

# PREMCO

# PREMCO

# 20th Annual Report

# 2012-2013



## BOARD OF DIRECTORS

**Mr. ASHOK B. HARJANI**  
CHAIRMAN & MANAGING  
DIRECTOR

**Mr. LOKESH P. HARJAN**  
EXECUTIVE DIRECTOR

**Mr. RAJESH M. MAHTANI**  
INDEPENDENT DIRECTOR

**Mr. DEVENDRA K. SHAH**  
INDEPENDENT DIRECTOR

**\*Mr. PREM I. GIDWANI**  
ADDITIONAL DIRECTOR

**STATUTORY AUDITORS**  
S. P. JAIN & ASSOCIATES

**BANKERS**  
HDFC BANK LIMITED  
STATE BANK OF INDIA

## REGISTERED OFFICE

"PREMCO HOUSE",  
A/26, MIDC, STREET NO. 3,  
ANDHERI (EAST), MUMBAI 400 093.  
TEL. NO. : 091-022-2822 3232 / 3085 5000  
FAX. NO. : 091-022-2835 1812  
E-mail : admin@premcoglobal.com

## REGISTRAR AND TRANSFER AGENTS

Big Share Services Pvt. Ltd., E-2/3, Ansa  
Industrial Estate, Sakivihar Road, Saki Naka  
Andheri (E), Mumbai - 400 072.  
Tel.No.: 091-022-2847 0652/53/40430200  
Fax No. : 091-022-28475207  
E-mail : investor@bigshareonline.com

## WORKS

Plot No. - 41, Diwan & Sons  
Industrial Estate,  
Aliyali Village, Dist. Thane  
Palghar, Maharashtra.

8, Marol Udyog Premises,  
Steelmade Industrial Estate,  
Marol - Maroshi Road,  
Andheri (E), Mumbai - 400 059.

Plot No. - 202/2,  
Old Check Post,  
Dadra & Nagar Haveli,  
Union Territory.

C/O. Akay Filtips Pvt. Ltd.  
Plot No. A-2/23/24,  
Gidc, Silvassa Road,  
Near Nathani Paper Mills, Vapi - 396 195.

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# PREMCO GLOBAL LTD.

## NOTICE

NOTICE is hereby given that the 29th ANNUAL GENERAL MEETING of the Shareholders of PREMCO GLOBAL LIMITED will be held on 19th August 2013 at 9.30 A.M. at "Premco House", A/26, M.I.D.C., Street No. 3, Andheri (E) to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider, and adopt the Audited Balance Sheet as at 31st March, 2013 and the Audited Profit and Loss Account for the year ended 31st March, 2013 and the Report of the Directors and the Auditors of the Company.
2. To declare dividend for the financial year ended 31st March 2013.
3. To appoint a Director in place of Mr. Devendra K. Shah, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s S.P. Jain & Associates, the retiring Auditors for the financial year 2013-2014 and to fix their remuneration.

### SPECIAL BUSINESS

5. To Consider and if, thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution.

"RESOLVED THAT Mr. Prem I. Gidwani, who was appointed as an Additional Director of the Company on 3rd November, 2012 under Articles of Association of the Company and who by virtue of Section 260 of the Companies Act, 1956, holds office upto the date of this Annual General Meeting, but being eligible, offers himself for re-appointment and in respect of whom the Company has received Notice in writing under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation".

BY ORDER OF THE BOARD OF DIRECTORS

For PREMCO GLOBAL LIMITED

**ASHOK B. HARJANI**

**CHAIRMAN & MANAGING DIRECTOR**

**Regd Office :** A/26, "Premco House",

M.I.D.C., Marol, Street No. 3,

Andheri (East), Mumbai - 400 093.

Date : 30th May, 2013

### NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and proxy need not be a member of the company
2. The proxy form, duly completed and stamped, must reach the Registered office of the Company not less than 48 hours before the time of holding the afore said meeting
3. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is attached and forms part of this Notice.
4. Members are requested to notify the change, if any, in their address, to the Registrar & Share Transfer Agents of the Company.
5. The Register of Members and Share Transfer Register of the Company will remain closed from Tuesday the 13th August 2013 to Monday the 19th August 2013 (both the days inclusive).

6. Re-appointment of Mr. Devendra K. Shah, Independent Director : (in pursuance of clause 49 of the listing agreement) He retires by rotation and being eligible offers himself for re-appointment.

i) Name : Devendra K. Shah

ii) Age : 63

iii) Nationality : Indian

iv) Date of Appointment on Board : 30.12.2005

v) Shareholding : 800

vi) Capacity : Independent Director

vii) Qualification : B Com

viii) Expertise in specific functioning area : P-Power LED Lighting System.

ix) Other Directorships: N.A

7. All documents referred to in the accompanying Notice are open for inspection at the Registered office of the Company during office hours on all working days except for Sundays between 10.30 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

8. Registrar and Transfer Agents

Our RTA, Big Share Services Private Limited launched Gen-Next Investor Interface Module "i'Boss" the most advanced tool to interact with investors. Please login to i'Boss ([www.bigshareonline.com](http://www.bigshareonline.com)) and help them serve you better.

(For share transfers and other communication relating to share certificates, dividend and Change of address)

Big Share Services Pvt. Ltd.,

E-2/3, Ansa Industrial Estate, Sakivihar Road,

Saki Naka, Andheri (E), Mumbai - 400 072.

Tel. No. : 091-022-2847 0652/53/40430200

Fax No. : 091-022-28475207

E-mail : [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

Contact : Shri Ansaar S.

### EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

#### ITEM NO. 5

Mr. Prem I. Gidwani was appointed as an Additional Director of the Company with effect from 3rd November, 2012. Pursuant to Section 260 of the Companies Act, 1956, their term as Directors expires at the forthcoming Annual General Meeting. The Company in turn has received notice from members along with a deposit of Rs. 500/- in cash pursuant to Section 257 of the Companies Act, 1956 signifying their intention to appoint them as Directors of the Company liable to retire by rotation. The Directors recommend these appointments in the best interests of the Company.

None of the Directors of the Company except Mr. Prem I. Gidwani may be considered to be interested in the passing of the resolution.

BY ORDER OF THE BOARD OF DIRECTORS

For PREMCO GLOBAL LIMITED

**ASHOK B. HARJANI**

**CHAIRMAN & MANAGING DIRECTOR**

**Regd Office :** A/26, "Premco House",

M.I.D.C., Marol, Street No. 3,

Andheri (East), Mumbai - 400 093.

Date : 30th May, 2013





## DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting the 29th Annual Report and Audited accounts for the financial year ended 31st March 2013.

## FINANCIAL RESULTS

	2012-2013	2011-2012
	Rs. In Lacs	Rs. In Lacs
Profit before Interest & Depreciation	938.15	314.99
Less: Depreciation	107.58	103.57
Interest	95.17	101.52
<b>Profit before Tax</b>	<b>735.40</b>	<b>109.89</b>
Provision for - Current Tax	250.00	47.00
- Deferred Tax	(31.22)	2.77
- Provision	(0.15)	(0.97)
<b>Net Profit after Tax</b>	<b>516.77</b>	<b>61.09</b>
<b>Surplus available for appropriation</b>	<b>516.77</b>	<b>61.09</b>
Appropriation:		
Proposed Dividend	56.00	35.53
Tax on Proposed dividend	9.52	5.77
General reserve	451.25	19.80
Balance carried to Balance Sheet	00.00	00.00
	<b>516.77</b>	<b>61.09</b>

## OPERATIONS

During the year under review turnover of the company stand at Rs.5,285.39 Lacs (P.Y. Rs. 3,377.04 Lacs). The profit before Interest, Depreciation and Tax at Rs. 938.15 Lacs (P. Y. Rs. 314.99 Lacs). Net profit during the year is Rs.516.77 Lacs (P.Y. Rs. 61.09 Lacs).

The management continues to pursue its efforts to further improve its capacity utilization, operating efficiencies and cost competitiveness to improve its performance in the coming year through increase in Turnover, improved domestic market and strong inroads on export front along with appropriate restructuring of products and procedures.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The same is enclosed in Annexure A to this report.

## DIVIDEND

Your Directors are pleased to recommend payment of Dividend @ 18 %. Total cash outflow on account of this dividend payment including distribution tax will be Rs. 65.52 Lacs. The Dividend after approval by the shareholders at the forthcoming AGM will be paid to the eligible shareholder before 3rd September, 2013.

## PERSONNEL

The particulars required to be furnished under the provisions of section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended, are not furnished as there were no employees covered under the said category.

## CORPORATE GOVERNANCE

As required by Clause 49 of the listing agreement, Corporate Governance Report is attached as Annexure B to this report. Certificate of the Auditors regarding compliance of the conditions of the Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchange is also attached and forms part of Annexure B.

## DIRECTORS

Mr. Devendra K.Shah retires by rotation and you are requested to reappoint he Non Executive Independent Director respectively.

## DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956, the Directors of the Company hereby state and confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 profit or loss of the Company for that period;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have prepared the annual accounts on a going concern basis.

## ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Information in accordance with the provisions of section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of

# PREMCO GLOBAL LTD.

Board of Directors) Rules, 1988 regarding conservation of Energy, Technology absorption and Foreign Exchange earnings and outgo are given below:

## Conservation of Energy

The Company is not a major user of energy. Due to increase in capacity utilization and expansion of new factory unit at Vapi the energy consumption in absolute units and value have increased vis-à-vis earlier years. However, the measures taken up by the Company have resulted in improvement and saving of power. Regular preventive maintenance is carried out and this has enhanced productivity and efficiency of the equipments resulting in considerable power saving. Power to all major equipment and lighting in work-areas is put off when not required.

The required data in Form 'A' to conservation of energy as applicable to our industry is furnished below:

<b>PARTICULARS</b>	<b>2012-2013</b>	<b>2011-2012</b>
	<b>Rs. In Lacs</b>	<b>Rs. In Lacs</b>
<b>Electricity</b>		
Purchased (units in '000)	<b>3034.40</b>	2272.54
Total Amount (Rs. in Lacs)	<b>154.98</b>	112.85
Rates/Unit (in Rs.)	<b>5.11</b>	4.97
<b>Diesel</b>		
Purchased (Liters in '000)	<b>59.85</b>	35.07
Total Amount (Rs. in lacs)	<b>25.70</b>	15.22
Rates/Liters (in Rs.)	<b>42.94</b>	43.40

## Technology Absorption and Research and Development

The Company has not obtained any technology from outside parties either in India or abroad, nor has entered into any technical collaboration agreement with any parties from abroad. There is no research and development unit of the Company of its own.

## Foreign Exchange Earning and Outgo

<b>PARTICULARS</b>	<b>2012-2013</b>	<b>2011-2012</b>
	<b>Rs. In Lacs</b>	<b>Rs. In Lacs</b>
Foreign Exchange earning	<b>2517.37</b>	1663.72
Foreign exchange outgo	-	-
(Equivalent to Rupee value)		
• Raw Material & Spares	<b>85.36</b>	188.44
• Capital Goods	<b>15.60</b>	9.75
• Travelling	<b>46.12</b>	40.51
• Testing / License Fees	-	1.63

## AUDITORS AND AUDITORS' REPORT

Messer's S. P. Jain & Associates, Chartered Accountants, the statutory auditors, retire at the conclusion of ensuing Annual General Meeting and are eligible for reappointment. You are requested to appoint auditors.

The notes to the accounts referred to in the auditors report are self-explanatory and therefore do not call for any further comments.

## INDUSTRIAL RELATIONS

During the period, industrial relations have been extremely cordial. The management thanks all the employees for their continued contribution towards the growth of the organisation.

## ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Banks and shareholder for their continued support during the year under review.

Your Directors wish to place on record their deep sense of appreciation for the devoted services of the Executives, Staff and Workers of the Company for its success.

For & On Behalf of the Board of Directors

**ASHOK B. HARJANI.**

CHAIRMAN & MANAGING DIRECTOR.

