State-of-the-art Engineering shop floor



Axle pin part (SG Iron Casting) for Wind Turbine



Manufacturing of Stator Carrier of Wind Turbine parts



Metro bogie frame



World class inspection facilities for Wind Mill Tower project

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Regd. Office & Works

Premier Ltd., Mumbai-Pune Road, Chinchwad, Pune 411 019, India.

Tel: +91-20-66310000, Fax: +91-20-66310371

Corporate Office

58, Nariman Bhavan, 5th Floor, Nariman Point, Mumbai 400 021, India.

Tel: +91-22-61179000/1/2, Fax: +91-22-61179003

Email: investors@premier.co.in, Web: www.premier.co.in

Corporate Identification Number (CIN): L34103PN1944PLC020842

Branch Offices :

New Delhi

407, 4th Floor, World Trade Centre
Barkhamba Lane,
New Delhi - 110 001
Tel: +91-11-23413331

Kolkata

1st Floor, Commerce House,
Room No 7 & 7A, 2 Ganesh Chandra
Avenue, Kolkata - 700 019

Chennai

T-8/1, 4th Main Road,
Anna Nagar, Chennai - 600 040
Tel: +91-44-26190809

Compliance Officer

Ramesh M. Tavhare
Vice President
(Legal & Corporate Affairs)
& Company Secretary

Statutory Auditors

K. S. Aiyar & Co.
Chartered Accountants

Internal Auditors

Jayesh Dadia & Associates
Chartered Accountants

Cost Auditors

ABK & Associates
Cost Accountants

Secretarial Auditors

NL Bhatia & Associates
Practicing Company Secretaries

Solicitors

Kanga & Co.
Crawford Bayleye Co.
Desai & Diwanji
AMC Law Firm

Bankers

State Bank of India
State Bank of Hyderabad
Corporation Bank
J&K Bank Ltd.

Registrar and Transfer Agent

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg
Bhandup (W), Mumbai - 400 078
Tel: 022-25946970-78
Fax: 022-25946969
Email: rnt.helpdesk@linkintime.co.in

Board of Directors

Maitreya V. Doshi

Chairman &
Managing Director

Rohita M. Doshi

Computer Engineer

Kavita Khanna

Management Consultant

S. Padmanabhan

IAS (Retd.) / Advisor

Dilip J. Thakkar

Chartered Accountant

Asit Javeri

Industrialist

Udo Weigel

Machine Tool Technologist

Ramesh Adige

Industry expert -
Automotive, Pharma,
Healthcare, Banking &
Public Policy

Shailesh S. Vaidya

Advocate and Solicitor

Senior Management Team

K. G. Rath

President

P. G. Salunkhe

Vice President & Head
Heavy Engineering

D. S. Totre

Vice President & Head
CNC Machines

Ramesh M. Tavhare

Vice President & Head
Legal & Corporate Affairs
and Company Secretary

Rakesh Mehta

Vice President & Head
Materials, HR &
Administration

K. S. Nair

Vice President &
Chief Financial Officer

R. V. Nair

General Manager
Accounts & MIS

S. D. Joshi

General Manager
Design &
Development - Machines

N. M. Kuntoji

General Manager
Commercial -
Engineering

V. R. Kothari

General Manager
Gear Machines Business

Letter to Shareholders



Dear Shareholders,

The year under review has been extremely challenging and difficult for your Company. Sales revenue was down by 13.65% from Rs. 205 Cr. in the previous year to 177 Cr. in the current year. This is mainly on account of extremely adverse conditions prevailing in the sectors your Company operates in, such as automotive, auto component, wind energy and infrastructure. This has adversely affected profits for the year resulting in an overall Net loss of Rs. 45.83 Cr.

The CNC Machine division struggled for orders due to virtually no fresh capital expenditure spending by both, private sector companies as well as Government organizations / PSUs. The wind energy sector had crashed for the past 2 years, due to removal of certain incentives by the UPA Government. Although this was restored, it has taken time for wind turbine companies, who are our customers to revive, thereby affecting sales. Similarly infrastructure projects in power, metro rail etc. where we supply equipment remained very sluggish during the year.

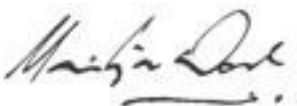
Besides, reduction in revenue, the Company had to make higher provisioning for depreciation and amortization, rising by nearly 24.15% from Rs. 32.75 Cr. to Rs. 40.66 Cr., due to the new provisions in the Companies Act 2013. The Company also faced a high interest burden that it is working on to bring down through real-estate sales and reduction of receivables and inventory.

The current year is expected to show improvement in terms of sales growth as there are now signs of revival in the wind energy sector and increased Government buying for CNC Machines. Our Management team is working hard to increase production despite cash flow stringency and return to profitability.

Your Company is entering into long term supplier relationships with the Hyundai group and the Alstom group for various Metro rail projects in India and overseas. This should start adding significant sales revenue in the next few years. We have also started exporting wind mill parts to Europe and expect to do about Rs. 20 Cr. of exports during the current year. I expect the current year to be one of consolidation and stabilization for your Company.

I would like to thank all the Company stake holders for their support during this challenging period for the Company and offer my heartfelt condolences to our late President, Mr. M. D. Adhikari's family on his sad demise in March this year.

With regards,



Maitreya V. Doshi

Chairman & Managing Director

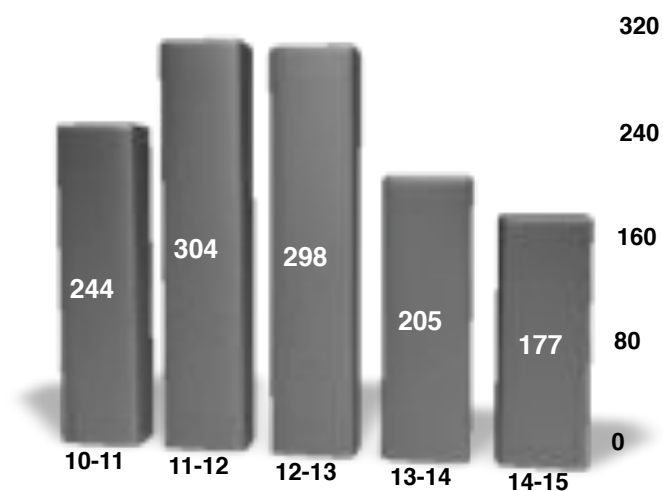
Date : 30th April 2015

Place : Mumbai

Highlights

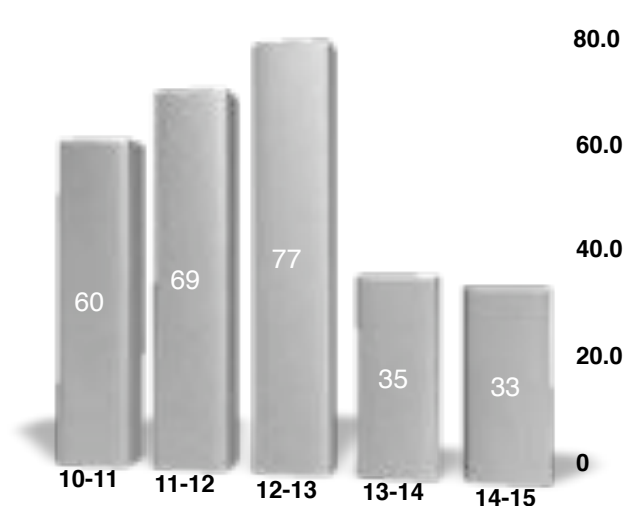
Revenue

Crores



EBITDA (operations)

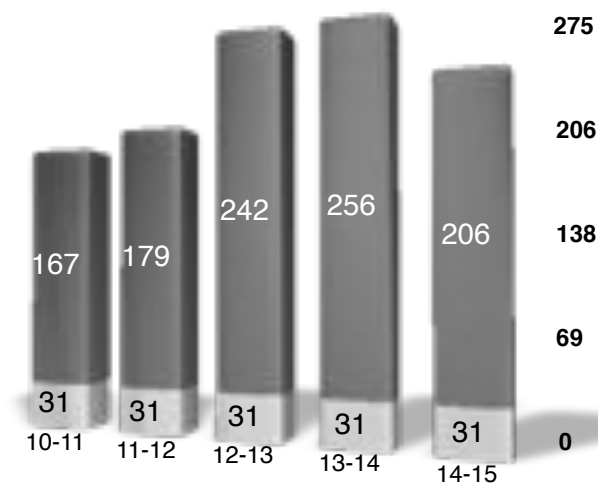
Crores



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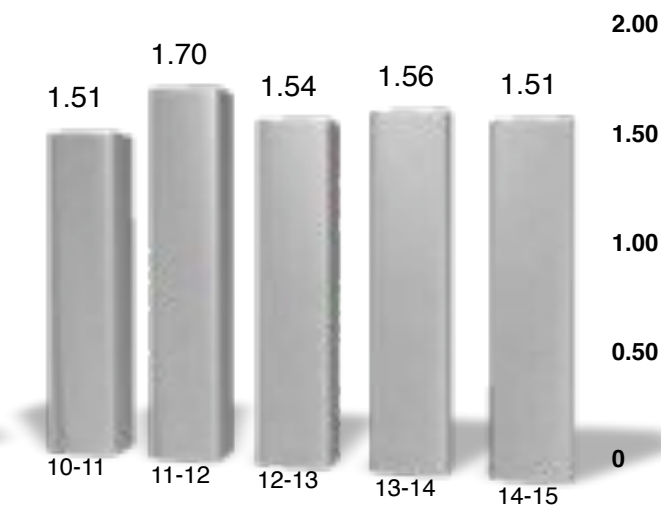
Net Worth

Crores



■ Share Capital ■ Reserves

Debt Equity Ratio



Directors' Report

To The Members

Your directors are pleased to present the 69th Annual Report and the audited accounts for the financial year ended 31st March, 2015.

1. Financial Results

The financial performance of the Company for the financial year ended 31st March, 2015, is summarized below:

	(₹ Cr.)	
	2014-15	2013-14
Profit before Depreciation, Interest & Tax	29.16	93.58
Less: Interest	61.72	66.18
Depreciation and Amortisation	40.65	32.74
Profit before Tax / (Loss)	(73.21)	(5.34)
Less: Provision for Current Taxation	0.00	0.00
Deferred Tax	27.38	30.49
Profit after tax / (Loss)	(45.83)	25.15
Add: Balance in Profit and Loss Account	96.29	84.80
Amount Available for Appropriation	50.46	109.95
Appropriations:		
Dividend on Equity Shares	0.00	9.11
Tax on dividend	0.00	1.55
General Reserve	0.00	3.00
Balance carried to Balance Sheet	50.46	96.29

During the year under review, the Company has achieved gross sales of Rs. 177 crores (Rs.205 cr. in the previous year). The profit before depreciation, interest and tax was Rs.29.16 as against Rs.93.58 crores in the previous year. The previous year profit included gain of Rs.58.46 cr. realized on account of compensation of Rs.64.13 cr. received from the Indian Railways for compulsory acquisition of certain portion of the Company's land at Dombivali.

The year under review had been very difficult on account of extremely adverse business situation for capital goods industry. There was considerable slow down in the offtake of CNC machines and parts for windmills. The Management expects improvement in business situation in the current year 2015-16, subject to macro situation returning to normalcy. The Management is taking all necessary steps within its power to improve the business.

2. Dividend

The Board has not recommended any dividend on equity shares

3. Operations and Management Discussion & Analysis

The current year's operations are covered in the Management Discussion and Analysis Report. This Management Discussion and Analysis Report, as stipulated under Clause-49 of the Listing Agreement with the Stock Exchanges, is presented in a separate section forming part of this annual report.

4. Corporate Governance

The Report on Corporate Governance, as stipulated under Clause- 49 of the Listing Agreement, forms part of this Report. Further, it is stated that:

- Five Board Meetings were held during the year ended 31.3.2015. The details are given in Item No.4 of the Corporate Governance Report.
- The composition of Audit Committee and other particulars are given in Item No.5 of the Corporate Governance Report

- iii. The Company has established a vigil mechanism for directors and employees to report their genuine concern and grievances. No personnel has been denied access to the Audit Committee.
- iv. The Company has adopted Risk Assessment Procedure which provides an approach by the Management to identify potential events that may affect the Company, to manage the risk within its risk appetite and to provide reasonable assurance regarding the achievement of the objectives of the Company. The Management prioritizes the risk and finalizes the action plan for mitigation of the key risks. The Board is of the opinion that there are no elements of risk which may threaten the existence of the Company.
- v. The number of shares held by non-executive directors as on 31.03.2015, have been disclosed in Para-8 of the Corporate Governance Report.

5. Directors

Mrs. Rohita M. Doshi is retiring by rotation in accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company and being eligible, offers herself for re-appointment.

Each of the Independent Directors of the Company has given a declaration under Section 149(7) of the Companies Act, 2013, to the effect that each of them meet the criteria of independence as provided in Sub-section 6 of Section 149 of the Companies Act, 2013. The Board confirms that each of these Independent Directors is independent of the management of the Company and has requisite qualification and experience to act as Independent Directors for the Company and further that in the Board's opinion each of them is a person of integrity and possess relevant expertise and experience in the fields related to the Company's business.

6. Directors' Responsibility Statement as required under Section 134(5) of the Companies Act, 2013

The Directors state 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 judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, 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.
- vi. 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.

7. Conservation of energy, technology, absorption & foreign exchange earnings & outgo

The details as required under Clause-3 of Rule 8 of the Companies (Accounts) Rules, 2014, are provided in Annexure-I to the Directors' Report.

8. Fixed Deposits

The Company has not either invited or accepted or renewed deposits from the members and public during the financial year ended 31st March, 2015, under Chapter-V of the Companies Act, 2013.

As regards the deposits accepted by the Company under the provisions of the Companies Act, 1956 and outstanding as on 31.3.2015, the attention is invited to Note No.4(d) of the Notes forming part of the financial statements.

9. Particulars of Employees

The particulars of employees, who were in receipt of remuneration not less than Rs.60 lacs for the financial year ended on 31st March, 2015, are given below:

Name of the employee	Mr. Maitreya V. Doshi
Designation of employee	Chairman & Managing Director
Remuneration received	136.43
Nature of employment	Contractual
Date of commencement of employment	16.12.1985
Qualification of the employee	MBA, BA(Eco)
Experience of the employee	30 years
Age of the employee	52 years
Last employment	--

Mr. Maitreya V. Doshi is related to Mrs. Rohita M. Doshi, Director of the Company.

The other disclosures under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and remuneration of managerial personnel) Rules, 2014, are given in Annexure-II to the Directors' Report

10. Auditors

M/s K.S. Aiyar & Co., Statutory Auditors, retire at the ensuing annual general meeting and are eligible for reappointment. The Audit Committee of the Board has recommended their reappointment. M/s K.S. Aiyar & Co. have, under Rule-4 of the Companies (Audit & Auditors) Rules, 2014, furnished the certificate of their eligibility for reappointment. Requisite resolution is being placed for the shareholders' approval.

11. Cost Audit

The Central Government, vide Notification dated 31st December, 2014, has prescribed cost audit for engineering machinery industry with effect from the financial year 2015-16. Accordingly, the Board has appointed ABK & Associates, Cost Accountants (Regn.No.000036) to conduct audit of cost records for the Company's engineering machinery activities for the financial year 2015-16, on a remuneration Rs.1.65 lacs, apart from reimbursement of out-of-pocket expenses, as recommended by the Audit Committee. As required under Section 148(3) read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration approved by the Board is being placed for ratification by the shareholders at the ensuing Annual General Meeting.

12. Other disclosures

The particulars as required under Section 134(3) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, are given below:

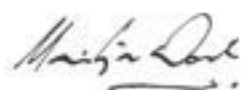
- The Company has in place adequate internal financial controls with reference to financial statements and such controls are adequate and are operating effectively.
- The extract of the Annual Return made as on 31.3.2015 under Section 92(3) of the Companies Act, 2013, in Form MGT9, is given in Annexure-III to the Directors' Report.
- The Nomination and Remuneration Policy under Section 178(3) of the Companies Act, 2013, is given in Annexure-IV to the Directors' Report.
- The report on the Corporate Social Responsibility under Companies (Corporate Social Responsibility Policy) Rules, 2014, is given in Annexure-V to the Directors' Report.
- The Secretarial Audit Report in Form MR3 prescribed under Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Section 204(1) of the Companies Act, 2013, is given in Annexure-VI to the Directors' Report.
- There are no adverse remarks made by the Auditors or the Company Secretary in practice in their respective reports.

- vii. The Nomination & Remuneration Committee of the Board has laid down the policy on Director's appointment, remuneration and criterias for determining qualifications, independence of directors, etc. Para-7 of the Corporate Governance Report discloses the criteria for payment of remuneration to non-executive directors and details of remuneration paid to the Directors and that the Company does not have Stock Option Scheme.
- viii. The formal annual evaluation of the Board and individual directors has been carried out as contemplated under the code for Independent Directors in Schedule-IV to the Companies Act, 2013, as per the criteria laid down by the Nomination & Remuneration Committee of the Board..
- ix. The Company has not entered into contract with related parties within the meaning of Section 188(1) of the Companies Act, 2013, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014.
- x. The Company is not a subsidiary of any other company nor it has a subsidiary company. No Company has become or ceased to be associate or joint venture company of this Company during the year. The Company has existing two associate companies namely, PAL Credit & Capital Ltd. and Premier Auto Ltd. In terms of Notification dated 14.10.2014, issued by the Ministry of Corporate Affairs, the Company is not required to present consolidated financial statement in respect of the said associated companies for the financial year 2014-15.
- xi. No regulator or court or tribunal has passed any adverse significant and material order impacting the going concern status and the Company's operations in future.
- xii. Mr. K.S. Nair was appointed as Chief Financial Officer.
- xiii. The Company has given Rs.59.96 lacs as the loan to PAL Credit & Capital Ltd. for its business purpose during the year.
- xiv. The Company has adopted policy under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has constituted a Committee as required under the Act and the Rules thereunder. No complaints were received during the year.

12. Acknowledgement :

The Directors wish to express their appreciation of the continued support of the Company's customers, suppliers and bankers. The Directors also wish to thank employees, at all levels, for their contribution and co-operation throughout the year.

On behalf of the Board of Directors



Maitreya V. Doshi

Chairman & Managing Director

Date : 30th April 2015

Place : Mumbai

Annexure I to the Directors' Report

Particulars of conservation of energy, technology absorption foreign exchange earnings and outgo, as prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014

Conservation of energy

1. Steps taken or impact on conservation of energy:

- i. The power factor is continuously being monitored and maintained to 1.00 (Unity) power on daily basis. The saving is about Rs. 16 lacs p.a.
- ii. There is continuous monitoring and control of air consumption and one compressor has been switched off resulting in a saving of 1200 KWH per day and Rs. 28 lacs p.a.
- iii. The offices have been relocated, resulting in a saving of 180 kwh per day. This has resulted in a saving of Rs. 5 lacs p.a.
- iv. Conducted trials of using LED lamp in MD shop floor to replace existing 400W metal halide lamp. One LED lamp can replace 455W of metal halide lamp.
- v. Trials conducted to replace 240 tube lights of 40W with LED tubes of 23W in paintshop, one LED tube of 23W can replace 48W of tubelight, which is a saving of more than 50%.
- vi. Trials conducted by installing ATCON make power saver to air conditioner. 35% saving is observed.
- vii. Trials conducted by installing power saver transformer for lighting in MD shop floor. 20% saving is observed during the trial.

2. The steps taken for utilizing alternate sources of energy:

- i. Wind energy - Discussions are in process.
- ii. Solar energy - Considered utilization of solar energy in the office building (1st floor). The cost of this proposal is approx. Rs. 10 lacs.
- iii. Light pipe - Utilisation of light pipe in canteen building so that there is no need to switch on lights during the day. This light pipe transfers natural light in the given area. Electricity will no longer be required and cost is saved.

3. The capital investment on energy conservation equipments:

- i. Total cost of 1 LED light 120W is Rs. 35,000/-
- ii. Total capital investment on ATCON air conditioner power saver is Rs. 8,000/-
- iii. Total capital investment on Power saver transformer is Rs. 40,000/-

Technology absorption

1. Efforts made towards technology absorption :

- i. To cater to the needs of automobile, engineering industries, railways, defence and to be competitive in the market, high speed gear machines were developed with new CNC control system of FANUC.
- ii. Direct drive motors are adopted to avoid kinematics.
- iii. Rotary encoders of different makes are adopted.
- iv. Machine specifications enhanced to accommodate bigger length shaft type components.

