

7<sup>TH</sup> ANNUAL REPORT 2014-2015



 **TEXMO**  
PIPES AND PRODUCTS LIMITED  
AN ISO 9001 CERTIFIED COMPANY

**Corporate Information**

<p><b>Board of Directors</b></p> <ol style="list-style-type: none"> <li><b>Mrs. Rashmi Devi Agrawal</b> Chairperson and Non Executive Director</li> <li><b>Mr. Sanjay Agrawal</b> Managing Director</li> <li><b>Mr. Vijay Prasad Pappu</b> Whole Time Director</li> <li><b>Mr. Shantilal Badera</b> Non Executive Independent Director</li> <li><b>Mr. Sunil Kumar Maheshwari</b> Non Executive Independent Director</li> <li><b>Mr. Chakradhar Bharat Chhaya</b> Non Executive Independent Director</li> </ol>	<p><b>Committees of Directors</b></p> <p><b>Audit Committee</b></p> <ol style="list-style-type: none"> <li>Mr. Sunil Kumar Maheshwari – Chairman</li> <li>Mr. Shanti Lal Badera – Member</li> <li>Mr. Chakradhar Bharat Chhaya – Member</li> <li>Mr. Vijay Prasad Pappu – Member</li> </ol> <p><b>Nomination &amp; Remuneration Committee</b></p> <ol style="list-style-type: none"> <li>Mr. Chakradhar Bharat Chhaya – Chairman</li> <li>Mr. Shanti Lal Badera – Member</li> <li>Mr. Sunil Kumar Maheshwari – Member</li> </ol> <p><b>Stakeholders Relationship Committee</b></p> <ol style="list-style-type: none"> <li>Mr. Chakradhar Bharat Chhaya – Chairman</li> <li>Mr. Shanti Lal Badera – Member</li> <li>Mr. Sanjay Agrawal – Member</li> </ol> <p><b>Treasury Committee</b></p> <ol style="list-style-type: none"> <li>Mr. Sanjay Agrawal – Chairman</li> <li>Mr. Vijay Prasad Pappu – Member</li> <li>Mr. Sunil Kumar Maheshwari – Member</li> </ol>
<p><b>Chief Financial Officer</b> Mr. Satyendra Rathi</p>	
<p><b>Company Secretary and Compliance Officer</b> Mr. Ravi Patidar</p>	
<p><b>Registered Office</b></p> <p>98, Bahadarpur Road, Burhanpur (M.P.) – 450331</p>	
<p><b>Bankers</b></p> <p>State Bank of India Bank of Baroda Punjab National Bank Central Bank of India HDFC Bank Bank of India</p>	<p><b>Corporate Identification Number:</b></p> <p>L25200MP2008PLC020852</p> <p><b>Corporate office</b></p> <p>98, Bahadarpur Road, Burhanpur (M.P.) – 450331</p>
<p><b>Registrar &amp; Share Transfer Agent</b></p> <p>Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad- 500 032</p>	<p><b>Auditors</b></p> <p>Pankaj Somaiya &amp; Associates LLP Chartered Accountants</p>

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## CHAIRPERSON'S MESSAGE

Dear Shareholders,

*I have an immense pleasure in welcoming you at Seventh Annual General Meeting of your Company and presenting the Annual Report for the year ended 31st March 2015. At the outset, I would like to submit that due to economic slowdown and flaccid investment activity in the country, the year 2014-15 was not easy for the entire corporate sector for business growth and profitability.*

*I am glad to update you that the Company has recorded a growth of 34.84% in its gross turnover by achieving Rs. 266.04 Crores during the year as compared to Rs. 197.31 Crores in the previous year. A remarkable augment in terms of Net Profit is registered. Despite challenges, our Company performed satisfactory. We are confident that we have the talent and good organization to touch the new heights of success.*

*Company is incessantly introducing new products to boost its product portfolio to gain competitive edge. In the series of creation most impressive product CPVC Pipes and Fittings that have been started on marketing with effect from April 13, 2014. There are very few CPVC Pipes and Fittings manufacturers in the country because of the technology being too costly. Similarly there are very few CPVC material suppliers across the world that provides material only after final agreement with them.*

*To get on the journey of success we need the tools of vigilance, foresight and strategy which lead us to the path of growth and high quality. It will make a new yardstick in quality, productivity and customer satisfaction for the industry as well, on which your Company showed significant flexibility and adaptability during its journey and committed for the same in future.*

*I would like to take this occasion to appreciate all my Board members, Suppliers, Customers, Bankers, Shareholders, various Governments - Semi Government organisations for their support, solidarity and having faith and trust in the Company.*

*I am in no doubt that the company will be on looking for a fabulous growth with a sanguine financial impact in the near future. Finally, as always, my heartfelt thanks to our employees, Shareholders, dealers, vendors and customers who made us what we are today.*

*With Best Wishes*  
**Rashmi Devi Agrawal**  
**(Chairperson)**

**NOTICE**

NOTICE is hereby given that the Seventh Annual General Meeting of the members of TEXMO PIPES AND PRODUCTS LIMITED (CIN: L25200MP2008PLC020852) will be held on Saturday, 26<sup>th</sup> September, 2015 at the registered office of the Company at 98, Bahadarpur Road, Burhanpur 450331, Madhya Pradesh at 11.30A.M. to transact the following business:-

**ORDINARY BUSINESS:-**

1. To receive, consider and adopt the Standalone and Consolidated Financial Statements of the company for the year ended 31<sup>st</sup> March, 2015, and the Reports of the Board of Directors and the Auditors thereon for the said period.
2. To appoint a Director in place of Mrs. Rashmi Devi Agrawal (DIN: 00316248) who retires by rotation and being eligible, offers herself for re-appointment.
3. To ratify the appointment of M/s. Pankaj Somaiya & Associates LLP, Chartered Accountants, Burhanpur (Firm Registration No. 010081C) as approved by Members at the Sixth Annual General Meeting as Statutory Auditors of the Company, to hold office until the conclusion of Tenth Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company.

**SPECIAL BUSINESS:**

4. To consider and, if thought fit, to pass, with or without modification(s) the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the members of the Company be and is hereby accorded for ratification of remuneration of the Cost Auditor M/s Sushil Kumar Mantri & Associate, Cost Accountant to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016 amounting to Rs. 75,000/- (Rupees Seventy Five Thousand only) for the year ending March 31, 2016".

**BY ORDER OF THE BOARD OF DIRECTOR**

**Ravi Patidar**  
**Company Secretary**  
**Membership No. (ACS:-32328)**

**Place: Burhanpur**  
**Date: 13<sup>th</sup> August, 2015**

**NOTES:-**

1. A member entitled to attend and vote at the Annual General Meeting ("the Meeting") is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. Proxies, duly stamped and signed, must be deposited at the company's registered office not less than 48 hours before the commencement of the meeting.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice later. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. The relevant details as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking re-appointment/appointment as Director under Item No. 2 of the Notice, are annexed hereto.
6. The relevant explanatory statement pursuant to section 102 of the Companies Act, 2013 setting out the material facts in respect of the business under items no. 2 and 4 is annexed hereto.
7. Members/ Proxies are requested to bring along with them Annual Reports being sent to them and should bring the attendance slip sent herewith, duly filled, in order to attend the meeting.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. The Share Transfer Book and Register of Members of the Company will remain closed from 22<sup>nd</sup> September 2015 to 27<sup>th</sup> September, 2015 (both days inclusive) for the purpose of Annual General Meeting of the Company.
10. Members are requested to send their queries, if any, at least seven days in advance of the meeting.
11. The Register of Director's Shareholding maintained under section 170 of the Companies Act, 2013, will be available for inspection at the venue to the Annual General Meeting of the company during the Annual General Meeting and will also

remain available for inspection of the members at the registered office of the company, fourteen days before and three days after, the date of the Annual General Meeting of the Company.

12. The Company has connectivity from the CDSL & NSDL and equity shares of the Company may also be held in the Electronic form with any Depository Participant (DP) with whom the members/ investors having their depository account. The ISIN No. For the Equity Shares of the Company is INE141K01013. In case of any query/difficulty in any matter relating thereto may be addressed to the Share Transfer Agents Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad -500 032.
13. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Karvy.
14. Non-Resident Indian Members are requested to inform Karvy, immediately of:
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
15. To promote green initiative as per circular issued by Ministry of Corporate Affairs in 2011, Members are requested to register their e-mail addresses through their Depository Participant where they are holding their Demat Accounts for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.

#### VOTING THROUGH ELECTRONIC MEANS:-

A. In case a Member receiving an email of the Annual General Meeting Notice from Karvy

[For Members whose email IDs are registered with the Company/ Depository Participant(s)]:

- i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
- ii) Enter the login credentials (i.e., **User ID and password** mentioned below). Event no. followed by Folio No. / DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- iii) After entering these details appropriately, Click on "LOGIN".
- iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v) You need to login again with the new credentials.
- vi) On successful login, the system will prompt you to select e-voting "EVENT" no. for Texmo Pipes and Products Limited
- vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-Off Date under "FOR/AGAINST" or alternatively, you may partially enter any number of shares in "FOR" and partially in "AGAINST" but the total number of shares in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned therein. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii) Members holding multiple Folios / Demat accounts shall choose the voting process separately for each Folios / Demat accounts.
- ix) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- x) You may then cast your vote by selecting an appropriate option and Click on "SUBMIT".
- xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. **During the voting period, Members can login any numbers of times till they have voted on the Resolution(s).**
- xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: - [ishwar@rediffmail.com](mailto:ishwar@rediffmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com) they may upload the same in e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_ EVENT NO."
- xiii) In case a person has become the Member of the Company after the dispatch of AGM Notice but on or before the cut-off date i.e. 18<sup>th</sup> September, 2015, may write to the Karvy on the email Id: [varghese1@karvy.com](mailto:varghese1@karvy.com) or to Mr P. A. Varghese, Contact No. 040-33215424, at Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, requesting for the User ID and Password.

After receipt of the above credentials, please follow all the steps from Sr. No.(i) to (xiii) as mentioned in (A) above, to cast the vote.

- B. In case of Members receiving physical copy of the AGM Notice by Post [for Members whose email IDs are not registered with the Company/Depository Participant(s)]:
- i). User ID and initial password- These will be sent separately.
  - ii). Please follow all steps from Sr. No. (i) to (xiii) as mentioned (A) above, to cast your vote.
- C. The remote e-voting period commences on Wednesday the 23rd September, 2015 at 10:00 A.M. and ends on Friday, the 25th September 2015, at 5.00 P.M. During this period, the Members of the Company holding shares in physical form or in dematerialized form, as on the cut-off date being Friday, 18th September, 2015, may cast their vote by electronic means in the manner and process set out hereinabove. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have casted their vote electronically shall not vote by way of poll, if held at the Meeting.
- D. In case of any query pertaining to remote e-voting, please visit Help & FAQ's section available at Karvy's website ID:- <https://evoting.karvy.com>.
- E. The voting rights of the Members shall be in proportion of the paid up equity share capital of the Company as on the cut-off date i.e. (the Record Date), being Friday, 18th September, 2015.
- F. The Board has appointed Mr. Ishwar Navthare, a Practicing Advocate as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
- G. The Scrutinizer shall, immediately after scrutinising the votes cast at the meeting, not later than three days of conclusion of the voting at the AGM, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, and submit the same to the Chairman.
- H. The Results on resolutions shall be declared on or after the Annual General Meeting of the Company and the resolution(s) will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- I. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company i.e. [www.texmopipe.com](http://www.texmopipe.com) and on the website of Karvy <https://evoting.karvy.com> within two (2) days of passing of resolution and the simultaneous communication will be sent to the BSE Limited and the National Stock Exchange of India Limited.