Place: Mumbai.

Date: 30th May 2013.



## MANAGEMENT DISCUSSION AND ANALYSIS (Annexure – A)

### INDUSTRY OVERVIEW :

The Elastic Industry has witnessed an overall buoyancy in demand due to an upswing in targeted growth objectives. The Garment Industry has witnessed a significant jump in Sales volumes due to favorable economic conditions, which has consequently resulted into a surge of Revenues, for the Elastic Industry.

In the year 2013-14, it is expected that the industry would not only grow with the current level of operations but further pick up and improve from the current levels.

### BUSINESS OVERVIEW :

Premco Global Ltd., is one of India's leading manufacturers of Elastic. During the year 2012-13, the Domestic Sales have increased by 56 % & the Export Sales have gone up by 55 %. This is due to an upward movement in Domestic demand of Elastic as well as the International Markets. Management is putting all their efforts & innovations to improve the Sales Turnover. The company expects further rise in the Domestic orders as well as in Export orders and the future prospects seems to be very much bright.

The result of this would be visible in the next years as the production would increase to match the growing sales order book.

### SEGMENTS :

As per the Management, Company is mainly engaged in the business of Manufacturing of Elastic Tapes and all other activities of the Company revolve around the main business, and as such, there are no separate reportable segments.

### OUTLOOK :

Against the backdrop of favorable general economic outlook, rise in the Domestic & Export Demand & Expansion plans of the Company, the Company expects improvement in the revenue as well as operating margins in the coming years.

### RISK & CONCERNS :

The Company faces the risk of competition from various Local Manufacturers, despite the fact that it has established phenomenal historical experience & goodwill in the market.

The prices of Raw Materials are subject to significant volatility based on the various factors such as crude oil prices, international prices for rubber etc. These could correspondingly inflate the Cost Structure.

### INTERNAL CONTROLS & THEIR ADEQUACY:

The Company has well defined Internal Control Systems. The Company takes adequate care to review and monitor the working of internal control system. Internal audit in the Organization is an independent appraisal activity and it measures the efficiency, adequacy and effectiveness of other controls in the Organization.

### DISCUSSION ON FINANCIAL PERFORMANCE:

During the year under review Turnover of the Company stands at Rs. 5,285.39 Lacs (P.Y. Rs. 3,377.04 Lacs). The profit before Interest, Depreciation and Tax is at Rs. 938.15 Lacs (P. Y. Rs. 314.99 Lacs). Net profit during the year is Rs. 516.77 Lacs (P.Y. Rs. 61.09 Lacs).

### MATERIAL DEVELOPMENT IN HUMAN RESOURCES (INCLUDING NO OF PERSONNEL EMPLOYED):

The Company believes that Human Resource is one of the most vital resources and a key pillar in providing the Organization a competitive edge in current business environment. The work environment is very challenging and performance oriented, recognizing employee potential along with providing them Growth Opportunities. Premco Global Ltd. takes adequate precautionary measures for its employee's welfare.

As on 31 March 2013, Premco Global Ltd. had staff strength of 169 on its payroll.

# PREMCO GLOBAL LTD.

## REPORT ON CORPORATE GOVERNANCE (Annexure - B)

### A. COMPLIANCE OF MANDATORY REQUIREMENTS

#### 1 Company's Philosophy on code of Corporate Governance:

The Company is committed to good corporate governance. Corporate governance envisages commitment of the company towards the attainment of high level of transparency, accountability and business propriety with the ultimate objective of increasing long term shareholders value, keeping in view the needs and interests of all stakeholders.

The primary purpose of corporate leadership is to create wealth legally and ethically. This translates to bringing a high level of satisfaction to five constituencies - customers, employees, investors, vendors and the society-at-large. The raison d'être of every corporate body is to ensure predictability, sustainability and profitability of revenues year after year.

#### CODE OF CONDUCT

Corporate Governance rests upon the four pillars of: transparency, full disclosure, independent monitoring and fairness to all, especially to minority share holders. Your Company has always strived to promote good governance practice, which ensure that:

- A Competent Management team is at the control of affaires;
- The Board is strong with optimum combination of Executive and Non-Executive (Including Independent) directors, who represent the interest of all stake holders;
- The Board effectively monitors the management's progress, takes all key corporate decisions and is effectively in control of the company's affairs;
- The board is concerned about the Company's shareholders; and
- The management and employees have stable environment.

#### 2 Board of Directors

The Composition of the Board of Directors of the Company is conformity with Clause 49 of the listing agreement entered in to with the stock exchanges. The Company has an Executive Chairman and the number of independent directors constitutes half of the Board of Directors of the Company. The Non Executive directors with their diverse knowledge, experience and expertise bring in their

independent judgment in the deliberation and decisions of the Board.

Consequently the present strength of the board is five Directors, as explained below, headed by Executive Chairman. For the Financial Year 2012 2013, Eight meetings of the Board were held on 19th May 2012, 28th July 2012, 28th August, 2012, 18th September, 2012 ,3rd November 2012, 11th November, 2012, 22nd December , 2012, 31st January 2013, .

The Company has held one meeting in every three months and the maximum time gap between any two meetings was not more than four months.

The detailed composition of the Board and other related information is given in the table hereunder :

NAME OF THE DIRECTOR	Category	Board Meeting During The Year		Attended Last AGM on 18/09/2012	No of Director Ship in other Public Companies		No of Board Committee Positions held in other Public Companies	
		Held	Attend		Chairman	Member	Chairman	Member
Ashok B. Harjani	Executive	8	8	Yes	Nil	Nil	Nil	Nil
Lokesh P. Harjani	Executive	8	8	Yes	Nil	1	Nil	Nil
Devendra K. Shah	Non Executive Independent	8	7	Yes	Nil	Nil	Nil	Nil
Rajesh M. Mahtani	Non Executive Independent	8	7	Yes	Nil	Nil	Nil	Nil
Prem I. Gidwani	Additional Director	8	2	Yes	Nil	Nil	Nil	Nil

None of the Directors hold Directorship in more than 15 companies, membership in Committee of Board in more than 10 companies and Chairmanship of Committees of Board of more than 5 committees Details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting.

Remuneration paid to Director:-

(Rs. In Lacs)

NAME OF THE DIRECTORS	SITTING FEES	SALARY & PERQUISITES Including Gratuity)
Ashok B. Harjani	NIL	Rs. 23.98
Lokesh P. Harjani	NIL	Rs. 11.38
Devendra K Shah	NIL	NIL
Rajesh M Mahtani	NIL	NIL

#### Directors retired by rotation

Shri Devendra K.Shah was first appointed as Non-Excutive Director of the Company on 30th December, 2005 and thereafter has served the by the company. He retires by rotation and being eligible offers himself for re-appointment .The particulars as required is given in notes to the Notice convening the 29th AGM.



### 3) Audit Committee

The Audit Committee consisted of 2 Non Executive Directors and 1 Executive Director namely Mr. Devendra K. Shah and Mr. Rajesh M. Mahtani. and Shri Lokesh Harjani Executive Director, five meetings were held during the year on 19th May, 2012, 28th July, 2012, 11th November, 2012 and 22nd December, 2012 and 31st January, 2013

Details of the meetings are as under:

Name of the Director	Position held Chairman / Member	Meeting held	Meeting attended
Devendra K. Shah	Chairman	5	5
Lokesh P. Harjani	Member	5	3
Rajesh M. Mahtani	Member	5	5

The terms of reference in powers of the Audit Committee are as per Clause 49 of the listing Agreement and also as per new section 292A of the Companies Act, 1956. The functions of the Audit Committee are as per Company Law and Listing Agreement with the Stock Exchanges. These include review of accounting and financial policies and procedure, review of financial reporting system, internal control procedures and risk management policies.

The minutes of the Audit committee Meeting were circulated to the Board, discussed and taken note of.

### 4) Remuneration Committee

#### Terms of Reference :

The broad terms of reference of the Remuneration Committee is to fix remuneration payable to the Managers, Executive / Managing / Whole time Director in terms of Schedule XIII of the Companies Act, 1956 and refer the same to the Board.

### 5) Share Holder's Committee

This committee consist of 3 Member one Executive Chairman and 2 Non-Executive Directors as Member. The committee was constituted to redress shareholders'/ investors' complains related to delay in transfer of shares, demat, non-receipt of annual accounts, delay in balance sheet etc.

Composition of Committee together with meeting held and attendance as follows:-

Name of the Director	Position held Chairman / Member	Meeting held	Meeting attended
Ashok B. Harjani	Chairman	4	4
Devendra K. Shah	Member	4	4
Rajesh M. Mahtani	Member	4	4

The Particulars of Investors, grievances received and redressed during the year are furnished below :

Nature of Complaints	No. of Complaints		
	Received	Resolved	Pending as on 31/3/2013
Non Receipt of Annual Report	Nil	Nil	Nil
Complaints relating to Dematerialisation of Shares	1	1	Nil
Non-receipt of Share Certificates after transfer / duplicate / name correction	Nil	Nil	Nil
Others	Nil	Nil	Nil
<b>TOTAL</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

Shareholders are advised to register any change in address of communication. The address, telephone number and email address of R&T Agent is given to share holders.

### 6) General Body Meeting

The particulars of last 7 AGM of your company are as under:

Date of AGM	Financial Year	Venue/ Location	Time of the Meeting	Special Resolution Passed (Rs.in Lacs)
19/09/2008	2007-2008	Registered Office	9.30 A.M.	To increase remuneration of Ashok B. Harjani & Lokesh P. Harjani to Rs. 0.75 and Rs. 0.50 per month respectively w.e.f.01.04.2008
14/09/2009	2008-2009	Registered Office	9.30 A.M.	No
31/07/2009 (EGM)	2009-2010	Registered Office	3.00 P.M.	To increase remuneration of Ashok B. Harjani & Lokesh P. Harjani to Rs.1.00 and Rs. 0.75 per month respectively w.e.f.01.04.2009
23/09/2010	2009-2010	Registered Office	9.30 A.M.	No
17/08/2011	2010-2011	Registered Office	9.30 A.M.	No
18/09/2012	2011-2012	Registered Office	9.30 A.M.	To increase remuneration of Ashok B. Harjani & Lokesh P. Harjani to Rs.1.50 and Rs. 0.75 per month respectively w.e.f.01.04.2012
11/12/2012 (EGM)	2012-2013	Dadra Factory	9.30 A.M.	Preferential issue of Shares

No special resolution was put through postal ballot last year nor proposed in the ensuing Annual General Meeting.

### 7) Disclosures

#### i) Related Party Transaction :

There are related party transactions i.e. transactions of the Company with its Promoters, Directors or Management, their subsidiaries or



# PREMCO GLOBAL LTD.

relatives, not conflicting with Company's interest at large, the details of which have been shown in Schedule 21-Notes forming part of the Accounts for the year ended 31st March, 2013.

## ii) Details of Non -Compliance :

There has been no instance of Company not complying with any matter related to Capital Markets.

## iii) Disclosure about Director being appointed /reappointed : The details & information required to be disclosed under this section is provided in Notice of the AGM.

iv) a) The independent Non Executive Director do not receive any remuneration & do not have any material pecuniary relationship or transaction with the company, its promoter, its investors, or associates which may affect their independence. They comply to all the requirements as stated in Clause 49.

b) The Particulars of Shares held by Non Executive Director.

NAME OF NON EXECUTIVE DIRECTOR	NO. OF SHARES AS ON 31/03/2013
Mr. Devendra K. Shah	800
Mr. Rajesh M. Mahtani	0

## 8) Means of Communication

The Company publishes its quarterly, half yearly and yearly financial results in "AFTERNOON" and in MUMBAI LAKSHYADEEP. The Company also sends the financial results to the Stock Exchanges immediately after its approval by the Board. The Company is not displaying the financial results on website. The company has not sent the half yearly report to the Shareholder. No presentations were made to the institutional investors or analysts during the year under review.

## 9) General Shareholder Information

29th Annual General Meeting

Date : 19/08/2013

Time : 9.30 A.M.