2. The benefits derived :

- i. With the above technology absorption, there was improvement in product and product reliability.
- ii. Due to import substitution, heavy cost of imported components got reduced, thereby resulting a reduction in the cost of the product.
- iii. The above has helped in price competitiveness of the products in the market.

3. No technology imported during the last 3 years.

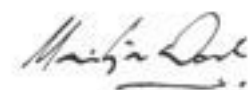
4. Expenditure incurred on Research & Development - Rs. 300 lacs

Foreign exchange earnings and outgo

(₹ Lakhs)

Particulars	2014-15	2013-14
Foreign Exchange Earnings:		
FOB Value of Exports	357.04	339.64
Foreign Exchange Outgo:		
Imports (CIF value)	190.72	1109.78
Foreign Travel	11.09	19.86
Others	0.00	13.64
Total	201.81	1143.28

On behalf of the Board of Directors



Maitreya V. Doshi

Chairman & Managing Director

Date : 30th April 2015

Place : Mumbai

Annexure II to the Directors' Report

Disclosure under Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

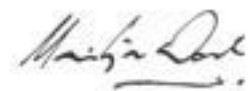
Sr. No.			2013 -14 (in lakhs)	2014-15 (in lakhs)	
1	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	Median employees remuneration		3.10	
		Mr. Maitreya V. Doshi, CMD		136.43	44.01 times
		Mr. S. Padmanabhan		3.85	1.24 “
		Mr. Asit Javeri		4.90	1.58 “
		Dr. Udo Weigel		2.10	0.68 “
		Mrs. Rohita M. Doshi		1.40	0.45 “
		Mrs. Kavita Khanna		2.10	0.68 “
		Mr. Dilip J. Thakkar		2.80	0.90 “
		Mr. Ramesh Adige		2.80	0.90 “
		Mr. Shailesh S. Vaidya		1.40	0.45 “
2	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary or Manager, if any, in the financial year	Mr. Maitreya V. Doshi, CMD	48.39	136.43	182%
		Mr. S. Padmanabhan	2.20	3.85	75%
		Mr. Asit Javeri	2.80	4.90	75%
		Dr. Udo Weigel	1.00	2.10	110%
		Mrs. Rohita M. Doshi	0.80	1.40	75%
		Mrs. Kavita Khanna	1.80	2.10	17%
		Mr. Dilip J. Thakkar	1.60	2.80	75%
		Mr. Ramesh Adige	1.60	2.80	75%
		Mr. Shailesh S. Vaidya	0.60	1.40	133%
		Mr. Ramesh M. Tavhare V.P. & Company Secretary	30.00	30.00	-
		Mr. K.S. Nair, C.F.O	22.10	22.10	-
3	Percentage increase in the median remuneration of employees in the financial year		2.31	3.10	34%
4	Number of permanent employees on the rolls of the Company		685	585	

Sr. No.			2013 -14 (in lakhs)	2014-15 (in lakhs)	
5	The explanation on the relationship between average increase in remuneration and Company performance	There has been no increase in remuneration of the Company Secretary and the Chief Financial Officer. The remuneration of the Managing Director has been increased with the approval of the Nomination & Remuneration Committee and the shareholders. The remuneration being paid to the Managing Director is in line with the Schedule-V to the Companies Act, 2013. The Company has been earning profits consistently for the last 10 years and it is only in the year 2014-15, it has incurred losses and that too due to adverse business situation prevailing in the capital goods sector in which the Company is operating. Hence, there is no relationship between increase in remuneration and the Company performance.			
6	Comparison of remuneration of the key managerial personnel against the performance of the Company	The Company has been earning profits consistently for the last 10 years. In the year 2014-15 the Company has incurred losses due to adverse business situation on account of adverse macro business situation in the country. The Company has been operating mainly in capital goods sector and the said sector has been going through recession for the last 2 years. In view of this, it is not possible to compare the remuneration of the key managerial personnel against the performance of the Company.			
7	Variation in the market capitalization of the Company		172.36 cr.	120.85 cr.	(51.77) cr.
	Price earning ratio as at the closing date of the current financial year and previous financial year and		6.85	0 (Loss)	
	Percentage increase or decrease in the market quotation of shares of the Company in comparison to the rate at which the Company came out with the last public offer	Not applicable as the Company has not made any public offer for the last more than 50 years.			
8	Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the average percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration		2.31 (median salary)	3.10 (median salary)	34%
			48.39	136.43	182%
		<p>The increase in managerial remuneration is in accordance with Schedule-V to the Companies Act, 2013 and is approved by the Nomination & Remuneration Committee and the shareholders.</p> <p>Increase in sitting fees of the directors from Rs.20,000/- to Rs.35,000/- for Board / Committee meeting is within the limits of Rs.1,00,000/- prescribed under Section 197(5) read with Rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and approved by the Nomination & Remuneration Committee.</p>			
9	Comparison of the each remuneration of the key managerial personnel against the performance of the Company	The Company has been earning profits consistently for the last 10 years. In the year 2014-15 the Company has incurred losses due to adverse business situation on account of adverse macro business situation in the country. The Company has been operating mainly in capital goods sector and the said sector has been going through recession for the last 2 years. In view of this, it is not possible to compare the each remuneration of the key managerial personnel against the performance of the Company.			

Sr. No.					
10	The key parameters for any variable component of remuneration availed by the Directors	<p>The directors are paid only sitting fees of Rs.35,000/- for each meeting of the Board and Committees thereof attended by them. No other variable component is availed by the directors.</p> <p>Mr. Maitreya V. Doshi, CMD, is given remuneration in accordance with the provisions of Schedule-V to the Companies Act, 2013 and the same is approved by the Nomination & Remuneration Committee and by the shareholders.</p>			
11	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	No employee has received remuneration in excess of highest paid director.			
12	Affirmation that remuneration is as per the remuneration policy of the Company	<p>The factory workers' remuneration is determined by the agreement with the Union.</p> <p>The officers' remuneration is determined by policy laid down by the Management.</p> <p>CMD's remuneration is in accordance with the provisions of Schedule-V to the Companies Act, 2013 and the same is approved by the Nomination & Remuneration Committee and the shareholders.</p> <p>Increase in sitting fees of the directors from Rs.20,000/- to Rs.35,000/- for Board / Committee meeting is within the limits of Rs.1,00,000/- prescribed under Section 197(5) read with Rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and approved by the Nomination & Remuneration Committee.</p>			

Note: Remuneration paid to non-executive and independent directors as enumerated in Sr.Nos. 1 & 2 of this Annexure, represent only sitting fees paid to them and the same is within the limits prescribed under Section 197(5) read with Rule 4 of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, read with Clause-49 II(c) of the Listing Agreement and hence not strictly comparable with median remuneration of employee

On behalf of the Board of Directors



Maitreya V. Doshi

Chairman & Managing Director

Date : 30th April 2015

Place : Mumbai

Annexure III to the Directors' Report

Extract of Annual Return as on 31st March, 2015 [Pursuant to Section 92(3), 134(3)(a) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014.

Form No. MGT-9
(As on the financial year ended on 31st March, 2015)

I. Registration and other details:

Sr. No.	Particulars	Details
1	CIN	L34103PN1944PLC020842
2	Registration Date	27.06.1944
3	Name of the Company	Premier Ltd.
4	Category of the Company	Public Company
5	Sub-Category of the Company	Limited by Shares
6	Address of the registered Office and contact details	Mumbai - Pune Road Chinchwad, Pune - 411019 Tel : 91-20-66310000/91-22-61179000
7	Whether listed company Yes / No	Yes
8	Name, Address and Contact details of Registrar and Transfer Agent, if any:	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (W), Mumbai -400078 Tel : 022-25946970-78

II. Principal business activities of the Company

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

Sr. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Machine tool, parts and accessories	357	92%
2	Fabricated structural products of iron or steel	340.2	

III. Particulars of holding, subsidiary and associate companies

Sr. No.	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Premier Auto Ltd	U34200MH2011PLC224772	Associate Company	49%	2(6) Expln
2	PAL Credit and Capital Ltd.	L51010MH1962PLC012287	Associate Company	27.31%	2(6) Expln

IV. Share holding pattern (equity share capital breakup as percentage of total equity)

i. Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of the Total Shares	Demat	Physical	Total	% of the Total Shares	
A.Promoters									
(1) Indian									
Individuals/ HUF	40,500	-	40,500	0.13	40,500	-	40,500	0.13	Nil
Central Government	-	-	-	-	-	-	-	-	-
State Government	-	-	-	-	-	-	-	-	-
Bodies Corporate	1,36,12,702	-	1,36,12,702	44.82	1,36,12,702	-	1,36,12,702	44.82	Nil
Banks/Fis	-	-	-	-	-	-	-	-	-
Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	1,36,53,202	-	1,36,53,202	44.95	1,36,53,202	-	1,36,53,202	44.95	Nil
(2) Foreign									
NRIs-Individuals	-	-	-	-	-	-	-	-	-
Other-Individuals	-	-	-	-	-	-	-	-	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
Banks/Fis	-	-	-	-	-	-	-	-	-
Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	1,36,53,202	-	1,36,53,202	44.95	1,36,53,202	-	1,36,53,202	44.95	Nil
B. Public shareholding									
(1) Institutions									
Mutual Funds	350	11,724	12,074	0.04	350	11,724	12,074	0.04	Nil
Banks/FI	18,21,831	30,833	18,52,664	6.10	18,21,831	30,833	18,52,664	6.10	Nil
Central Government	-	-	-	-	-	-	-	-	-
State Government(s)	-	-	-	-	-	-	-	-	-

Category of shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of the Total Shares	Demat	Physical	Total	% of the Total Shares	
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	1,250	1,250	0.00	-	1,250	1,250	0.00	Nil
FIIIs	1,50,000	4,800	1,54,800	0.51	1,74,682	4,800	1,79,482	0.59	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	19,72,181	48,657	20,20,838	6.65	19,96,863	48,607	20,45,470	6.73	-
(2) Non-institutions									
(a) Bodies Corporate	30,60,276	53,848	31,14,124	10.25	28,34,279	52,154	28,86,433	9.50	-
(i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	42,09,093	27,70,979	69,80,072	22.98	44,00,626	27,11,900	71,12,526	23.42	-
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	44,13,584	15,000	44,28,584	14.58	43,13,737	-	43,13,737	14.20	-
iii. Any Other (Specify)	-	-	-	-	-	-	-	-	-
1. Clearing Member	47,740	-	47,740	0.16	1,77,701	-	1,77,701	0.59	-
2. Trust	18,970	-	18,970	0.06	18,970	-	18,970	0.06	Nil
3. NRIs	24,753	49,371	74,124	0.24	64,871	49,371	1,14,242	0.38	-
4. NRI Non Repat	32,005	-	32,005	0.11	47,478	-	47,478	0.16	-
5. Market Maker	-	-	-	-	-	-	-	-	-
6. Foreign Nationals	100	2,811	2,911	0.01	-	2,811	2,811	0.01	Nil

Category of shareholders	No. of Shares held at the beginning of the year (01.04.2014)				No. of Shares held at the end of the year (31.03.2015)				% Change during the year
	Demat	Physical	Total	% of the Total Shares	Demat	Physical	Total	% of the Total Shares	
7. HUF	-	-	-	-	-	-	-	-	-
Sub-Total (B) (2)	1,18,06,521	28,92,009	1,46,98,530	48.39	1,18,57,662	28,16,236	1,46,73,898	48.31	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	1,37,78,702	29,40,666	1,67,19,368	55.05	1,38,54,525	28,64,843	1,67,19,368	55.05	Nil
(C) Shares held by Custodians for GDRs and ADRs									
Public	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	2,74,31,904	29,40,666	3,03,72,570	100.00	2,75,07,727	28,64,843	3,03,72,570	100.00	Nil

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change 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	Doshi Holding Pvt Ltd	13612702	44.82	29.61	13612702	44.82	29.61	Nil
2	Maitreya Vinod Doshi	40100	0.13	0.00	40100	0.13	0.00	Nil
3	Saryu V.Doshi	200	0.00	0.00	200	0.00	0.00	Nil
4	Rohita Chaganlal	200	0.00	0.00	200	0.00	0.00	Nil
	Total	13653202	44.95	29.61	13653202	44.95	29.61	Nil

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year				
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		There is no change in Promoters' Shareholding		
3	At the End of the year				

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

Sr. No.		Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (31.03.2015)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of the Top 10 Shareholders				
1	Life Insurance Corporation of India				
	At the beginning of the year	1820815	5.9949	1820815	5.9949
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year	1820815	5.9949	1820815	5.9949
2	Patton International Limited				
	At the beginning of the year	1786361	5.8815	1786361	5.8815
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year	1786361	5.8815	1786361	5.8815
3	Hari Prasad Budha				
	At the beginning of the year	364833	1.2012	364833	1.2012
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year	364833	1.2012	364833	1.2012

Sr. No.		Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (31.03.2015)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of the Top 10 Shareholders				
4	Haresh Jain				
	At the beginning of the year	287245	0.9457	287245	0.9457
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	287245	0.9457	287245	0.9457
5	Gaurav Jain				
	At the beginning of the year	274000	0.9021	274000	0.9021
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	274000	0.9021	274000	0.9021
6	Ankit Jain				
	At the beginning of the year	274000	0.9021	274000	0.9021
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)				
7	Uma Devi Budhia				
	At the beginning of the year	239427	0.7883	239427	0.7883
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	239427	0.7883	239427	0.7883
8	Sanjay Budhia				
	At the beginning of the year	188077	0.6192	188077	0.6192
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	188077	0.6192	188077	0.6192
9	The Indiaman Fund (Mauritius)				
	At the beginning of the year	150000	0.4939	150000	0.4939
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	150000	0.4939	150000	0.4939

Sr. No.		Shareholding at the beinging of the year (01.04.2014)		Cumulative Shareholding during the year (31.03.2015)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	For each of the Top 10 Shareholders				
10	R Venkata Subramanian				
	At the beginning of the year	141514	0.4659	141514	0.4659
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	141514	0.4659	141514	0.4659
11	Globe Fincap Ltd.				
	At the beginning of the year	239800	0.7895	239800	0.7895
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	11.04.2014	-	-	233600	0.7691
	18.04.2014	-	-	447100	0.7477
	25.04.2014	-	-	22200	0.7309
	02.05.2014	-	-	212000	0.6980
	09.05.2014	-	-	209500	0.6898
	23.05.2014	239800	0.7895	39500	0.1301
	At the end of the year (or on the date of separation, if separated during the year)	239800	0.7895	39500	0.1301

v. Shareholding of Directors and Key Managerial Personnel

Sr. No.		Shareholdeing at the beinging of the year (01.04.2014)		Cumulative Shareholding during the year (31.03.2015)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Shareholding patterns of Directors an Key Managerial Personnel				
1	Mr Maitreya V Doshi				
	At the beginning of the year	40100	0.1300	40100	0.130
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	40100	0.1300	1820815	0.130
2	Mrs. Rohita M Doshi				
	At the beginning of the year	200	0.0000	200	0.000
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	200	0.0000	200	0.000

Sr. No.		Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (31.03.2015)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Shareholding patterns of Directors and Key Managerial Personnel				
3	Mr. S. Padmanabhan				
	At the beginning of the year	Nil	0.0000	Nil	0.000
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	Nil	0.0000	Nil	0.000
4	Mr. Asit Javeri				
	At the beginning of the year	14300	0.0500	14300	0.050
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	14300	0.0500	14300	0.050
5	Dr Udo Weigel				
	At the beginning of the year	Nil	0.0000	Nil	0.000
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	Nil	0.0000	Nil	0.000
6	Mrs. Kavita Khanna				
	At the beginning of the year	14000	0.0500	14000	0.050
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	14000	0.0500	14000	0.050
7	Mr. Dilip J. Thakkar				
	At the beginning of the year	740	0.0000	740	0.000
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	740	0.0000	740	0.000
8	Mr. Ramesh Adige				
	At the beginning of the year	Nil	0.0000	Nil	0.000
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	Nil	0.0000	Nil	0.000

Sr. No.		Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (31.03.2015)	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	Shareholding patterns of Directors and Key Managerial Personnel				
9	Mr Shailesh S. Vaidya				
	At the beginning of the year	Nil	0.0000	Nil	0.000
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	Nil	0.0000	Nil	0.000
10	Mr. Ramesh M. Tavhare (Vice President & Head Legal & Corporate Affairs and Company Secretary)				
	At the beginning of the year	900	0.0000	900	0.000
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	900	0.0000	900	0.000
11	Mr. K.S. Nair (Vice President & Chief Financial Officer)				
	At the beginning of the year	17711	0.0600	17711	0.060
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	17711	0.0600	17711	0.060

vi. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment : (₹ Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I. Principal Amount	33696.56	4065.00	7070.49	44832.05
II. Interest due but not paid	283.05	23.41	0.00	306.46
III. Interest accrued but not due	0.00	0.00	388.50*	388.50
Total (i+ii+iii)	33979.61	4088.41	7458.99	45527.01
Change in Indebtedness during the financial year				
Addition	0.00	0.00	0.00	0.00
Reduction	(4316.94)	(1699.50)	(3095.83)	(9112.27)
Net Change	(4316.94)	(1699.50)	(3095.83)	(9112.27)
Indebtedness at the end of the financial year				
I. Principal Amount	29379.62	2365.50	3974.66	35719.78
II. Interest due but not paid	495.97	64.00	87.87*	647.84
III. Interest accrued but not due	0.00	0.00	313.23*	313.23
Total (i+ii+iii)	29875.59	2429.50	4375.76	36680.85

(*Net of TDS)

vii. Remuneration of Directors and Key Managerial Personnel

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

Sr. No.	Particulars of Remuneration	Name : Maitreya V.Doshi (Chairman & Managing Director)			Total Amount (Rs.Lacs)
1	Gross salary				
	I. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				136.43
	II. Value of perquisites u/s 17(2) Income-tax Act, 1961				0.40
	III. Profits in lieu of salary under section 17(3) Income-tax Act, 1961				-
2	Stock Option				-
3	Sweat Options				-
4	Commission - as % of profit - others, specify				-
5	Others, please specify				-
	Total (A)				136.43
	Ceiling as per the ACt	Not applicable			-

B. Remuneration to other directors

Category of shareholders	Name of the Directors								Total Amount (Rs. Lacs)
	Mrs. Rohita M. Doshi	Mr S. Padmanabhan	Mr. Asit Javeri	Dr. Udo Weigel	Mrs. Kavita Khanna	Mr Dilip J. Thakkar	Mr. Ramesh Adige	Mr. Shailesh Vaidya	
Independent Directors									
- Fees for attending board committee meeting		3.85	4.90	2.10	2.10	2.80	2.80	1.40	19.95
- Commission	-	-	-	-	-	-	-	-	-
- Other , please specify	-	-	-	-	-	-	-	-	-
Total (1)	-	3.85	4.90	2.10	2.10	2.80	2.80	1.40	19.95
- Fees for attending board committee meeting	1.40	-	-	-	-	-	-	-	1.40
- Commission	-	-	-	-	-	-	-	-	-
- Other , please specify	-	-	-	-	-	-	-	-	-
Total (2)	1.40	-	-	-	-	-	-	-	1.40
Total (B) - (1+2)	1.40	3.85	4.90	2.10	2.10	2.80	2.80	1.40	21.35
Total Managerial Remuneration	-	-	-	-	-	-	-	-	-
Overall Ceiling as per the Act	Not Applicable								

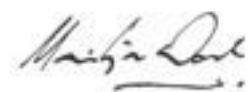
C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (Rs.Lacs)
		CEO	Company Secretary	CFO	
1	Gross salary				
	I. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	30.00	22.10	52.10
	II. Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	III.Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Options	-	-	-	-
4	Commission - as % of profit - others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	-	30.00	22.10	52.10

VII.Penalties / Punishment / Compounding of Offences

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)
A. COMPANY					
I. Penalty	Nil	Nil	Nil	Nil	Nil
II. Punishment	Nil	Nil	Nil	Nil	Nil
III.Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT:					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

On behalf of the Board of Directors



Maitreya V. Doshi

Chairman & Managing Director

Date : 30th April 2015

Place : Mumbai

Annexure IV to the Directors' Report

Nomination and Remuneration Policy

A. Introduction

This Policy has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company in compliance of Section 178 (3) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

B. Composition of the Committee

The Board has changed the nomenclature of Remuneration Committee to Nomination and Remuneration Committee on 07.05.2014. The Committee comprises of following Directors.