### **STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

The following Statement sets out all material facts relating to the Business mentioned in the accompanying Notice:

#### **As Ordinary Business:-**

##### **Item No. 2 - Brief profile of Director, who retires by rotation and offer herself for re-appointment.**

Mrs. Rashmi Devi Agrawal, aged 45 year is the chairperson of the company. She is one of the promoters of the Company, holding 3223500 share of the Company. She is an art graduate from Nagpur University, and having more than 14 years of rich experience in the field of forming the Policies relating to Marketing and Human Resource Development.

She also holds Directorship in one of our subsidiary company M/S Texmo Petrochemicals Private Limited since 2012 and also holds Directorship in our promoter group company named M/S Shree Padmavati Irrigations Private Limited since 1998.

#### **As Special Business:-**

##### **Item No. 4 - Ratification of remuneration of the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016.**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor M/s Sushil Kumar Mantri & Associate, Cost Accountant to conduct the audit of the cost records of the Company for the financial year ending March 31, 2016, the audit fees will be Rs. 75,000/- (Rupees Seventy Five Thousand only).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Shareholders.

**BY ORDER OF THE BOARD OF DIRECTORS**

**Ravi Patidar**  
**Company Secretary**  
**Membership No. (ACS:-32328)**

**Place: Burhanpur**  
**Date: 13<sup>th</sup> August, 2015**

**DIRECTORS' REPORT**

To,  
The Members,

Your Directors have pleasure in presenting their 7th Annual Report and the Audited Financial Statement for the financial year ended March 31, 2015.

**1. Financial summary or highlights/Performance of the Company (Standalone and Consolidated)**

₹ in Lacs

Particulars	Standalone		Consolidated	
	2014-15	2013-14	2014-15	2013-14
Profit before Interest, Depreciation and Tax	1845.13	1516.58	1855.64	1519.81
Interest	833.63	716.57	833.63	716.57
Depreciation	525.44	548.90	525.44	548.90
Profit before tax	486.06	251.11	496.57	254.34
Provision for tax				
- Current tax	148.74	52.70	149.23	52.76
- Deferred tax	8.97	16.38	8.65	16.38
Excess provision for earlier year	(2.14)	--	(2.14)	--
Profit after tax	330.50	182.03	340.83	185.20
Prior year adjustment	--	--	--	--
Profit after tax & prior year adjustments	330.50	182.03	340.83	185.20
Balance of profit brought forward from earlier years	2248.07	2066.04	2252.42	2067.22
Adjustment relating to Fixed Assets (net of Deferred Tax)	(5.22)	--	(5.22)	--
Profit available for appropriation	2573.35	2248.08	2588.03	2252.42
Transfer to reserve	--	--	--	--
Proposed dividend:				
- Equity	--	--	--	--
- Preference	--	--	--	--
Balance of profit	2573.35	2248.08	2588.03	2252.42

On a standalone basis your company recorded a turnover of Rs. 26,604.07 Lacs for the year ended 31<sup>st</sup> March, 2015 as against Rs.19,730.83 Lacs in the previous year which shows an increase of 34.84%. Company had recorded a Manufacturing turnover of Rs. 25,185.13 Lac for the year ended 31<sup>st</sup> March, 2015 as against Rs. 19,361.19 Lac in the previous year which shows an increase of 30.08%.

On a standalone basis, the profit before interest, depreciation and tax for the financial year is Rs. 1845.13 Lacs as against Rs. 1516.58 Lacs recorded in the previous year. The profit before tax for the financial year stood at Rs. 486.06 Lac compared to Rs. 251.11 Lac of the previous year. The profit after tax, before exceptional item for the financial year at Rs. 330.50 Lac compared to Rs. 182.03 Lac of the previous year.

On a standalone basis your company recorded Production of 21213.03 MT for the year ended 31<sup>st</sup> March, 2015 as against 19020.14 MT in the previous year which shows an increase of 11.53%.

**2. Dividend**

With a view of augmenting the financial resources for generating stable growth the Board of Directors of the company has decided to carry forward entire profit and hence they did not propose any dividend for the financial year on equity shares. (Previous Year -Nil)



### 3. Details of Subsidiary/Associate Companies

We have Two subsidiary Companies namely Texmo Petrochemicals Private Limited and Tapti Pipes & Products Limited FZE (Overseas Subsidiary).

The consolidated financial statements of your Company for the financial year 2014-15, are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standards and Listing Agreement as prescribed by the Securities and Exchange Board of India (SEBI). The consolidated financial statements have been prepared on the basis of audited financial statements of the Company, its subsidiary, as approved by their respective Board of Directors.

A separate statement in Form AOC 1 containing the salient features of financial statements of all subsidiaries of your Company forms part of consolidated financial statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013.

### 4. Commission received by Directors from Subsidiary

During the year under review none of the director of the company are receipt of the commission or remuneration from subsidiaries of the Company, as provided under section 197 (14) of the Companies Act, 2013.

### 5. Particulars of Employees

Pursuant to the Provision of section 197(2) of Companies act read with rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 no employee received the Remuneration of Rs. 60 Lacs per annum and Rs. 5 Lacs per month.

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules issued thereunder and Clause 49 of the Listing Agreement, the Board of Directors at their meeting held on 27<sup>th</sup> September, 2014 formulated the Nomination and Remuneration Policy of your Company on the recommendations of the Nomination and Remuneration Committee. The salient aspects covered in the Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors and other matters have been outlined in the Corporate Governance Report which forms part of this Report. The Managing Director of your Company does not receive remuneration from any of the subsidiaries of your Company.

### 6. Voting Rights of Employees

During the year under review the company has not given loan to any employee for purchase of its own shares as per section 67 (3) (c) of the Companies Act, 2013. Therefore the company is not required to make disclosure as per rule 6 (4) of the Companies (Share Capital and Debentures) Rules, 2014.

### 7. Details relating to remuneration of Director, KMPs and employees

Disclosure pertaining to remuneration and other details as required Under Section 197(12) of the Companies Act, 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in **Annexure A**.

### 8. Particulars of loans, guarantees, investments outstanding during the financial year

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement (Please refer to Note 11, 12, and 14 to the standalone financial statement).

### 9. Deposits

During the year under review, Company did not accept any fixed deposits in terms of Section 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014. The Company did not have outstanding deposits at the beginning/ at the end of the year.

### 10. Statutory Auditors

M/s Pankaj Somaiya and Associates, LLP, were appointed as Statutory Auditors of your Company at the last Annual General Meeting held on 27th September, 2014 for a term of four years. As per the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors is required to be ratified by Members at every Annual General Meeting.

### 11. Auditors' Report

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

### 12. Cost Auditor

The Company has appointed M/s Sushil Kumar Mantri & Associates, Cost Accountants, as cost accountant for Financial Year 2015-16. The cost audit is not applicable to the company for the year 2014-15.

**13. Share Capital**

The paid up Equity Share Capital as at March 31, 2015 stood at Rs. 23.82 Crore. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2015, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

**14. Extract of the annual return**

The extract of annual return as on the financial year ended March 31, 2015 in Form No. MGT-9 shall form part of Board's Report is provided in **Annexure B**.

**15. Conservation of energy, technology absorption, foreign exchange earnings and outgo**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure C**.

**16. Details of Change in Directors and Key Managerial Personnel**

Smt. Rashmi Agrawal (DIN 00316248) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Mr. Shyam Sunder Agrawal Company Secretary and Compliance Officer (ACS No 24489) of the Company resigned from the services of Company with effect from 29<sup>th</sup> January, 2015 and Mr. Ravi Patidar (ACS No. 3238) has been appointed as Company Secretary and Compliance Officer of the Company with effect from 20<sup>th</sup> February 2015.

**17. Declaration given by Independent Director(s) and reappointment,**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

The Board shall include a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors. Additionally, details of evaluations made by the Nomination and Remuneration Committee and independent directors to also be provided.

**18. Internal Financial Controls**

The Company believes that internal control is necessary principle of prudent business governance that freedom of management should be exercised within a framework of appropriate checks and balances. The Company remains committed to ensuring an effective internal control environment that inter alia provides assurance on orderly and efficient conduct of operations, security of assets, prevention and detection of frauds/errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information.

The Company's independent and Internal Audit processes, both at the Business and Corporate levels, provide assurance on the adequacy and effectiveness of internal controls, compliance with operating systems, internal policies and regulatory requirements.

The Financial Statements of the Company are prepared on the basis of the Significant Accounting Policies that are carefully selected by management and approved by the Board. These, in turn are supported by a set of divisional Delegation Manual & Standard Operating Procedures (SOPs) that have been established for individual units/ areas of operations.

The Company uses SAP Systems as a business enabler and also to maintain its Books of Account. The SOPs in tandem with transactional controls built into the SAP Systems ensure appropriate segregation of duties, tiered approval mechanisms and maintenance of supporting records. The systems, SOPs and controls are reviewed by Senior management and audited by Internal Audit whose findings and recommendations are reviewed by the Board of Directors and tracked through to implementation.

The Company has in place adequate internal financial controls with reference to the Financial Statements. Such controls have been tested during the year and no reportable material weakness in the design or operation was observed. Nonetheless the Company recognizes that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

**19. Number of meetings of Board of Directors**

The Board of Directors of the Company met 5 times during the Financial Year 2014-15, the Company held on 29.05.2014, 14.08.2014, 27.09.2014, 07.11.2014 and 12.02.2015 meetings of the Board of Directors. The gap between any two meetings has been less than four months.

**20. Familiarization Programme**

The Company has conducted the programme through its Managing Director, Whole-time Director, Company Secretary and other Senior Managerial Personnel to familiarize the Independent Directors with Company in following areas:-

- Familiarization with the Company;
- Independent directors' roles, rights and responsibilities;
- Board dynamics & functions;
- Nature of the Industry in which the Company operates;
- Business Model of the Company;
- Compliance management.

**21. Corporate Social Responsibility**

As per section 135 of the Companies Act, 2013, all Companies having net worth of Rs. 500 crore or more, or turnover of Rs. 1000 crore or more, or a net profit of Rs. 5 crore or more during any financial year are required to constitute a CSR Committee of the Board of Directors comprising three or more Directors, at least one of whom should be an independent director and such company shall spend at least 2% of the average net profit of the Companies three immediately preceding financial year.

The Company is not covered under the above mentioned limits of the act. However it has taken voluntary initiative by forming CSR Committee comprising of two independent directors and an executive director as member. As and when Company meets the required threshold limits of CSR policy further action will be taken accordingly in such respect.

**22. Corporate Governance**

The Company continue to imbibe and emulate the best corporate governance practices aimed at building trust among all stakeholders – shareholders, employees, customers, suppliers and others. The Company believes that fairness, transparency, responsibility and accountability are the four key elements of corporate governance. The Corporate Governance Report presented in a separate section forms an integral part of this Annual Report.

**23. Particulars of Contracts or Arrangement with Related Parties**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: [www.texmopipe.com](http://www.texmopipe.com).

**24. Details of Establishment of Vigil Mechanism for Directors and Employees**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail ID, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: [www.texmopipe.com](http://www.texmopipe.com).

**25. Secretarial Audit Report**

The Board has appointed M/s. Geetika Agrawal & Co Practising Company Secretaries to conduct Secretarial Audit during the year under review. A Secretarial Audit Report in Form No. MR. 3, given by them is provided in **Annexure D**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**26. Risk Management Policy**

The Company, like any other enterprise, is exposed to business risk which can be an internal risks as well as external risks. One of the key risks faced by the Company in today's scenario is the wide and frequent fluctuations in the prices of its raw material. Any further increase in prices of raw materials could create a strain on the operating margins of the Company. Inflationary tendencies in the economy and deterioration of macroeconomic indicators can impact the spending power of the consumer because of which down trading from branded products to non-branded can occur which can affect the operating performance of the Company.

Any unexpected changes in regulatory framework pertaining to fiscal benefits and other related issue can affect our operations and profitability.

However the Company is well aware of the above risks and as part of business strategy has put in mechanism to ensure that they are mitigated with timely action. The Company has a robust Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

In the opinion of the Board of Directors, none of the aforementioned risks affect and/or threaten the existence of the Company.