Venue : Registered Office

## Financial Calendar: (Tentative)

Quarter ending 30th June, 2013	Last week of the July'2013
Quarter ending 30th September, 2013	Last week of the October, 2013
Quarter ending 31st December, 2013	Last week of the January, 2014
Quarter & Annual ending 31st March, 2014	Last week of the May, 2014
Annual General meeting for 2013-14	First week of September, 2014

## Listing on Stock Exchange

Name of the Stock Exchange	Code No.
The Stock Exchange, Mumbai	530331
The Stock Exchange, Ahmedabad	45525

The Annual listing fees of these exchanges have been paid by the Company for the year 2012 - 2013.

## Market Price Data

The high and low prices of the Company's shares at the Stock Exchange, Mumbai (BSE) and performance in relation to the BSE Sensex from April, 2012 to March, 2013 is mentioned hereunder:

MONTH	HIGH	LOW
APRIL' 2012	23.05	23.05
MAY' 2012	21.90	20.85
JUNE' 2012	23.10	21.00
JULY' 2012	24.25	21.45
AUGUST' 2012	23.65	21.40
SEPTEMBER'2012	21.50	19.05
OCTOBER' 2012	25.90	21.55
NOVEMBER'2012	37.95	28.45
DECEMBER'2012	33.60	28.80
JANUARY' 2013	34.15	29.00
FEBRUARY' 2013	37.75	30.60
MARCH'2013	40.60	28.40

## Custodian Fees to Depositories :

Pursuant to SEBI circular No. MRD/DOP/SE/DEP/CIR-4/2005 dated January 28, 2005 the issuer companies are required to pay custodial fees to the depositories with effect from April 1, 2005. Accordingly, the Company has paid custodial fees for the year 2012-13 to NSDL and CDSL on the Basis of number of Beneficial accounts maintained by them on March 31, 2013

## Dematerialisation of Shares and Liquidity :

The Equity Shares of the Company are traded compulsorily in Demat. The Demat facility is available to all Shareholder of the Company, who request for such facility.

**ISIN No. Of the Company's Equity Shares in Demat Form :INE 001E01012**

**Depository Connectivity :** NSDL and CDSL

## Registrar and Transfer Agent (RTA) :

Big Share Services Private Limited, E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Mumbai - 400 072.

Tel.No.091-022-2847 0652/53, 4043 0200

Fax No.091-022-2847 5207

Email: investor@bigshareonline.com

Contact: Shri .Anssar S.



### Share Transfer System :

Presently, the share transfers, which are received in physical form, are processed and the share certificates returned well within the stipulated period of 30 days from the date of receipt, subject to the documents being valid and complete in all respects. The Company has continued the appointment of Registrar and Transfer Agents for accepting transferring and delivering the transferred Share Certificates. All the transfers received in order, are processed within a period of 30 days from the date of receipt.

Company obtains quarterly certificate from a Company Secretary in practice with the share transfer formalities as required under Clause 47 (cc) of the Listing Agreement with Stock Exchanges(s) and files copy of the certificate with stock exchanges.

### Secretarial & Audit Report :

The Secretarial & Audit Report of the Company prepared in term of SEBI Circular No.D&CC/FITC/CIR-16/2002 dated December 31, 2002, reconciling the total share held in both the depositories, viz. NSDL and CDSL and Physical Form with total issued/ paid-up capital of the Company is placed before Board of Directors and duly submitted to the Stock Exchange(s) for every quarter.

### Distribution of Shareholding as on 31st March 2013.

Category	31/03/2013		31/03/2012	
	No. of Shares	% of paid up Capital	No. of Shares	% of paid up Capital
Promoters	18,67,609	58.61 %	18,10,609	59.63 %
Mutual Fund, Institution & Bank	1,01,300	3.18 %	1,01,300	3.34 %
Corporate Bodies	1,30,842	4.11 %	2,19,788	7.24 %
NRI's	2,63,832	8.28 %	2,64,432	8.71 %
Public	7,18,495	22.55 %	6,40,146	21.08 %
Clearing Member	1,04,222	3.27 %	25	.0008 %
<b>TOTAL</b>	<b>31,86,300</b>	<b>100.00 %</b>	<b>30,36,300</b>	<b>100.00 %</b>

### Broad Shareholding Distribution

Range of Shares	Number of Shares Holders	Percentage of Shareholders	Share Amount in Rs.	Percentage
01 To 5000	1078	83.4365 %	22,31,900	7.0047 %
5001 To 10000	107	8.2817 %	8,37,650	2.6289 %
10001 To 20000	42	3.2508 %	6,60,890	2.0742 %
20001 To 30000	13	1.0062 %	3,51,530	1.1033 %
30001 To 40000	11	0.8514 %	3,94,610	1.2385 %
40001 To 50000	9	0.6966 %	4,24,800	1.3332 %
50001 To 100000	9	0.6966 %	7,17,230	2.2510 %
100001 & Above	23	1.7802 %	2,62,44,390	82.3663 %
<b>TOTAL</b>	<b>1,292</b>	<b>100 %</b>	<b>3,18,63,000</b>	<b>100 %</b>

### Non-Mandatory Requirements :

The Company at present has not adopted the Non-Mandatory requirements with regard to maintenance of Non-executive Chairman's Office, sending of half yearly performance to the shareholders to their residence etc.

### Dematerialisation of Shares and Liquidity:

81.64 % of Company's Equity Shares have been dematelsed as on 31st March 2013.

### Investor Correspondence :

All inquiries, clarifications and correspondence should be addressed to the Compliance Officer at the following address:

Compliance Office: Mr. Mahesh D. Puthran  
A/26, Premco House"Compliance Officer  
Street No.3, MIDC Marol,  
Andheri (E) Mumbai - 400 093.  
Telephone No.: 022 - 3085 5025  
Fax No.: 022 - 2835 1812  
Email: mahesh@premcoglobal.com

### DECLARATION UNDER CLAUSE 49

All the Board Members and senior Management have affirmed compliance to the Code of Conduct for the F.Y.2012-2013.

**ASHOK B. HARJANI**

CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai

Date : 30th May, 2013

### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Premco Global Limited

We have examined the compliance of conditions of Corporate Governance by Premco Global Limited, for the year ended on 31st March 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial 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 Director and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

For **SANJAY DHOLAKIA & ASSOCIATES**

(**SANJAY R. DHOLAKIA**)

Practising Company Secretary

Proprietor

FCS 2655 CP 1798

Place : Mumbai.

Dated : 30h May, 2013.

**PREMCO GLOBAL LTD.**

**FORM**  
**[SEE RULE 3]**  
**COMPLIANCE CERTIFICATE**

**To**

**The Members,**

**PREMCO GLOBAL LIMITED**

**CIN : L18100MH1986PLC040911**

We have examined the registers, records, books and papers of PREMCO GLOBAL LIMITED, (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company is a public limited company and the restrictions mentioned in section 3(1)(iii) of the Act is not applicable to public limited companies.
4. The Board of Directors duly met 8 (eight) times on 19th May, 2012, 28th July, 2012, 28th August, 2012, 18th September, 2012, 3rd November, 2012, 11th November, 2012, 22nd December, 2012 and 31st January, 2013 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed.
5. The Company was not required to close its Register of Members during the financial year.
6. The Annual General Meeting for the financial year ended on 31st March, 2012 was held on 18th September, 2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. One extra ordinary general meeting was held on 11th December, 2012 during the financial year under review after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.

8. The Company has not advanced any loans to its directors and/or persons or firms or companies referred in the section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the Register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government, as the case may be.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has:
  - (i) not made any transfer/transmission of securities during the financial year. However, the Company has allotted 1,50,000 equity shares during the year under review.
  - (ii) paid dividend directly by cheques for dividend declared during the financial year.
  - (iii) paid to members of the company the dividend within statutory time limits which was declared during the financial year.
  - (iv) unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid as are required were transferred to Investor Education and Protection Fund.
  - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was appointment of one director, Mr. Prem Indur Gidwani w.e.f. 3rd November, 2012 during the year under review.
15. Mr. Ashok Harjani was appointed as Chairman and Managing Director and Mr. Lokesh Harjani was appointed as Whole-time Director for a period of three years with effect from 1st April, 2012 during the financial year after complying with the provisions of the Act.
16. The Company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other applicable authorities as may be prescribed in the Act during the year under review.



18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has issued and allotted 1,50,000 equity shares during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transaction necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not accepted inter-corporate deposits during the financial year.
24. The company has made borrowings during the financial year which are within the limits specified under Section 293(1)(d) of the Act.
25. The company has made investments in mutual funds and consequently necessary entries have been made in the register kept for the purpose during the year. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose during the year.
26. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the year.
28. The Company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the company regarding during the year under scrutiny.
30. The Company has not altered its articles of association during financial year.
31. There was no prosecution initiated against or show cause notices received by the Company during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year under certification as per provisions of section 417(1) of the Act.
33. The company has not constituted a separate provident fund trust for its employees or class of its employees as contemplated in Section 418 of the Act.

**For SANJAY DHOLAKIA & ASSOCIATES**

**(SANJAY R. DHOLAKIA)**

Practising Company Secretary

Proprietor

FCS 2655 CP 1798

Place: Mumbai

Date: 30th May, 2013



**PREMCO GLOBAL LTD.****Annexure A**

Registers/ Record as maintained by the Company

Sr. No	Particulars	Section of the Act
1	Index of Members	151
2	Registers of Director	303
3	Registers of Director's shareholding.	307
4	Register of Contracts	301
5	Register of share transfer	
6	Filing records of ROC documents	
7	Books of accounts	209
8	Minutes books Board of Directors/AGM/EGOM	
9	Register of Nomination of shareholders	
10	Register Investments	372/372A
11	Register of charges	143
12	Register of investments	49

**For SANJAY DHOLAKIA & ASSOCIATES**

**(SANJAY R. DHOLAKIA)**  
 Practising Company Secretary  
 Proprietor  
 FCS 2655 CP 1798

Place: Mumbai  
 Date: 30th May, 2013

**Annexure B**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2013.

1. Form 23AC-XBRL for Balance Sheet as at 31st March, 2012 and Form 23ACA-XBRL for Profit & Loss Account for the year ended 31st March, 2012 filed with the Registrar of Companies, Maharashtra on 29th January, 2013.
2. Form 66 for Compliance Certificate for financial year ended 31st March, 2012 in compliance with the provisions of Section 383A of the Companies Act, 1956 was filed with the Registrar of Companies, Maharashtra on 28th January, 2013.
3. Form 20B for Annual Return made up to 18th September, 2012 filed with the Registrar of Companies, Maharashtra on 10th October, 2012.
4. Form 32 with respect to Appointment of 1 Director filed with the Registrar of Companies, Maharashtra on 3rd November, 2012.
5. Form 25C (2 nos.) in respect of appointment of Managing Director and Whole time director filed with the Registrar of Companies, Maharashtra on 9th August, 2012.
6. Form 23 (2 nos.) for registration of special resolutions of the Company held filed with the Registrar of Companies, Maharashtra on 13th December, 2012 and 9th August, 2012.
7. Form 2 for allotment of 1,50,000 equity shares on 22nd December, 2012 filed with the Registrar of Companies, Maharashtra on 27th December, 2012.
8. Form 5 INV (2 nos.) for filing of statement of unclaimed and unpaid amounts filed with the Registrar of Companies, Maharashtra on 31st July, 2012 and 13th September, 2012.