Sr. No.	Name of the Director	Position	Category
1	Mr. S. Padmanabhan	Chairperson	Non- Executive Independent Director
2	Dr. Udo Weigel	Member	Non- Executive Independent Director
3	Mr Asit Javeri	Member	Non- Executive Independent Director

The Company Secretary of the Company shall act as Secretary of the Committee.

The Board has power to re-constitute the Committee from time to time in order to make it consistent with the Company's policy and applicable statutory requirement.

C. Definitions

"The Company" means PREMIER LIMITED.

"Committee" means Nomination and Remuneration Committee of the Company as constituted or re-constituted by the Board, from time to time.

"Key Managerial Personnel" (KMP) means

- I. Chief Executive Officer or the Managing Director or the Manager;
- II. Company Secretary;
- III. Whole-Time Director;
- IV. Chief Financial Officer;

"Senior Management Personnel" means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

D. Applicability

This Policy is applicable to all Directors, Key Managerial Personnel (KMP) and Senior Management Personnel.

Senior Management Personnel shall include the following:

All officers of the Company at the level of General Manager and above.

E. Role of Committee

The role of the Committee inter alia will be the following:

- I. To identify persons who are qualified to become Directors, KMP and Senior Management personnel;
- II. To recommend to the Board for appointment and removal of Director, KMP and Senior Management personnel;
- III. To formulate criteria for determining qualification, positive attributes and independence of a Director;
- IV. To formulate criteria for evaluation of Independent Director and the Board;
- V. To recommend to the Board a policy for remuneration of Directors, KMP and Senior Management Personnel;
- VI. To formulate the policy of remuneration and ensure that-
 - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and;
 - c. Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- VII. To devise a policy on Board diversity;
- VIII. To carry out any other responsibilities and duties delegated to it by the Board from time to time.

F. Appointment Criteria and Qualifications

- I. The Committee shall identify, ascertain the integrity, qualification, expertise, experience of a person and recommend to the Board for his / her appointment as Director/ KMP/Senior Management Personnel of the Company.
- II. In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity based on the specific needs and business of the Company.
- III. The Director, KMP and Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013 and Rules made thereunder, Listing Agreement or any other enactment for the time being in force.
- IV. The Committee shall identify persons who are qualified to become Director and shall carry out the evaluation of every Directors performance.
- V. The Committee shall identify persons who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal.

G. Term / Tenure of Appointment

The Term / Tenure of the Director shall be governed by the provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

H. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, Rules made thereunder or under any other applicable Act, Rules and Regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP and Senior Management Personnel subject to the provisions and compliance of the said Act, Rules and Regulations.

I. Retirement

The Director, KMP and Senior Management personnel of the Company shall be eligible for retirement as per the applicable provisions of the Companies Act, 2013 and any prevailing policy of the Company in relation to retirement of employees.

J. Remuneration

The Committee will recommend the remuneration to be paid to the Director, KMP and Senior Management Personnel to the Board for their approval.

i. Remuneration to Executive Director

The Remuneration/ Compensation/ Commission etc. to be paid to Executive Director shall be governed as per provisions of the Companies Act, 2013 and Rules made thereunder or any other enactment for the time being in force.

ii. Non Executive Independent Directors

The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and Rules made thereunder or any other enactment for the time being in force.

iii. KMP / Senior Management Personnel

The Remuneration to be paid to KMP/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any, prescribed under the Companies Act, 2013 and Rules made thereunder or any other enactment for the time being in force.

K. Evaluation

The Committee shall carry out evaluation of performance of each director of the Company on a yearly basis.

The Committee shall monitor and review board evaluation framework, conduct an assessment of the performance of the Board against criteria as determined and approved by the Committee.

The performance evaluation of Independent Directors shall be done by the entire Board of Directors, on the basis of recommendations of the Committee (excluding the director being evaluated).

L. Amendments

This policy can be amended by the Board of Directors on its own or based on the recommendation made by the Nomination and Remuneration Committee from time to time.

Annexure V to the Directors' Report

Corporate Social Responsibility Report

Annual Report on the CSR activities pursuant to Section 135(1) of the Companies Act, 2013 read with the Companies (Social Responsibility Policy) Rules, 2014

1. The Company is covered under section 135(1) of Companies Act, 2013 and rules made thereunder which requires to constitute a Corporate Social Responsibility Committee (CSR).
2. The Company has constituted CSR Committee comprising of the following Directors:

Sr. No.	Name of the Director	Position	Category
1	Mr. Maitreya V. Doshi	Chairman	Executive Director
2	Mrs. Rohita M. Doshi	Member	Non-Executive Director
3	Mrs. Kavita Khanna	Member	Non- Executive Independent Director

3. The average net profit before tax calculated under Section 198 for the past 3 years: There is loss as per computation of net profit under Section 198 of the Companies Act, 2013. :
4. Since the Company has no profit for the past 3 years, the Company is not required to incur any expenditure under CSR.
5. The main objective of this policy is active involvement in the social and economic development of the society, in which the Company operates, share profits with the society through responsible business practices as well as good governance and bring positive changes to the lives of mankind.
6. The Company has displayed CSR Policy on its website at www.premier.co.in in compliance with Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014

Maitreya V. Doshi
Chairman

Rohita M. Doshi
Member

Kavita Khanna
Member

Annexure VI to the Directors' Report

Secretarial Audit Report

Form No MR- 3

For the Financial Year ended March 31, 2015

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

To,
The Members,
Premier Limited,

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

Based on our verification of the 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 financial year ended March 31, 2015 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, 2015 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules thereunder and the Rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and external Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Not applicable for the Current Year
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

- 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 client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Other Laws applicable to the Company

1. Factories Act, 1948 and Rules made thereunder and Maharashtra Factories Rule, 1963
2. The Industrial Employment (Standing Orders) Act, 1946 & Rules 1957
3. The Maternity Benefit Act 1961 & Rules
4. Employees Compensation Act, 1923 & Rules.
5. The Child Labour (Prohibition & Regulation) Act 1986 & Rules.
6. The Air (Prevention and Control of Pollution) Act 1981
7. The Water (Prevention and Control of Pollution) Act 1974
8. The Noise (Regulation and Control) Rules 2000
9. The Environment (Protection) Act, 1986
10. The Payment of Wages and Minimum Wages Act, 1948
11. The Employees State Insurance Act 1948 and The Employees State Insurance Regulation (GEN) Regulations, 1950
12. Employees Provident Fund & Miscellaneous Provisions Act 1952
13. Payment of Gratuity Act, 1972
14. The Contract Labour (Regulation & Abolition) Act 1970 & Maharashtra Contract Labour (Regulation and Abolition Rules), 1971
15. Payment of Bonus Act, 1965 and Payment of Bonus Rules 1975
16. The Industrial Disputes Act, 1947
17. The Maharashtra Labour Welfare Fund Act, 1953
18. The Apprentices Act, 1961 and Rules
19. The Gas Cylinder Act & Rules 2004
20. The Indian Contract Act, 1872
21. The States Shops and Establishment Act, 1948
22. The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013
23. The Income Tax Act, 1961
24. The Finance Act, 1994
25. Other Tax Laws

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and National Stock Exchange of India limited.

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

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, Board Committee 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. **All the decisions have been taken unanimously and no dissent recorded.**

We further report that; there are 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 the Members at the Annual General Meeting held on September 12, 2014 approved;

1. The borrowing Limit of Rs 500 crores (Rupees Five Hundred Crores) in pursuance to Section 180 of the Companies Act, 2013.

For N L BHATIA & ASSOCIATES

Company Secretary

UID NO: S1996MH016600

N L BHATIA

Membership No.1176

CP No..422

Date: April 23, 2015

Management Discussion & Analysis Report



Premier's plant at Chinchwad, Pune

Financial Review

The Company has achieved gross sales of Rs 177 crores in 2014-15 as against Rs 205 crores in the previous year. The Company has faced adverse business environment in the last two financial years due to a drastic slowdown in the sectors that it is primarily operating in: Capital Goods, Wind Energy and Infrastructure. This has adversely impacted the revenue growth. The profit from operations before depreciation, amortization expense, interest and tax, was Rs 33.06 crores as against Rs 93.58 crores (including gain of Rs 58.46 crores out of compensation received from Indian Railways against compulsory acquisition of the Company's land) in the previous year.

The Company's unvalued net worth as on 31st March, 2015 is Rs 237 crores and the total debt is Rs 357 crores. The debt-equity ratio is 1.51:1. If the revaluation of the Company's land is considered, the net worth is Rs 449 crores and the debt-equity ratio on this basis is 0.79:1.

During the year, the Company incurred a capital investment of Rs 4.59 crore towards plant & machinery and product development. Most of the Company's investment plans have already been completed.

Segment Review

The Company operates in two reportable segments: Engineering and Automotive. The Engineering segment has two activities: CNC Machines and Engineering. The Automotive segment consists of Light Commercial and Sports Utility Vehicles.



CNC Vertical Machining Centres under testing

CNC Machines

Industry Structure & Outlook : The years 2014-15 was marked by global uncertainties, lack of clarity in government policies, challenging business environment and also slow down situation in Indian market. The Auto Sector has shown lower growth causing Auto Ancillaries to taper down capital investment during the year. This had an adverse impact on CNC Gear Machines sales. The Company's CNC machine business was also adversely affected due to paucity of orders and deferred capital investment programmes by Railways, PSUs and private sector customers.

Operations : During the year, the division sold 28 CNC machines at an average value of Rs.221.64 lacs. While the Company continues to receive orders from Defence, Railways, Major Automobile OEMs and Auto ancillaries' locality, the Company is exploring sales tie-ups with dealers in countries like USA, Brazil, Germany in order to achieve growth in business.

The Design Centre at Pune continues to undertake new product development and value engineering activities which are vital for growth in CNC machine business.

Quality improvement initiatives are undertaken on continuous basis and the norms are adhered to in line with market demand. The Company's manufacturing facilities are ISO 9001-2008 certified.

Product Development : The following products were developed during the year :

- CNC Gear Hobbing Machine Model PHA 250 : Machine developed with modified kinematics for rigidity & better usage.
- CNC Gear Hobbing Machine Model PHA 150 : Feature extended for better usage of m/c capacity & new CNC control adapted first time (Value Engineering).
- CNC Gear Shaping Machine Model PSS 250:: Machine developed with new CNC control first time. It is user friendly.
- CNC Gear Hobbing Machine Model PHC 150: Compact version with new CNC control.
- CNC Double Column Vertical Turning & Milling Machine Model PTC 2800: Capable of machining of Max. dia 2500 mm & height of 2500mm
- CNC Single Column Vertical Turning & Milling Machine Model PTB 125 with separate drive for 'C' axis & suitable for both 4 jaw manual chuck and 3 jaw manual self centering chuck of dia.1000 mm.

Business Strategy

- Targeting new customers in new geographic segments : USA, Brazil, Germany
- Rationalization of existing product portfolio
- Technological improvement in gear cutting machines to offer better solutions to customers and face growing international competition



CNC Vertical Turning Lathe



CNC Gear Hobbing Machine



CNC Gear Shaving Machine



CNC High Speed Gear Hobbing Machine

Opportunities

- Expected long term growth in the auto and auto ancillary sector
- Modernization plans and new projects in Defense and Railways
- Export potential
- Govt. Policy - Make in India

Threats, Risks and Concerns

- Uncertain Government policies
- Sluggish market conditions
- Rupee - Dollar devaluation
- Competition from Taiwanese / Chinese Machines.

Heavy Engineering

Industry Structure & Outlook : This business serves the general heavy engineering & wind energy sectors. There is a substantial scope for rapid growth in these sectors due to the Government's initiation & emphasis on Power & Infrastructure in the forthcoming years. The engineering sector in India has been growing on the back of growth in the user industries and several new projects being undertaken in various core industries such as Power, infrastructure, Mining, Railways, Defence etc.

Operations : The Engineering Division mainly involved in manufacturing and supply of wind turbine parts for various domestic & overseas customers on regular basis. The range of critical parts involves both structural, forging & casting parts. Domestic customers like Wind World India Ltd, Regen Powertech, Vestas, Gamesa, Inox Wind, Kenersys etc. are the key players in Wind Energy sectors. Due to expertise & strict adherence to the quality & commitment, this division has started overseas business activities and is supplying turbine parts to M/s. Lagerwey of Netherlands on a regular basis

After successful completion of the Metro Bogie Frame project for the supply of bogie frames for DMRC RS6 project through BEML, the major players of metro rail business like Hyundai Rotem, Alstom have assessed our facilities, capacity & capabilities. M/s. Alstom have already placed an order on the Company for the supply of End Under Frames for Kochi Metro Project Phase -1. Alstom is also looking for long term tie up with Premier for their various upcoming domestic as well as international projects in Asia Pacific Region. Alstom is willing to get class -1 components of Metro Rail like- Bogie Frame, End Under Frame, Bolsters, Head stock.

Hyundai Rotem, Korea, a giant in Metro Rail Business, have tied up with the Company for DMRC RS 10 Metro Project not only for the supply of critical components like Bogie Frames, but also for the assembly work at our premises which, in turn, is a technology transfer & substantial boost for increasing the business volume.



CNC Vertical Machining Center



Manufacturing of Stator carrier of wind turbine parts having capacity of 800 KW - 1.2 MW



Employees using world class laser equipment for the inspection of wind mill tower flange flatness

Considering the up-coming Metro Projects in 12 cities in India, the division has a definite need for future expansion of existing facility for Metro Bogie Frames. To cope up with the substantial business volume in this sector, Engineering Division has initiated the machine building activity of special purpose machine (SPM) to accommodate various products of Metro activities to enhance the business turnover. With heavy engineering skills & hands on experience, Engineering Division has successfully developed thermal power plant, critical gear casings of different capacities which involves heavy fabrication, machining, shrink fitting of gear at -40 degree centigrade & painting operations.

The infrastructure developed over the years is flexible and can be used for alternate products and product mix.

Product Development : The following products were developed during the year:

- New parts like Front & Rear Bearing Housing Gamesa for their 2.1MW, Main frame & Hub for 1.5MW, Top flange for 2.6MW have been successfully developed which involves critical fabrication, precision machining & painting, developed for wind turbines
- Wind turbine steel and forging parts, Stator Base Frame, Rotor frame, Stator front plate, Stator front flange, Main bearing pressing ring, Main seal carrier, Yaw disc etc. for 2.6 MW capacities - Export to Lagerwey Wind Netherlands.
- Thermax Babcock & Wilcox Energy Solutions Mill Housings, Top, Bottom & Intermediate housings required for coal pulverizer for their project 2x360MW Punta Catalina Azua US successfully developed for their export requirement
- Jaw Stock & Rear Frame for Mining Giant Terex
- Recently this division has started production of Tubular Tower for windmill sector

Business Strategy : The Company plans for diversified customer base by adding at least 3-4 new customers every year. Discussion with leading global clients to manufacture wind turbine towers is in progress. To tap the non-wind business market, this division is focusing in other engineering sectors to have long term business association with defence, railways, thermal power plant & mining sectors.

The Company is planning to develop state of the art in house manufacturing facilities for components & assemblies to meet the requirements of the defence sector

Quality : The engineering division had obtained ISO 9001 - 2008 certification in the year 2008. One of major milestones is achieved in February 2015 by obtaining the certification in ISO 3834-2 from TUV Rheinland Germany for fusion welding of metallic materials. Recently in April 2015, this division has achieved another prestigious milestone by obtaining EN 15085-2 CL-1 certification from TUV Rheinland Germany for quality requirement & certification of welding manufacturer for railway products to capture domestic & overseas market. The Company is one of the very few companies in India, having obtained EN 15085 CL-1 certification.



Facility for wind turbine generator parts



Bogie Frame being manufactured at Premier Ltd.



Precision machining of wind turbine parts on Premier's Vertical Turning Lathe



Premier manufactured Generator base frame

The Company maintains high quality standards with a 100% inspection facilities required at various stages. Inspection facility includes an important 3D coordinate measuring machine: Size: 4000 x 3000x 2000 mm. which is the largest in this industrial hub.

Opportunities

- **Defence** : The Indian Defence sector is growing at an unprecedented rate with the country now ranked as the 10th largest investor in defence globally. The Government is encouraging private participation in this sector.
- **Railway** : Indian railways are outsourcing various requirements & increasing the vendor & supplier base due to the increase in requirement of various kind of bogie frames required for rail & metros. Looking at the present scenario & increase in demand of rail wheels for its ever-increasing number of trains & metros, this division is planning to set up a requisite in house infrastructure & machineries to supply the wheel sets on regular basis as domestic production is short of requirements of Railway.
- **Wind Energy** : The wind energy sector offers strong opportunities for business growth due to global thrust on renewable energy development. Due to the Company's high quality standards, new wind turbine manufactures are approaching to develop their components. The major wind turbine suppliers outsource parts and assemblies instead manufacturing them in-house.
- **Infrastructure** : The infrastructure, power and mining sectors are all expected to grow rapidly in the next five years. The Company is paving platform to supply the critical components & assemblies and to create a room for future business on a long term basis.

Threats, Risks and Concerns

- Risk of revenue loss and profitability due to non utilizations of equipment for the short term, if customer cancels an order.
- High dependency ratio on the wind energy sector business however management is in the process of diversifying the business to other industrial sectors.
- Any change in government policies
- Recession in economy affecting infrastructural growth.

Automotive

Industry Structure & Outlook : Utility vehicle segment has shown overall negative growth during the year under review. This is due to overall economic slowdown, high inflation and increase in excise duty etc.

Operations : During the year under review, Company continued to concentrate on improving the product quality and customer satisfaction index for the end buyer. The Company produced 198 vehicles during the year under review. The operations were at lower level due to adverse exchange rate and highly competitive market

Product Development : During the year under review, the Company continued the development of in-house Euro IV compliant engine. This development is intended to bring down the cost of the product to make the product price competitive in the market.



Premier RiO with its high ground clearance of 200 mm



Fuel efficient compact SUV RiO



Premier RiOs lined up for dispatch



On the job training at Premier Ltd.

Opportunities : Even though the automobile market is sluggish at this moment of time, it has a growth potential in future, as automobile penetration per person is far lesser than developed countries. However, it remains to be seen whether the Company would be able to participate in such growth.

Threats, Risks and Concerns : Material cost remains a big concern due to devaluation of rupee and strengthening of RMB and dollar. The market for “compact SUV segment” has become very competitive due to entry of many multi-nationals in this space. Many other auto companies are also planning to launch their compact SUV in India shortly.

Human Resources and Industrial Relations

The Company's Industrial relations remained cordial and harmonious throughout the year. The internally elected Union has contributed positively during the difficult year under review. The overall manpower strength is 554. The Company has 199 engineers and technicians constituting 64% of the total officer strength.

Employee training and upgradation of their skills at all levels remains a key priority. In-house, external training and skill building programs were conducted during the year for officers and workmen. This year's training focus areas were safety awareness, health, certification, hard skills, technical and on-the-job training. A total of 2.8 man-days of training were imparted during the year, which cumulatively amounted to 677 man-days of training during the year.

The Machines Division conducted varied training programmes like Hydraulics & Pneumatics, CNC Interfacing & Programming, PLC & 828D Control, Drawing Reading and ZF Two Speed Gear Box. Training programmes like Corrosion & Coating Applications, Selection of Welding Processes & Consumables, 7 QC Tools, High Performance Coating, Visual Testing of Welding, NDT Awareness and Root Cause Analysis were conducted in the Engineering Division. Training programmes on Health Awareness & First Aid, Finance for Non-Finance, Store Keeping & Inventory Management, ISO Awareness and Computer Literacy were also held.

Employees were also nominated for some of the external training programmes like Automation in Manufacturing Solutions by Renishaw, an interaction regarding Military Bridging Systems by L&T, new CSR Policies by CII, Painting Application by Wagner GmbH, Lasers in Metal Working by IMTMA, an HR Summit by Ranstad and Salient Features of the New Companies Act 2013. Two employees were nominated for a year-long Advanced Diploma in Industrial Safety so as to hone their knowledge and skills in the industrial safety related field. The Management follows an Affirmative Action Employment policy. HR practices, as well as special personalized workshops were conducted for our women employees to empower them in the workplace.

During the National Safety week, which was celebrated from 4th March 2015 to 11th March 2015, training sessions on Industrial Electrical Safety and ESI were conducted. This year we also had sessions on Prevention of Alcohol and introduction of the concept by the Alcoholics Anonymous Group. In addition to this, a special dermatology and skin care workshop was also organised for Premier's female employees, while a session on common urological problems was organized for all employees.