**27. Management Discussion and Analysis Report**

The Management Discussion and Analysis Report is presented in a separate section forming the part of the Annual Report.

**28. Details of Downstream Investment**

The Company has not made downstream investment during the financial year 2014-15.

**29. Directors' Responsibility Statement**

In terms of provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors Confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis; and
- (v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- (vi) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

**30. Material events that have occurred after the Balance Sheet date**

There has been no material changes and commitments affecting financial position of the Company that have occurred between the balance sheet date and date of this report.

**31. Impact on going concern status and company's operations**

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

**32. Disclosure regarding issue of employee stock options**

The Company does not have issued shares under employee's stock options scheme pursuant to provisions of Section Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014, so question does not arise about voting rights not exercised by employee.

**33. Disclosure regarding issue of sweat equity shares**

The Company does not have issued sweat equity shares pursuant to provisions of Section 54 read with Rule 8 of the Companies (Share Capital and Debenture) Rules, 2014 during the Financial Year.

**34. Anti sexual harassment policy**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. An Internal Committee has been set up to redress the complaints received regarding sexual harassment at workplace. All employees including trainees are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed off during the current financial year.

Number of Complaints received: Nil

Number of Complaints disposed off: Nil

**35. Acknowledgement**

An acknowledgement to all with whose help, cooperation and hard work the Company is able to achieve the results.

**For and on behalf of the Board of Directors**

Place:- Burhanpur

Date :- 13.08.2015

**Sanjay Agrawal**  
*Managing Director*  
**[DIN: 00316249]**

**Vijay Prasad Pappu**  
*Whole Time Director*  
**[DIN: 02066748]**

**'ANNEXURE – A'**

**DETAILS PERTAINING TO REMUNERATION OF EACH DIRECTOR AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014.**

i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during financial year 2014-15, ratio of the remuneration of each director to the median remuneration of the employees of the Company for financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:-

S. No.	Name/Director/KMPs And Designation	Remuneration of Directors/KMPs For Financial Year 2014-2015	%Increase In Remuneration In The Financial Year 2014-2015	Ratio of Remuneration of Each Director/To Median of Remuneration of Employees	% of Remuneration of The KMPs Against The Performance of The Company
1	Mr. Sanjay Agrawal Managing Director	3600000	0	41.67:1	Profit before tax increased by 93.76% while the average remuneration of the KMPs increased by 2.11%.
2	Mr. Vijay Prasad Pappu Whole-time Director	1200000	0	13.89:1	
3	Mr. Satyendra Rathi CFO	828000	6.15%	9.58:1	
4	Company Secretary *	411600	19.93%	4.76:1	

\* During the year the Company Secretary of the Company has been changed twice therefore the name of the Company Secretary has not been mentioned.

**Note:-** The Non-Executive Directors of the Company are entitled for sitting fee as per the statutory provisions and within the limits approved by the shareholders. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report and is governed by the Differential Remuneration Policy, as detailed in the said report. The ratio of remuneration and percentage increase for Non-Executive Directors Remuneration is therefore not considered for the purpose above.

- ii. The median remuneration of employees of the company during the financial year 2014-2015 was Rs. 86,400/-
- iii. In the financial year, there was increase of 10.77% in the median remuneration of employees
- iv. There were 463 permanent employees on the rolls of company as on 31st March, 2015;
- v. Relationship between average increase in remuneration and company performance:- The profit before tax for the financial year ended 31st March, 2015 increased by 93.76% whereas the increase in median of remuneration was 10.77%. The average increase in median remuneration company was in line with the performance of the company and partly on individual employee's performance;
- vi. Comparison of remuneration of the key managerial personnel against the performance of the company the total remuneration of key managerial personnel increased by 2.11% from Rs. 59.23 Lacs in 2013-2014 to Rs. 60.48 Lacs in 2014-15 whereas the profit before tax increased by 93.76% to Rs. 486.06 Lacs in 2014-2015 (Rs. 251.11 Lacs in 2013-2014).
- vii. Variations in the market capitalization of the company, price earnings ratio as at the closing date of current financial year and previous financial year and percentage increase decrease in market quotation of the shares of the company in comparison to the rate at which the company came out with last public offer:-

	Closing Market price per share in Rs.		Percentage increase	Price earnings ratio		Market capitalization in Rs.	
	31 March 2014	31 March 2015		31 March 2014	31 March 2015	31 March 2014	31 March 2015
NSE	6.10	10.55	72.95%	8.02	7.59	145302000	251301000
BSE	5.92	10.56	78.38%	7.79	7.59	141014400	251539200

The company has made public issue of GDR 11th April, 2011 at the price of Rs. 36/- and the current share price of Rs. 10.55 of NSE and Rs. 10.56 BSE after the Initial Public offer.

The shares of the Company have been listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

viii. Average percentage increase made in the salaries of employees other than the managerial personnel in financial year 2014-2015 was 11.98% whereas the increase in managerial remuneration for same financial year was 2.11%.

- ix. The key parameters for the variable components of remuneration availed by the board of directors based on the recommendations of the nomination and remuneration committee as per remuneration policy for directors and senior management personnel.
- x. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year-the managing director is the highest paid director. No employees received remuneration higher than the managing director.
- xi. It is hereby affirmed that the remuneration paid during the year ended 31st march 2015 is as per remuneration policy of the company.

**For and on behalf of the Board of Directors**

**Place:- Burhanpur**  
**Date :- 13.08.2015**

**Sanjay Agrawal**  
*Managing Director*  
**[DIN: 00316249]**

**Vijay Prasad Pappu**  
*Whole Time Director*  
**[DIN: 02066748]**

**‘ANNEXURE – B’**

**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March 2015.  
of

**TEXMO PIPES AND PRODUCTS LIMITED**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

i.	CIN	L25200MP2008PLC020852
ii.	Registration Date	03/07/2008
iii.	Name of the Company	Texmo Pipes and Products Limited
iv.	Category/Sub-Category of the Company	Indian non government company
v.	Address of the Registered office and contact details	98, Bahadarpur Road, Burhanpur, Madhya Pradesh-450331 Phone No:- 07325-255122 Fax: 07325-253273 Email: cs@texmopipe.com
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad-500032 Tel: +91 40 67161700 Toll Free No:1800 425 8998 Fax: +91 40 23114087

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

S. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Plastic Products	22209	100%

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

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	Percentage of shares held	Applicable Section
1.	Texmo Petrochemicals Pvt. Ltd Address: 98, Bahadarpur Road, Burhanpur, M.P	U24299MP2011 PTC027095	Subsidiary	100%	2(87)(ii)
2.	Tapti Pipes and Products Limited FZE. P.O. box 49509, E Lob office no. E2-113F-43, Hamriyah Free Zone Sharjah, UAE	NA	Subsidiary	100%	2(87)(ii)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
1) Indian									
a) Individual/ HUF	6162889	0	6162889	25.87	6893389	0	6893389	28.94	3.07
b) Central Govt./ state govt.	0	0	0	0	0	0	0	0	0.00
c) Bodies Corporate	0	0	0	0	0	0	0	0	0.00
d) Banks / FI	0	0	0	0	0	0	0	0	0.00
e) Any Other	0	0	0	0	0	0	0	0	0.00
<b>Sub-total (A)(1)</b>	<b>6162889</b>	<b>0</b>	<b>6162889</b>	<b>25.87</b>	<b>6893389</b>	<b>0</b>	<b>6893389</b>	<b>28.94</b>	<b>3.07</b>
2) Foreign									
a) Individuals (NRI/foreign individuals)	0	0	0	0	0	0	0	0	0.00
b) Bodies Corporate	0	0	0	0	0	0	0	0	0.00
c) Banks / FI	0	0	0	0	0	0	0	0	0.00
d) Qualified foreign investors	0	0	0	0	0	0	0	0	
e) Any Other	0	0	0	0	0	0	0	0	0.00
<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>Sub-total (A1+A2)</b>	<b>6162889</b>	<b>0</b>	<b>6162889</b>	<b>25.87</b>	<b>6893389</b>	<b>0</b>	<b>6893389</b>	<b>28.94</b>	<b>3.07</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds /UTI	0	0	0	0	0	0	0	0	0.00
b) Banks / FI	0	0	0	0	47019	0	47019	0.19	0.19
c) Central Govt. /state govt.	0	0	0	0	0	0	0	0	0.00
d) Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
e) Insurance Companies	0	0	0	0	0	0	0	0	0.00
f) FIs	811000	0	811000	3.40	0	0	0	0	(3.40)
g) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
h) Qualified foreign investor	0	0	0	0	0	0	0	0	0.00
i) Others	0	0	0	0	0	0	0	0	0.00
<b>Sub-total (B)(1)</b>	<b>811000</b>	<b>0</b>	<b>811000</b>	<b>3.40</b>	<b>47019</b>	<b>0</b>	<b>47019</b>	<b>0.19</b>	<b>(3.21)</b>
2. Non Institutions									
a) Bodies Corporate:	7195169	0	7195169	30.21	1790436	0	1790436	7.52	(22.69)
b) Individuals:									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	5983861	103	5983964	25.12	8676019	103	8676122	36.42	11.3
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2685324	0	2685324	11.27	5539271	0	5539271	23.25	11.98
c) Qualified foreign investor:	0	0	0	0	0	0	0	0	0.00
d) Others:									
(i) Clearing members	31953	0	31953	0.13	44516	0	44516	0.19	0.06
(ii) NRI	280689	12	280701	1.18	829235	12	829247	3.48	2.30
<b>Sub-total(B)(2)</b>	<b>16176996</b>	<b>115</b>	<b>16177111</b>	<b>67.91</b>	<b>16879477</b>	<b>115</b>	<b>16879592</b>	<b>70.86</b>	<b>2.95</b>
<b>Sub-total (B1+B2)</b>	<b>16987996</b>	<b>115</b>	<b>16988111</b>	<b>71.32</b>	<b>16926496</b>	<b>115</b>	<b>16926611</b>	<b>71.06</b>	<b>(0.26)</b>



C. Shares held by Custodian for GDRs & ADRs									
a) Promoter & Promoter Group	0	0	0	0	0	0	0	0	0
b) Public	669000	0	669000	2.81	0	0	0	0	(2.81)
<b>Grand Total (A+B+C)</b>	<b>23819885</b>	<b>115</b>	<b>23820000</b>	<b>100.0</b>	<b>23819885</b>	<b>115</b>	<b>23820000</b>	<b>100.00</b>	<b>0</b>

ii. Shareholding of Promoters

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Sanjay Agrawal	3007500	12.63	0	3556000	14.93	0	2.30
2.	Rashmi Devi Agrawal	3001500	12.60	0	3223500	13.53	0	0.93
3.	Sanjay Agrawal	71500	0.30	0	71500	0.30	0	0.00
4.	Rashmi Devi Agrawal	71500	0.30	0	71500	0.30	0	0.00
5.	Mohan Lal Sohan Lal Shah	6089	0.03	0	6089	0.03	0	0.00
6.	Anand Umale	1200	0.005	0	1200	0.005	0	0.00
7.	Mahmood Ahmed Khan	1200	0.005	0	1200	0.005	0	0.00
8.	Vijay Prasad Pappu	1200	0.005	0	1200	0.005	0	0.00
9.	Rajesh Baban Lal Agrawal	1200	0.005	0	1200	0.005	0	0.00
	<b>Total</b>	<b>6162889</b>	<b>25.87</b>	<b>0</b>	<b>6933389</b>	<b>29.11</b>	<b>0</b>	<b>3.27</b>

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

S. no.		Shareholding at the beginning of the year		Cumulative Shareholding during the year 01.04.2014 to 31.03.2015	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	6162889	25.87		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	#			
	At the End of the year	6933389	29.11		

# transfer of shares to promoter

S. no.	Name	Shareholding		Date	Increase/ (Decrease)	Reason	Cumulative Shareholding During The Year	
		No. of Shares At The Beginning/ End Of The Year	% of Shares of The Company				No. of Shares	% of Shares of The Company
1.	Sanjay Agrawal	3007500	12.63	01.04.2014				
				17.04.2014	25400	Transfer	3032900	12.73
				29.04.2014	33000	Transfer	3065900	12.87
				16.05.2014	220100	Transfer	3286000	13.79
				03.07.2014	130000	Transfer	3416000	14.34
				17.07.2014	100000	Transfer	3516000	14.76
				27.03.2015	40000	Transfer	3556000	14.93
		3556000	14.93	31.03.2015				
2.	Rashmi Devi Agrawal	3001500	12.60	01.04.2014				
				19.06.2014	85000	Transfer	3086500	12.96
				20.06.2014	137000	Transfer	3223500	13.53
		3223500	13.53	31.03.2015				

Note:- Mr. Sanjay Agrawal Promoter of the Company has bought the 40000 shares on 27.03.2015, but due to Bank holidays and year end closing, the payment for purchase of shares could not be transferred before 31st March 2015. Due to above reason the shares kept in the pool account of the broker but not been credited in the Demat account.