**For SANJAY DHOLAKIA & ASSOCIATES**  
**(SANJAY R. DHOLAKIA)**

Practising Company Secretary  
 Proprietor  
 FCS 2655 CP 1798

Place: Mumbai  
 Date: 30th May, 2013



## INDEPENDENT AUDITOR'S REPORT

**To the Members of PREMCO GLOBAL LIMITED,**

### Report on Financial Statements

We have audited the accompanying financial statements of PREMCO GLOBAL LIMITED, ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the statement of Profit and Loss, of the profit/ loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, Balance Sheet, Statement of Profit and Loss and Cash flow statement dealt with by this report comply with the mandatory Accounting Standard referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
  - e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
  - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For **S. P. JAIN & ASSOCIATES,**  
**CHARTERED ACCOUNTANTS**  
 Firm Reg. No. 103969W

KAPIL K. JAIN  
 (PARTNER)  
 Membership No. 108521

Place : Mumbai.  
 Date : 30-05-2013

# PREMCO GLOBAL LTD.

## ANNEXURE TO AUDITORS' REPORT

(Referred to in Paragraph 2 of our report of even date)

### 1. In respect of Fixed Assets :

- a) As per the information and explanations given to us, the Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management in a phased periodical manner, having regard to the size of the Company and nature of its assets. As Informed no material discrepancies were noticed on such physical verification.
- c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and the going concern status of the company is not affected.

### 2. In respect of its inventories :

- a) As explained to us, inventories have been physically verified by the management at regular intervals during the year.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

### 3. In respect of Loans, Secured or Unsecured, granted or taken by the company to / from companies, firms or other parties covered in the Register maintained U/s. 301 of the Companies Act, 1956;

- a) The company has taken Loan from four parties (P.Y. four parties) referred above of Rs. 531.96 Lacs (P.Y. Rs. 285.00 Lacs) during the year and the Closing Balance as at the end is Rs. NIL Lacs (P.Y. Rs. NIL Lacs). The company has given loan to one party (P.Y. two parties) aggregating to Rs. 1.21 Lacs (P.Y. 16.95 Lacs) and the Closing year end balance is Rs. NIL (P.Y. Rs. NIL).
- b) In our opinion and according to the information and explanations given to us, the rate of interests, wherever applicable and other Terms and Conditions are not prima facie prejudicial to the interest of the Company.

- c) The Company is regular in repaying the principal amount, which are repayable on demand.

- d) There is no overdue amount in respect of loans taken and given by the Company.

### 4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal controls.

### 5. In respect of transactions covered U/s. 301 of the Companies Act, 1956 :

- a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered into in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

- b) In our opinion and according to the information and explanations given to us, the transactions in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding Rs. 5.00 Lacs (Rupees Five Lacs only) in respect of any party during the year have been made at price, which are reasonable having regard to prevailing market price at the relevant time.

### 6. In our opinion and according to information and explanations given to us, the Company has not accepted any deposits from the public during the period covered by our report.

### 7. According to information and explanation given to us, in our opinion, the Company has an internal audit system, which in our opinion, is commensurate with the size of the company and nature of business.

### 8. We have broadly reviewed the accounts and records maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under clause (d) of sub-section (1) of section 209 of the Act, and are of the Opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

### 9. In respect of the statutory dues:

- a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor, Education and Protection Fund, Employees' State Insurance, Income Tax,



- SaleTax, Wealth Tax, Customs Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid due were outstanding as at 31st March 2013.
- b) To the best of our knowledge and information provided to us there are no disputed statutory dues is out standing as 31st March 2013.
10. The company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit or in the immediately preceding Financial Year.
  11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has generally not defaulted in repayment of dues to banks.
  12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
  13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, clause 49 (xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
  14. In our opinion and according to the information and explanation given to us, the Company has maintained proper records of transactions and contracts in respect in the trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by company in its own name.
  15. According to information and explanation given to us and to the best of knowledge, the Company has not given guarantees for loans taken by others from banks or financial institutions.
  16. The company has not received any new term loans during the year.
  17. According to information and explanation given to us, and on an overall explanation of the Balance Sheet of the Company, we are of the opinion that the company has not utilized any fund from Short Term Sources towards Long Term Purposes.
  18. During the year, the Company has made preferential allotment of shares to one party covered in the register maintained U/s. 301 of the Companies Act, 1956 and the price at which the shares have been issued is not prejudicial to the interest of the company.
  19. In our opinion and according to the information and explanation given to us the Company has not issued any debentures.
  20. The Company has not raised any money by way of public issue during the year.
  21. To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

**For S. P. JAIN & ASSOCIATES,  
CHARTERED ACCOUNTANTS**  
Firm Reg. No. 103969W

**KAPIL K. JAIN  
(PARTNER)**  
Membership No. 108521

Place : Mumbai.  
Date : 30-05-2013



**PREMCO GLOBAL LTD.****BALANCE SHEET AS AT 31ST MARCH 2013.**

	NOTE	AS AT 31 MAR 2013	(Rs. In Lacs) AS AT 31 MAR 2012
<b>EQUITY AND LIABILITIES</b>			
<b>1. SHAREHOLDER'S FUNDS</b>			
(a) Share Capital	2	316.36	301.36
(b) Reserves & Surplus	3	1,773.46	1,296.95
		<u>2,089.82</u>	<u>1,598.30</u>
<b>2. NON - CURRENT LIABILITIES</b>			
(a) Long Term Borrowings	4	153.55	230.75
(b) Deferred Tax Liability	5	198.52	229.73
(c) Other Long Term Liabilities	6	43.18	34.30
(d) Long Term Provisions	7	50.18	42.52
		<u>445.43</u>	<u>537.31</u>
<b>3. CURRENT LIABILITIES</b>			
(a) Short Term Borrowings	8	580.80	377.61
(b) Trade Payables	9	307.00	261.31
(c) Other Current Liabilities	10	160.54	171.94
(d) Short Term Provisions	11	182.67	68.45
		<u>1,231.01</u>	<u>879.31</u>
<b>TOTAL</b>		<u>3,766.26</u>	<u>3,014.93</u>

**ASSETS****1. NON-CURRENT ASSETS**

(a) Fixed Assets			
Tangible Assets	12	1,322.46	1,290.07
(b) Non-Current Investments	13	53.87	37.57
(c) Long Term Loans And Advances	14	66.18	193.87
(d) Other Non Current Assets	15	30.54	31.84
		<u>1,473.05</u>	<u>1,553.35</u>

**2. CURRENT ASSETS**

(a) Inventories	16	1,157.33	810.36
(b) Trade Receivables	17	1,051.69	494.03
(c) Cash & Bank Balances	18	17.62	86.10
(d) Short Term Loans, Advances	19	14.17	34.25
(e) Other Current Assets	20	52.40	36.85
		<u>2,293.21</u>	<u>1,461.58</u>

**TOTAL**

<u>3,766.26</u>	<u>3,014.93</u>
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**SIGNIFICANT ACCOUNTING POLICIES**

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART  
OF FINANCIAL STATEMENTS

1  
28 To 39

As per our Report of even date

**For S. P. JAIN & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FRN 103969W

**KAPIL K. JAIN**  
PARTNER  
Membership No. 108521.

Place : Mumbai.  
Dated : 30th May, 2013

For & on behalf of the Board

**ASHOK B. HARJANI**  
DIRECTOR

**LOKESH P. HARJANI**  
DIRECTOR


**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2013.**

	NOTE	AS AT 31 MAR 2013	(Rs. In Lacs) AS AT 31 MAR 2012
<b>I. INCOME</b>			
Revenue from Operations	21	5,285.39	3,377.04
Other Income	22	63.86	37.90
<b>TOTAL REVENUE</b>		<u>5,349.25</u>	<u>3,414.94</u>
<b>II. EXPENSES</b>			
Cost of Material Consumed	23	3,052.65	1,956.40
Changes In Inventories of Finished Goods And Work In Progress	24	(226.10)	(94.29)
Employee Benefits Expenses	25	540.56	448.34
Finance Cost	26	95.17	101.52
Depreciation	12	107.58	103.57
Other Expenses	27	1,043.99	789.51
<b>TOTAL EXPENSES</b>		<u>4,613.85</u>	<u>3,305.05</u>
<b>III. PROFIT BEFORE TAX</b>		735.40	109.90
<b>IV. TAX EXPENSE</b>			
Current Tax		250.00	47.00
Deferred Tax (Asset)/Liability		(31.22)	2.77
Short/(Excess) Income Tax Provision		(0.15)	(0.97)
<b>TOTAL TAX EXPENSE</b>		<u>218.64</u>	<u>48.80</u>
<b>V. PROFIT FOR THE PERIOD</b>		<u>516.77</u>	<u>61.09</u>
<b>VI. EARNING PER EQUITY SHARE</b>			
Basic & Diluted	37	16.79	2.01

**SIGNIFICANT ACCOUNTING POLICIES**  
**THE ACCOMPANYING NOTES ARE AN INTEGRAL**  
**PART OF FINANCIAL STATEMENTS**

1

28 To 39

As per our Report of even date

**For S. P. JAIN & ASSOCIATES**  
 CHARTERED ACCOUNTANTS  
 FRN 103969W

**KAPIL K. JAIN**  
 PARTNER  
 Membership No. 108521.

Place : Mumbai.  
 Dated : 30th May, 2013

For &amp; on behalf of the Board

**ASHOK B. HARJANI**  
 DIRECTOR

**LOKESH P. HARJANI**  
 DIRECTOR

**PREMCO GLOBAL LTD.****CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013.**

	AS AT 31 MAR 2013	(Rs. In Lacs) AS AT 31 MAR 2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit Before Tax	735.40	109.90
Adjustments For :		
Depreciation	107.58	103.57
Loss on Sale of Machinery	2.85	27.35
Profit on Sale of Fixed Assets	-	(0.28)
Profit on Sale of Investments	(0.29)	-
Finance Expenses	95.17	101.52
Interest Subsidy TUF	(0.12)	(1.07)
Interest Received	(1.13)	(2.76)
Dividend Received	(4.92)	(0.26)
<b>Operating Profit Before Working Capital Changes</b>	<b>934.55</b>	<b>337.96</b>
Adjustments For Working Capital Changes		
Inventories	(346.97)	(187.90)
Trade Receivables	(557.66)	(20.79)
Short Term Loans, Advances & Deposits	20.08	2.47
Other Current Assets	(15.55)	(10.28)
Long Term Loans And Advances	127.69	(37.31)
Other Non Current Assets	1.29	(0.71)
Other Long Term Liabilities	8.87	5.98
Long Term Provisions	7.66	4.14
Trade Payables	45.70	60.98
Other Current Liabilities	(11.40)	24.87
Short Term Provisions	114.22	25.30
<b>Net Working Capital Changes</b>	<b>(606.07)</b>	<b>(133.25)</b>
Less : Current Taxes	(249.85)	(46.03)
<b>Net Cash Generated From Operations</b>	<b>78.63</b>	<b>158.68</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
(Purchase)/Sale of Investments	(16.01)	(6.00)
Purchase of Fixed Assets	(149.81)	(67.72)
Sale of Fixed Assets	6.99	12.77
Dividend Received	4.92	0.26
Interest Received	1.13	2.76
<b>Net Cash Used in Investing Activities</b>	<b>(152.78)</b>	<b>(57.94)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Long Term Borrowings (Net of Repayments)	(77.20)	5.13
Short Term Borrowings (Net of Repayments)	203.19	60.69
Interest Subsidy TUF	0.12	1.07
Dividend & Tax Thereon	(65.51)	(41.30)
Finance Expenses	(95.17)	(101.52)
Issue of Preference Share Capital	15.00	-
Securities Premium on Issue of Share Capital	25.26	-
<b>Net Cash From Financing Activities</b>	<b>5.68</b>	<b>(75.93)</b>
<b>Net Increase in Cash And Cash Equivalents</b>	<b>(68.48)</b>	<b>24.81</b>
Opening Balance of Cash And Cash Equivalents	86.10	61.29
Closing Balance of Cash And Cash Equivalents	17.62	86.10

NOTES : Cash &amp; Cash equivalent include : cash and Bank balance in Current Account and Unpaid Dividend

As per our Report of even date

For &amp; on behalf of the Board

**For S. P. JAIN & ASSOCIATES**  
 CHARTERED ACCOUNTANTS  
 FRN 103969W

**ASHOK B. HARJANI**  
 DIRECTOR

**KAPIL K. JAIN**  
 PARTNER  
 Membership No. 108521.

**LOKESH P. HARJANI**  
 DIRECTOR

Place : Mumbai.  
 Dated : 30th May, 2013



## NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

### 1. Basis of preparation of Financial Statements

- The financial statements have been prepared under historical cost convention, in accordance with the generally accepted accounting principles and the provision of the Companies Act, 1956 as adopted consistently by the Company.
- Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.
- The preparation of financial statements requires estimates and assumption to be made that effect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. The Difference between the actual and estimate are recognized in the period in which results are known/materialized.