Machines division Purchase team



Safety week celebration



Our I-suggesters



Singapore International school, Mumbai does a factory visit at Premier, Pune

Information and Technology

The Company uses a SAP-ERP system for all its activities. It invests regularly in upgrading the SAP infrastructure for better utility of the system. All maintenance and system activities are outsourced to local IP service providers. Resource planning, commercial and financial transactions are controlled through the SAP System.

Internal Controls

The Company has set up adequate internal controls to ensure operational efficiency, safety of assets and efficient financial management. It has appointed an independent firm of Chartered Accountants to conduct regular internal audits. The Audit Committee of the Board reviews the internal controls and audit reports regularly. There is a Managing Committee consisting of senior functional heads and the Managing Director that meets periodically to review overall operations of the Company.

Patents

Invention is an on-going process in the Company. The Company has, so far, filed 23 patents for processes and products. It is the endeavour of the Management to encourage inventions of new products and processes in order to increase our patent portfolio. This shows strong technical and innovation skills developed in-house.

Cautionary Statement

The Management Discussion and Analysis Report contain forward looking statements describing the Company's projections and estimates. These are based on certain assumptions and expectations of future events. The Company cannot guarantee the realization of projections as the actual results may differ due to factors like the price of raw materials, demand-supply conditions, changes in government regulations, tax structures, etc. which are beyond the control of Management. The Company assumes no responsibility in respect of forward looking statements which may undergo change on the basis of any subsequent developments, information or events.

Report on Corporate Governance

- 1. Company's Philosophy on Code of Governance :** The Board of Directors and Management lay great emphasis on adopting and practicing principles of good Corporate Governance with a view to achieve business excellence by enhancing long term shareholder value and the interest of all its stakeholders through sound business decisions, prudent financial management and a high standard of business ethics.
- 2. Board of Directors :** The present strength of the Board is nine directors, comprising of seven independent directors, as stated below:

Name	Category
Mr. Maitreya V. Doshi, Chairman & Managing Director	Executive [Promoter]
Mrs. Rohita M. Doshi	Non-Executive Director [Promoter]
Mr. S. Padmanabhan	Non-Executive Independent Director
Mr. Asit Javeri	Non-Executive Independent Director
Dr. Udo Weigel	Non-Executive Independent Director
Mrs. Kavita Khanna	Non-Executive Independent Director
Mr. Dilip J. Thakkar	Non-Executive Independent Director
Mr. Ramesh Adige	Non-Executive Independent Director
Mr. Shailesh S. Vaidya	Non-Executive Independent Director

The appointment of non-executive Independent Directors for a period of five years has been approved by the Shareholders of the Company at the 68th Annual General Meeting held on 12.09.2014.

- 3. Directors' Profile :** A brief resume of all the Directors and names of companies in which they hold directorships/memberships/ chairmanships of the Board/Committees are provided below:



Mr. Maitreya V. Doshi, aged 52, is the Promoter and Chairman & Managing Director of the Company. He is an MBA from IMD (Switzerland) and B.A. (Econ.) from Stanford University, U.S.A. He has been associated with the Company for over 30 years starting as Manager - Management Services (1984 – 1988), then Vice President - Corporate Planning (1988 – 1993), followed by Executive Director (1993 – 1995) and finally Managing Director in 1995. He was appointed as Vice Chairman of the Board in 2007 and thereafter appointed as Chairman of the Board in 2008. He has been largely responsible for the strong turnaround of the Company's operations as well as development of new project activities such as the heavy engineering business.

Mr. Doshi has served CII (Confederation of Indian Industry) in his capacity as Chairman of the International Affairs Sub-Committee and the Family Business Committee. He also served as a member of the National Committee on Trade, the Western Regional Council and the National Council.

He was also a member of ARAI (Automotive Research Association of India), Pune, Western India Automobiles Association (WIAA), AIAM (Association of Indian Auto Manufacturers), Passenger Cars and MUV Committee of SIAM (Society of Indian Automobiles Manufacturers). He is an Executive Committee Member of SIAM. He has been nominated as a permanent member of the Executive Board of IMTMA (the Indian Machine Tool Manufacturers Association) and is a governing board member of the College of Engineering, Pune.

Mr. Doshi was a member of the Young Presidents' Organization (YPO) for the past 20 years and he also served on the YPO International Board for 3 years from 2009-2012. He was previously the founder Regional Chairman of YPO's South Asia Region. In 2004, he was YPO Bombay's Chapter Chair. Mr. Doshi has also set up new YPO Chapters in Colombo, Sri Lanka and Gujarat. He is currently a member of the World Presidents' Organization (WPO).

Mr. Doshi has received many international YPO awards including two 'Best of the Best' awards for Chapter Education and Global Networking as well as YPO's Leadership in Global Membership' award.

In 1993, Mr. Doshi was nominated by the World Economic Forum, Geneva as one of 200 Global Leaders of Tomorrow selected from all over the world. He was also the first Indian speaker at Automotive News World Congress, Detroit, USA in 1996.

Mr. Doshi is a Director of Doshi Holdings Pvt. Ltd., Vinod Shashank Chakor Pvt. Ltd. and DHPL Marine Pvt. Ltd., Premier Auto Ltd., Aquila Global Pte. Ltd. and the Managing Trustee of Shri Lalchand Hirachand Premier Trust.



Mr. S. Padmanabhan, aged 75, is a M.Sc. (Physics) from Delhi University and Bachelor of General Law from Mumbai University. He has a diploma in Development Economics from University of Cambridge, U.K. and a Diploma in Management Accounting from Bajaj Institute of Management, Mumbai.

Mr. Padmanabhan was an I.A.S. Officer during which tenure he held various positions in the Government of Maharashtra, including Director - Tourism, Managing Director - SICOM, Commissioner, Aurangabad Division etc.

Mr. Padmanabhan has worked as Corporate Advisor to Bharat Forge Limited and later Deepak Fertilizers and Walchandnagar Industries Limited. During the last 20 years he has been associated with Videocon Group. He has wide experience in industrial projects, finance and administration.

Mr. Padmanabhan is a Director of the Boards of Sudarshan Chemicals Industries Ltd., Desai Brothers Ltd., Rajkumar Forge Ltd., Force Motors Ltd., Sanghvi Movers Ltd. and Aquapharm Chemicals Pvt. Ltd.



Mr. Asit Javeri, aged 58, holds a Bachelors Degree in Science from Mumbai University. He is an industrialist with over 30 years of experience in chemical industry. Currently, he is Chairman and Managing Director of Sadhana Nitrochem Ltd and has been actively involved in the major expansion and diversification projects of the Company thereby propelling it to a Star Export House status.

Mr. Javeri is the Managing Director of Sadhana Nitro Chem Ltd. and Director of Indian Extractions Ltd., Phthalo Colours & Chemicals (I) Ltd., Lifestyle Networks Ltd., Manekchand Panachand Trading Investment Co. Pvt. Ltd., Anuchem B.V.B.A., Belgium, Strix Wireless

Systems Pvt. Ltd., Chandra Net Pvt. Ltd., Strix System Inc, USA and AHANA Inc, USA.



Mrs. Rohita M. Doshi, aged 55, is the wife of Mr. Maitreya V. Doshi and a Promoter of the Company.

Mrs. Doshi has a BS and MS with high Honors in Computer Engineering from the Case Institute of Technology, Case Western Reserve University, Cleveland, USA and has also completed her Ph.D. Research on distributed databases and systems in Computer Engineering. She was the recipient of various scholarships and research assistantships as well as the winner of the Jennings Award for Excellence in Computer Engineering.

Mrs. Doshi started her career as a Research and Development Engineer at Hewlett Packard, Cupertino, CA, USA. She has designed and implemented a state of the art compiler for RISC architecture machines and other HP computers. She also worked as a Systems Analyst/Research Associate for SOHIO (Standard Oil of Ohio), Cleveland, USA.

Mrs. Doshi co-founded Soukurry.com (India) Pvt. Ltd. in 2000, which launched India's first women's internet portal/website with over 50,000 registered members. She is currently the promoter of Art Point Pvt. Ltd. that consults and deals in contemporary Indian art, promoting artists, holding exhibitions and sales.

Mrs. Doshi has also been a speaker at conferences such as TIE on IT, chaired the IT committee of IMC Ladies' Wing and been Chairperson of Continuing Education Committee IMC Ladies' Wing. She was featured as an entrepreneur in International Business Week magazine and Asia Week magazine and has appeared on TV shows like Movers & Shakers. Mrs. Doshi is a Director of Art Point Pvt. Ltd., Doshi Holdings Pvt. Ltd. and DHPL Marine Pvt. Ltd.



Dr. Udo Weigel, aged 73, is a German national. He is a Graduate in Mechanical Engineering/ Manufacturing, Technology and holds a Doctorate Degree in Research on gear hobbing from RWTH Aachen University, Germany.

Dr. Weigel has over 4 decades of experience in the machine tool industry, having worked with Pfafter, a leading gear hobbing machine manufacturer in Europe, for more than 27 years in various capacities including Managing Director of Engrenasa Sorocaba Brazil and Pfafter Italia SPA. He is a Director of ADD Engineering, Germany and owner of Alpha Beta Engineers, Germany.

His professional experience includes guiding collaborators in different countries; process planning on component, group and complete product level; development of complex products; material flow analysis, automation concepts; public

funded research projects (European Community); marketing concepts, sales strategies, customer contacts, development road mapping; consulting; evaluation and purchase of production means and facilities; technical due diligences; business plans, etc.



Mrs. Kavita Khanna, aged 53, has done her B.Sc (Econ.) from London School of Economics, U.K. She also holds a Masters Diploma in Law and Practice from City University, London, U.K. and is a Barrister of Law from U.K.

Mrs. Khanna is a Financial and Legal Consultant and is currently working in the area of Public Health to with a focus on neglected tropical diseases. Mrs. Khanna is a member of the India Council of the World Forum for Ethics in Business and is a member of the India Board of the International Association for Human Values.

Mrs. Khanna was President (Business Development) of Bharat Serums and Vaccines Ltd. Previously she has also been Partner, Economic Laws Practice. She did independent practice in the Mumbai High Court and continues to be the member of the Mumbai Bar Council.

She has served various organizations in different capacities such as serving on the National Executive of the Bhartiya Janata Party from 2010 to 2013, the Vice Chair of ASSOCHAM Committee of Human Resource Development, Member of Managing Committee of Indian Merchants' Chambers, Chairperson of the Industrial Relations and Labour Law Committee of CII, WR, Member of the Board of Trustees of Jawaharlal Nehru Port Trust & Chairperson of the IMC Committee for Human Resource Development.

She has worked closely with Prime Minister's office, Central Govt., Maharashtra Govt. and Indian Industry for reform of Labour Laws and Expert consultant to the Second Labour Commission.

Mrs. Khanna is a Director of Bharat Radiators Pvt. Ltd.; Bharat Radiators Industries Pvt. Ltd., Vista Communications Pvt. Ltd. and Kasiak Research Pvt. Ltd.



Mr. Dilip J. Thakkar, aged 78, is a fellow member of the Institute of Chartered Accountants of India. He is a senior partner of M/s Jayantilal Thakkar & Co., Chartered Accountants & M/s Jayantilal Thakkar & Associates, Chartered Accountants, Mumbai. He received his B.Com. and L.L.B. degrees from Bombay University in 1957 and 1959, respectively.

Mr. Thakkar is an eminent Chartered Accountant and has over fifty years of experience in Finance and Corporate matters. He specializes in the Foreign Exchange Management Act, and has advised overseas corporations and large Indian Companies on Investments, taxation and collaboration.

Mr. Thakkar is a Director on the Board of many Listed and Unlisted Public and Private Companies namely Poddar Developers Ltd., Essar Oil Ltd., Himatsingka Seide Ltd., Walchandnagar Industries Ltd., Indo Count Industries Ltd., Essar Ports Ltd., Westlife Development Ltd., Rajasvi Properties Holdings Pvt. Ltd., Starrock Investments & Trading Pvt. Ltd., Blueberry Trading Company Pvt. Ltd., Township Real Estate Developers Pvt. Ltd., Hamlet Construction (India) Private Ltd., Windmere Hospitality (India) Pvt. Ltd., Skidata (India) Pvt. Ltd., Universal Trustees Pvt. Ltd., Magus Estate & Hotels Pvt. Ltd., and Provenance Land Private Ltd. He is Trustee in HBSC Mutual Fund.



Mr. Ramesh Adige, aged 65, has a Masters degree in Business Administration with specialization in Marketing from the Faculty of Management Studies, University of Delhi and holds a B.E. (Honours) degree from the Birla Institute of Technology and Science (BITS), Pilani. Until recently, Mr. Adige was President of Ranbaxy Laboratories, India's largest pharmaceutical company with worldwide footprints, selling its products in 125 countries.

He has 41 years of extensive and wide-ranging experience in the areas of Corporate Policy, Public Affairs and Public Policy. Presently, he is working on Make in India projects. He headed CII's Task Force on IP Policy. He was Chairman of Health Committee of PHD Chamber of Commerce and Industry for two years. Ramesh is a member of the Round Table on Skills Development instituted by the Ministry of Human Resource Development, Govt. of India.

Before joining Ranbaxy, in 2004, he was Executive Director in Fiat India. He has considerable exposure in both direct and indirect marketing in the consumer durable and automobile industries. He has also served as President of the Governing Council of the Automotive Research Association of India, a premier institution for testing, homologation, validation and certification for all automobiles in India, having more than 500 Research scientists and engineers in its fold. Recognizing his contribution to the auto industry, the Ministry of Heavy Industries and Public Enterprises had

inducted him as Member of the Development Council for Automobiles and Allied Industries. Ramesh was an active participant in SIAM activities. He is credited with some high-level public policy successes viz ending the monopoly in Government R/Cs for cars and separately in defense purchases and also getting a level-playing field introduced in all fiscal issues involving the Union Budget and State sales tax.

Mr. Adige is a Director on the Board of Fortis Malar Hospitals Ltd. He is also a Member of the Governing Council of T.A. Pai Management Institute, Manipal. He is a co-opted Member of the Biodiversity Foundation of NCT of Delhi, constituted by a Gazette Notification of Government of India. He is also a Member of the Management Committee of PHD Chamber of Commerce. As Chairman of the PHD Rural Development Foundation, He is involved in building check dams in rural areas, making of toilets in the Swach Bharat Abhiyaan and in other CSR activities.



Mr. Shailesh Vaidya, aged 57 years, is a practicing Advocate and Solicitor. He has done his B. Com. and LLB degrees from Bombay University. He is a senior partner of M/s Kanga & Co., a reputed firm of Advocates & Solicitors, which is a 126 year old law firm in Mumbai.

In his professional capacity, Mr. Vaidya is a Director in Apcotex Industries Ltd., Siyaram Silk Mills Ltd., Avighna India Ltd., Excel Industries Ltd., IMC International ADR Centre, and Prabhukripa Overseas Ltd. He specializes in Property / Real Estate matters. With his more than 32 years of experience in legal practice, he has been involved in several prestigious / landmark property deals. His name and firm reference features in "Guide to the World's Leading Real Estate Lawyers" 7th Edition, published by Legal Media Group, United Kingdom and also in "The Legal 500" and Chambers Asia Pacific Guide to Asia's Commercial Law Firm 2011 to 2013 issues as leading lawyer firm for Real Estate in Mumbai City. His firm has been recently awarded India Business Law Journal Award for best legal practiced in "Construction and Real Estate"

Mr. Vaidya has been the Member of Bombay Incorporated Law Society and the Member of the Managing Committee of the Indian Merchants' Chamber for the past eight years. He has also been the President (centennial year) of the Rotary Club of Bombay Queen City and Indian Merchants' Chamber and has been associated as trustee / advisor with several educational / social organizations.

4. Board Meetings and Attendance :

Five (5) Board meetings were held during the financial year ended on 31st March, 2015.

The information as required under Annexure X to Clause 49 II(D) of the Listing Agreement is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated prior to the meeting. Adequate information is circulated as part of the Board papers and is also made available at the Board meetings to enable the Board to take informed decisions.

The dates on which meetings were held are as follows:			
Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	07.05.2014	9	9
2	27.07.2014	9	8
3	12.09.2014	9	3
4	30.10.2014	9	8
5	09.02.2015	9	8

Attendance of each Director at the Board meetings and last Annual General Meeting (AGM) and the number of Companies and committees where he is Director/Member is given below :

Name of Director	Category of Director-ship	Number of Board meetings attended	Attendance at the last AGM held on 12.09.2014	Number of Directorships in other public limited companies	Number of committee positions held in other companies	
					Chairman	Members
Mr. Maitreya V. Doshi Chairman & Managing	Executive (Promoter)	5	Yes	1	-	-
Mrs. Rohita M. Doshi Computer Engineer	Non-Executive (Promoter)	4	Yes	-	-	-
Mr. S. Padmanabhan I.A.S (Retd.)	Non- Executive Independent Director	5	Yes	5	1	2
Mr. Asit Javeri Industrialist	Non- Executive Independent Director	4	-	4	3	3
Dr. Udo Weigel Machine tool technologies	Non- Executive Independent Director	4	-	-	-	-
Mrs. Kavita Khanna Management and Legal Consultant	Non- Executive Independent Director	2	-	-	-	-
Mr. Dilip J. Thakkar Chartered Accountant	Non- Executive Independent Director	4	-	12	5	3
Mr. Ramesh Adige Industry Expert - Automotive, Pharma, Banking, Healthcare & Public Policy	Non- Executive Independent Director	4	-	2	1	2
Mr. Shailesh Vaidya Solicitor	Non- Executive Independent Director	4	-	5	-	2

5. Audit Committee :

The Audit Committee consists of 4 Non-Executive Independent Directors namely Mr. S. Padmanabhan, Mr. Asit Javeri, Mrs. Kavita Khanna and Mr. Dilip J. Thakkar. Mr. S. Padmanabhan is a Chairman of the Audit Committee. Mr. Ramesh M. Tavhare, Vice President (Legal and Corporate Affairs) & Company Secretary is the Secretary of the Committee. The Audit Committee has been mandated with the terms of reference in accordance with the requirement of the Companies Act, 2013 and Clause 49 III of the Listing Agreement with the Stock Exchange.

Four (4) meetings were held during the year on 7th May, 2014, 27th July, 2014, 30th October, 2014 and 9th February, 2015.

Attendance of Directors at the Audit Committee Meeting held during the financial year:		
Name of the Director	No. of meetings held	No. of meetings attended
Mr. S. Padmanabhan	4	4
Mr. Asit Javeri	4	4
Mrs. Kavita Khanna	4	2
Mr. Dilip J. Thakkar	4	4

6. Nomination and Remuneration Committee :

The Nomination and Remuneration Committee consists of 3 Non-Executive, Independent directors, namely Mr. S. Padmanabhan, Mr. Asit Javeri and Mr. Udo Weigel. Mr. S. Padmanabhan is the Chairman of the Committee. Mr. Ramesh M. Tavhare, Vice President (Legal and Corporate Affairs) & Company Secretary is

Attendance of Directors at the Remuneration Committee Meeting held during the financial year:		
Name of the Director	No. of meetings held	No. of meetings attended
Mr. Asit Javeri	2	2
Dr. Udo Weigel	2	2
Mr. S. Padmanabhan	2	2

the Secretary of the Committee. The Committee has been mandated with the terms of reference in accordance with the requirement of the Companies Act, 2013 and Clause 49 IV of the Listing

Agreement with the Stock Exchange. During the year two meetings of the Committee were held on 7th May, 2014 and on 9th February, 2015.

7. Remuneration Policy :

The Company pays remuneration by way of salary, allowances and perquisites to the Chairman & Managing Director as recommended by Nomination and Remuneration Committee and approved by the Board of Directors and shareholders of the Company. Each Non-Executive Director is paid a sitting fee of Rs. 35,000/- per meeting of the Board/Committee attended by them. Apart from this, the Company has proposed to pay commission to Non-Executive Directors, subject to approval of the Central Government.

Details of remuneration paid to the Directors during the period 1st April, 2014 to 31st March, 2015 are as follows:

(₹ Lakhs)				
Name of the Director	Salaries, Perquisites contribution to Provident Fund and Superannuation	Commission	Sitting Fees	Total
Mr. Maitreya V. Doshi	136.43	-	-	136.43
Mrs. Rohita M. Doshi	-	-	1.40	1.40
Mr. S. Padmanabhan	-	-	3.85	3.85
Mr. Asit Javeri	-	-	490	490
Mr. Udo Weigel	-	-	2.10	2.10
Mrs. Kavita Khanna	-	-	2.10	2.10
Mr. Dilip J. Thakkar	-	-	2.80	2.80
Mr. Ramesh Adige	-	-	2.80	2.80
Mr. Shailesh S. Vaidya	-	-	1.40	1.40

The Company does not have any Stock Option Scheme.