Therefore the Registrar and Transfer Agent was unable to show the change in shareholding of promoter for the 4th Quarter Ended on 31st March, 2015.

**iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as on 31<sup>st</sup> March, 2015:-**

S. No.	Name of Shareholders	Shareholding		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Flyhigh Merchant Traders Pvt. Ltd.				
	At the beginning of the year	1095171	4.6	1095171	4.6
	Bought during the year	262922	1.1	1358093	5.7
	Sold during the year	1358093	-5.7	0	0
	At the end of the year	0	0	0	0
2.	Lotus Blossoms Traders Private Limited				
	At the beginning of the year	1047707	4.4	1047707	4.4
	Bought during the year	0	0	1047707	4.4
	Sold during the year	1047707	-4.4	0	0
	At the end of the year	0	0	0	0
3.	Gyansheela Marketing Private Limited				
	At the beginning of the year	963000	4.04	963000	4.04
	Bought during the year	200000	0.84	1163000	4.88
	Sold during the year	1163000	-4.88	0	0
	At the end of the year	0	0	0	0
4.	India Focus Cardinal Fund				
	At the beginning of the year	811000	3.4	811000	3.4
	Bought during the year	0	0	811000	3.4

	Sold during the year	811000	-3.4	0	0
	At the end of the year	0	0	0	0
5	Brajmandal Cements Private Limited				
	At the beginning of the year	755456	3.17	755456	3.17
	Bought during the year	0	0	755456	3.17
	Sold during the year	755456	-3.17	0	0
	At the end of the year	0	0	0	0
6	Progressive Share Brokers Private Limited				
	At the beginning of the year	727643	3.06	727643	3.06
	Bought during the year	1000	0.004	728643	3.06
	Sold during the year	728643	-3.06	0	0
	At the end of the year	0	0	0	0
7	ABL Infrastructure Private Limited				
	At the beginning of the year	440576	1.85	440576	1.85
	Bought during the year	0	0	440576	1.85
	Sold during the year	440576	-1.85	0	0
	At the end of the year	0	0	0	0
8	Anandsagar Merchant and Services Pvt. Ltd.				
	At the beginning of the year	296256	1.24	296256	1.24
	Bought during the year	726343	3.05	1022599	4.29
	Sold during the year	1022599	-4.29	0	0
	At the end of the year	0	0	0	0
9	Anil Bansilal Lodha				
	At the beginning of the year	276666	1.16	276666	1.16
	Bought during the year	0	0	276666	1.16
	Sold during the year	276666	-1.16	0	0
	At the end of the year	0	0	0	0
10	Pawan Kumar Poddar				
	At the beginning of the year	227530	0.96	227530	0.96
	Bought during the year	0	0	227530	0.96
	Sold during the year	227530	-0.96	0	0
	At the end of the year	0	0	0	0
11	Durga Prasad				
	At the beginning of the year	3825	0.01	3825	0.01
	Bought during the year	330319	1.39	334144	1.4
	Sold during the year	14470	-0.06	319674	1.34
	At the end of the year	319674	1.34	319674	1.34
12	Gyan Pal Singh				
	At the beginning of the year	105000	0.44	105000	0.44
	Bought during the year	173000	0.73	278000	1.17
	Sold during the year	0	0	278000	1.17
	At the end of the year	278000	1.17	278000	1.17

13	Varsha Somani				
	At the beginning of the year	0	0	0	0
	Bought during the year	190258	0.79	190258	0.79
	Sold during the year	0	0	190258	0.79
	At the end of the year	190258	0.79	190258	0.79
14	Vasudeo Rajendra Deshprabhu				
	At the beginning of the year	0	0	0	0
	Bought during the year	175000	0.73	175000	0.73
	Sold during the year	0	0	175000	0.73
	At the end of the year	175000	0.73	175000	0.73
15	Lalit Amarshibhai Soria				
	At the beginning of the year	0	0	0	0
	Bought during the year	122000	0.51	122000	0.51
	Sold during the year	0	0	122000	0.51
	At the end of the year	122000	0.51	122000	0.51
16	Shree Padmavati Irrigations Pvt. Ltd.				
	At the beginning of the year	112000	0.47	112000	0.47
	Bought during the year	0	0	112000	0.47
	Sold during the year	0	0	112000	0.47
	At the end of the year	112000	0.47	112000	0.47
17	IL AND FS Securities Services Limited				
	At the beginning of the year	0	0	0	0
	Bought during the year	110000	0.46	110000	0.46
	Sold during the year	0	0	0	0
	At the end of the year	110000	0.46	110000	0.46
18	Bharatkumar Chaturdas Patel				
	At the beginning of the year	100000	0.42	100000	0.42
	Bought during the year	1111	0.005	101111	0.42
	Sold during the year	0	0	101111	0.42
	At the end of the year	101111	0.42	101111	0.42
19	Bamb Prashant Ishwardas				
	At the beginning of the year	0	0	0	0
	Bought during the year	96000	0.40	96000	0.40
	Sold during the year	0	0	96000	0.40
	At the end of the year	96000	0.40	96000	0.40
20	Bonanza Portfolio Ltd.				
	At the beginning of the year	136073	0.57	136073	0.57
	Bought during the year	309112	1.29	445185	1.86
	Sold during the year	352025	-1.47	93160	0.39
	At the end of the year	93160	0.39	93160	0.39

**Notes :**

- The above information is based on the weekly beneficiary position received from Depositories.
- The date wise increase or decrease in shareholding of the top ten shareholders is available on the website of the Company [www.texmopipe.com](http://www.texmopipe.com)

v. Shareholding of directors and key managerial personnel

S. no.	Name	Shareholding		Date	Increase/ (Decrease)	Reason	Cumulative Shareholding During The Year	
		No. of Shares At The Beginning/ End Of The Year	% of Shares of The Company				No. of Shares	% of Shares of The Company
1.	Sanjay Agrawal Managing Director	3007500	12.63	01.04.2014				
				17.04.2014	25400	Transfer	3032900	12.73
				29.04.2014	33000	Transfer	3065900	12.87
				16.05.2014	220100	Transfer	3286000	13.79
				03.07.2014	130000	Transfer	3416000	14.34
				17.07.2014	100000	Transfer	3516000	14.76
				27.03.2015	40000	Transfer	3556000	14.93
		3556000	14.93	31.03.2015				
2	Rashmi Devi Agrawal Non Executive Director	3001500	12.6	01.04.2014				
				19.06.2014	85000	Transfer	3086500	12.96
				20.06.2014	137000	Transfer	3223500	13.53
		3223500	13.53	31.03.2015				
3	Vijay Prasad Pappu Whole- Time Director	1200	0.01	01.04.2014	Nil	Ni	1200	0.01
		1200	0.01	31.03.2015	Nil	Nil	1200	0.01
4	Satyendra Rathi CFO	Nil	Nil	01.04.2014	Nil	Nil	Nil	Nil
		Nil	Nil	31.03.2015	Nil	Nil	Nil	Nil
5	Ravi Patidar Company Secretary	Nil	Nil	01.04.2014	Nil	Nil	Nil	Nil
		Nil	Nil	31.03.2015	Nil	Nil	Nil	Nil

Note:- Mr. Sanjay Agrawal Promoter of the Company has bought the 40000 shares on 27.03.2015, but due to Bank holidays and year end closing, the payment for purchase of shares could not be transferred before 31st March 2015. Due to above reason the shares kept in the pool account of the broker but not been credited in the Demat account. Therefore the Registrar and Transfer Agent was unable to show the change in shareholding of promoter for the 4th Quarter Ended on 31st March, 2015.

The Independent Directors Mr. Sunil Maheshwari, Mr. Shanti Lal Badera and Mr. Chakradhar Bharat Chhaya do not hold any shares in the company

V. INDEBTEDNESS

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

₹ in Lacs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year as on 01-04-2014				
i) Principal Amount	5,790.22	33.91	-	5,824.12
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total(i+ii+iii)</b>	<b>5,790.22</b>	<b>33.91</b>	<b>-</b>	<b>5,824.12</b>
Change in Indebtedness during the financial year				
- Addition	-	263.25	-	263.25
- Reduction	678.31	10.39	-	688.70
<b>Net Change</b>	<b>678.31</b>	<b>252.96</b>	<b>-</b>	<b>722.14</b>
Indebtedness at the end of the financial year 2014-2015				
i) Principal Amount	5,111.91	286.87	-	5,398.78
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5.95	0.21	-	6.16
<b>Total (i+ii+iii)</b>	<b>5,117.86</b>	<b>287.08</b>	<b>-</b>	<b>5,404.94</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

S. no.	Particulars of Remuneration	Name Of WTD/MD		Total Amount
		Vijay Prasad Pappu	Sanjay Agrawal	
1.	Gross salary:-			
(a)	Salary as per provisions containing section 17(1) of the Income-tax Act, 1961.	1200000	3600000	4800000
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
(c)	Profits in lieu of salary under section 17(3) Income tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as% of profit - others, specify	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	<b>Total(A)</b>	<b>1200000</b>	<b>3600000</b>	<b>4800000</b>

**B. Remuneration to other directors:-**

S. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Chakradhar Bharat Chhaya	Shantilal Badera	Sunil Kumar Maheshwari	
1.	Independent Directors				
	Fee for attending board/committee meetings	110000	110000	100000	320000
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	<b>Total(1)</b>	<b>110000</b>	<b>110000</b>	<b>100000</b>	<b>320000</b>
2.	Other Non-Executive Directors	Rashmi Devi Agrawal			NIL
	Fee for attending board/committee meetings	NIL	NA		NIL
	Commission	NIL			NIL
	Others, please specify	NIL			NIL
	<b>Total(2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>Total(B)=(1+2)</b>	<b>110000</b>	<b>110000</b>	<b>100000</b>	<b>320000</b>
	Overall Ceiling as per the Act	The remuneration is well within the limits as prescribed by Companies Act, 2013.			