### 2. Fixed Assets and Depreciation

- Fixed assets stated at cost of acquisition or construction or less accumulated depreciation. All costs, including financial cost till commencements of commercial production, net charges on Foreign Exchange Contracts and adjustments arising from exchange rate variations relating to specific borrowings attributable to the fixed assets are capitalized.
- Depreciation on fixed assets provided on straight-line method at the rates prescribed by Schedule XIV of the Companies Act, 1956.
- Leasehold Improvements are written off over the period of lease.

### 3. Foreign Exchange Transaction

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Outstanding balances are valued at the rate prevailing on the Balance Sheet date.

### 4. Investments

The Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

### 5. Inventories

The inventories are valued as follows:

- Raw materials, Stores, Spares and Stock in transit are valued at cost.
- Stock in process is valued at cost.
- Finished goods are valued at cost or market value whichever is lower.

### 6. Sales

Sales include related services, and Taxes.

### 7. Government Grants & Subsidies

- The government grants received are accounted in the year of receipt.
- Interest subsidy on term loans under TUF scheme is provided on accrual basis only to the extent of certainty of receipt & filling of claim in respect thereof.

### 8. Customs Duty

Custom Duty is accounted for as and when paid on the clearance of the goods for home Consumption.

### 9. Employees Retirement and other benefits

- The contribution of the Company towards Provident Fund and Employee State Insurance, which are, defined contributions plans are charged to revenue.
- The Employee's Gratuity and Leave Encashment are the company's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on Actuarial Valuation using the Projected Unit Credit Method.

### 10. Contingent Liabilities

Contingent liabilities are not provided for and are disclosed by way of notes.

### 11. Provisions for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.



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Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax assets is recognized and carried forward only to the extent that there is a reasonable and virtual certainty that the assets will be realised in future.

**12. Borrowing Cost**

Borrowing cost incurred in relation to the acquisition, construction of assets are capitalized as the part of cost of such assets up to date which such assets are ready for intended use. Other borrowing costs are charged as an expense in the year in which they are incurred.

**13. Impairment of Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**14. Lease Rentals :**

Lease Rentals for assets taken on operating lease are recognized as on expenses in Profit and Loss Account over the lease term on accrual basis.

**NOTE 2. : SHARE CAPITAL :**

	AS AT 31 MAR 2013	(Rs. In Lacs) AS AT 31 MAR 2012
<b>AUTHORISED :</b>		
40,00,000 (P.Y. 40,00,000) Equity Shares of Rs. 10 Each	400.00	400.00
<b>ISSUED :</b>		
31,86,300 (P.Y.30,36,300) Equity Shares of Rs.10 Each	318.63	303.63
<b>SUBSCRIBED &amp; PAID UP :</b>		
31,11,000 (P.Y.29,61,000) Equity Shares of Rs.10 Each	311.10	296.10
<b>SUBSCRIBED BUT NOT FULLY PAID UP :</b>		
75,300 (P.Y.75,300) Equity Shares of Rs.10 Each	7.53	7.53
Less: Calls Unpaid		
From Directors And officers		-
From others	(2.27)	(2.27)
<b>TOTAL</b>	<b>316.36</b>	<b>301.36</b>

2.1 There are no items for reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period.

Equity Shares at the beginning of the year	30.36	30.36
Add: 1,50,000 Equity Shares issued during the year	1.50	-
Equity Shares at the end of the year	31.86	30.36

**2.2 Terms/Rights Attached to Shares**

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of fully paid equity shares is entitled to one vote per share. The company declares and pays dividends to the holders of fully paid equity shares in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**2.3 Details of Share holders holding more than 5 % of Shares**

	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held (In Lacs)	% of Holding	No. of Shares held (In Lacs)	% of Holding
ASHOK B HARJANI	8.66	27.19 %	8.66	28.53 %
LOKESH PREM HARJANI	4.36	13.68 %	4.36	14.36 %
SURESH HARJANI	3.77	11.83 %	2.27	7.48 %
MANJU MULCHAND ALWANI	2.20	6.92 %	2.20	7.26 %
UPSURGE INVESTMENT & FINANCE LIMITED	-	-	1.77	5.83 %

2.4 There are no Bonus Shares /Buyback/Shares for consideration other than cash issued during past five years

**NOTE 3. RESERVES & SURPLUS :****1. SECURITIES PREMIUM RESERVE (Net of Arrears) (refer note 3.1)**

	AS AT 31 MAR 2013	(Rs. In Lacs) AS AT 31 MAR 2012
Balance as per Last Balance Sheet	392.76	392.76
Add: Addition During The Year	27.00	-
Less: Share Issue Expenses	(1.74)	-
	<u>418.02</u>	<u>392.76</u>

**CAPITAL SUBSIDY RESERVE**

Balance as per Last Balance Sheet	22.78	22.78
Add: Addition During The Year	-	-
	<u>22.78</u>	<u>22.78</u>

**GENERAL RESERVE**

Balance as per Last Balance Sheet	881.41	861.61
Add: Transferred From Statement of Profit & Loss	451.25	19.80
	<u>1,332.66</u>	<u>881.41</u>

**SURPLUS AS PER STATEMENT OF PROFIT AND LOSS**

Balance As Per Last Balance Sheet		
Add : Profit For The Year	516.77	61.09
<u>Less: Appropriations</u>		
Transferred To General Reserve	451.25	19.80
Proposed Dividend	56.00	35.53
Tax on Proposed Dividend	9.52	5.77
<b>TOTAL</b>	<u><u>1,773.46</u></u>	<u><u>1,296.95</u></u>

3.1 The Calls unpaid of Rs. 2,25,000 (P.Y. Rs.2,25,000/-)in Securities Premium Reserve are due from Share holders other than Directors and Officers

**NOTE 4. LONG TERM BORROWINGS**

(Rs. In Lacs)

	AS AT 31 MAR 2013		AS AT 31 MAR 2012	
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
<b>3. SECURED TERM LOANS FROM BANKS</b>				
(a) HDFC BANK LTD	138.86	74.45	213.68	77.14
<b>CAR LOANS FROM BANKS</b>				
(b) HDFC BANK LTD	5.47	2.34	7.81	4.24
<b>FROM OTHERS</b>				
(d) KOTAK MAHINDRA PRIME LTD.	9.22	7.66	9.26	5.39
<b>TOTAL :</b>	<b>153.55</b>	<b>84.45</b>	<b>230.75</b>	<b>86.77</b>

4.1 The Long Term Portion of Term Loans are shown under long term Borrowings and the current maturities of long term borrowings are shown under the current liabilities in Note 10(a) as per the disclosure requirements of the Revised Schedule VI

**4.2 DETAILS OF SECURITY AND TERMS OF REPAYMENT**

- (a) HDFC BANK - Term Loans referred to above from Banks are secured by way of Hypothecation of first & exclusive charge on all present & future current assets inclusive of all stocks & book debts and plant & machinery along with equitable mortgage on the property situated at Plot no. 41, Survey no. 35 (PT) Diwan & sons industrial Estate, Aliyali Village, Palghar, Thane District & Survey no. 202/2, Old check post, Dadra & Nagar Haveli, Dadra along with personal guarantee of Lokesh Harjani & Ashok Harjani.

**PREMCO GLOBAL LTD.**

There are 8 different Loans and their respective details are as under

(Rs. In Lacs)

Principal Amount Payable	Interest Rate	Monthly Installment Amount Payable (Principal + Interest)	No. of Installment outstanding equal monthly installments	Period of maturity from balance sheet date
6.19	Base rate + 3.50%	0.89	8	8 Months
11.57	Base rate + 3.50%	0.67	19	19 Months
1.90	Base rate + 3.50%	0.11	19	19 Months
27.87	Base rate + 3.50%	1.26	25	25 Months
4.87	Base rate + 3.50%	0.21	27	27 Months
53.54	Base rate + 3.50%	1.96	32	32 Months
39.78	Base rate + 3.50%	1.37	35	35 Months
67.59	Base rate + 3.50%	2.06	40	40 Months

**(b) HDFC BANK LTD**

Vehicle Loan from Bank are secured by mortgage of Respective Vehicle.

The details of Loan is as under

(Rs. In Lacs)

Principal Amount Payable	Interest Rate	Monthly Installment Amount Payable (Principal + Interest)	No. of Installment outstanding equal monthly installments	Period of maturity from balance sheet date
7.81	10.50%	0.25	35	35 Months

**(c) KOTAK MAHINDRA PRIME LTD.**

Vehicle Loan from Bank are secured by mortgage of Respective Vehicle.

There are 3 different Loans and their respective details are as under

(Rs. In Lacs)

Principal Amount Payable	Interest Rate	Monthly Installment Amount Payable (Principal + Interest)	No. of Installment outstanding equal monthly installments	Period of maturity from balance sheet date
3.71	8.84%	0.25	16	16Months
5.56	10.87%	0.31	20	20Months
7.62	10.85%	0.20	44	44Months

(Rs. in Lacs)

NOTE 5. DEFERRED TAX LIABILITY (NET)	AS AT 31 MAR 2013	AS AT 31 MAR 2012
Opening Deferred Tax Liability		226.97
(a) Deferred Tax Liability :		
Related To Fixed Asset	224.54	4.46
(b) Deferred Tax Asset :		
Disallowances Under The Income Tax Act 1961 (Net)	(26.02)	(1.69)
<b>TOTAL</b>	<b>198.52</b>	<b>229.73</b>

Note : The Company has Reviewed the Deffered Tax Liability/Asset as at the end of the Financial Year on the basis of Written down value of Fixed Assets and Accumulated Disallowables as compared to the provision of deferred tax liability/asset on the basis of timing difference of current values of Depreciation and disallowables for the particular year. Accordingly the presentation in the current year is with respect to deferred tax liability/Asset as on the balance sheet date as compared to the previous year where the disclosure of opening and closing balances along with changes in the deffered tax liability/asset was given.

(Rs. In Lacs)

NOTE 6 OTHER LONG TERM LIABILITIES	AS AT 31 MAR 2013		AS AT 31 MAR 2012	
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
Others :				
Employees Escrow Deposit	20.48		15.80	-
Employers Contribution Escrow Deposits	20.48		15.80	-
Security Deposit Employees	2.22	3.19	2.70	4.33
<b>TOTAL</b>	<b>43.18</b>	<b>3.19</b>	<b>34.30</b>	<b>4.33</b>



- 6.1 The Long Term Portion of Security Deposit Employees are shown under Other Long term Liabilities and the current maturities of Security Deposit Employees are shown under the current liabilities in Note 10(e)(i) as per the disclosure requirements of the Revised Schedule VI

(Rs. In Lacs)

NOTE 7 LONG TERM PROVISION	AS AT 31 MAR 2013		AS AT 31 MAR 2012	
	NON CURRENT	CURRENT	NON CURRENT	CURRENT
Provision for Employee Benefits :	50.18	30.33	42.52	2.08
<b>TOTAL</b>	<b>50.18</b>	<b>30.33</b>	<b>42.52</b>	<b>2.08</b>

- 7.1 The Long Term Portion of Provision for Employee Benefits are shown under Long Term Provisions and the current portion of Provision for Employee Benefits are shown under the Short term Provisions in Note 11(a) as per the disclosure requirements of the Revised Schedule VI

(Rs. In Lacs)

NOTE 8. SHORT TERM BORROWINGS	AS AT 31 MAR 2013	AS AT 31 MAR 2012
<b>SECURED:</b>		
<b>FROM BANKS</b>		
<b>WORKING CAPITAL LOANS</b>		
Cash Credits From Bank	580.80	377.61
<b>TOTAL</b>	<b>580.80</b>	<b>377.61</b>

Working capital referred to above from Banks are secured by way of Hypothecation of first & exclusive charge on all present & future current assets inclusive of all stocks & book debts and plant & machinery along with equitable mortgage on the property situated at Plot no. 41, Survey no. 35 (PT) Diwan & sons industrial Estate, Aliyali Village, Palghar, Thane District & Survey no. 202/2, Old check post, Dadra & Nagar Haveli, Dadra along with personal guarantee of Lokesh Harjani & Ashok Harjani.