8. Shareholding of Non-Executive Directors as on 31st March 2015

Sr.	Name of the Director	No. of shares held
1	Mrs. Rohita M. Doshi	200
2	Mr. S. Padmanabhan	NIL
3	Mr. Asit Javeri	14,300
4	Dr. Udo Weigel	NIL
5	Mrs. Kavita Khanna	14,000
6	Mr. Dilip J. Thakkar	740
7	Mr. Ramesh Adige	NIL
8	Mr. Shailesh S. Vaidya	NIL

9. Stakeholders Relationship Committee :

This Committee consists of 4 Directors with 3 independent directors namely Mr. Asit Javeri, Mrs. Kavita Khanna and Mr. Ramesh Adige along with Mr. Maitreya V. Doshi, Chairman and Managing Director of the Company. Mr. Asit Javeri is the Chairman of the Committee. Mr. Ramesh M. Tavhare, Vice President (Legal and Corporate Affairs) & Company Secretary is the Compliance Officer. The Committee has been mandated with the terms of reference in accordance with the requirement of the Companies Act, 2013 and Clause 49 VIII E of the Listing Agreement with the Stock Exchange and include reviewing existing Investor Redressal System, redressing of shareholder complaints like delay in transfer of shares, non-receipt of balance sheet, non-receipt of dividend warrant etc. and suggesting improvements in investor relations.

Attendance of Directors at Stakeholder Relationship Committee meeting held during the financial year:		
Name of the Director	No. of meetings held	No. of meetings attended
Mr. Asit Javeri	4	4
Mrs. Kavita Khanna	4	2
Mr. Ramesh Adige	4	4

Four (4) meetings of the Committee were held during the year on 7th May, 2014, 27th July, 2014, 30th October, 2014 and 9th February, 2015. Attendance of Directors at the Stakeholders Relationship Committee Meeting held during the financial year:

The Company's shares are tradable only in demat form. The investor complaints are promptly attended by the Compliance Officer.

Statement of the various complaints received and cleared by the Company during the year ended on 31st March, 2015				
Sr.No	Subject	Received	Cleared	Pending
1	Non Receipt of Share Certificate	9	9	0
2	Non Receipt of Dividend	61	61	0
3	Non Receipt of Annual Report	7	7	0
4	Non Receipt of Exchange Certificate	1	1	0
5	Others	4	4	0
	Total	82	82	0

10. General Body Meetings

(a) Details of location and time of holding of last three AGMs :

AGM for the financial year ended	Venue	Date	Time	No. of Special Resolutions passed
66th AGM 31st March, 2012	Mumbai-Pune Road, Chinchwad, Pune-411 019	24th August, 2012	10.00 a.m.	1
67th AGM 31st March, 2013	Mumbai-Pune Road, Chinchwad, Pune-411 019	14th June, 2013	10.00 a.m.	2
68th AGM 31st March, 2014	Mumbai-Pune Road, Chinchwad, Pune-411 019	12th September, 2014	10.00 a.m.	2

(b) Special Resolution passed through Postal Ballot during the year:

No resolution was passed by Postal Ballot during the year

11. Disclosures

(a) Materially Significant related party transactions: The particulars of transactions between the Company and its related parties as per Clause 49 VII are set out in Notes to Accounts in the Annual Report. These transactions are not likely to have any conflict with Company's interest.

(b) Management Disclosures: The Senior Management Personnel have been making disclosures to the Board relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large. Based on the disclosures received, none of the Senior Management Personnel has entered into any such transactions during the year.

(c) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last 3 years: The Company has complied with the requirements of the Listing Agreement with the Stock Exchanges as well regulations and guidelines prescribed by SEBI.

There were no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to the capital markets during the last three years.

(d) Risk Management Framework: The Board of Directors has adopted the Risk Assessment Procedure. The procedure provides an approach by the top Management to identify potential events that may affect the Company, to manage the risk within its risk appetite and to provide reasonable assurance regarding the achievement of objectives of the Company. The Senior Management prioritizes the risk and finalizes the action plan for mitigation of the key risks.

(e) Vigil Mechanism: The Company has established a vigil mechanism for directors and employees to report their genuine concern and grievances. No personnel has been denied access to the Audit Committee.

12. Means of communication

The quarterly, half yearly and annual results are published in English in “Free Press Journal” and in Marathi in “Nav Shakti”.

The financial results are available on the Company’s website at www.premier.co.in

No presentations were made to institutional investors or to the analysts during the year.

13. General shareholder information

The financial year of the Company is for a period of 12 months from 1st April to 31st March every year.

AGM: Date, time and venue	69th Annual General Meeting on Wednesday the 23rd September, 2015 at 10.00 a.m. at the Registered Office of the Company
Financial Year	01.04.2014 to 31.03.2015
Date of Book Closure	Monday, 14th September 2015 to Wednesday, 23rd September 2015
Financial Calendar (Tentative)	
Results for quarter ending June 30 '15	Last week of July, 2015
Results for quarter ending September 30 '15	Last week of October, 2015
Results for quarter ending December 31 '15	Last week of January, 2016
Results for quarter ending March 31 '16	April, 2016
Listing of Company’s shares	The Company’s shares are listed on BSE and National Stock Exchange of India Ltd. The listing fees have been paid up to date to these exchanges
Stock / Script Code	500540 on BSE Ltd., PREMIER on NSE
ISIN Number	INE342A01018

14. Investor Services

The Company has appointed M/s Link Intime India Pvt. Ltd., (Formerly known as Intime Spectrum Registry Ltd.) whose address is given below, as its Registrar and Transfer Agents. The Registrar handles all matters relating to the shares of the Company including transfer, transmission of shares, dematerialization of share certificates, subdivision/consolidation of share certificates and investor grievances.

Link Intime India Pvt. Ltd. :

Unit: Premier Ltd.

C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup [West], Mumbai – 400 078

Tel. No. [022] 2594 6970 - 6978, Fax No. [022] 2594 6969. Email ID: rnt.helpdesk@linkintime.co.in

15. Share Transfer System

All the transfers received are processed by Registrar and Transfer Agents. Share transfers are registered and returned within maximum of 15 days from the date of lodgment if documents are complete in all respects. In case the shares are transferred through Demat mode, the procedure is adopted as stated in Depositories Act, 1996.

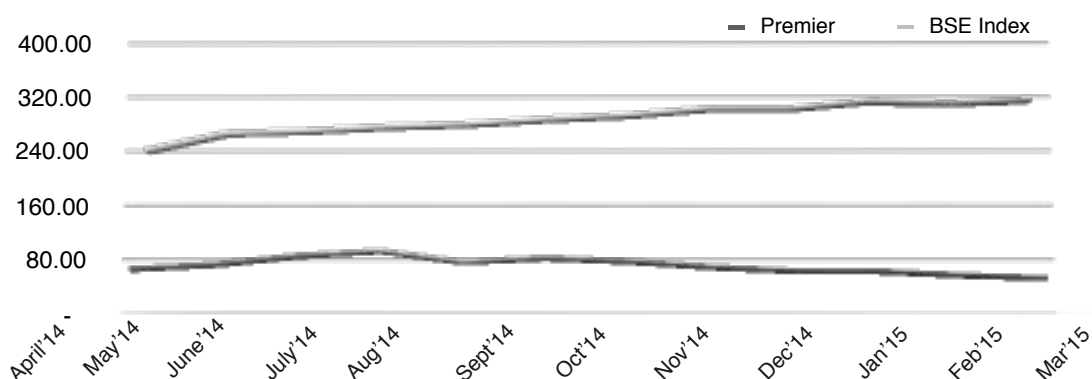
16. Dematerialization of shares

The Company’s shares are tradable compulsorily in electronic form. The Company has established through its Registrar and Share Transfer Agents, connectivity with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31st March, 2015, 90.57% of the equity shares have been dematerialized.

17. Outstanding GDRs/ADRs/Warrants or any convertible instruments

There are no outstanding GDRs/ADRs. During the year, no conversion took place and hence there was no effect on Equity Capital of the Company.

18. High/low of market price of the Company's shares traded on the Stock Exchange upto 31st March 2015



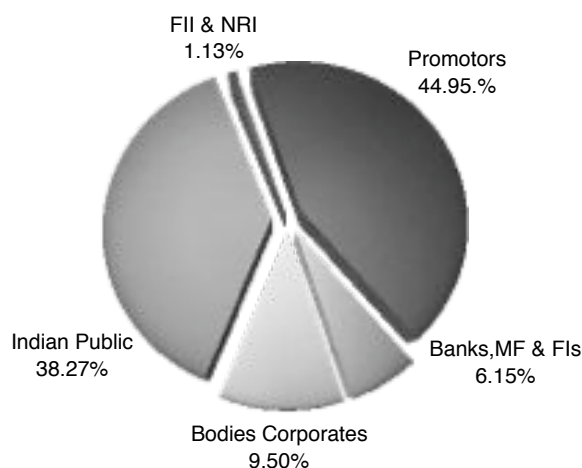
Period	Premier's Share Price (Rs)		BSE SENSEX	
	High	Low	High	Low
April 2014	62.50	54.00	22,939.31	22,197.51
May 2014	68.65	54.50	25,375.63	22,277.04
June 2014	80.50	59.50	25,725.12	24,270.20
July 2014	87.20	64.00	26,300.17	24,892.00
August 2014	72.00	61.40	26,674.38	25,232.82
September 2014	77.85	62.50	27,354.99	26,220.49
October 2014	72.80	62.50	27,894.32	25,910.77
November 2014	65.00	54.10	28,822.37	27,739.56
December 2014	59.95	45.00	28,809.64	26,469.42
January 2015	59.50	51.50	29,844.16	26,776.12
February 2015	54.00	46.35	29,560.32	28,044.49
March 2015	50.25	38.30	30,024.74	27,248.45

19. Distribution of shareholding as on 31st March, 2015

Shareholding of nominal value	Folios		Amounts	
	Number	% to total	Rs	% to total
(1)	(2)	(3)	(4)	(5)
1 – 5000	33,244	92.77	3,73,36,670	12.29
5001 - 10000	1405	3.92	1,09,12,340	3.59
10001- 20000	576	1.61	87,59,100	2.89
20001- 30000	181	0.50	46,46,000	1.53
30001- 40000	92	0.26	32,76,520	1.08
40001- 50000	75	0.21	35,30,630	1.16
50001- 100000	134	0.37	95,14,130	3.13
100001 and above	128	0.36	22,57,50,310	74.33
Total:	35,835	100.00	30,37,25,700	100.00

20. Shareholding pattern as on 31st March, 2015

Category	No. of shares	%
Promoters	1,36,53,202	44.95
Mutual Funds and UTI	12,074	0.04
Banks, Financial Institutions & Insurance Companies	18,53,914	6.11
FII's	1,79,482	0.59
Bodies Corporate	28,86,433	9.50
Indian Public	1,16,22,934	38.27
NRIs/Foreign Nationals	1,64,531	0.54
Total :	3,03,72,570	100.00



21. Code of Conduct

As required by Clause 49 II(E) of the Listing Agreement, the Company has formulated a Code of Conduct for all Directors and Senior Management of the Company and the same has been adopted by the Board. The Code is also available on the Company's official website. All the Directors and Senior Management Personnel have affirmed compliance with the said Code of Conduct.

Plant Location Address for Correspondence :

Premier Ltd.

Mumbai - Pune Road
Chinchwad
Pune - 411 019
Maharashtra
Tel: 020-6631 0000
Fax: 020-6631 0371

Premier Ltd.

58, Nariman Bhavan,
5th Floor, Nariman Point
Mumbai - 400 021
Tel: 022-6117 9000
Fax: 022-6117 9003
Email: investors@premier.co.in

Link Intime India Pvt Ltd.

C-13, Pannalal
Silk Mills Compound
L. B. S. Marg, Bhandup (West)
Mumbai - 400 078
Tel: 022-2594 6970 - 78
Fax: 022-2594 6969
Email: rnt.helpdesk@linkintime.co.in

22. CEO / CFO Certification

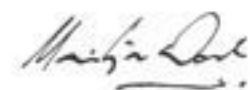
The Company has been placing a certificate to the Board from the Chairman & Managing Director and the Chief Financial Officer in accordance with the provisions of Clause 49 IX of the Listing Agreement. The aforesaid certificate duly signed by the Chairman & Managing Director and the Chief Financial Officer in respect of the financial year ended 31st March, 2015 has been placed before the Board in the meeting held on 30th April, 2015.

Declaration

The Board of Directors of the Company has adopted the Code of Conduct for Directors and Senior Management of the Company.

All the Board Members and the Senior Management Personnel have affirmed their Compliance with the respective Codes.

On behalf of the Board of Directors

**Maitreya V. Doshi**

Chairman & Managing Director

Date : 30th April 2015

Place : Mumbai

Auditors' Certificate on Corporate Governance

To the Members of Premier Limited

We have examined the compliance of conditions of Corporate Governance by Premier Limited, for the year ended March 31, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s). The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For K. S. Aiyar & Co.
Chartered Accountants
Firm Registration No. 100186W

Rajesh S. Joshi
Partner
Membership No. 38526

Date : 30th April 2015
Place : Mumbai

Independent Auditors' Report

To The Members of Premier Limited

Report on the Financial Statements

We have audited the accompanying financial statements of PREMIER LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
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, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the financial statements;
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For K.S.Aiyar & Co.
Chartered Accountants
Firm's Registration Number: 100186W

Rajesh S. Joshi
Partner
Membership No. 38526
Place of Signature: Mumbai
Date: 30th April, 2015

Annexure

Re: Premier Limited

Referred to in paragraph 1 of our Report on **Other Legal and Regulatory Requirements**

- (i) a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b. A substantial portion of these fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (ii) a. Physical verification of inventory has been conducted at reasonable intervals by the management;
 - b. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) a. The Company has granted an unsecured loan to one party covered in the register maintained under section 189 of the Companies Act. Amount recoverable as at the year-end is Rs. 246.11 Lacs.
 - b. The above loan has been given to an entity wherein the Company has also made strategic investment and without any stipulation as regard to its repayment. We have been informed by the management that in view of the revival plan envisaged, the terms and conditions of this loan are not, prima facie, prejudicial to the interest of the Company.
 - c. In view of what is stated at (a) above the amount overdue cannot be determined and therefore the question of Company taking reasonable steps for recovery of principal amount and interest cannot be commented upon.
- (iv) There is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. We have not come across any continuing failure to correct major weaknesses in internal control system.
- (v) The Company had accepted deposits prior to the commencement of Companies Act, 2013. In terms of section 74(1)(b) of the Act such deposits amounting to Rs.3095.83 Lacs have been repaid during the year and an amount of Rs.3974.66 Lacs and interest accrued thereon of Rs. 401.10 Lacs are unpaid as at the year end. Therefore, the Company has filed a petition before the Company Law Board as per section 74(2) of the Companies Act, 2013.

During the year, the Company has not accepted any deposits from public in terms of section 73 of the Companies Act, 2013.

We are informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, hence the question of reporting on whether the same has been complied with or not does not arise.

- (vi) The Central Government has specified the maintenance of cost records under sub-section (l) of section 148 and such accounts and records have been made and maintained by the Company.
- (vii) a. The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax cess and any other statutory dues with the appropriate authorities.

According to the records of the Company, the undisputed statutory dues that have remained unpaid for a period of more than six months from the date they become payable as of 31st March, 2015 is Investor Education and Protection Fund of Rs.0.21 lacs which has been retained by the Company as per the orders of the Kolkata High Court.

- b. According to the records of the Company, in case dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute are as under.

Sr. No	Name of the Statute	Nature of the Dues	Amount (₹ Lakhs)	Period to which the amount relates	Forum where dispute is pending
1	The Central Excise Act	Penalty	10.00	1997 to 2000	CESTAT
2.	The Central Excise Act	Interest	289.61	29-08-2012 to 22-03-2013	Supreme Court of India

c. The amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

- (viii) The Company does not have any accumulated losses at the end of the financial year and it has incurred cash losses in this financial year but it has not incurred any cash losses in the immediately preceding financial year.
- (ix) The Company has defaulted in repayment of dues of loans from banks of Rs.1650 Lacs towards principal amount and Rs. 495.95 Lacs towards interest due thereon as at the year end. The default was ranging up to 70 days. We are informed that Rs.550 Lacs towards principal amount and Rs.55 Lacs towards interest have since been repaid till to-date.
- (x) The company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) Term loans were applied for the purpose for which the loans were obtained;
- (xii) No fraud on or by the company has been noticed or reported during the year.

For K.S.Aiyar & Co.
Chartered Accountants
Firm's Registration Number: 100186W

Rajesh S. Joshi
Partner
Membership No. 38526
Place of Signature: Mumbai
Date: 30th April, 2015

Balance Sheet as at 31st March 2015

	Note No.	As at 31.03.2015 (₹ Lakhs)	As at 31.03.2014 (₹ Lakhs)
EQUITY AND LIABILITIES			
Shareholders' Funds			
a) Share Capital	2	3039.95	3039.95
b) Reserves and surplus	3	41796.19	46821.85
		44836.14	49861.80
Non Current Liabilities			
a) Long term borrowings	4	16407.35	25035.80
b) Other long term liabilities	5	2431.64	6.60
c) Long term provisions	6	592.29	678.89
		19431.28	25721.29
Current Liabilities			
a) Short term borrowings	7	11064.38	15729.44
b) Trade Payables	8	4922.17	4854.41
c) Other current liabilities	8	12076.99	8188.11
d) Short term provisions	6	280.23	1348.10
		28343.77	30120.06
Total Equity and Liabilities		92611.19	105703.15
ASSETS			
Non Current Assets			
a) Fixed Assets			
i) Tangible Assets	9	48151.18	51830.71
ii) Intangible Assets	10	2495.37	3334.07
iii) Capital work-in-progress		0.00	2680.77
iv) Intangible Assets under development	11	3126.54	2827.98
b) Non current investments	12	364.92	364.92
c) Deferred tax assets (net)	15	4585.15	1649.67
d) Long term loans and advances	13	2732.94	2733.87
e) Other Non current assets	18	196.65	184.25
		61652.75	65606.24
Current Assets			
a) Inventories	16	9811.87	6672.45
b) Trade receivables	14	13070.84	9788.83
c) Cash and Bank balance	17	1370.94	1025.08
d) Short term loans and advances	13	1636.51	2440.83
e) Other current assets	18	5068.28	20169.72
		30958.44	40096.91
Total Assets		92611.19	105703.15

The accompanying notes form an integral part of the Financial Statements. (Note No. 1 to 40)

As per our Report attached
For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No.
100186W
Rajesh S. Joshi
Partner (M No. 38526)

Place: Mumbai
Date: 30th April 2015

Maitreya V. Doshi
Chairman & Managing Director

S. Padmanabhan
Director

Asit Javeri
Director

Rohita M. Doshi
Director

Kavita Khanna
Director

Dilip J. Thakkar
Director

Shailesh Vaidya
Director

Udo Weigel
Director

Ramesh Adige
Director

Ramesh M. Tavhare
Vice President
(Legal & Corporate Affairs)
& Company Secretary

K. S. Nair
Chief Financial Officer

Place: Mumbai
Date: 30th April 2015

Statement of Profit & Loss for the Year Ended 31st March 2015

	Note No.	For the year ended 31.03.2015 (₹ Lakhs)	For the year ended 31.03.2014 (₹ Lakhs)
INCOME :			
Revenue from Operations (Gross)	19	17725.26	20507.43
Internal Capitalisation		(76.16)	(3145.49)
Excise Duty		(1025.78)	(1224.44)
Revenue from Operations (Net)		16623.32	16137.50
Other Income	20	331.44	143.59
Total Revenue		16954.76	16281.09
EXPENSES :			
Cost of Materials consumed	21	11287.18	10892.34
(Increase) / Decrease in inventory of Work in Progress and Finished Goods	22	(3152.34)	(920.41)
Employee Benefits Expense	23	3166.43	3083.72
Other Expenses	24	2423.85	2858.50
Expenditure capitalised (Internal capitalisation)		(76.16)	(3145.49)
		13648.96	12768.66
Earnings before interest, tax, depreciation and amortization (EBITDA)		3305.80	3512.43
Finance Cost	25	6171.57	6618.49
Depreciation and amortization expense	26	4065.64	3274.60
		10237.21	9893.09
Profit/(Loss) before exceptional items and tax		(6931.41)	(6380.66)
Exceptional Items		(389.61)	5846.19
Profit / (Loss) before tax		(7321.02)	(534.47)
Tax Expenses:			
Current Tax (Refer Note 15 (a) & (b))	15	0.00	0.00
Deferred Tax (Refer Note 15 (c))		(2737.68)	(3049.37)
		(2737.68)	(3049.37)
Profit/(Loss) for the year		(4583.34)	2514.90
Earning Per Share (₹ per share)			
Basic		(15.09)	8.28
Diluted		(15.09)	8.28