**Total A+B= ₹ 51,20,000/-**

**C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD**

S. no.	Particulars of Remuneration	CEO	Company Secretary	CFO	Total
				Satyendra Rathi	
1.	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		411200	828000	1239200
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961		NIL	NIL	NIL
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	NIL	NIL	NIL

2	Stock Option	NA	NIL	NIL	NIL
3	Sweat Equity		NIL	NIL	NIL
4	Commission - as% of profit -others, specify		NIL	NIL	NIL
5	Others, please specify		NIL	NIL	NIL
	<b>Total</b>	<b>NA</b>	<b>411200</b>	<b>828000</b>	<b>1239200</b>

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

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment / Compounding fees imposed	Authority RD /NCLT/ Court]	Appeal made. If any (give details)
<b>A. Company</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
<b>B. Directors</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
<b>C. Other Officers In Default</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

For and on behalf of the Board of Directors

Place: - Burhanpur

Date:- 13.08.2015

**Sanjay Agrawal**  
Managing Director  
[DIN: 00316249]

**Vijay Prasad Pappu**  
Whole Time Director  
[DIN: 02066748]

**'ANNEXURE-C'**

**THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO, IN THE MANNER AS PRESCRIBED IN RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014[CHAPTER IX]**

**A. CONSERVATION OF ENERGY**

- i) a) Energy Conservation Measures Taken
  - A special team has been formed with an objective of identifying areas of energy savings by way of modification, improvements and replacement of equipments.
  - Replaced old conventional light fittings by latest generation CFL and LED light fittings.
  - Capacitors has been installed to improve power factor at unit
  - Installation of 1250 KVA transformer sub-station in March 2014
  - Conversion of DC to AC facility
  - Replacement of Screw Barrels
- b) Impact on Conservation of Energy
  - Capacity optimization and reduction of power, energy consumption and consequently reduction of cost of production of pipes.
  - Creation of substation nearby sheds to avoid the transmission loss and voltage drop
- ii) Steps in Utilization of Alternate Source of Energy:- NIL
- iii) Capital investment on energy conservation equipments: - Rs. 38.55 Lacs

**B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION, RESEARCH AND DEVELOPMENT:**

- (i) Specific Areas in which R&D carried out by the Company and benefits derived as a Result thereof in several Years.  
Your Company's R&D wing is dedicated to ensure production of best quality products conforming to international standards.
- (ii) Future plan of Action  
The Company doing its best to improve its quality and to reduce manufacturing expenses.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:-**

(i) Foreign Exchange Outgo:- ₹ in Lacs

Particulars	Amount
Raw Materials	1102.46
Spare Parts	1.38

(ii) Foreign Exchange Earning:- ₹ in Lacs

Particulars	Amount
Finance Charges	81.25

For and on behalf of the Board of Directors

Place: - Burhanpur  
Date:- 13.08.2015

Sanjay Agrawal  
Managing Director  
[DIN: 00316249]

Vijay Prasad Pappu  
Whole Time Director  
[DIN: 02066748]



**‘ANNEXURE – D’**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Personnel) Rules, 2014]

To,  
The Members  
**Texmo Pipes and Products Limited**  
98, Bahadarpur Road,  
Burhanpur (M.P.) 450331

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Texmo Pipes and Products Limited (CIN: L25200MP2008PLC020852) (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
  - h) Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2009.
- (vi) The following other laws as specifically applicable in the view of the Management.
  - a) Factories Act, 1948
  - b) Negotiable Instruments Act, 1881
  - c) Works Contract Rules, 2007
  - d) Industrial Disputes Act, 1947
  - e) Employees’ State Insurance Act, 1948
  - f) Employees Provident Fund and Miscellaneous Provisions Act, 1952
  - g) Environment Protection Act, 1986
  - h) Water (Prevention and Control of Pollution) Act, 1981
  - i) Air (Prevention and Control of Pollution) Act, 1974
  - j) Hazardous Waste (Management and Handling) Rules, 1989
  - k) Payment of Wages Act, 1936 and other applicable labour laws
  - l) The Water (Prevention and Control of Pollution) Act, 1974
  - m) Other laws as applicable to the Company other than taxation laws

We have also examined compliance of the applicable Clauses of the Listing Agreements entered into by the Company with the BSE Limited and the National Stock Exchange of India Limited respectively.

We have relied on the certificates obtained by the Company from the Management Committee/Function heads and based on the report received, there has been due compliance of all laws, orders, regulations and other legal requirements of the central, state and other Government and Legal Authorities concerning the business and affairs of the company. However, please note for the Audit Period:

- (i) SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are not applicable, as there being no schemes of the Company under the said Guidelines.
- (ii) SEBI (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable, as company has not issued any Debt Securities.
- (iii) SEBI (Delisting of Equity Shares) Regulations, 2009 are not applicable, as there being no instances of delisting of Equity Shares.
- (iv) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the companies act and dealing with client are not applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review.
- (v) SEBI (Buyback of Securities) Regulations, 1998 are not applicable, as there being no instances of buy-back of shares.
- (vi) The Secretarial Standards under the Companies Act 2013 were not applicable during the reporting period therefore, the same was not considered in the Audit.

We further report that:

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

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

Majority decision is carried through and recorded in the minutes.

We further report that there is scope to improve the systems and processes in the company and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and as informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory/regulatory authorities and initiated actions for corrective measures, wherever necessary.

**For Geetika Agrawal & Co.**  
Company Secretaries

**Geetika Agrawal**  
(Proprietor)  
FCS No: 4988  
CP No: 3482

**Place: Indore**  
**Date: 12.08.2015**

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

We believe that it is imperative for us to manage our business affairs in the most fair and transparent manner with a firm commitments to our values. For us, corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. Our corporate governance framework is a reflection of our culture, our policies, our relationship, with stakeholders and our commitment to value. Accordingly we always seek to ensure that our performance is driven by integrity this is vital to gain and trust of our stakeholders.

The Securities Exchange Board of India (SEBI) amended the Listing Agreement effective October 1, 2014, to bring in additional corporate governance norms for listed entities. These norms provide for stricter disclosure and protection of investor rights, including equitable treatment for minority and foreign shareholder.

The Amended rules required companies to get shareholder approval for related party transactions, establish whistleblower mechanism, elaborate disclosure on pay packaged and have at least one woman director on their Boards. The amended norms are aligned with the provision of the Companies Act, 2013, and are aimed to encourage Companies to adopt best practice on corporate governance.

Our corporate governance framework has helped us be aligned with the guideline for the Companies Act, 2013. We believe that an active, well-informed and independent board is necessary to ensure the highest standards of corporate governance. At Texmo ('the Company'), the Board of Directors ('the Board') is at the Core of our corporate governance practice The Board thus oversees the Management of Texmo ('the Management') functions and protects the Long term interest of our stakeholder.

Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financial and performance, as well as the leadership and governance of the Company.

### 2. COMPOSITION OF BOARD

At Texmo Pipes and Products Limited (TPPL), it is our belief that an enlightened Board deliberately creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. At present the Board consists of 2 Executive Directors, 1 Non-Executive Non-Independent Director and 3 Non-Executive Independent Directors. The Company has a Non-Executive Chairperson. The Company is having 3 Independent Directors which as per Clause 49 II A of the Listing Agreement is One half of the total strength of Board of Directors of the Company, which meets the requirement relating to the composition of the Board.

The Company is having an appropriate size of the Board for real strategic discussion and avails the benefits of diverse experience and viewpoints.

### 3. BOARD INDEPENDENCE

Our definition of independence of Directors is derived from Clause 49 of the Listing Agreement and section 149 of Companies Act, 2013. All Directors are individuals of integrity and courage, with relevant skills and experience to bring independent judgement on the business of the Company.

### 4. MECHANISM FOR EVALUATING BOARD MEMBERS

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board work with nomination and remuneration committee to lay down the evaluation criteria for the performance of executive/non executive/independent Directors through a peer-evaluation excluding the Director being evaluated through a Board effectiveness survey. The Questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board Member is requested to evaluate the effectiveness of the Board dynamics and relationship, information flow, decision-making of the Directors, relationship to stakeholders, Company performance, Company strategy, and the effectiveness of the whole Board and its various committees on a scale of one to five. Feedback on each director is encouraged to be provided as a part of the survey.

Independent directors have three key roles- governance, control and guidance. Some of the performance indicators based on which the independent directors are evaluated include:-

- Ability to contribute to and monitor our corporate governance practices
- Ability to contribute by introducing international best practices to address top-management issues
- Active participation in long-term strategic planning
- Commitment to the fulfillment of a Director's obligations and fiduciary responsibilities; these include participation in board and committee meetings.

**5. DIRECTOR INDUCTION, FAMILIARIZATION AND TRAINING**

As per clause 49 of listing agreement the Company has entered into with stock exchange and the Company shall provide suitable training to independent director to familiarize them with the Company, their role, nature of the industry in which the Company operates, business model of the Company etc. the details of such training are also required to be disclose in the Annual Report.

The Company acknowledged the importance of continues education and training of the Directors to enable the effective discharge of their responsibility. The Company has been organizing visit of the Director to its PVC Plant with a view to enable them familiarize with the nature of industry, operations, process and interact with management personnel and staff.

Directors are regularly briefed about the industry specific to enable them to understand the business environment in which the company operates. To enhance their skills and knowledge the directors are regularly updated on the change in the polices, laws and regulation, development in the business environment etc.

Efforts are also made to familiarize the Directors about their roles, responsibility in the Company, its business model and the environment in which the Company operates.

**6. REMUNERATION TO EXECUTIVE DIRECTORS**

The remuneration of the Managing Director & the Whole Time Director is recommended by the Nomination and Remuneration Committee to the Board of Directors based on criteria such as industry Benchmarks, the Company's performance vis-à-vis the industry, performance track record of the Managing Director & Whole-Time Director.

Mr. Sanjay Agrawal is the Managing Director and Chief Executive Officer of the Company. The Salary and allowance paid to Mr. Sanjay Agrawal during the year 2014-15 were Rs. 36.00 Lac and Mr. Vijay Prasad Pappu is the Whole time director of the Company and the Salary and allowance paid to Mr. Vijay Prasad Pappu during the year 2014-15 were Rs. 12.00 Lac.

**7. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES**

The Non-Executive Directors are entitled to sitting fee for attending the Board/Committee Meetings. A sitting fee of Rs. 10,000 for attending each meeting of the Board and Audit Committee and of Rs. 2,500 for attending each of the Stakeholders Relationship Committee and Nomination & Remuneration Committee Meetings was paid to the Non-Executive Directors during the year under review.

The Sitting fees paid to the Non-Executive Directors are within the limits prescribed under the Companies Act, 2013. No stock options were granted to Non-Executive Directors during the year under review.

The Board considered the performance of the Non-Executive Directors based on their attendance and contribution at the Board and Committee Meetings. The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the Meetings.

The Non-Executive Independent Directors did not have any material pecuniary relationship or transactions with the Company during the year 2014-15.

The details of Sitting Fees paid to the Non-Executive Directors during the year 2014-15.

S.No.	Name of Non Executive Directors	Sitting fees(Rs.)
1.	Mr. Chakradhar Bharat Chhaya	1,10,000
2.	Mr. Shanti Lal Badera	1,10,000
3.	Mr. Sunil Kumar Maheshwari	1,00,000

**8. ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS**

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

**9. BOARD MEETINGS**

**i) Scheduling and Selection of agenda items for Board Meetings.**

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board

business. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is noted and confirmed in the subsequent Board meeting.

The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Burhanpur. The Agenda of the Board / Committee meetings is set by the Company Secretary in consultation with the Chairman and the Chief Executive Officer of the Company. The Agenda is circulated a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the year 2014-15, Five Meetings of the Board of Directors were held on 29<sup>th</sup> May, 2014, 14<sup>th</sup> August, 2014, 27<sup>th</sup> September, 2014, 07<sup>th</sup> November, 2014 and 12<sup>th</sup> February, 2015. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days.

None of the Directors on the Board are Members in more than ten Committees or Chairman in more than five Committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on 31<sup>st</sup> March, 2015 have been made by the Directors.