(Rs. In Lacs)

NOTE 9. TRADE PAYABLES	AS AT 31 MAR 2013	AS AT 31 MAR 2012
Trade Payables *	307.01	261.31
<b>TOTAL</b>	<b>307.01</b>	<b>261.31</b>

- \*9.1 The Company has not received any intimation from suppliers regarding their status under Mico, Small and Medium Enterprises Development Act, 2006 and hence disclosures regarding :

- Amount due and Outstanding to suppliers as at the end of accounting year.
- Interest paid during the year.
- Interest payable at end of accounting year.
- Interest accrued and unpaid at the end of the accounting year, have not been given.

(Rs. In Lacs)

NOTE 10. OTHER CURRENT LIABILITIES	AS AT 31 MAR 2013	AS AT 31 MAR 2012
(a) Current Maturities Of Long Term Debt (refer Note 4)	84.45	86.77
(b) Interest Accrued But Not Due	2.00	2.65
(c) Advances Received From Customers	8.53	15.35
(d) Unpaid Dividends*	10.15	7.99
(e) Others		
(i) Current Maturities of Security Deposit Employees (refer Note 6)	3.19	4.33
(ii) Dues to Employees	21.33	22.76
(iii) Statutory Liabilities	29.83	31.04
(iv) Security/trade Deposits Received	1.05	1.05
<b>Total I :</b>	<b>160.54</b>	<b>171.94</b>

\*There is no amount due and outstanding as on 31st March 2013 to be credited to Investor Education and Protection Fund



**PREMCO GLOBAL LTD.**

(Rs. In Lacs)

<b>NOTE 11. SHORT TERM PROVISIONS</b>	<b>AS AT 31 MAR 2013</b>	<b>AS AT 31 MAR 2012</b>
(A) Provision for Employee Benefits (Refer Note 7)	30.33	2.08
(B) <u>Others</u>		
Outstanding Expenses	7.08	1.28
Provision for Tax (Net)	79.75	23.79
Proposed Dividend	56.00	35.53
Provision for Tax on Dividend	9.52	5.77
<b>Total</b>	<b>182.67</b>	<b>68.45</b>

**NOTE 12. FIXED ASSETS**

(Rs. In Lacs)

	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As At 01.04.2012	Addition	Deduction	As At 31.03.2013	As At 01.04.2012	For The Year Depreciation	Accumulated Depreciation On Sales	As At 31.03.2013	As At 31.03.2013	As At 31.03.2012
FREEHOLD LAND	24.13	-	-	24.13	-	-	-	0.00	24.13	24.13
FACTORY BUILDING	300.74	-	-	300.74	151.36	10.04	-	161.40	139.34	149.38
PLANT & MACHINERY	1,558.14	128.28	27.64	1,658.78	596.06	74.98	17.80	653.24	1,005.54	962.08
ELECT. FITTINGS	54.25	1.23	-	55.48	23.95	1.52	-	25.48	30.01	30.30
FURNITURE & FIXTURE	28.76	3.82	-	32.58	13.78	1.81	-	15.58	16.99	14.98
VEHICLE	90.55	10.26	-	100.81	28.37	8.69	-	37.06	63.75	62.18
GENERATOR	24.40	-	-	24.40	13.11	1.15	-	14.27	10.13	11.28
HEATING MODULE	1.27	-	-	1.27	0.78	0.06	-	0.84	0.43	0.48
AIR CONDITIONER	13.81	3.57	-	17.38	5.09	0.79	-	5.88	11.50	8.71
OFFICE EQUIPMENT	12.47	0.35	-	12.82	6.87	0.66	-	7.53	5.30	5.60
COMPUTER	56.09	2.09	-	58.18	45.30	3.03	-	48.33	9.84	10.79
LEASE HOLD IMPROVEMENT	19.21	-	-	19.21	9.60	4.80	-	14.40	4.80	9.60
LAB EQUIPMENT	0.89	0.20	-	1.09	0.34	0.04	-	0.38	0.71	0.55
<b>TOTAL</b>	<b>2,184.69</b>	<b>149.81</b>	<b>27.64</b>	<b>2,306.86</b>	<b>894.62</b>	<b>107.58</b>	<b>17.80</b>	<b>984.40</b>	<b>1,322.46</b>	<b>1,290.07</b>
PREVIOUS YEAR	2,221.77	67.72	104.80	2,184.69	856.02	103.57	64.97	894.62	1,290.07	-

**NOTE 13. NON CURRENT INVESTMENT**

		(Rs. In Lacs)	
		AS AT 31 MAR 2013	AS AT 31 MAR 2012
<b>13.1 INVESTMENT IN EQUITY INSTRUMENTS</b>			
<b>(i) Non Trade Investment Unquoted :</b>			
2,417 Equity Shares of S.V.C. BANK of Rs.25/- Each Fully Paid	(P.Y.2,417)	0.61	0.61
5,000 Equity Shares of New Ind Co-Op. Bank Ltd. of Rs.10/- Each, Fully Paid	(P.Y.5,000)	0.50	0.50
5,000 Equity Shares of Goldcrest Finance (I) Ltd. of Rs.10/- Each Fully Paid Up	(P.Y.5,000)	0.50	0.50
<b>(ii) Non Trade Investment Quoted :</b>			
3,000 Equity Shares of IFCI Bank Ltd of Rs. 10/- Each Fully Paid	(P.Y. 3000)	1.96	1.96
* 188 Equity Shares of Reliance Industries Ltd. / Erstwhile Reliance Petroleum Ltd. of Rs. 10/- Each Fully Paid	(P.Y.188)	6.32	6.32
188 Equity Shares of Reliance Industries Ltd. (Bonus) of Rs. 10/- Each Fully Paid	(P.Y.188)	-	-
200 Equity Shares of Unitech Ltd (Bonus) of Rs. 2/- Each Fully Paid	(P.Y.200)	-	-
800 Equity Shares of Unitech Ltd of Rs. 2/- Each Fully Paid	(P.Y.800)	1.66	1.66
1000 Equity Shares of Bharat Heavy Electrical Ltd. of Rs.2/- (p.y Rs.10/-) Each Fully Paid	(P.Y.750)	3.24	2.74
200 Equity Shares of Reliance Capital Ltd. of Rs. 10/- Each Fully Paid	(P.Y.200)	1.78	1.78
<b>13.2 Investment In Mutual Funds :</b>			
	Units		
<b>(iii) Non Trade Investment Quoted :</b>			
21,748.877 Units of DSP Black Rock Equity Fund	(P.Y.14,376.784)	3.50	2.30
1,313.314 Unit of HDFC Equity Fund Growth	(P.Y.8,68.024)	3.50	2.30
3,955.168 Unit of HDFC Prudence Fund Growth	(P.Y.3,955.168)	8.00	8.00
1,715.521 Unit of HDFC Top 200 Fund Growth	(P.Y.1,139.661)	3.50	2.30
7,194.926 Unit of ICICI Prudential Discovery Fund	(P.Y.4,904.202)	3.50	2.30
5,697.097 Unit of Reliance Equity Opportunities Fund	(P.Y.5,697.097)	2.00	2.00
85,083.211 Unit of Birla Sun Life MIP II Wealth 25 Plan	-	10.00	-
513.018 Unit of SBI Magnum Emerging Businesses Fund	-	0.80	-
29,169.492 Unit of Reliance Infrastructure Fund	(P.Y.26,288.310)	2.50	2.30
<b>Total</b>		<b>53.87</b>	<b>37.57</b>
<b>Notes :</b>			
1) All Investment are valued at cost price.			
2) * Received pursuant to Scheme of arrangement.			
3) a) Aggregate amount of Unquoted Investments		1.61	1.61
b) Aggregate amount of Quoted Investments		52.25	35.95
c) Aggregate Market Value of Quoted Investments		43.56	28.84

**PREMCO GLOBAL LTD.**

(Rs. In Lacs)

<b>NOTE 14 : LONG TERM LOANS AND ADVANCES</b>	<b>AS AT 31 MAR 2013</b>	<b>AS AT 31 MAR 2012</b>
(unsecured , Considered Good )		
(a) Capital Advance	12.12	143.43
(b) Security and other Deposits		
- With Related Parties	20.00	18.00
- With others	33.79	30.37
(c) Other Loans And Advances		
Loans and Advances given to staff	0.27	2.07
<b>TOTAL</b>	<b>66.18</b>	<b>193.87</b>

14.1 The Long Term Portion of Loans and Advances given to staff are shown under Long term Loans and Advances and the current portion of Loans and Advances given to staff are shown under the Short term Loans and Advances in Note 19 as per the disclosure requirements of the Revised Schedule VI

(Rs. In Lacs)

<b>NOTE 15 : OTHER NON CURRENT ASSETS</b>	<b>AS AT 31 MAR 2013</b>	<b>AS AT 31 MAR 2012</b>
Bank Balances in Margin Money Deposit	29.29	31.71
Interest Accrued but not due on above	1.26	0.14
<b>TOTAL</b>	<b>30.55</b>	<b>31.84</b>

(Rs. In Lacs)

<b>NOTE 16. INVENTORY (As taken, Valued &amp; Certified by Management)</b>	<b>AS AT 31 MAR 2013</b>	<b>AS AT 31 MAR 2012</b>
- Raw Material	414.10	388.77
- Work in Progress	106.98	24.25
- Semi-Finished Goods	22.47	35.76
- Finished Goods	575.02	335.64
- Spare Parts	38.75	25.94
<b>TOTAL</b>	<b>1,157.33</b>	<b>810.36</b>

16.1 The company has identified the items of inventory, which are obsolete & non-moving items. Therefore, following the principle of Prudence, these inventories are valued at estimated net realizable price. The details of the same are as under :

<b>Nature of Item</b>	<b>Current Year</b>		<b>Previous Year</b>	
	<b>Quantity in MT.</b>	<b>Value (Rs. In Lacs)</b>	<b>Quantity in MT.</b>	<b>Value (Rs. In Lacs)</b>
Nylon	5.54	1.11	5.58	1.12
Polyester	5.82	1.16	5.11	1.02
Rubber & Spandex	4.77	4.77	1.10	1.10
Others	5.20	1.04	4.28	0.88
<b>TOTAL</b>	<b>21.33</b>	<b>8.08</b>	<b>16.07</b>	<b>4.11</b>

(Rs. In Lacs)

<b>NOTE 17. TRADE RECEIVABLES</b>	<b>AS AT 31 MAR 2013</b>	<b>AS AT 31 MAR 2012</b>
(Unsecured & considered good)		
(a) Outstanding over 6 Months	13.73	17.22
(b) Others	1,037.95	476.81
(unsecured & Considered Doubtful)		
(a) Outstanding over 6 Months	2.18	2.18
Less : Provision for Doubt full Debts	(2.18)	(2.18)
<b>TOTAL</b>	<b>1,051.69</b>	<b>494.03</b>

**NOTE 18. CASH & BANK BALANCE**

	AS AT 31 MAR 2013	(Rs. In Lacs) AS AT 31 MAR 2012
<b>(a) Cash &amp; Cash Equivalents</b>		
(i) Cash in Hand	1.40	1.30
(ii) <u>Balances with Banks</u>		
- Current Accounts in Rupees	5.08	1.10
- In Foreign Currency	0.99	75.71
<b>(b) Other Bank Balances</b>		
- In Unpaid Dividend A/C	10.15	7.99
<b>TOTAL</b>	<b>17.62</b>	<b>86.10</b>