The accompanying notes form an integral part of the Financial Statements. (Note No. 1 to 40)

As per our Report attached
For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No.
100186W
Rajesh S. Joshi
Partner (M No. 38526)
Place: Mumbai
Date: 30th April 2015

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Chairman & Managing Director
S. Padmanabhan
Director
Asit Javeri
Director
Rohita M. Doshi
Director

Kavita Khanna
Director
Dilip J. Thakkar
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Shailesh Vaidya
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Udo Weigel
Director

Ramesh Adige
Director
Ramesh M. Tavhare
Vice President
(Legal & Corporate Affairs)
& Company Secretary
K. S. Nair
Chief Financial Officer
Place: Mumbai
Date: 30th April 2015

Cash Flow Statement for the year ended 31st March 2015

	Year ended 31.03.2015 (₹ Lakhs)	Year ended 31.03.2014 (₹ Lakhs)
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	(7321.02)	(534.47)
Adjustments for :		
Depreciation and amortization expense	4065.64	3274.60
Interest and Financial Charges	6171.57	6618.49
Interest/Dividend Income	(96.63)	(70.74)
(Gain)/Loss on sale of Fixed Assets (Net)	2.54	(5846.19)
	10143.12	3976.16
Operating profit before Working Capital Changes	2822.10	3441.69
Adjustments for :		
Trade & Other Receivables	12354.98	(1838.10)
Inventories	(458.65)	3342.25
Trade Payable & Provisions	2108.40	(2466.70)
	14004.73	(962.55)
Cash generated from Operations	16826.83	2479.14
Direct Taxes Net Received / (Paid)	(41.19)	(2607.30)
Net Cash Flow from Operating Activities (A)	16785.64	(128.16)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	4.66	8272.59
Purchase of Fixed Assets	(493.29)	(6218.82)
Interest & Dividend Received	90.95	111.61
Net Cash flow from Investing activities (B)	(397.68)	2165.38
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Inter-Corporate Deposits availed	3165.00	9834.00
Inter-Corporate Deposits repaid	(4364.50)	(7699.00)
Proceeds from long term borrowings	0.00	3000.00
Repayment of long term borrowings	(2415.73)	(5680.50)
Repayment of short term borrowings	(3000.00)	0.00
Repayment of Public Fixed Deposits	(3095.83)	0.00
Proceeds from Public Fixed Deposits	0.00	206.78
Cash Credit from Banks	598.79	3193.08
Fixed Deposits with Banks	(327.26)	3756.90
Dividend paid during the year	(1045.20)	(2393.51)
Interest paid	(5905.46)	(6618.49)
Net Cash flow from Financing activities (C)	(16390.19)	(2400.74)
Net increase in Cash & Cash equivalents [A+B+C]	(2.23)	(363.52)
Opening Balance Cash & Cash Equivalents (as per note 17)	94.81	458.33
Closing Balance Cash & Cash Equivalents (as per note 17)	92.58	94.81

The accompanying notes form an integral part of the Financial Statements. (Note No. 1 to 40)

As per our Report attached
For K. S. Aiyar & Co.

Chartered Accountants
ICAI Firm Registration No.
100186W

Rajesh S. Joshi
Partner (M No. 38526)

Place: Mumbai
Date: 30th April 2015

Maitreya V. Doshi
Chairman & Managing Director

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Director

Ramesh M. Tavhare
Vice President
(Legal & Corporate Affairs)
& Company Secretary

K. S. Nair
Chief Financial Officer

Place: Mumbai
Date: 30th April 2015

Notes forming part of the financial statements for the year ended 31st March 2015

Corporate Information

Premier Ltd. is a BSE and NSE listed public company, incorporated under the Companies Act, 1913. It operates in two business segments: Engineering & Automotive. The Engineering segment consists of Manufacture of CNC Machines and large mechanical components for the wind energy and infrastructure sectors and professional and engineering services related thereto. The Automotive Segment consists of Manufacture of Light and Sport Utility Vehicles along with related spare parts as well as auto components for other OEM's.

The registered office and plant of the company is located at Chinchwad, Pune while the Corporate office is located at Mumbai. The company has also its branch offices at Bangaluru, Chennai, Kolkata and Delhi.

1. Significant accounting policies

(I) Basis of Preparation of Financial Statements and use of estimates

- a. The financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis except for free hold land which are being carried at revalued amounts. The Company has prepared the financial statements to comply in all material aspects with the Accounting Standards specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

The accounting policies have been consistently applied by the company. The Company has opted to present earning before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of Profit & Loss.

- b. The preparation of financial statements, in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(II) Revenue Recognition

- a. Revenue from sale of goods is recognized when significant risk and rewards in respect of ownership of product is transferred to the customers, which is generally on dispatch of goods.
- b. Domestic sales include excise duty and are net of sales returns, trade discounts and sales tax.
- c. Export Sales are accounted on the basis of dates of Bill of Lading.
- d. Revenue from services is recognized as and when services are rendered as per terms of contract.
- e. Income from investments / other income is recognized on accrual basis.

(iii) Inventories are valued as under

- a. Raw materials, Components, Stores & Spares, Loose Tools : At moving weighted average cost or net realizable value whichever is lower.
- b. Finished Goods: At lower of cost or net realizable value inclusive of excise duty thereon.
- c. Work-in-Progress: At lower of estimated cost and net realizable value.
- d. Goods in Transit and under clearance: At lower of actual cost till date (inclusive of customs duty payable thereon) or net realizable value.
- e. Stock of Scrap: At estimated net realizable value.

(iv) Investments (Non Current)

Long term investments are valued at cost less provision for diminution in value, other than temporary, if any.

(v) **Employee Benefits**

a. Short Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering service are classified as short term benefits. The benefits like salaries, wages etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

b. Post Employment Benefits

- I. **Defined Contribution Plan:** Defined contribution plan consists of Government Provident Fund Scheme and Employee State Insurance scheme. Company's contribution paid/payable during the year under these schemes are recognized as expense in the statement of Profit and Loss. There are no other obligations other than the contribution made by the company.
- II. **Defined Benefit Plan:** The employees' gratuity schemes and long term compensated absences are the defined benefit plans. Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Actuarial gain and losses are recognized immediately in the statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flow using a discount rate that is determined by the reference to market yields at the Balance Sheet date on Government bonds.

(vi) **Fixed Assets**

- a. **Tangibles:** Fixed assets (except free hold land) are stated at cost of acquisition or construction including installation cost, attributable interest and financial cost till such time assets are ready for its intended use and foreign exchange fluctuation on long term borrowings related to fixed assets, less accumulated depreciation, impairment losses and specific grants received if any. Free hold land is stated at revalued amount.
- b. **Intangibles:** Product Development Expenditure and License / Technical know-how fees : Product Development expenditure of capital nature are added to Intangible assets. Expenditure on license and technical know-how fees and other related expenditure towards technological improvement of the products and/or components for captive use are treated as intangible assets. Expenditure of these nature are initially recognized as Intangible Assets under development and eventually transferred to Intangible assets block as appropriate on the commencement of the commercial production after the viability of the product is proven.

(vii) **Depreciation and amortization**

- a. Depreciation on fixed assets except free hold land is provided on pro-rata basis on straight line method over the useful lives of the assets prescribed in the Schedule II of the Companies Act, 2013.
- b. Depreciation on fixed assets sold or scrapped during the year is provided up to the month in which such fixed assets are sold or scrapped. Depreciation on additions to fixed assets is calculated on pro-rata basis from the month of addition.
- c. Product Development expenditure and License/Technical know-how fees are amortized over a period of 5 years from the accounting year in which the commercial production of such improved product commences.

(viii) **Impairment of Assets**

In accordance with Accounting Standard 28 (AS 28) on "Impairment of Assets", where there is an indication of impairment of the Company's assets, the carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any impairment based on internal/external factors. An impairment loss, if any, is recognized in the Statement of Profit & Loss, wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount of the assets is estimated at the higher of its net selling price and its value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

(ix) **Foreign Currency Transactions**

- a. Foreign Currency transactions are recorded on the basis of exchange rates prevailing on the date of their occurrence.

- b. Foreign currency monetary assets and liabilities as on the Balance Sheet date are revalued in the accounts on the basis of exchange rates prevailing at the close of the year and exchange difference arising there-from is charged / credited to the Statement of Profit & Loss - except for the exchange difference arising on long term borrowings related to fixed assets, which are capitalized

(x) **Leases**

Leases are classified as finance or operating leases depending upon the terms of the lease agreements. Assets held under finance leases are recognized as assets of the Company on the date of acquisition and depreciated over their estimated useful lives. Initial direct costs under the finance lease are included as part of the amount recognized as asset under the finance lease. Rentals payable under operating leases are treated as expenses as and when they are incurred.

(xi) **Customs Duty**

Customs duty is accounted for as and when paid/provided.

(xii) **Borrowing Cost**

As per Accounting Standard 16 on "Borrowing Costs" borrowing costs that are : (a) directly attributable to the acquisition, construction, production of a qualifying asset are capitalized as a part of cost of such asset till the time the asset is ready for its intended use and; (b) not directly attributable to qualifying assets are determined by applying a weighted average rate and are capitalized as a part of the cost of such qualifying asset till the time the asset is ready for its intended use. Remaining borrowing costs are recognized as an expense in the period in which they are incurred.

(xiii) **Contingencies and Provisions**

A provision is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

(xiv) **Taxation**

Tax expense comprises of current tax and deferred tax charge or credit. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. The deferred tax charge or credit is recognized using prevailing enacted or substantively enacted tax rate. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the period and available case law to re-assess realization/ liabilities.

2. Share Capital

(A) **Authorised, Issued, Subscribed and paid-up Share Capital and par value per Share** (₹ Lakhs)

	As at 31.03.2015	As at 31.03.2014
AUTHORISED :		
4,00,00,000 Equity Shares of Rs. 10 each (Previous year 4,00,00,000 Equity Shares of Rs. 10 each)	4000.00	4000.00
ISSUED :		
3,04,54,180 Equity Shares of Rs. 10 each (Previous year 3,04,54,180 Equity Shares of Rs.10 each.)	3045.42	3045.42
SUBSCRIBED AND PAID UP :		
3,03,72,570 Equity Shares of Rs. 10 each fully paid, (Previous year 3,03,72,570 Equity Shares of Rs.10 Each fully paid)	3037.26	3037.26
Add : Forfeited Equity shares	2.69	2.69
81610 Equity shares (Previous year 81610 Equity shares)		
Total Share Capital	3039.95	3039.95

(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

	As at 31.03.2015	As at 31.03.2014
Number of shares outstanding as at the beginning of the year	30372570	30372570
Number of shares outstanding as at the end of the year	30372570	30372570

(C) The Rights, Preferences, Restriction including restriction on the distribution of dividend and repayments of capital

1. The Company is having only one class of shares, that is Equity carrying nominal value of Rs.10 per share.
2. Every holder of equity share of the Company is entitled to one vote per share held.
3. In the event of liquidation of the Company, the equity share holder will be entitled to receive remaining assets of the Company after the distribution / repayments of all creditors. The distribution to the share holder will be in proportion of the number of shares held by each share holder.
4. The Company declares and pays dividend on the equity shares in Indian Rupees. Dividend proposed by the Board of Directors is subject to approval of the share holders at the ensuing Annual General Meeting.
5. During the year ended 31st March,2015 no dividend is proposed for the equity share holders [Previous year Rs.3.00 per equity share (30%)]

(D) Shares held by holding/ultimate holding company and/or their subsidiaries / associates

The company is not a Subsidiary of any other company.

(E) Details of shareholders holding more than 5% shares in the company

	As at 31.03.2015		As at 31.03.2014	
Equity shares of Rs.10 each fully paid	No of Shares	% of Holdings	No of Shares	% of Holdings
1. Doshi Holdings Pvt. Ltd. (Enterprise over which KMP are able to exercise significant influence)	13,612,702	44.82%	13,612,702	44.82%
2. Life Insurance Corporation of India	1,820,815	5.99%	1,820,815	5.99%
3. Patton International Ltd.	1,786,361	5.88%	1,786,361	5.88%

(F) The Company had issued 43,26,000 Convertible warrants in the Year 2006-07. Out of these, for 19,86,674 warrants equivalent number of shares were allotted in the year 2007-08, for 23,18,053 warrants equivalent number of shares were allotted in the year 2008-09 and the balance 21,273 warrants were forfeited by the Company in the year 2009-10.

3. Reserves & Surplus**(₹ Lakhs)**

	As at 31.03.2015	As at 31.03.2014
Capital Reserve :		
Forfeiture of warrants	0.84	0.84
Securities Premium A/c :	3188.88	3188.88
Balance as per the last financial statements		
Revaluation Reserve-Land	21175.11	24087.04
Less: Transferred to Statement of Profit & Loss (Refer Note No. 9 (c))	0.00	2911.93
	21175.11	21175.11
General Reserve :		
Balance as per the last financial statements	12827.96	12527.96
Less: * Adjustment on account of Depreciation as per Schedule II Companies Act, 2013	442.32	0.00
Add : Amount Transferred from Surplus Balance in the Statement of Profit & Loss	0.00	300.00
	12385.64	12827.96

	As at 31.03.2015	As at 31.03.2014
Surplus / (Deficit) in the Statement of Profit and Loss :		
Balance as per the last financial statements	9629.06	8480.19
Add: Profit /(Loss) for the year	(4583.34)	2514.90
	5045.72	10995.09
Less Appropriations :		
a) Proposed dividend	0.00	911.18
b) Tax on proposed dividend	0.00	154.85
c) Transfer to General Reserve	0.00	300.00
Net Surplus In the Statement of Profit & Loss	5045.72	9629.06
Total Reserves & Surplus	41796.19	46821.85

*Pursuant to Schedule II of Companies Act, 2013, an amount of Rs.442.32 (Net of Tax of Rs.197.80 Lakhs) is adjusted in the opening balance of General Reserve, where useful life of the fixed assets is exhausted on 1st April, 2014.

4. Long Term Borrowings

(₹ Lakhs)

	Non Current Portion		Current Maturities	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
Term Loans from Banks (Secured)				
State Bank of India	14700.00	14950.00	250.00	50.00
The Jammu & Kashmir Bank Ltd.	0.00	6150.00	7800.00	3850.00
Loans From Others (Secured)				
First Leasing company of India Ltd.	133.42	330.39	198.05	166.81
Deposits (Unsecured)				
Cumulative Fixed Deposit from Public	25.35	256.10	0.00	0.00
Cumulative Fixed Deposit from Shareholders	90.00	298.10	0.00	0.00
Non-Cumulative Fixed Deposit from Public	900.58	1767.83	0.00	0.00
Non-Cumulative Fixed Deposit from Shareholders	0.00	680.38	0.00	0.00
Non-Cumulative Fixed Deposit from Related Parties	558.00	603.00	0.00	0.00
Total Long Term borrowings	16407.35	25035.80	8248.05	4066.81
The above amounts Includes				
Secured borrowings	14833.42	21430.39	8248.05	4066.81
Unsecured borrowings	1573.93	3605.41	0.00	0.00
	16407.35	25035.80	8248.05	4066.81
Amount disclosed under the head "other current liabilities" (Refer Note No.8)	(0.00)	(0.00)	(8248.05)	(4066.81)
Net Amount	16407.35	25035.80	0.00	0.00

(a) Term Loan of Rs. 14950 Lakhs (Previous year: Rs. 15000 Lakhs) from State bank of India (SBI) is secured by way of first charge on current assets on pari-passu basis with other lenders and first pari-passu charge on fixed assets of the company at Chinchwad along with The Jammu & Kashmir Bank Ltd (J & K Bank). Also SBI holds an exclusive 1st mortgage charge on the 41.44 acres of Company's land located at Kalyan/ Dombivli towards their loan.

This loan is for a tenure of eight and a half years. The repayment installments are spread over 84 months, commenced from 31/10/2014 and the last installment falling due on 30/09/2021. The first two installments are of Rs. 5 Lakhs each, the next 4 installments are of Rs. 10 Lakhs each, next 10 installments are of Rs. 20 Lakhs each, next 2 installments are of Rs. 25 Lakhs each, next 6 installments are of Rs. 150 Lakhs each, next 24 installments are of Rs. 200 Lakhs each and the next 36 installments are of Rs. 250 Lakhs each. Annual rate of Interest is 2.30% above SBI base rate. As on 31st March 2015, interest of Rs 288.96 Lakhs remains unpaid for a period ranging between 0-60 days.

(b) Corporate Loan of Rs. 7800 Lakhs (Previous Year Rs. 10000 Lakhs) from J&K Bank is secured by way of first pari-passu charge on plant and machinery and fixed assets of the company located at Chinchwad, Pune and second pari-passu charge on current assets of the company. This loan is for a total tenure of 36 months, repayable in 18 equal installments. There are 17 monthly installments each of Rs. 550 Lakhs with the first installment due on 30/09/2014. The last installment (18th installment) is of Rs. 650 Lakhs due on 29/02/2016. Annual rate of Interest is 2% over J&K Bank Base rate. As on 31st March 2015, Principal amount of Rs 1650 Lakhs (since repaid Rs 550 Lakhs) and interest of Rs 206.99 Lakhs (since paid Rs. 55 Lakhs) remain unpaid for a period ranging between 0-70 days.

(c) Hire purchase Loan of Rs 331.47 Lakhs for a tenure of 4 years from First leasing Company of India Limited is secured under the specific Fixed Asset procured against the said Loans.

Rs. 331.47 Lakhs is repayable in 19 variable monthly installments till October 2016. Annual rate of Interest is 2% above SBI base rate.

All the above facilities covered under a to c are also secured by the personal guarantee of Mr. Maitreya V. Doshi, Chairman and Managing Director of the company.

(d) Deposits accepted from public and shareholders prior to 1.4.2014 carry varying rate of interest from 11.50% to 12.50% p.a. depending upon the cumulative/non-cumulative option and the period of maturity from 1 year to 3 year. As on 31st March 2015, the outstanding fixed deposits were Rs.3974.66 Lakhs with maturity spread over a period of next 2 years. As per section 74(1) (b) of the Companies Act, 2013, the Company was required to repay all such deposits on 31.3.2015. Out of these, deposits of Rs.190.30 Lakhs (331 deposit holders) and interest of Rs.93.47 Lakhs remained unpaid for a period ranging between 0-30 days. (Since repaid Rs.86.75 Lakhs and interest of Rs. 93.47 Lakhs respectively).

The Company, therefore, has filed a petition before the Company Law Board, Western Region Bench at Mumbai as contemplated under section 74(2) of the Companies Act, 2013, praying for time to repay all such outstanding deposits as per their original maturities. Pending disposal of the said petition, deposits are classified as short term or non-current depending upon the original maturities.

The deposits unclaimed as on 31.03.2015 are Rs. 163.65 Lakhs.