The details of attendance of Directors for the year 2014-15 at the Board Meetings are given below:

<b>Name of Director</b>	<b>Board Meetings held</b>	<b>Board Meetings Attended</b>
Mrs. Rashmi Devi Agrawal	5	4
Mr. Sanjay Kumar Agrawal	5	5
Mr. Vijay Prasad Pappu	5	4
Mr. Shanti Lal Badera	5	5
Mr. Sunil Kumar Maheshwari	5	5
Mr. Chakradhar Bharat Chhaya	5	5

**ii) Information placed before the Board of Directors**

The information placed before the Board of Directors is as follows:

- a) Annual operating plans and budgets, revisions and updates, if any.
- b) Capital budgets with revisions and updates if any.
- c) Quarterly (including periodic) results of the company and its operating divisions/ business segments.
- d) Minutes of the meetings of Board of Directors, Audit and other committees of the Board and meetings of Subsidiary Company on the quarterly basis.
- e) The information on recruitment and remuneration of senior officers below the board level, including appointment or cessation of office by CFO and Company Secretary.
- f) Show cause, demand and prosecution notices which are materially important.
- g) Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- h) Industrial relationship issues of material nature and proposed remedial actions. All significant development in Human Resources/ industrial relations.
- i) Transactions of material nature of buying and selling of investments, or undertaking/ assets, which are not in normal course of business.
- j) Status on compliance with all regulatory, statutory and material contract requirements.
- k) Details of delegation of authorities to executives and power of attorney.

**10. BOARD COMMITTEES**

Currently, the Board has five committees audit committee, Nomination and remuneration committee, Stakeholder relationship committee, Corporate Social responsibility (CSR) committee, Treasury committee.

**i) Audit committee**

The Audit Committee formed in pursuance of Clause 49 of the Listing agreement and Section 177 sub-section (2) of the

Companies Act, 2013 is instrumental in overseeing the financial reporting besides reviewing the quarterly, half yearly, annual financial results of the company; it reviews company's financial and risk management policies and the internal control systems, internal audit systems, etc. through discussions with internal and external auditors and the following matters:-

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Appointment, removal and terms of remuneration of internal auditors.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134 of the Companies Act 2013;
  2. Changes, if any, in accounting policies and practices and reasons for the same;
  3. Major accounting entries involving estimates based on the exercise of judgment by management;
  4. Significant adjustments made in the financial statements arising out of audit findings;
  5. Compliance with listing and other legal requirements relating to the financial statements;
  6. Disclosure of any related party transactions;
  7. Qualifications in the draft audit report.
- Reviewing, with the Management, the quarterly financial statements before submission to the Board for approval.
- Monitoring the use of the proceeds of the proposed initial public offering of the Company.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussions with internal auditors on any significant findings and follow up thereon.
- Reviewing internal audit reports and adequacy of the internal control systems.
- Reviewing management letters/letters of internal control weaknesses issued by the statutory auditors
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism, when the same is adopted by the Company and is existing.
- Carrying out any other function as may be statutorily required to be carried out by the Audit Committee.

**Composition of Audit Committee, its Meetings and Attendance**

The Chairman of the Audit Committee is Mr. Sunil Kumar Maheshwari. During the year 2014-15, Four Audit Committee Meetings were held on 29th May, 2014, 14th August, 2014, 07th November, 2014 and 12th February, 2015.

The composition of the Audit Committee and number of meetings attended by the Members are given below:-

<b>Name of Director</b>	<b>No. of Meeting held</b>	<b>No. of Meetings attended</b>
Mr. Sunil Kumar Maheshwari	4	4
Mr. Shanti Lal Badera	4	4
Mr. Vijay Prasad Pappu	4	3
Mr. Chakradhar Bharat Chhaya	4	4

Company Secretary and Compliance officer acts as the secretary to the committee.

The Committee Meetings are also attended on invitation by Statutory Auditors of the Company.

The Internal and Statutory Auditors of the Company discuss their audit findings and update the Audit Committee and submit their views directly to the Committee to conduct detailed reviews of the processes and internal controls in the Company.

**ii) Stakeholders Relationship Committee**

The Board had constituted a Stakeholders Relationship Committee with Mr. Chakradhar Bharat Chhaya as Chairman of the Committee with Mr. Shanti Lal Badera and Mr. Sanjay Agrawal as members of the Committee. The Committee has been set up to oversee the performance of the Registrars and Share Transfer Agents with respect to redressal of Shareholders grievances etc. According to Companies Act, 2013 the nomenclature of a Shareholders/Investors Grievance Committee of the Company has been changed from Share Holders / Investor Grievance Committee to Stakeholders Relationship Committee.

The process of share transfer as well as review of redressal of investors/shareholders grievances is undertaken expeditiously and usually reply is sent within a period of 07 days of receipt, except in the cases that are constrained by disputes or legal impediments. All the complaints have been redressed to the satisfaction of the complainants by the Registrar and Share Transfer Agents and the Compliance Officer of Company. However, the matters related to issue of fresh Share Certificates are dealt with the Stakeholders Relationship Committee.

**Composition of the Committee, its Meetings and Attendance**

The Chairman of the Stakeholders Relationship Committee is Mr. Chakradhar Bharat Chhaya. During the year 2014-15, Four Meetings of the committee were held on 29th May, 2014, 14th August, 2014, 07th November, 2014 and 12th February, 2015.

The composition of the Stakeholders Relationship Committee and number of meetings attended by the Members are given below:-

Name of Director	No of Meeting held	No. of Meetings attended
Mr. Chakradhar Bharat Chhaya	4	4
Mr. Shanti Lal Badera	4	4
Mr. Sanjay Kumar Agrawal	4	4

Company Secretary and Compliance officer acts as the secretary to the committee.

**iii) Nomination And Remuneration Committee**

The Board had constituted a Nomination and Remuneration Committee with Mr. Chakradhar Bharat Chhaya as Chairman of the Committee with Mr. Shanti Lal Badera and Mr. Sunil Kumar Maheshwari as members of the Committee. The Committee is set up to oversee the performance of the Executive Directors and recommends remuneration, promotions, increments etc. for the Managing Director and Executive Director to the Board for approval. According to Companies Act, 2013 the nomenclature of Remuneration Committee of the Company is changed from Remuneration Committee to Nomination & Remuneration Committee.

**Meetings and Attendance of Committee**

During the year 2014-15, Four Meetings of the committee were held on 29th May, 2014, 14th August, 2014, 07th November, 2014 and 12th February, 2015.

The composition of the Nomination & Remuneration Committee and number of meetings attended by the Members are given below:

Name of Director	No. of Meeting held	No. of meetings attended
Mr. Chakradhar Bharat Chhaya	4	4
Mr. Shanti Lal Badera	4	4
Mr. Sunil Kumar Maheshwari	4	4

Company Secretary and Compliance officer acts as the secretary to the committee.

**iv) Composition of Corporate Social Responsibility**

Our CSR Committee ('the Committee') comprised two Independent Directors and Managing Director as on 31st March 2015:

- Mr. Sunil Kumar Maheshwari, Chairperson
- Mr. Chakradhar Bharat Chhaya
- Mr. Sanjay Agrawal

The purpose of the Committee is to formulate and to monitor the CSR policy of the Company. The CSR Committee has adopted a policy that intends to:

- Strive for economic development that positively impact society at large with minimal resource footprint.
- Be responsible for the Corporate Actions and encourage a positive impact through its activities on the environment, communities and stakeholders.

The committee will be overseeing the activities/functioning of the company's foundation and identify the areas of CSR activities, programmes and execution of initiatives as per predefined guidelines. The committee will also be assisted by the company's foundation in reporting the progress of deployed initiatives, and making appropriate disclosures (internal/external) on periodic basis.

The Company is not covered under the mandatory requirement of CSR activity.

**v) Treasury Committee**

The Board of Directors has constituted a Non- mandatory Sub Committee of Board styled as Treasury Committee with Mr. Sanjay Agrawal as Chairman of the Committee Mr. Vijay Prasad Pappu and Mr. Sunil Kumar Maheshwari as members of the Committee. The Board of Directors has delegated certain powers to Treasury Committee to deal with the day to day business affairs of the Company and to take the beneficial decisions for the Company and pass various resolutions on behalf of the Board except those which are to be passed necessarily by the Board.

**Composition of Treasury Committee, its Meetings and Attendance**

During the year 2014-15, four Treasury Committee Meetings were held on 18.07.2014, 02.09.2014, 15.12.2014, 31.03.2015.

Number of meetings attended by the Members is given below:-

Name of Director	No of Meeting held	No of Meetings attended
Mr. Sanjay Agrawal	4	4
Mr. Vijay Prasad Pappu	4	4
Mr. Sunil Kumar Maheshwari	4	NIL

Company Secretary and Compliance officer act as the secretary to the Treasury Committee.

**11. CODE OF CONDUCT FOR INDEPENDENT DIRECTORS**

As per the Section 149(8) Companies Act, 2013, the Company and independent directors shall abide by the provisions specified in schedule IV. Further Schedule IV lays down a code for independent Directors of the Company. Pursuant to said provision of the Companies Act 2013, the Company has adopted a code for the Independent Directors of the Company.

**12. RELATED PARTY TRANSACTIONS**

All details on the financial and commercial transaction, where Directors may have a potential interest are provided to the Audit Committee as well as the Board of Directors. The Interested Directors neither participate in discussion, nor vote on such matters. In terms of Clause 49 of the Listing Agreement, the Company has adopted a policy on the subject and the same is available on the Company's website at [www.texmopipe.com](http://www.texmopipe.com)

Details of materially significant related party transaction i.e. the transaction of the Company of material nature with its Promoters, the Directors or the Management or their relatives are presented under note no. 33 on notes forming part of the accounts.

**13. DETAILS OF SHARES HELD IN SUSPENSE ACCOUNT**

The disclosure under clause 5A of the Listing Agreement is as under:

S. No.	Particulars	No. of shareholder	No. of shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year 01.04.2014.	2	150
2	Number of shareholders who approached the company for transfer of share from suspense account during the year.	Nil	Nil
3	Number of shareholders to whom shares were transferred from suspense account during the year.	Nil	Nil



4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year 31.03.2015.	2	150
5	The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.		

**14. NAME AND DESIGNATION OF COMPLIANCE OFFICER**

**Mr. Ravi Patidar**

Company Secretary & Compliance Officer

Phone: - 07325-255122

Texmo Pipes and Products Limited

Fax: - 07325-253273

98, Bahadarpur Road, Burhanpur (M.P.)-450331

Email- [cs@texmopipe.com](mailto:cs@texmopipe.com)

In addition to the above e-mail ID of the Compliance Officer, the Investors/Shareholders can also lodge their complaints, if any, at [complaints@texmopipe.com](mailto:complaints@texmopipe.com).

The Company Secretary has been designated as Compliance Officer of the Committee in line with the requirement of Listing Agreement with the Stock Exchanges.

**15. RECORDING OF MINUTES OF PROCEEDINGS OF BOARD AND COMMITTEE MEETINGS**

The Company Secretary records the Minutes of the proceedings of each Board and Committee Meeting. Draft Minutes are circulated to all the members of the Board/Committee for their comments.

**16. DETAILS OF OTHER DIRECTORSHIP AND COMMITTEE MEMBERSHIP**

Details with particulars of their Directorships and Chairmanship/Membership of Board Committees in other Public Companies, in which they are Directors showing the position as on 31st March, 2015 are given below:-

S.No.	Name of Directors	Directorship in other Public Companies	Committee positions held	
			Chairmanship	Membership
1	Mr. Sanjay Agrawal	0	0	0
2	Mrs. Rashmi Devi Agrawal	0	0	0
2	Mr. Vijay Prasad Pappu	0	0	0
3	Mr. Shanti Lal Badera	0	0	0
4	Mr. Sunil Kumar Maheshwari	0	0	0
5	Mr. Chakradhar Bharat Chhaya	3	2	1

In accordance with Clause 49 of the listing agreement with the stock exchanges, Memberships/ Chairmanships of only the Audit Committee and Shareholders'/ Investors' Grievance Committee of all Public Limited Companies (excluding those of the company) have been considered.

The Company has received Declarations of independence as prescribed in Clause 49 of the Listing Agreements and section 149 of Companies Act, 2013 from Independent Directors.

No Director of the Company is related to any other Director of the Company, except that Mr. Sanjay Agrawal and Mrs Rashmi Devi Agrawal are spouse.