**NOTE 19. SHORT TERM LOAN & ADVANCES**

<b>(Un-Secured-Considered Good)</b>		
Claims Receivables	0.05	26.79
Loans Given to Staff (Refer note 14)	5.86	5.19
Advance to Staff	0.10	-
Advance to Suppliers	8.16	2.27
<b>(Un-Secured-Considered doubtful)</b>		
Advance to Suppliers	2.51	1.98
Less : Provision for Doubtful Advances	(2.51)	(1.98)
	-	-
<b>TOTAL</b>	<b>14.17</b>	<b>34.25</b>

**NOTE 20. OTHER CURRENT ASSETS**

<b>(Unsecured but considered good)</b>		
Prepaid Expenses & other Receivables	8.87	6.63
Duty Draw Back Receivable	43.53	30.23
<b>(Unsecured but considered doubtful)</b>		
Duty Draw Back Receivable	3.53	3.53
Less : Provision for Duty Drawback	(3.53)	(3.53)
	-	-
<b>TOTAL</b>	<b>52.40</b>	<b>36.85</b>

**NOTE 21. REVENUE FROM OPERATION**

Sales	5,121.61	3,285.84
Other Operating Revenue	163.78	91.20
<b>TOTAL</b>	<b>5,285.39</b>	<b>3,377.04</b>

**NOTE 22. OTHER INCOME**

Interest	4.98	3.93
Dividend	4.92	0.26
Net Gain on Sale of Investment	0.29	-
Foreign Exchange Fluctuation	45.53	25.65
Profit on Sales of Fixed Assets	-	0.28
Excess Provision for Bad Debts Written Back	-	0.69
Miscellaneous Income	8.14	7.10
<b>TOTAL</b>	<b>63.86</b>	<b>37.90</b>



**PREMCO GLOBAL LTD.****NOTE 23. COST OF MATERIAL CONSUMED :**

	AS AT 31 MAR 2013	(Rs. In Lacs) AS AT 31 MAR 2012
<b>( A ) RAW MATERIAL</b>		
<b>OPENING STOCK</b>	<b>413.02</b>	324.64
Add : Purchases	<b>3,091.82</b>	2,008.45
	<b>3,504.85</b>	2,333.09
<b>LESS : CLOSING STOCK</b>	<b>521.08</b>	413.02
<b>TOTAL (A)</b>	<b>2,983.76</b>	1,920.07
<b>( B ) CONSUMPTION OF SPARES</b>		
<b>OPENING STOCK</b>	<b>25.94</b>	20.71
Add : Purchases	<b>81.70</b>	41.55
	<b>107.63</b>	62.26
<b>LESS : CLOSING STOCK</b>	<b>38.75</b>	25.94
<b>TOTAL ( B )</b>	<b>68.88</b>	36.33
<b>TOTAL (A + B)</b>	<b>3,052.65</b>	1,956.40

**NOTE 24. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS**

<b>CLOSING STOCK</b>		
- Finished Goods	<b>575.02</b>	335.64
- Semi Finished Goods	<b>22.47</b>	35.76
<b>TOTAL (A)</b>	<b>597.50</b>	371.40
<b>LESS: OPENING STOCK</b>		
- Finished Goods	<b>335.64</b>	243.78
- Semi Finished Goods	<b>35.76</b>	33.32
<b>TOTAL (B)</b>	<b>371.40</b>	277.11
<b>INCREASE/(DECREASE) IN STOCK (A - B)</b>	<b>226.10</b>	94.29

**NOTE 25. EMPLOYEE BENEFITS EXPENSES**

Salary, Wages, Bonus & Leave Salary	<b>475.38</b>	387.12
Contribution to Provident Fund & Other Funds	<b>16.79</b>	17.32
Gratuity	<b>6.88</b>	6.80
Staff Recruitment Expenses	<b>3.43</b>	1.07
Staff Welfare & Other Amenities	<b>38.07</b>	36.03
<b>TOTAL</b>	<b>540.56</b>	448.34

**NOTE 26. FINANCE COST**

Interest	<b>77.04</b>	87.83
Other Borrowing Cost	<b>18.14</b>	13.69
<b>TOTAL</b>	<b>95.17</b>	101.52

**NOTE 27. OTHER EXPENSES**

	AS AT 31 MAR 2013	(Rs. In Lacs) AS AT 31 MAR 2012
<b>A) MANUFACTURING EXPENSES</b>		
Diesel Expenses	16.99	14.92
Gas Expenses	25.51	13.99
Electricity Charges	158.47	110.50
Factory Expenses	2.06	2.69
Repairs and Maintenance-Building	14.48	12.59
Repairs and Maintenance-Plant & Machinery	3.57	3.09
Repairs and Maintenance-Others	34.53	19.92
Labour Charges	89.32	78.17
Processing Charges	236.94	149.79
Testing Charges	1.37	2.51
<b>TOTAL (A)</b>	<b>583.24</b>	<b>408.19</b>
<b>B) SELLING &amp; DISTRIBUTION EXPENSES</b>		
Freight & Forwarding Charges	125.57	91.16
Others	41.75	37.73
<b>TOTAL (B)</b>	<b>167.33</b>	<b>128.90</b>
<b>C) ADMIN EXPENSES</b>		
Repairs & Maintenance	1.57	2.20
Auditors Remuneration And Expenses (refer Note 31)	3.54	2.49
Donation	22.18	8.00
Insurance Charges	6.90	6.61
Lease Rent - Car	5.18	4.99
Legal & Professional Charges	19.84	27.53
Loss on Sales of Machinery	2.85	27.35
Miscellaneous Expenses	51.03	44.25
Conveyance & Traveling	80.16	65.08
Prior Period Expenses	6.75	3.43
Rent	63.95	51.86
Bad Debts	0.53	0.70
Rates & Taxes	28.94	7.94
<b>TOTAL (C)</b>	<b>293.42</b>	<b>252.43</b>
<b>GRAND TOTAL (A+B+C)</b>	<b>1,043.99</b>	<b>789.51</b>

**PREMCO GLOBAL LTD.****NOTE 28 :**

Contingent Liabilities :

- a) Unredeemed Bank Guarantees are Rs.16.54 Lacs (P.Y. Rs.18.90 Lacs )
- b) Claims against the company not acknowledged as debts
- Income Tax Liability Rs. Nil (P.Y. 2.42 Lacs)

**NOTE 29 :**

The balance confirmations in respect of debtors, creditors, advances, loans and deposits as at 31st March 2013 have been called for and are subject to confirmation & reconciliation as the necessary communication in this respect is not received from them. The management has scrutinized the accounts and the balances appearing in the Balance Sheet are correct.

**NOTE 30 :**

In the opinion of the management, no item of current assets, loans and advances has a value on realization in the ordinary course of business, which is less than the amount of value at which it is stated in the Balance Sheet, unless otherwise specified.

**NOTE 31 :**

Payment to Auditors	2012-13 Rs. In Lacs	2011-12 Rs. In Lacs
a) Audit Fees	1.85	1.32
b) Tax Audit Fees	0.67	0.44
c) Other Matters	0.81	0.58
d) Out of Pocket Expense	0.20	0.15
<b>Total</b>	<b>3.53</b>	<b>2.49</b>

**NOTE 32 :**

(A) Foreign Currency exposure that are not hedged by derivative instruments or otherwise are as follows:

	31-03-2013		31-03-2012	
	Amount (USD \$ In Lacs)	Amount (Rs. In Lacs)	Amount (USD \$ In Lacs)	Amount (Rs. In Lacs)
Sundry Creditors/Outstanding Letter of Credit on Import	USD \$ NIL	Rs. NIL	USD \$ 0.97	Rs. 49.26
Sundry Debtors	USD \$ 4.36	Rs.235.48	USD \$ 4.48	Rs. 228.14
Letter of Packing Credit	USD \$ NIL	Rs. NIL	USD \$ NIL	Rs. NIL
Balance in EFC A/c	USD \$ 0.018	Rs. 0.99	USD \$ 1.49	Rs. 75.71

(B) Foreign Currency exposure that are hedged by derivative instruments or otherwise are as follows:

	31-03-2013		31-03-2012	
	Amount (USD \$ In Lacs)	Amount (Rs. In Lacs)	Amount (USD \$ In Lacs)	Amount (Rs. In Lacs)
Forward Contract	USD \$ 3.78	Rs.210.93	—	—

**NOTE 33:**

Consequent to the adoption of Accounting standard on Employee benefits (AS 15) (Revised 2005) issued by the institute of Chartered Accountants of India, the following disclosures have been made by the Standard :

- a) The details on Company's Gratuity and Leave Encashment liabilities employees are given below which is certified by the actuary and relied upon by the auditors.

	Gratuity Rs. In Lacs		Leave Encashment Rs. In Lacs	
	31.03.13	31.03.12	31.03.13	31.03.12
<b>Change in Benefit Obligation</b>				
Present Value of Obligation (Opening)	34.31	30.79	10.29	9.44
Interest Cost	2.92	2.46	0.87	0.75
Current Service Cost	63.68	5.74	3.71	2.58
Past Service Cost	NIL	NIL	NIL	NIL
Benefits Paid	(1.84)	(3.28)	(2.05)	(3.50)
Actuarial (Gain) Loss on Obligation	(2.40)	(1.40)	0.34	1.02
Present value of Obligation (Closing)	39.35	34.31	13.15	10.29

**Fair Value of Plan Assets**

Fair value of plan Assets 01/04/2012	NIL	NIL	NIL	NIL
Expected Return on Plan Assets	NIL	NIL	NIL	NIL
Contribution	1.84	3.28	2.05	3.50
Benefits paid	(1.84)	(3.28)	(2.05)	(3.50)
Actuarial (Gain) Loss on Obligation	NIL	NIL	NIL	NIL
Present value of Obligation 31/3/2013	NIL	NIL	NIL	NIL

**Balance Sheet Recognition**

Present Value of Obligation	39.35	34.31	13.15	10.29
Fare value of Plan Assets	NIL	NIL	NIL	NIL
Liabilities (Assets)	NIL	NIL	NIL	NIL
Un-recognised past Service Cost	NIL	NIL	NIL	NIL
Liability (Asset) recognized in the Balance Sheet	39.35	34.31	13.15	10.29

**Profit and Loss - Expenses Recognition**

Current Service Cost	6.37	5.74	3.71	2.58
Interest Cost	2.92	2.46	0.87	0.75
Expected Return on Plan Assets	NIL	NIL	NIL	NIL
Net Actuarial Gain (Loss) Recognised in the year	(2.40)	(1.40)	0.34	1.02
Expenses to be recognized in P/L Account	6.88	6.80	4.92	4.35

**Assumptions :**

Discount Rate	8.25 %	8.50 %
Expected Return on Plan Assts	0.00 %	0.00 %
Mortality	LIC(1994-96) Ultimate	LIC(1994-96) Ultimate
Future Salary Increases	5.75 % PA	6.00% PA
Attrition	8 % for Age (20-29), 4 % for Age (30-39) & 2 % thereafter .	



**PREMCO GLOBAL LTD.**

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**NOTE 34 :****A) Segment Reporting:**

In the opinion of the management the company is mainly engaged in the business of manufacturing of Elastic and all other activities of the Company revolve around the main business, and as such, there are no separate reportable segments.