5. Other Long Term Liabilities

(₹ Lakhs)

	As at 31.03.2015	As at 31.03.2014
Advances and deposits from dealers, customers, etc. (unsecured)	2431.64	6.60

6. Provisions

(₹ Lakhs)

	Long Term		Short Term	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
Provision for employee Benefits				
Provision for Gratuity	386.58	442.49	42.95	49.17
Provision for Leave benefits	205.71	236.40	68.57	78.81
Other Provision				
For Proposed equity dividend	0.00	0.00	0.00	911.18
For Tax on proposed equity dividend	0.00	0.00	0.00	154.85
For Wealth tax (Net of advance tax payment of ₹ 22.33 lakhs, previous year ₹ 19.32 Lakhs)	0.00	0.00	138.25	129.83
For Warranties	0.00	0.00	30.46	24.26
Total Provisions	592.29	678.89	280.23	1348.10

Movement in Provision

(₹ Lakhs)

Particulars	Opening Balance 01.04.2014	Additions during the year	Amount paid / Adjusted during the year	Closing balance 31.03.2015
Leave Encashment	315.21	75.11	116.04	274.28
Gratuity	491.66	120.55	182.68	429.53
Dividend	911.18	0.00	911.18	0.00
Provision for warranty	24.26	30.46	24.26	30.46

7. Short Term Borrowings

(₹ Lakhs)

	As at 31.03.2015	As at 31.03.2014
Cash Credit from State Bank of India (secured)	4974.60	4424.09
Cash Credit from State Bank of Hyderabad (secured)	827.99	949.10
Cash Credit from Corporation Bank (secured)	495.56	326.17
Short term loan from Corporation Bank (secured)	0.00	2500.00
Short term loan from others - Sicom Inv. & Fin. Ltd.	0.00	500.00
Deposits (Unsecured)		
Cumulative Fixed Deposit from Public	338.35	952.10
Cumulative Fixed Deposit from Shareholders	207.90	99.90
Non-Cumulative Fixed Deposit from Public	971.85	2183.93
Non-Cumulative Fixed Deposit from Shareholders	882.63	229.15
Inter-Corporate Deposits	2365.50	3565.00
Total short term borrowings	11064.38	15729.44
The above amounts includes		
Secured borrowings	6298.15	8199.36
Unsecured borrowings	4766.23	7530.08
Total short term borrowings	11064.38	15729.44

(a) The Working Capital facilities (Cash Credit Rs. 6000 Lakhs, non- funded facilities Rs. 5000 Lakhs, totaling to Rs. 11000 Lakhs, Previous Year Rs.13500 Lakhs) are under a consortium banking arrangement with State Bank of India - as the lead banker having a share of Rs. 8500 Lakhs (Previous year Rs. 10000 Lakhs) along with State Bank of Hyderabad Rs. 1500 Lakhs (Previous year Rs.2500 Lakhs) and Corporation Bank Rs.1000 Lakhs (Previous year 1000 Lakhs). These facilities are secured by way of first pari-passu charge on Company's current assets located at the plant at Chinchwad or in transit and second pari-passu charge on Company's present and future fixed assets at Chinchwad, Pune. Annual rate of Interest varies from 0.50% above base rate to 5% above the Base Rates of these banks.

All the above facilities are also secured by the personal guarantee of Mr. Maitreya V. Doshi, Chairman and Managing Director of the company.

(b) Short Term Loan of Rs. Nil (Previous Year Rs. 2500 Lakhs) from Corporation Bank was secured by way of first pari-passu charge on the plant and machinery and fixed assets of the Company located at Chinchwad, Pune and second pari-passu charge on current assets of the company located at Chinchwad, Pune. This loan is fully repaid during FY 2014-15 along with interest at the rate 2.35 % over Corporation Bank Base rate.

(c) Short Term Loan of Rs. Nil from Sicom Investments & Finance Ltd. (Previous year Rs. 500 Lakhs) was repaid during FY 2014-15.

(d) The Inter Corporate Deposits of Rs.2365.50 Lakhs (Previous year Rs. 3565 Lakhs) are unsecured short term Loans repayable within 3 to 6 months with Interest rate varying 14.50% to 17.00% p.a. The above includes Rs. 1170.50 Lakhs (Previous year 1250 Lakhs) borrowed by the Company for which the promoters have pledged their shares.

8. Trade Payables & Other Current Liabilities

(₹ Lakhs)

	As at 31.03.2015	As at 31.03.2014
Trade Payable	4922.17	4854.41
Total	4922.17	4854.41
Other Current Liabilities		
Advances and deposits from dealers, customers, etc.	470.59	875.03
Employee Related	471.94	620.86
Creditors for Expenses	408.34	354.28
Unclaimed Dividend	317.00	296.17
Current maturities of long term borrowings (Refer Note No.4)	8248.05	4066.81
Earnest Money Deposit From Related Party	1200.00	1280.00
Interest accrued but not due on borrowing	313.23	388.50
Interest accrued and due on borrowing	647.84	306.46
Total	12076.99	8188.11

9. Tangible Assets

(₹ Lakhs)

COST/ BOOK VALUE					DEPRECIATION				NET BLOCK	
Assets	Gross Block as at 01.04.14	Additions/ Adjustments	Deductions	Gross Block as at 31.03.15	Depreciation Fund as at 01.04.14	Depreciation for the Year	Deductions	Depreciation fund as at 31.03.15	Net Block as at 31.03.15	Net Block as at 31.03.14
Freehold Land	23010.63	109.94	0.00	23120.57	0.00	0.00	0.00	0.00	23120.57	23010.63
Buildings	11050.24	0.00	0.00	11050.24	1642.17	1348.28	0.00	2990.45	8059.79	9408.07
Plant and Machinery & Equipments										
-Own	24348.56	1.59	2.19	24347.96	6454.75	2257.36	2.08	8710.03	15637.93	17893.81
Cars & Vehicle	161.14	7.57	18.21	150.50	79.86	20.03	12.53	87.36	63.14	81.28
Furniture	316.43	0.00	0.00	316.43	109.14	44.46	0.00	153.60	162.83	207.28
Office Equipment	196.37	5.22	2.47	199.12	80.79	83.81	1.05	163.55	35.57	115.58
Dies & Jigs	1643.07	70.41	0.00	1713.48	529.01	113.12	0.00	642.13	1071.35	1114.06
Total	60726.44	194.73	22.87	60898.30	8895.72	3867.06	15.66	12747.12	48151.18	51830.71
Previous Year Total	61847.35	2610.89	3731.80	60726.44	6698.70	2430.62	233.57	8895.75	51830.71	

(a) Sale of Land

During the year, the Company received an amount of Rs.15107.12 Lakhs from Horizon Projects Pvt. Ltd. against the balance consideration of Rs.22000 Lakhs which was due from them on account of land transaction executed with them in the year 2012-13. The said balance consideration of Rs.22000 Lakhs was to be received from them subject to adjustments on account of exact measurement of land being carried out. The balance amount of Rs.5052.78 Lakhs (Rs. 22000 Lakhs less Rs.15107.12 Lakhs received in current year less Rs.1840.10 Lakhs received in previous year), has not been received as on date from them as the process of handing over of possession is underway for certain portions of

land to them as well as certain other portions of said land is also under compulsory acquisition by the railways and the acquisition process is yet to be concluded.

The Company is in the process of handing over the said land to Horizon Projects Pvt. Ltd. in a phased manner and the balance amount of Rs.5052.78 Lakhs would be received as and when possession of the land is handed over to Horizon Projects Pvt. Ltd. and the Indian Railways. The final closure would be accounted after this process is completed.

During the previous year an amount of Rs.1840.10 Lakhs was paid to the Government of Maharashtra "under protest" towards "Unearned Income" on Sale Company's land in the year 2012-13 and is reflected under "Loans and Advances". The company's Revision Application Challenging the liability on account of Unearned Income is pending for disposal before the Revenue Minister of The Government of Maharashtra.

(b) Compulsory acquisition of Company's land at Dombivli by the Indian Railways

The Company had received in the year 2012-13 notices from the Deputy Collector (Land Acquisition) and Competent Authority informing about the compulsory acquisition of land admeasuring about 30 acres for the Dedicated Freight Corridor Project of the Indian Railways.

During the previous year, out of the above, about 17 acres of the Company's Land was acquired by Indian Railways for a Compensation of Rs.6413.16 Lakhs and the profit arising there from was reflected under "Exceptional Items". An amount of Rs. 468.12 Lakhs has been deducted by the Railways towards "Unearned Income" while disbursing the Compensation amount and the same has been reflected under "Loans and Advances". The company's Revision Application Challenging the liability on account of Unearned Income is pending for disposal before the Revenue Minister of The Government of Maharashtra.

Regarding the balance land of about 13 acre under acquisition by Indian Railways, the Competent Authority, Dedicated Freight Corridor Corporation of India Ltd. (DFCC) and Government Land Records have already conducted joint measurement, marking exact area of 51,270 Sq Meters (about 13 acres) for acquisition. A copy of such joint measurement has been received by the company. This has also been confirmed by DFCC vide its letter dated 18.6.2014 and 3.9.2014. Based on the Railway Amendment Act, 2008, the compensation amount towards the said 13 acres acquisition would be around Rs.11200 Lakhs and the same would be accounted upon receipt of the compensation amount and handing over of the possession of the land under acquisition.

(c) Revaluation of Land

The Company had revalued its land in July 2010 through an external valuer at fair market value and the increase of Rs. 50100 Lakhs due to revaluation has been added to the book value of land and to the revaluation reserve. The revaluation reserve is released to statement of Profit and Loss in subsequent years upon sale of land.

During the previous year, in view of Compulsory Acquisition of 17 acres of Company's Land at Dombivli by the Indian Railways, revaluation reserve amounting to Rs.2911.93 Lakhs, on a pro-rata basis, has been released to the Statement of Profit and Loss, since the profits are realized and shown under 'Exceptional Items'.

On the grounds of prudence and as per the legal opinion obtained, the surplus of Rs.1417.07 Lakhs (Previous year Rs. 1417.07 Lakhs) arose upon re-conversion of stock-in trade into land in the financial year 2008-09 continues to be included in the General Reserve of the company and will not be considered for distribution till it is realized.

10. Intangible Assets

(₹ Lakhs)

COST/ BOOK VALUE					DEPRECIATION				NET BLOCK	
Assets	Gross Block as at 01.04.14	Additions / Adjustments	Deductions	Gross Block as at 31.03.15	Depreciation on Fund as at 01.04.14	Depreciation for the Year	Deductions	Depreciation fund as at 31.03.15	Net Block as at 31.03.15	Net Block as at 31.03.14
Computer and other Applications Software	245.59	0.00	0.00	245.49	202.15	12.80	0.00	214.95	30.64	43.44
Technical Know How	4131.27	0.00	0.00	4131.27	840.64	825.90	0.00	1666.54	2464.73	3290.63
Total	4376.86	0.00	0.00	4376.86	1042.79	838.70	0.00	1881.49	2495.37	3334.07
Previous Year Total	4376.86	0.00	0.00	4376.86	198.81	843.98	0.00	1042.79	3334.07	

11. Intangible Assets under development

During the year, the Company continued its activity on developing, upgrading and improving its Auto Products in order to achieve technologically advanced and competitive products which will ultimately result in acceptability for the Company's products. This process is expected to be continued and completed soon and is expected to result in growth in revenue, profits and cash generation of the company in future. A sum of Rs.298.56 Lakhs (Previous year Rs.2827.98 Lakhs) has been incurred on this account during the current year making a total of Rs.3126.54 Lakhs and reflected as 'Intangible Assets under Development' as on 31.03.2015.

The Company would give appropriate effects in the accounts as and when the said product development/ improvement is completed.

The movement in intangible assets under development is given below.

Particulars	(₹ Lakhs)
Opening Balance as on 01.04.2014	2827.98
Additions during the year	298.56
Transferred to Intangible assets	0.00
Written off during the year	0.00
Closing Balance as on 31.03.2015	3126.54

12. Non Current Investments (Long term investments)

	As at 31.03.2015	As at 31.03.2014
Trade Investment		
In Associates		
PAL Credit and Capital Ltd. (Quoted)		
58,99,169 equity shares of Re.1/- each fully paid. (Previous year 58,99,169 equity shares of Rs.1/- each fully paid)	651.70	651.70
Less : Provision for diminution in value of investments.	289.48	289.48
	362.22	362.22
Non Trade Investment		
In Associates		
Premier Auto Ltd.		
24,500 Shares of Rs.10/- each (Previous year 24,500 Shares of Rs. 10/- each fully paid)	2.45	2.45
Unquoted Equity Instruments		
Saraswat Co-op. Bank Limited		
2,500 Shares of Rs. 10/- each fully paid (Previous year 2,500 Shares of Rs. 10/- each fully paid)	0.25	0.25

		2.70	2.70
Total Investments		364.92	364.92
Aggregate Values			
1. Book Value of quoted investments		362.22	362.22
2. Market Value of quoted investments		138.04	94.39
3. Book Value of unquoted investments		2.70	2.70
4. Provision for Diminution in value		289.48	289.48

- (a) Company's long term investment in PAL Credit and Capital Limited, an RBI registered and listed NBFC promoted by the company, is Rs.362.22 Lakhs (after making provision for diminution in the value of investment of Rs.289.48 Lakhs in the financial year 2007-08) represented by 58,99,169 equity shares of Re. 1/- (Previous year Rs. 1/-) each fully paid. Considering the intrinsic business value of PAL Credit & Capital Limited and its business synergies for the Company, as well as the holding being in the nature of controlling interest with long term strategies and business revival plan, no further diminution in value is considered necessary. Further in order to continue with its revival plan, the company has further advanced during the year an amount of Rs.35.58 Lakhs carrying interest at the rate of 12%p.a. (Previous year Rs.32.15 Lakhs), making the total advance including interest at the end of March'15 of Rs. 246.11 Lakhs (Previous year Rs.186.15 Lakhs). The said advance is included under Loans and Advances (Refer note. No.13)
- (b) The Company has in its possession the share certificates and the blank transfer forms executed by Automobiles Peugeot in respect of 8,40,25,000 equity shares of Pal-Peugeot Ltd (under liquidation) gifted by them in the year 1999. These shares could not be transferred in company's name as Pal-Peugeot Ltd was not functioning. The Company has filed a petition before the Hon'ble Bombay High Court for permission to transfer the said shares in the name of the Company and the petition is pending for disposal by the Court. Meantime, the Company is holding these shares as 'holder in due course'.

13. Loans and Advances (Unsecured, Considered Goods) (₹ Lakhs)

	Non Current		Current	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
Security Deposit	229.97	259.40	0.00	0.00
Loans & advances to related parties (Refer Note No. 12(a))	0.00	0.00	246.11	186.16
Advances recoverable in cash or in kind or for value to be received .	194.75	166.25	445.01	551.91
Other loans & advances				
Advance Income Tax (Net of provision for tax of ₹ 4163.40 lakhs, Previous year Rs. 4163.40 Lakhs)	0.00	0.00	719.72	961.87
Prepaid expenses	0.00	0.00	178.24	172.86
Unearned Income –Payment Under Protest (Refer Note no 9(a) & 9(b))	2308.22	2308.22	0.00	0.00
Balances with excise, customs, port trust etc.	0.00	0.00	37.43	568.03
	2732.94	2733.87	1636.51	2440.83

14. Trade Receivables (₹ Lakhs)

	Non Current		Current	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
Trade Receivables, Unsecured :				
Outstanding over six months from due date:				
Considered good	196.65	184.25	2420.84	2959.75
Considered doubtful	0.00	0.00	0.00	0.00
Less : Provision for doubtful debts	0.00	0.00	0.00	0.00

		196.65	184.25	2420.84	2959.75
Others, considered good		0.00	0.00	10650.00	6829.08
Total		196.65	184.25	13070.84	9788.83
Amount disclosed under the head 'Other Assets (Refer Note No. 18)		(196.65)	(184.25)	(0.00)	(0.00)
Net Total		0.00	0.00	13070.84	9788.83

15. Deferred Tax Assets / (Liability)

(₹ Lakhs)

	As at 31.03.2015	As at 31.03.2014
Deferred Tax Liabilities		
Intangible Assets under development	966.10	1047.52
Depreciation difference	2614.43	3304.95
Total (a)	3580.53	4352.47
Deferred Tax Assets		
Unabsorbed Depreciation	5001.92	4262.54
Unabsorbed Business loss	1272.00	164.00
Unabsorbed long term capital loss	1372.36	1510.00
Provision for diminution in the value of investments	59.63	65.60
Inventories	367.07	0.00
Expenditure allowable on Payment Basis	92.70	0.00
Total (b)	8165.68	6002.14
Net Deferred Tax Assets/(Liability) (b-a)	4585.15	1649.67

- (a) Tax provision under Minimum Alternate Tax (MAT) as per provisions of section 115 JB of the Income Tax Act, 1961 is Rs. NIL in the absence of any taxable income for the current year (Previous year Rs.NIL).
- (b) The benefit of credit against the payments made towards MAT for the earlier years is available in accordance with the provisions of section 115JAA over a period of subsequent ten assessment years and the same will be accounted for when they actually arise.
- (c) Estimated Net Deferred tax asset of Rs.4585.15 Lakhs has been recognized as at the year end (Previous year – Net Deferred tax asset of Rs.1649.67 Lakhs). The management is confident of virtual certainty of realizing the same in view of the Long term capital gain that will arise on the Compulsory Acquisition of Land by Railways, the joint measurement of Land in respect of the same is completed and award is expected in near future. The company also has a sound order book as on date to be executed.

16. Inventories

(₹ Lakhs)

	As at 31.03.2015	As at 31.03.2014
Raw materials :		
Steel	201.55	11.94
Rough Casting	16.52	16.09
Electrical	54.37	32.81
Components for passenger and commercial vehicles	165.59	292.27
Other components (Includes goods in transit of ₹ 35.48 Lakhs and previous year ₹ 7.68 Lakhs)	329.89	314.58
	767.92	667.69
Work-in-progress:		
Small and Heavy Machines	4738.83	1924.96
Finished Components	128.86	117.31
Steel Parts	3990.70	2568.10
Passenger and commercial vehicles	0.00	873.16
	8858.39	5483.53
Finished goods:		

Small and Heavy Machines	55.87	173.85
Passenger and commercial vehicles	0.00	126.22
	55.87	300.07
Stores and spares	45.64	38.93
Loose tools	84.05	182.20
	9811.87	6672.45

17. Cash and Bank Balance

(₹ Lakhs)

	As at 31.03.2015	As at 31.03.2014
Cash and cash equivalents :		
Cash on hand	8.24	5.56
Balance with Scheduled Banks		
- in Current accounts	84.34	89.25
Other Bank balances:		
Balance with Scheduled Banks		
- in current accounts earmarked for specific statutory payments	317.00	296.17
- Deposits with original maturity for less than 12 months	0.00	0.00
- in Fixed deposit accounts (pledged with banks against LC margin / guarantees given by banks)	961.36	634.10
Total	1370.94	1025.08

18. Other Assets

(₹ Lakhs)

	Non Current		Current	
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2015	As at 31.03.2014
Interest accrued on bank deposits	0.00	0.00	15.50	9.82
Trade Receivables (Refer Note No. 14)	196.65	184.25	0.00	0.00
Other Receivables (Refer Note No. 9 (a))	0.00	0.00	5052.78	20159.90
Total	196.65	184.25	5068.28	20169.72

19. Revenue From Operations

(₹ Lakhs)

	For the year ended 31.03.2015		For the year ended 31.03.2014	
Sale of Products				
CNC Machines	6911.04		5170.70	
Heavy Engineering	8465.35		6737.26	
Vehicles	1100.70		1547.29	
Spares	183.47		2185.93	
Internal Capitalisation	76.16	16736.72	3145.49	18786.67
Sale of Services				
Engineering Value Addition		652.46		1289.86
Other Operating Revenues				
Scrap	280.93		394.44	
Agency Commission	55.15	336.08	36.46	430.90
Total Revenue From Operations (Gross)		17725.26		20507.43
Less:				
Excise Duty	1025.78		1224.44	
Internal Capitalisation	76.16	1101.94	3145.49	4369.93
Total Revenue From Operations (Net)		16623.32		16137.50

20. Other Income

(₹ Lakhs)

	For the year ended 31.03.2015	For the year ended 31.03.2014
Interest Income	96.60	70.71
Dividend other than trade	0.03	0.03
Miscellaneous Income	234.81	72.85
Total Other Income	331.44	143.59

21. a) Cost of Material Consumed

(₹ Lakhs)

	For the year ended 31.03.2015	For the year ended 31.03.2014
Inventory at the beginning of the year	660.02	3932.47
Add : Purchases	11359.61	7619.89
Less : inventory at the end of the year	732.45	660.02
Total Cost of Raw Material Consumed	11287.18	10892.34

21. b) Details of Raw Material Consumed

(₹ Lakhs)

	For the year ended 31.03.2015	For the year ended 31.03.2014
1. Steel	1678.91	2475.16
2. Ferrous metal	164.44	232.83
3. Components for passenger and commercial vehicles	142.27	3451.69
4. Other Components	8963.00	4197.02
5. Others	338.56	535.64
Total Raw Material Consumed	11287.18	10892.34

22. (Increase)/Decrease In Inventory of Work-In-Progress and Finished Goods

(₹ Lakhs)