**17. CODE OF CONDUCT**

In compliance with clause 49 of listing agreement and the Companies Act, 2013, the Company has framed and adopted a code of Conduct and ethics. The Code is applicable to the members of the Board, Senior Management of the Company. The code is available on our website - [www.texmopipe.com](http://www.texmopipe.com).

The Members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended 31st March, 2015. The Annual Report of the Company contains a Certificate by the Managing Director & CFO in terms of Clause 49 of the listing agreement.

**18. PREVENTION OF INSIDER TRADING**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 1992 read with Section 195 of Companies Act, 2013 and Company Code of Conduct for Prevention of Insider Trading is in place. The objective of the Code is to prevent purchase and /

or sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Under this Code, Designated persons (Directors, Officers and other concerned employees / persons) are prevented from dealing in the Company's shares during the closure of Trading Window. The Compliance Officer is responsible for setting forth policies, procedures, monitoring adherence to the rules for the preservation of "price sensitive information", pre-clearing of designated employees' and their dependents' trades (directly or through respective department heads as decided by the company), monitoring of trades and the implementation of the code under the overall supervision of the Board of the Company. All the Designated Employees are also required to disclose related information periodically as defined in the Code. Directors and designated employees who buy and sell shares of the Company are prohibited from entering into an opposite transaction i.e. sell or buy any shares of the Company during the next six months following the prior transactions. The aforesaid Code is available at the website of the Company [www.texmopipe.com](http://www.texmopipe.com).

## 19. SUBSIDIARY COMPANIES

There is no material non listed Indian Subsidiary Company requiring appointment of Independent Director of the Company on the Board of Directors of the Subsidiary Companies. The requirements of clause 49 of listing agreement with regard to subsidiary companies have been complied with.

## 20. DISCLOSURES

### i) Accounting Treatment in Preparation of Financial Statements

The Company has followed the guidelines of Accounting Standard laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its Financial Statements.

### ii) Risk Management

The Company, like any other enterprise, is exposed to business risk which can be an internal risks as well as external risks. One of the key risks faced by the Company in today's scenario is the wide and frequent fluctuations in the prices of its raw material. Any further increase in prices of raw materials could create a strain on the operating margins of the Company. Inflationary tendencies in the economy and deterioration of macroeconomic indicators can impact the spending power of the consumer because of which down trading from branded products to non-branded can occur which can affect the operating performance of the Company.

Any unexpected changes in regulatory framework pertaining to fiscal benefits and other related issue can affect our operations and profitability.

However the Company is well aware of the above risks and as part of business strategy has put in mechanism to ensure that they are mitigated with timely action. The Company has a robust Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

In the opinion of the Board of Directors, none of the aforementioned risks affect and/or threaten the existence of the Company.

### iii) Vigil Mechanism/ Whistle Blower Policy

In Compliance with Section 177(9) of the Companies Act, 2013 and clause 49 of listing agreement company has framed a vigil mechanism /whistle blower policy and the same has been placed on the Company's Website.

None of the employees of the Company has been denied access to the audit Committee.

### iv) Management Discussion and Analysis Report

The Management discussion and analysis report is prepared in accordance with the requirement of Clause 49 of the Listing Agreement and shall form part of the Annual Report to the shareholders.

## 21. COMMUNICATIONS TO SHAREHOLDERS

Effective Communication of information is an essential component of Corporate Governance. The Company regularly interacts with the Shareholder through the multiple channels of communication such as publication of Results, Annual Reports, Press Release and the Company's Website. The Quarterly, Half yearly and the Annual Financial result are faxed to the Stock Exchange at Mumbai in the prescribed format within 15 minutes of the conclusion of the Board Meeting at which the result are taken on record. The quarterly financial Results and the Annual Results of the Company are also published in prominent daily news papers such as Free Press (English) and Choutha Sansar (Hindi). The Company has also sent Annual Report through Email to those Shareholders who have registered their email ids with Depository Participant.

Annual Report, Results and the quarterly Financial Results are also available on the website of the Company [www.texmopipe.com](http://www.texmopipe.com) under investor's information section.

**22. PLEDGE OF EQUITY SHARES**

No Pledge has been created over the Equity Shares held by the Promoters and/or Promoter Group Shareholders as on 31st March 2015.

**23. PROMOTERS' SHAREHOLDING**

The aggregate Shareholding of the Promoters and Persons belonging to the Promoters Group as on 31st March 2015 comprised of 6933389 Equity Shares of Rs. 10/- each representing 29.11% of the total paid up Share Capital of the Company.

**24. DISCLOSURE OF NON-COMPLIANCE BY THE COMPANY DURING THE LAST YEAR**

There were no instances of non compliance or penalty, strictures imposed on the company by the stock exchange or SEBI or any other statutory Authority on any matter related to capital markets during the last year.

The Company has complied with the mandatory requirements of corporate governance clause 49 of the Listing Agreements with the Stock Exchanges.

**25. GENERAL SHAREHOLDERS INFORMATION**

**i) General Body Meeting**

The Company convenes the Annual General Meeting (AGM) generally within Six Months of the close of the financial year. The details of the AGM held in last three Years are given as below:-

Financial year	Date and time	Venue	Special Resolution passed
2011-12	26th September, 2012 at 11.30 A.M	98, Bahadarpur Road, Burhanpur (M.P.)-450331	There was no Special resolution passed in the AGM
2012-13	27th September, 2013 at 11.30 A.M.	98, Bahadarpur Road, Burhanpur (M.P.)-450331	1.Reappointment of Mr. Sanjay Agrawal as Managing Director and CEO and fixing his remuneration. 2.Appointment of Mr. Vijay Prasad Pappu as Whole Time Director.
2013-14	27th September, 2014 at 11.30 A.M.	98, Bahadarpur Road, Burhanpur (M.P.)-450331	1.Approval of borrowing powers to Board of Directors u/s 180(1)(A) of the Companies Act 2013 2.Approval powers to Board of Directors u/s 180(1)(c) of the Companies Act 2013 for creation of security in respect of secured loans 3.Approval of related party transaction under section 188 of Companies Act, 2013.

**ii) Details of Special Resolution passed at Extra-ordinary General Meeting in last Three years.**

No Extra-ordinary General Meeting was held in last three years,.

**iii) Passing of Resolution by Postal Ballot**

During the year, no resolution was passed through the Postal Ballot by the Shareholders. At present there is no proposal for passing resolution through postal ballot.

**iv) Annual general meeting attendance**

All the Board of Directors of the Company attended the previous Annual General Meeting.

**v) General Meeting for the financial year 2014-15**

Date	26th September 2015
Venue	98, Bahadarpur Road, Burhanpur (M.P.) 450331
Time	11.30 A.M.
Book closure date	From 22nd to 27th September, 2015. (Both days inclusive)
Last date of receipt of Proxy forms	24th September 2015. (Before 11.30 A.M. at the Registered office of the Company)

**vi) Tentative Calendar for financial year ending 31st March, 2016.**

Quarterly Financial Results	Date of Board Meeting
1st Quarterly results	First half of August 2015
2nd Quarterly results	First half of November 2015
3rd Quarterly results	First half of February 2016
4th Quarterly results	Second half of May 2016

**vii) Listing Details**

At present, the Equity Shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

The Annual Listing fees for the financial year 2015-16 have been paid to the stock exchanges.

All GDRs have converted into underlying equity shares of the Company and the Company has been delisted from the Luxemburg Stock Exchange on 26th September, 2014.

The Company has paid Annual Custodial Fees for the year 2015-16 to the National Securities Depository Limited and Central Depository Services Limited on the basis of beneficial accounts maintained by them as on 31st March 2015.

Equity Shares
Bombay Stock Exchange Limited 16th Floor, P.J. Tower, Dalal Street, Mumbai 400001
National Stock Exchange of India Limited Exchange Plaza, Bandra- Kurla Complex, Bandra (East), Mumbai 400051

**viii) Stock Codes**
**Table 1**

Name of the stock Exchange	Stock Code
Bombay Stock Exchange Limited	533164
National Stock Exchange of India Limited	TEXMOPIPES
ISIN of Equity Shares	INE141K01013

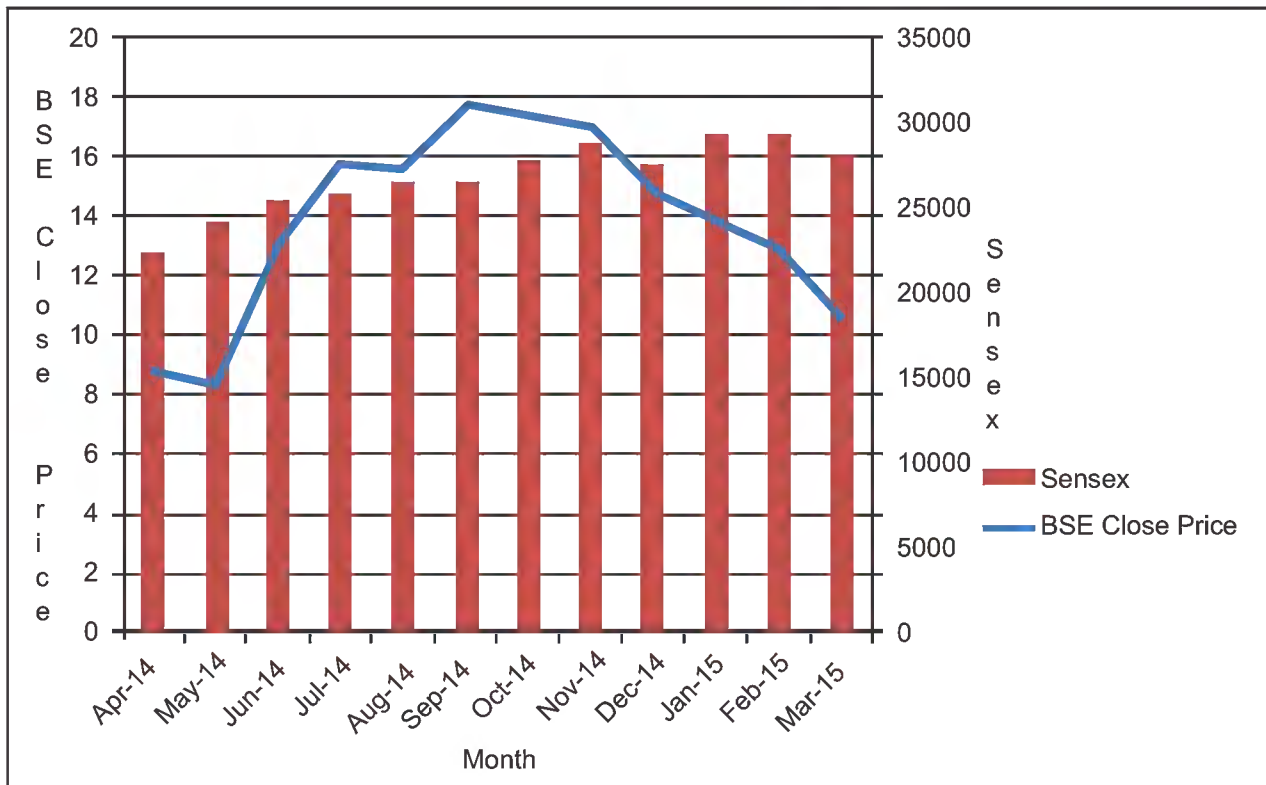
**ix) Share Price Data**

The details of High, Low Prices of shares of the company at Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31st March, 2015 are as under:-