Description	MUMBAI		DADRA	
	Rs. In Lacs		Rs. In Lacs	
	2012-13	2011-12	2012-13	2011-12
Segment Revenue (Gross )				
Within India	22.14	9.62	1532.15	1108.75
Outside India	0.00	0.00	2197.08	1273.78
Total Revenue (Gross)	22.14	9.62	3729.23	2382.53
Segment Fixed Assets(Gross)				
Within India	234.57	232.81	1476.77	1399.55
Other Assets (Within India)	147.97	366.71	1356.78	833.51

Description	PALGHAR		VAPI	
	Rs. In Lacs		Rs. In Lacs	
	2012-13	2011-12	2012-13	2011-12
Segment Revenue (Gross )				
Within India	498.49	378.28	779.10	294.57
Outside India	16.62	26.07	303.66	323.86
Total Revenue (Gross)	515.11	404.35	1082.76	618.43
Segment Fixed Assets(Gross)				
Within India	234.23	223.80	361.29	328.54
Other Assets (Within India)	342.93	242.26	596.12	322.39

**NOTE 35 :****Related Party Disclosures**

- |   |                              |
|---|------------------------------|
| a) List of Related Parties and Relationship | Relationship                 |
| Premco Industries                           | Associate Firm               |
| b) Key Management Personnel                 |                              |
| Ashok B. Harjani                            | Chairman & Managing Director |
| Lokesh P. Harjani                           | Director                     |
| c) Relatives of Key Management Personnel    |                              |
| Mrs. Nisha P. Harjani                       | Relative                     |
| Mrs. Sonia Harjani                          | Relative                     |
| Mr. Prem B. Harjani                         | Relative                     |



## c) Related Party Transactions

<b>I) From Associates Enterprises</b>	<b>2012-13 Rs. In Lacs</b>	<b>2011-12 Rs. In Lacs</b>
1. Purchase of Assets	---	3.67
2. Rent Paid	31.18	19.85
3. Loan /Advance Given (Closing Balance Rs. NIL /P.Y. Rs. NIL)	---	15.30
4. Loan taken (Closing Balance Rs. NIL /P.Y. Rs. NIL)	263.46	88.00
5. Deposit Given ( Closing Balance Rs. 20 Lacs / P.Y. 18 Lacs)	2.00	9.00
6. Interest Paid	8.33	7.11
<b>II) From Key Management Persons</b>		
1. Car Hire Charges Paid	3.71	3.72
2. Remuneration, Bonus & Perks	35.36	28.90
3. Imprest Account (Closing Balance Rs. NIL /P.Y. Rs. NIL)	0.38	0.14
4. Tour Advance (Closing Balance Rs. NIL /P.Y. Rs. NIL)	59.60	43.06
5. Reimbursement of expenses	23.71	12.55
6. Loan /Advance Given (Closing Balance Rs. NIL /P.Y. Rs. NIL)	1.21	1.64
7. Loan taken (Closing Balance Rs. NIL /P.Y. Rs. NIL)	103.50	55.00
8. Interest Paid	8.00	0.87
<b>III) From Relative of Key Management Persons</b>		
1. Loan Taken (Closing Balance Rs. NIL /P.Y. Rs. NIL)	165.00	142.00
2. Car Hire Charges Paid	1.27	1.27
3. Remuneration , Bonus & Perks	20.87	14.55
4. Interest Paid	16.92	10.06
5. Imprest Account (Closing Balance Rs. NIL /P.Y. Rs. NIL)	0.41	0.50
6. Tour Advance (Closing Balance Rs. NIL /P.Y. Rs. NIL)	2.08	1.48
7. Reimbursement of expenses	1.80	2.15

**NOTE 36 :****Information (to the extent applicable) pursuant to AS 19 :**

The Company's significant leasing arrangements are in respect of operating leases for premises (Factory & office premises etc.). These leasing arrangements which are not non-cancellable range between 11 months and 5 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent under Note 27:.

**PREMCO GLOBAL LTD.**

The particulars of these leases are as follows :

(Rs In Lacs)

Particulars	2012 - 13	2011 - 12
Future Minimum lease payments obligation on non-cancelable operating leases :		
Not later than one year	60.98	59.86
Later than one year and not later than five years.	30.02	88.33
Later than five years	-	-
Lease payments recognized in Profit & Loss Account	63.95	51.86
Lease payments capitalized with Fixed Assets.	-----	-----

**NOTE 37:**

Earning Per Share:

Earning per share computed in accordance with Accounting Standard 20: 'Earning Per Share

Basic & Diluted :	Current Year	Previous Year
Profit after Tax as per Accounts is Rs. In Lacs	516.77	61.09
Weighted Average No. of Shares Issued ( No in Lacs )	30.77	30.36
Basic & Diluted EPS (Rs.)	16.79	2.01

**NOTE 38 :**

Information pursuant to Para 3 &amp; 4 of Part II of Schedule VI of the Companies Act, 1956 (to the extent available and as certified by the management) is as under :-

**a) Production of Finished Goods**

Description	Units	Current Year	Previous Year
Elastic Tapes	Lacs Mtrs	807.15	516.87

**b) Quantitative information in respect of Opening Stock, Closing Stock, Sales and Consumption of Raw Materials (As Certified by Management)****I) Opening Stock of Finished Goods**

Description	Units	Current Year		Previous Year	
		Quantity	Value (Rs.In Lacs)	Quantity	Value (Rs.In Lacs)
Elastic Tapes	Lacs Mtrs	71.20	335.64	58.87	243.78

**II) Closing Stock of Finished Goods**

Description	Units	Current Year		Previous Year	
		Quantity	Value (Rs.In Lacs)	Quantity	Value (Rs.In Lacs)
Elastic Tapes	Lacs Mtrs	83.92	575.02	71.20	335.64

**III) Sales & Services**

Description	Units	Current Year		Previous Year	
		Quantity	Value (Rs.In Lacs)	Quantity	Value (Rs.In Lacs)
Elastic Tapes	Lacs Mtrs	794.44	5097.16	504.53	3272.97
Others			24.45		12.87
Total			5121.61		3285.84

**IV) Raw Material & Spares Consumed**

Description	Units	Current Year		Previous Year	
		Quantity	Value (Rs.In Lacs)	Quantity	Value (Rs.In Lacs)
Polyester	MT	1034.93	1479.92	695.21	894.60
Nylon	MT	259.63	664.80	170.97	427.82
Rubber	MT	433.75	795.99	300.54	540.26
Others			111.94		93.72
			3052.65		1956.40



#### V). Consumption of Imported & Indigenous Items

	2012-2013		2011-2012	
Description	(Rs. In Lacs)	% of Total Consumption	(Rs. In Lacs)	% of Total Consumption
<b>A. Raw Material</b>				
Imported	119.10	3.90 %	230.34	11.77 %
Indigenous	2864.67	93.84 %	1689.73	86.37 %
<b>Sub-Total</b>	<b>2983.77</b>	<b>97.74 %</b>	<b>1920.07</b>	<b>98.14 %</b>
<b>B. Stores &amp; Spares</b>				
Imported	3.24	0.11%	----	---
Indigenous	65.64	2.15 %	36.33	1.86 %
<b>Sub-Total</b>	<b>68.88</b>	<b>2.26 %</b>	<b>36.33</b>	<b>1.86 %</b>
<b>Grand Total</b>	<b>3052.65</b>	<b>100.00 %</b>	<b>1956.40</b>	<b>100.00 %</b>

#### VI). CIF value of Imports:

Description	Current Year (Rs. In Lacs)	Previous Year (Rs. In Lacs)
Raw Material & Spares	96.35	188.44
Capital Goods	49.64	10.09

#### VII) Expenditure in Foreign Currency

Description	Current Year (Rs. In Lacs)	Previous Year (Rs. In Lacs)
Travelling	46.12	40.51
Advance Against Machinery	----	26.31
Expenses for Export	3.84	----

#### VIII) Earning in Foreign Currency :

Description	Current Year (Rs. In Lacs)	Previous Year (Rs. In Lacs)
FOB Value of Export	2485.72	1585.53

#### IX) Net Dividend remitted in Foreign Exchange

Particulars	Amount (Rs. In Lacs)
Final Dividend 11-12 to 7 Shareholders on 13,400 Shares	0.16
Final Dividend 10-11 to 8 Shareholders on 13,700 Shares	0.16

**NOTE 39. Figures of Previous are regrouped and reclassified wherever necessary.**

As per our Annexed Report of even date

**For S. P. JAIN & ASSOCIATES**  
CHARTERED ACCOUNTANTS  
FRN 103969W

**KAPIL K. JAIN**  
PARTNER  
Membership No. 108521.

For & on behalf of the Board

**ASHOK B. HARJANI**  
DIRECTOR

**LOKESH P. HARJANI**  
DIRECTOR

Place : Mumbai.  
Dated : 30th May, 2013

**PREMCO GLOBAL LTD.****FINANCIAL HIGHLIGHTS**

(Rs. In Lacs)

	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008	2006-2007	2005-2006	2004-2005	2003-2004
Sales	5,285.39	3,377.04	4,231.56	2,806.39	3,011.43	2,429.98	2,295.23	2,070.42	2,121.37	1,830.92
Total Income	5,349.25	3,414.94	4,510.23	2,885.83	3,071.53	2,476.38	2,329.41	2,068.17	2,010.56	1,844.83
Operating Profit	938.15	314.98	389.84	295.15	357.39	290.20	261.37	220.66	229.83	222.10
Interest	95.17	101.52	91.98	37.09	58.01	45.77	80.02	53.26	67.43	81.66
Depreciation	107.58	103.57	101.20	78.80	78.67	80.36	75.11	70.02	68.07	65.36
Profit Before Tax	735.40	109.90	196.66	179.26	220.71	164.07	106.24	97.38	94.33	75.08
Provision for Taxation	249.85	46.03	38.33	70.69	78.82	56.75	36.29	34.88	14.00	5.15
Profit After Tax	485.55	63.86	158.33	108.57	141.89	107.32	70.24	62.50	80.33	69.63
Provision for Deferred Tax	(31.22)	2.77	22.78	3.25	(4.75)	(3.72)	(11.20)	(11.52)	(2.22)	(3.08)
Provision for Fringe Benefit Tax	-	-	-	-	6.82	3.50	3.00	4.33	-	-
EXTRA ORDINARY ITEM	-	-	-	-	-	60.73	-	-	-	-
Net Profit (+) /Loss (-)	516.77	61.09	135.55	105.32	139.82	46.81	78.15	69.69	82.55	73.01
Equity Dividend %	0.18	0.12	0.12	0.12	0.12	0.12	0.08	-	-	-
Dividend Payout	56.00	35.53	35.53	35.53	35.53	34.59	23.79	-	-	-
Paid up Share Capital	316.36	301.36	301.36	301.36	301.36	297.40	297.40	297.40	297.40	297.40
Reserve & Surplus	1,773.46	1,296.95	1,277.15	1,182.90	1,119.02	1,006.87	1,007.81	1,179.00	1,109.31	1,010.36
Deferred Tax Liability	198.52	229.74	226.97	204.19	200.93	205.68	209.40	-	-	-
Net Worth	2,288.34	1,828.04	1,805.48	1,688.45	1,621.31	1,509.95	1,514.61	1,476.40	1,406.71	1,307.76
Gross Fixed Assets	2,306.86	2,184.69	2,221.77	1,813.29	1,692.15	1,636.90	1,692.56	1,528.64	1,458.66	1,381.28
Net Fixed Assets	1,322.46	1,290.07	1,365.75	1,043.07	994.09	1,011.31	1,031.53	932.92	932.96	921.70
E.P.S.- Rs.	16.79	2.01	4.46	3.47	4.61	1.54	2.57	2.30	2.72	2.40
Book Value - Rs.	71.82	60.21	59.46	75.88	53.40	49.73	50.29	48.63	46.33	43.08
Debt : Equity Ratio	0.26:1	0.28:1	0.30:1	0.20:1	0.08:1	0.10:1	0.16:1	0.20:1	1.01:1	0.59:1
Number of Investors	1,292	1,266	1,302	1,316	1,395	1,395	1,487	1,606	1,872	1,853
Number of Employees	169	168	181	134	131	138	129	131	143	124



*If undelivered please return to :*

**PREMCO GLOBAL LTD.**

Regd. Off. : Premco House, A/26, MIDC,  
Street No. 3, Andheri (East),  
Mumbai - 400 093.