	For the year ended 31.03.2015	For the year ended 31.03.2014
Stocks at commencement :		
Finished goods	300.07	459.34
Work-in-progress	5483.54	4429.20
Scrap	0.00	5.40
	5783.61	4893.94
Less :		
Stocks at close :		
Finished goods	55.87	300.07
Work-in-progress	8858.39	5483.54
Scrap	0.00	0.00
	8914.26	5783.61
Add / (Less) :		
Excise duty difference on opening and closing stock of finished goods.	(21.69)	(30.74)
(Increase)/ Decrease in Inventory	(3152.34)	(920.41)

23. Employee Benefits Expense**(₹ Lakhs)**

	For the year ended 31.03.2015	For the year ended 31.03.2014
Salaries, wages, bonus etc,	2932.07	2979.33
Retiring Gratuities	37.67	109.41
Contribution to Provident and Other Funds	136.35	128.52
Welfare expenses	188.94	182.69
	3295.03	3399.95
Less : Capitalised	128.60	316.23
Total Employee Benefits Expense	3166.43	3083.72

24. Other Expenses**(₹ Lakhs)**

	For the year ended 31.03.2015	For the year ended 31.03.2014
Stores, spares and tools Consumed	586.24	711.42
Power, fuel and water	282.53	321.44
Repairs and Maintenance :		
Machinery	31.56	32.31
Buildings	12.06	8.27
Other assets	1.74	2.11
Lease rental on fixed assets	206.28	202.29
Rent	58.53	76.80
Rates and taxes	191.30	62.96
Insurance	38.29	37.61
Remuneration to Auditors:		
Statutory Auditors	8.50	8.50
In Other Capacities : Tax Audit	3.00	3.00
Certification and Other Matters	8.75	8.65
For Expenses	0.81	0.80
Directors fees and traveling expenses	24.89	17.45
Professional and legal fees	251.38	242.44
Net Loss on Sale of fixed assets	2.54	7.30
Sales and Service expenses	100.36	182.43
Net Loss on foreign currency transaction	39.80	9.80
Travelling and conveyance	184.51	228.73
Other expenses	390.78	694.19
Total Other Expenses	2423.85	2858.50

25. Finance Costs**(₹ Lakhs)**

	For the year ended 31.03.2015	For the year ended 31.03.2014
Interest on loan	5907.28	6025.04
Less : Interest Capitalised	(78.23)	(157.21)
	5829.05	5867.83
Interest on others	25.87	325.50
Other Borrowing Cost	97.99	185.32
Bank and other charges	218.66	239.84
Total Finance Costs	6171.57	6618.49

26. Depreciation and Amortization Expense

(₹ Lakhs)

	For the year ended 31.03.2015	For the year ended 31.03.2014
Depreciation of tangible assets	3867.06	2430.62
Amortization of intangible assets	838.70	843.98
Sub Total	4705.76	3274.60
Less: Adjustment in General Reserve	640.12	0.00
Total	4065.64	3274.60

The useful life of fixed assets have been revised in accordance with the Schedule II of the Companies Act, 2013. On account of this, depreciation for the year is higher by Rs. 1637 lakhs. Depreciation of earlier years of Rs.442.32 lakhs (Net of Tax of Rs.197.80 lakhs) has been adjusted against the opening General Reserve of the Company as per transitional provision of schedule II.

27. Exceptional Items

(₹ Lakhs)

	For the year ended 31.03.2015	For the year ended 31.03.2014
Profit on Sale of Land (Refer Note no 9 (b))	0.00	2934.26
Release of Revaluation Reserve upon Sale of Land (Refer Note no. 9 (b))	0.00	2911.93
Interest on Excise Duty Payment for prior years	(389.61)	0.00
Total Non Recurring Items	(389.61)	5846.19

The Company had received a letter from the Excise department demanding Rs. 389.61 Lakhs as Interest on the excise duty of Rs 4928 lakhs of earlier years paid by the Company. The Company had filed writ petition before the Hon'ble Bombay High Court challenging the same and same had been dismissed by the Hon'ble Bombay High Court in 2014. The Company has challenged the order of the Hon'ble Bombay High Court by filing Special Leave Petition before the Hon'ble Supreme Court of India. The said Special leave petition is pending for disposal. Meanwhile the Company has paid an amount of Rs.100 Lakhs "under protest" to the excise department.

28. Contingent Liabilities Not Provided For in Respect of

- Disputed indeterminate claims made by the employees regarding reinstatement, wages for the period of suspension etc. relating to the past years pending before Industrial Tribunals/High Court.
- There are certain disputed excise demands of Rs.10.00 Lakhs (Previous year Rs. 64.05 Lakhs).The same are being contested by company in appeals at various levels. The company foresees no liability in the above case as the management believes that it has strong case in the appeal.
- The Company has paid an amount of Rs. 2308.22 Lakhs (Previous year Rs 2308.22 Lakhs, to the Government of Maharashtra "under protest" towards "Unearned Income" on sale of land and compulsory acquisition of land. The Company's appeal in this regard is pending before the Government of Maharashtra. This forms part of "Loans & Advances" and is considered as a contingent liability.
- Additional compensation, if any, in relation to certain demands in Consumer Forum cases, amount unascertained but considered to be insignificant.
- Claims against company not acknowledged as debt amounting to Rs.143.45 Lakhs (Previous year: Rs 143.45 Lakhs)
- Guarantees issued by bank amounting to Rs. 757.35 lakhs (Previous year: Rs. 694.81 lakhs)

29. Capital Commitments & Other Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) is approximately Rs. 0.84 Lakhs (Previous Year Rs.Nil).

There are no other commitments made by the company except for Rs.29 Lakhs (Previous year Rs.89 Lakhs) to be funded to PAL Credit and Capital Limited.

30. Lease

Operating Lease Company As A Lessee

A) Total of the future minimum lease payments under non-cancellable operating leases for each of the following periods are as follows:

	(₹ Lakhs)	
	As on 31.03.2015	As on 31.03.2014
a) Not later than one year	204.53	194.68
b) Later than one year but not later than five years	221.92	381.25
c) Later than five years	Nil	Nil

B) Lease payments recognised in the Statement of Profit and Loss Rs. 206.28 Lakhs (Previous year Rs. 202.29 Lakhs)

C) General description of leasing arrangement

i) Leased Assets :- Motor Cars and Machinery

ii) Future Lease rentals are determined on the basis of agreed terms.

31. Capitalisation of Expenditure

During the year, Company has capitalised the following expenses of revenue nature.

	(₹ Lakhs)	
	For the year ended 31.03.2015	For the year ended 31.03.2014
Salaries, wages and bonus	128.60	316.23
Consumption of material	30.47	2395.86
Interest cost	78.23	157.21
	237.30	2869.30

32. Employee Benefit

Defined Benefit Plans/Long Term Compensated Absences as per Actuarial Valuation:

Sr. Particulars	Gratuity		Leave Encashment	
	2014-15	2013-14	2014-15	2013-14
A. Expense recognised in the Statement on Profit & Loss for the year ended March 31, 2015				
1. Current Service Cost	31.73	31.19	39.71	42.78
2. Interest Cost (on PBO as of 31.03.2015)	36.62	36.18	22.01	22.24
3. Employee Contributions	---	---	---	---
4. Expected return on plan assets	---	---	---	---
5. Actuarial (Gains)/ Losses	52.20	(45.06)	13.39	(61.80)
6. Past service cost				
7. Settlement cost				
8. Total Expense	120.55	22.31	75.11	3.22
B. Net Asset /(Liability) recognised in the Balance Sheet as at March 31, 2015				
1. Present value of Defined benefit obligation as at March 31, 2015	429.53	491.66	274.28	315.21

	Gratuity		Leave Encashment	
	2014-15	2013-14	2013-14	2014-15
2. Fair value of plan assets as at March 31, 2015				
3. Funded status surplus/(Deficit)	UNFUNDED	UNFUNDED	UNFUNDED	UNFUNDED
4. Net asset/ (liability) as at March 31, 2015	(429.53)	(491.66)	(274.28)	(315.21)
C. Change in obligation during the year end March 31, 2015				
1. Present value of Defined benefit obligation at the beginning of the year 01.04.2014	491.66	478.30	315.21	320.61
2. Current Service cost	31.73	31.19	39.71	42.78
3. Interest Cost (on PBO as of 31.03.2015)	36.62	36.18	22.01	22.24
4. Settlement cost				
5. Past service cost				
6. Employee contributions				
7. Actuarial (Gains)/ Losses	52.20	(45.06)	13.39	(61.80)
8. Benefits payments	(182.08)	(8.95)	(116.04)	(8.94)
9. Present value of Defined benefit obligation at the end of the year	429.53	491.66	274.28	315.21
D. Change in Assets during the year ended March 31, 2015				
1. Plan assets at the beginning of the year 01.04.2014	---	---	---	---
2. Assets acquired in amalgamation in previous year	---	---	---	---
3. Settlements	---	---	---	---
4. Expected return on plan assets	---	---	---	---
5. Contributions by Employees	---	---	---	---
6. Actual benefits paid	NA	NA	NA	NA
7. Actuarial (Gains)/ Losses	NA	NA	NA	NA
8. Plan assets at the end of the year				
9. Actual return on plan assets	NA	NA	NA	NA
E. The Major categories of plan assets as a percentage of total plan				
1. Qualifying insurance policy	-	-	-	-
F. Effect of one percentage point change in the assumed medical inflation rate				
1. Increase/ (Decrease) on aggregate service and interest cost of post employment medical benefits	NA	NA	NA	NA
2. Increase / (Decrease) on present value of Defined benefit Obligation as at March 31, 2015	NA	NA	NA	NA
G. Actuarial Assumptions				
1. Discount rate	8%	8%	8%	8%
2. Expected rate of return on plan assets	NA	NA	NA	NA
3. Mortality pre retirement	Indian Assured Lives Mortality (2006-08) U1t	Indian Assured Lives Mortality (2006-08) U1t	Indian Assured Lives Mortality (2006-08) U1t	Indian Assured Lives Mortality (2006-08) U1t
4. Mortality post Retirement	NA	NA	NA	NA
5. Turnover rate	1%	1%	1%	1%
6. Medical / premium Inflation	NA	NA	NA	NA

33. Segment Reporting

Information given in accordance with the requirement of Accounting Standard 17 (AS 17), on "Segment Reporting".

Company's Primary business segments are as under:

- (i) **Engineering:** Engaged in Engineering, manufacturing of machine tools of gear cutting, vertical and horizontal machining centre and special purpose machines. Specialized engineering solution for various applications, machining of precision components, sub-assemblies.
- (ii) **Automotive:** Automotive segment consists of two distinct activities viz. assembly of vehicles from imported painted bodies (already commenced) and indigenous production of vehicle bodies (yet to commence). During the year the company has undertaken only the assembly of the vehicles from imported painted bodies and indigenous production activity of bodies has not commenced.

Segment Accounting Policies:

Segment accounting disclosures are in line with accounting policies of the Company. However, the following specific accounting policies have been followed for segment reporting.

- Segment Revenue includes Sales and other income directly identifiable with / allocable to the segment.
- Expenses that are directly identifiable with /allocable to segments are considered for determining the Segment Result. The expenses, which relate to the Company as a whole and not allocable to segments, are included under "Un-allocable expenditure".
- Income which relates to the Company as a whole and not allocable to segments is included in "Un-allocable Income".
- Segment assets and liabilities include those directly identifiable with the respective segments.
- The Company has no Secondary Reportable Segment.

Segment Results: Information about primary business segments

(₹ Lakhs)

Sr. No.	Description	As on 31.03.2015	As on 31.03.2014
1	Segment-wise Revenue		
	1. Engineering	16350.47	16720.67
	2. Automotive	1374.79	3786.76
	Total	17725.26	20507.43
	Less: Inter Segment Revenue	0.00	0.00
	Gross Sales / Income from operation	17725.26	20507.43
2	Profit / (Loss) before tax & interest		
	1. Engineering	1508.88	2218.34
	2. Automotive	(1349.03)	(887.83)
	Total	159.85	1330.51
	Less : Interest	6171.57	6618.49
	Other Un-allocable expenditure net off income	1309.30	(4753.51)
	Net Profit / (Loss) before tax	(7321.02)	(534.47)
	Less : Taxes	(2737.68)	(3049.37)
	Net Profit after tax	(4583.34)	2514.90
3	Segment Assets		
	1. Engineering	46811.67	45291.05
	2. Automotive	8650.91	11065.50
	3. Not - allowed - Corporate	37148.61	49346.60
	Total Assets	92611.19	105703.15

Sr. No.	Particulars	As on 31.03.2015	As on 31.03.2014
4	Segment Liabilities		
	1. Engineering	7985.90	5451.13
	2. Automotive	581.72	1286.84
	3. Not - allocated - Corporate	3487.65	4271.33
	Total Liabilities*	12055.27	11009.30
5	Capital Expenditure		
	1. Engineering	71.78	3340.90
	2. Automotive	306.13	2832.41
	3. Not - allocated - Corporate	81.24	45.51
6	Depreciation		
	1. Engineering	3152.43	2400.18
	2. Automotive	883.01	856.87
	3. Not - allocated - Corporate	30.20	17.55
7	Non cash expenses other than depreciation		
	1. Engineering	--	--
	2. Automotive	--	--
	3. Not - allocated - Corporate	--	--

* Total Liabilities exclude Secured loans Rs.29379.62 Lakhs (Previous year Rs.33696.56 Lakhs) and Unsecured loans Rs.6340.16 Lakhs (Previous year Rs. 11135.49 Lakhs).

34. Other Disclosures

a. CIF Value of imports (including capitalized items)

(₹ Lakhs)

Sr.No.	Particulars	As on 31.03.2015	As on 31.03.2014
a)	Raw Materials: Metal Components	190.72	1109.78
b)	Capital goods	0.00	0.00

b. Expenditure and Earning in Foreign Currency

(₹ Lakhs)

Sr. No.	Particulars	As on 31.03.2015	As on 31.03.2014
a)	Expenditure in foreign currency		
	1. Travelling expenses	11.09	19.86
	2. Others	0.00	13.64
b)	Earnings in foreign currency (including deemed exports) FOB value of exports	357.04	339.64

c. Details of imported and indigenous Raw materials and components consumed

(₹ Lakhs)

Sr. No.	Particulars	As on 31.03.2015	As on 31.03.2014
		%	%
i)	Imported	238.86	2
ii)	Indigenous	11048.32	98
	Total	11287.18	100

35. Related Party Disclosures

a. List of Related Parties where control exists and related party with whom transactions have taken place and Relationships:

i. Associate Companies:

- (a) PAL Credit & Capital Ltd.
- (b) Premier Auto Ltd.

II. Enterprise over which Key Managerial Personnel (Chairman & Managing Director) are able to exercise significant influence :

- (a) Doshi Holdings Pvt. Ltd.
- (b) DHPL Marine Pvt. Ltd.
- (c) Shri Lalchand Hirachand Premier Trust

iii. Key Managerial Personnel

- a. Mr Maitreya V.Doshi - Chairman & Managing Director
- b. Mr Ramesh M. Tavhare - Company Secretary
- c. Mr K.S. Nair - Chief Financial Officer

iv. Relative Of Key Managerial Personnel

- a. Smt. Saryu Doshi - Mother of Mr Maitreya V.Doshi
- b. Mrs Rohita Doshi - Wife of Mr Maitreya V.Doshi

b. Transactions during the year with and balance outstanding as at the end of the year with the related parties as follows

(₹ Lakhs)

Sr. No.	Related Parties Transactions	31 st March 2015	31 st March 2014
I. Transactions with Associate Companies			
A	Advance Paid to PAL Credit & Capital Ltd.	35.58	32.15
B	Interest Income PAL Credit & Capital Ltd.	24.38	0.00
C	Year End Balances Receivable from PAL Credit & Capital Ltd.	246.11	186.15
II. Transactions with Enterprise over which which key Managerial Personnel are able to exercise significant influence			
A	Inter Corporate deposit (ICD) received		
	1. Doshi Holdings Pvt. Ltd.	0.00	500.00
	2. DHPL Marine Pvt. Ltd.	0.00	230.00
		0.00	730.00
B	Earest Money Deposit (EMD) received		
	1. Shri Lalchand Hirachand Premier Trust	0.00	300.00
C	Repayment of ICD & EMD		
	1. Doshi Holdings Pvt. Ltd.	225.00	275.00
	2. DHPL Marine Pvt. Ltd.	0.00	230.00
	3. Shri Lalchand Hirachand Premier Trust	80.00	0.00
		305.00	505.00

D	Interest Expense		
1.	Doshi Holdings Pvt. Ltd	5.39	7.02
2.	DHPL Marine Pvt. Ltd.	0.00	2.68
		5.39	9.70
E	Year End Balances		
1.	Payable to Doshi Holding Pvt Ltd	0.00	225.00
2.	Payable to Shri Lalchand Hirachand Premier Trust	1200.00	1280.00
III. Transaction with Key Managerial personnel			
A	Remuneration - Salaries, perquisites		
	Maitreya V. Doshi	136.43	48.39
B	Commission on Personal Guarantee		
	Maitreya V. Doshi	0.00	150.00
C	Year End Balance		
	Payable to Maitreya V. Doshi	8.96	5.04
IV. Transaction with Relative of Key Managerial Personnel			
A	Repayment of FDs		
1.	Smt.Saryu V. Doshi	40.00	12.00
B	Interest Expense		
1.	Mrs.Rohita M. Doshi	12.50	15.21
2.	Smt.Saryu V. Doshi	9.71	12.01
		22.21	27.22
C	Year End Balance		
1.	Payable to Mrs.Rohita M. Doshi	100.00	100.00
2.	Payable to Smt.Saryu V. Doshi	75.00	115.00
		175.00	215.00

36. Earnings per share (EPS)

Sr.No.	Particulars	As on 31.03.2015		As on 31.03.2014	
		Basic	Diluted	Basic	Diluted
(a)	No. of Shares	30372570	30372570	30372570	30372570
(b)	Net Profit / (Loss) (₹ Lakhs)	(4583.34)	(4583.34)	2514.90	2514.90
(c)	Earning per share (₹)	(15.09)	(15.09)	8.28	8.28

37. Unhedged Foreign Currency Exposures

Sr.No.	Particulars	Currency	Foreign Currency	Amount in INR (₹ Lakhs)
(a)	Payables	USD	0.00 (12612.86)	0.00 (7.58)
(b)	Payables	GBP	5874.80 (0.00)	5.43 (0.00)
(c)	Payables	Euro	26494.00 (71459.59)	17.89 (59.01)
d)	Receivables	Euro	219318.50 (124752.50)	148.06 (103.02)

(Figures in brackets are for previous year)

38. There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the Balance Sheet date. Further, the Company has neither paid nor is any interest payable to any Micro, Small and Medium Enterprises on the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.
39. Balances of Debtors & Creditors and advances/deposits received from dealers/customers are as per books of account. Letters have been sent seeking confirmation of balances and replies in some cases are awaited. Adjustments, if any, will be made on receipt of such confirmations and due reconciliation.
40. Previous year figures have been regrouped and/or rearranged whenever necessary.

(Signature to Notes 1 to 40)

As per our Report attached
For K. S. Aiyar & Co.
 Chartered Accountants
 ICAI Firm Registration No.
 100186W
Rajesh S. Joshi
 Partner (M No. 38526)
 Place: Mumbai
 Date: 30th April 2015

Maitreya V. Doshi
 Chairman & Managing
 Director
S. Padmanabhan
 Director
Asit Javeri
 Director
Rohita M. Doshi
 Director

Kavita Khanna
 Director
Dilip J. Thakkar
 Director
Shailesh Vaidya
 Director
Udo Weigel
 Director

Ramesh Adige
 Director
Ramesh M. Tavhare
 Vice President
 (Legal & Corporate Affairs)
 & Company Secretary
K. S. Nair
 Chief Financial Officer
 Place: Mumbai
 Date: 30th April 2015

Notes

CNC Machines



CNC Machining facility



CNC Vertical Turning
Lathe



CNC Gear Hobbing
Machine



CNC Gear Shaving
Machine



Trial on Premier PTB 200
machine before dispatching

Engineering

Automotive



PREMIER LTD.

Corporate Office: 36, Nariman Bldg., Nariman Point, Mumbai 400021, India. Tel. +91-22-61119000/1/2, Fax. +91-22-61119001

Registered Office & Works: Mulund-Pune Road, Colabahead, Pune 411014, India. Tel. +91-20-66316666 / 27479165, Fax. +91-20-66316375