**Period – from 01st April, 2014 to 31st March, 2015.**

Months	BSE		NSE	
	High (Rs.)	Low(Rs.)	High (Rs.)	Low(Rs.)
April 2014	9.50	5.86	9.60	6.00
May 2014	11.80	7.30	11.85	7.30
June 2014	13.55	8.33	13.65	8.35
July 2014	20.52	13.20	20.50	13.35
August 2014	17.55	14.80	17.55	14.70
September 2014	21.70	15.50	21.75	15.40
October 2014	18.35	15.60	18.35	15.50
November 2014	20.60	15.60	20.65	15.55
December 2014	18.35	13.35	18.45	13.40
January 2015	15.85	13.84	15.85	13.70
February 2015	17.10	12.33	16.25	12.40
March 2015	12.94	7.05	13.15	7.40

x) Stock Performance in comparison to Broad Based indices;



xi) Distribution of Shareholding as on 31st March, 2015

No. of Equity Shares held	Shareholders		Equity Shares held	
	No. of shareholders	% of total	Amount	% amount
1- 5000	10547	72.42%	17624920	7.40%
5001 - 10000	1745	11.98%	14871800	6.24%
10001 - 20000	1003	6.89%	15960100	6.70%
20001 - 30000	371	2.55%	9722680	4.08%
30001 - 40000	164	1.13%	6005840	2.52%
40001 - 50000	181	1.24%	8711590	3.66%
50001 - 100000	287	1.97%	21752070	9.13%
100001 & ABOVE	266	1.83%	143551000	60.26%
<b>Total</b>	<b>14564</b>	<b>100.00%</b>	<b>238200000.00</b>	<b>100.00</b>

xii) Shareholding Pattern as on 31st March, 2015

Category	No. of shareholders	No. of share held	% of equity
Promoters holding	11	6933389	29.11
Public shareholdings			
Clearing member	44	44516	0.19
HUF	277	492791	2.07
Bodies Corporate	340	1790436	7.52
Non Resident Indians	129	829247	3.48
Resident Individuals	13761	13722602	57.61
Indian Financial Institution	1	20819	0.09
Banks	1	26200	0.11
<b>Total</b>	<b>14564</b>	<b>23820000</b>	<b>100.00</b>

**xiii) Director's Shareholding as on 31st March, 2015**

S. No.	Name of Director	No. of Share Held	% of Holding
1.	Mrs. Rashmi Devi Agrawal	3223500	13.53
2.	Mr. Sanjay Agrawal	3556000	14.93
3.	Mr. Vijay Prasad Pappu	1200	0.01
4.	Mr. Shanti Lal Badera	Nil	Nil
5.	Mr. Chakradhar Bharat Chhaya	Nil	Nil
6.	Mr. Sunil Kumar Maheshwari	Nil	Nil
	<b>Total</b>	<b>6780700</b>	<b>28.47</b>

**xiv) Dematerialization of Shares and Liquidity**

As at 31st March, 2015, 2,38,19,885 Equity Shares representing 99.99% of the total equity share capital of the company is held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited as on 31st March, 2015.

The bifurcation of shares held in Physical & Demat form as on 31st March 2015, is given below.

Category	No. of shareholders	No. of share held	% of equity	
Physical	3	115	0.00	
Demat Segment				
	NSDL	8384	11097557	47.95
	CDSL	6177	12722328	53.41
<b>Total</b>	<b>14564</b>	<b>23820000</b>	<b>100.00</b>	

**xv) Outstanding GDRs**

The Company had issued Global Depository Receipts on 11th April 2011, and the underlying shares against each of the GDRs were issued in the name of the Bank of New York Mellon DR, the depository. As on 31st March 2015, there were no GDRs outstanding.

The Company has been delisted from the Luxemburg Stock Exchange on 26th September, 2014.

**xvi) Investor Services on Web based query redressal system**

Members may utilise the facility extended by the Registrar & Transfer Agents for redressal of their queries. Please visit <http://karisma.karvy.com> and click on "INVESTOR" option for query registration through free identity registration.

Investor can submit their query in the "QUERIES" option provided on the website, which would give the grievance registration number. For accessing the status/ response to your query the same number can be used at the option "VIEW REPLY" after 24 hours. The investor can continue to put an additional query relating to the case till they get satisfactory reply.

**Karvy Computershare Private Limited**, Registrar & Transfer Agents (RTA) of the Company has confirmed that No Complaint received during the FY 2014-15 from the Shareholder.

**xvii) Share Transfer System**

The company's shares are covered under the compulsory dematerialisation list and are transferable through the depository system. Shares sent for transfer in physical form are registered and returned within a period of fifteen days from the date of receipt of the documents, provided the documents are valid and complete in all respects.

**xviii) Registrar and Transfer Agents**

Share transfer, dividend payment and all other shareholders' correspondence are attended to and processed by our Registrar and Transfer Agents, i.e. Karvy Computershare Private Limited having their office at:-

Karvy Computershare Private Limited  
 Karvy Selenium Tower B, Plot 31-32, Gachibowli  
 Financial District, Nanakramguda, Hyderabad – 500 032  
 Tel: +91-40-67161700 40 67161700  
 Fax: +91-40-23114087

**xix) Plant Locations**

The company's plant is located at registered office, i.e. 98, Bahadarpur Road, Burhanpur (M.P.) 450331.

**xx) Corporate Identity Number**

The Corporate Identity Number (CIN) of the Company is L25200MP2008PLC020852.

**xxi) Address for Correspondence**

**Shareholder's correspondence:** Shareholders may correspond with:

1. Registrar & Transfer Agents for all matters relating to transfer / dematerialization of shares, payment of dividend, IPO refunds / demat credits at:

Karvy Computershare Private Limited  
Karvy Selenium Tower B, Plot 31-32, Gachibowli  
Financial District, Nanakramguda, Hyderabad – 500 032  
Tel: +91 40 67161700  
Toll Free No: 1800 425 8998  
Fax: +91 40 23114087

2. Shareholder may also contact:

Mr. Ravi Patidar  
Company Secretary & Compliance Officer  
Texmo Pipes and Products Limited  
98, Bahadarpur Road, Burhanpur (M.P.)  
Tel. No. 07325-255122  
Email id- [cs@texmopipe.com](mailto:cs@texmopipe.com)

**xxii) Reconciliation of Share Capital**

As stipulated by SEBI, during the year the Company had complied with the Regulation 55A of SEBI (D&P) Regulation 1996 by obtaining from a qualified Practicing Company Secretary an 'Reconciliation of Share Capital Audit Report' to reconcile the total admitted, issued and listed capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and Stock Exchanges.

**xxiii) Go-Green Initiative**

Ministry of Corporate Affairs (MCA) has undertaken a 'Green Initiative' in the field of Corporate Governance by permitting the delivery of documents viz. notices of meetings, annual reports etc. to the Shareholders through electronic mode vide its Circular No.17/2011 dated 21 April 2011. In pursuance of same, we take immense pleasure in informing you that your company had started this from last two year onwards, initiated this Go-Green Programme by sending the soft copies of the Annual Report to the Shareholders who have already registered their E-mail Ids with the Company and RTA. Further with a view to encourage the same in future we request the shareholders to kindly register their email address with the Company/Registrar & Share Transfer Agent (With Depository Participants in case of shares held in dematerialised form). This paperless compliance is a part of Green Initiative in the Corporate Governance as introduced by MCA.

**26. COMPLIANCE**

The Company Secretary while preparing the Agenda, Notes on Agenda, Minutes etc. of the meeting(s), is responsible for and is required to ensure adherence to the applicable laws and regulations including the Companies Act, 1956 and Companies Act, 2013, FEMA, read with the Rules and Regulations issued there under, Listing Agreement with the stock exchanges and Rules and Regulations issued by the RBI and the Secretarial Standards recommended by the Institute of Company Secretaries of India.

**27. MANDATORY REQUIREMENTS**

The Company has fully complied with the applicable mandatory requirements of Clause 49 of the Listing Agreement executed with the Stock Exchanges.

**28. ADOPTION OF NON-MANDATORY REQUIREMENTS**

Although it is not mandatory, the Board of TPPL has constituted a Remuneration Committee. Details of the Committee have been provided under "Remuneration Committee".

**29. COMPLIANCE ON CORPORATE GOVERNANCE**

The quarterly compliance report on Corporate Governance has been submitted to the Stock Exchanges where the Company's Equity Shares are listed in the requisite format duly signed by the Compliance Officer.

**30. AUDITORS QUALIFICATION ON FINANCIAL STATEMENT**

The Company's Financial Statement is free from any qualification by the Auditors.

**31. AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

The Company has obtained a Certificate from its Statutory Auditors testifying to its compliance with the provision relating to Corporate Governance laid out in Clause 49 of the Listing Agreement executed with the Stock Exchange.

The Certificate is annexed to this Report and the same will be sent to the Stock Exchange along with the Annual Report to be filed by the Company.

**32. INFORMATION PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT**

Loan and Advances in the nature of loan to Subsidiaries:-

₹ in Lacs

Name the Company	Balance as at 31st March 2015	Maximum outstanding during the year
Tapti Pipes & Products Limited FZE	620.55	4972.33

**33. CEO/ CFO CERTIFICATE**

As required under clause 49 IX of the Listing Agreement with the Stock Exchanges, Mr. Sanjay Agrawal, Managing Director Cum Chief Executive Officer and Mr. Satyendra Rathi, Chief Financial Officer of the Company have certified to the Board regarding financial statements for the year ended 31st March, 2015.

The CEO/CFO Certification of Financial Statement and Cash Flow Statement for the year are enclosed at the end of this Report.

**34. REPORT ON CORPORATE GOVERNANCE**

A separate section on Corporate Governance forms a part of the Annual Report. This Chapter read together with the information given in the chapter entitled Management Discussion and Analysis and Shareholders information, constitute a detailed compliance report on Corporate Governance during 2014-15.

**35. DECLARATION REGARDING COMPLIANCE OF CODE OF CONDUCT PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT**

As required by clause 49 I (IIE) of the Listing Agreement, this is to confirm that the company has adopted a code of conduct for all Board Members and Senior Management of the company. The code is available on the Company's web site.

I confirm that the company has in respect of the financial year ended 31st March, 2015, received from the senior management team of the company and the members of the Board, a declaration of compliance with the code of conduct as applicable to them.

For the purpose of this declaration, senior management team comprises of employees in the Key Managerial Personnel cadre as on 31st March, 2015 of the company.

**For Texmo Pipes and Products Limited**

**Date: 13th August, 2015**  
**Place: Burhanpur**

**Sanjay Agrawal**  
**(Managing Director)**  
**(DIN 00316249)**



**CEO/CFO CERTIFICATION TO THE BOARD  
(Under Clause 49 (IX) of Listing Agreement)**

To  
The Board of Directors  
Texmo Pipes and Products Limited

We the undersigned, in our respective capacities as Managing Director Cum Chief Executive Officer (CEO) and Chief Financial Officer of Texmo Pipes and Products Limited, ("the Company") to the best of our knowledge and belief certify that:

1. We have reviewed the Balance sheet, statement of Profit and Loss and cash flow statement of the Company and all the notes on accounts and the Board's report.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The Financial statements, and other financial information included in this report present in all material respect a true and fair view of the Company's affairs the financial conditions, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and /or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent illegal or violate the Company's code of conduct and ethics, except, as disclosed to the Company's auditors and company's audit committee of the board of directors.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the company and we have:
  - a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision to provide the reasonable assurance reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAP) in India.
  - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
  - d. Disclosed in this report, changes, if any, in the company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, company's internal control over financial reporting.
6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions);
  - a. Any deficiencies in the design or operation of the internal controls, that to adversely affect the company's ability to record, process, summarize, and report financial data, and have confirmed that there have been no material weaknesses, in internal control over financial reporting including any corrective actions with regard to deficiencies.
  - b. Any Significant changes, in internal control over the financial reporting during the year covered by this report.
  - c. All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
  - d. Instances of significant fraud of which we are aware, that involve the management who have significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel access to the audit Committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by these report.

**Place: Burhanpur**  
**Date: 13.08.2015**

**Satyendra Rathi**  
**Chief Financial Officer**

**Sanjay Agrawal**  
**Managing Director**  
**(DIN 00316249)**

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
Texmo Pipes and Products Limited  
Burhanpur (M.P.)

We have examined the compliance of corporate governance by Texmo Pipes And Products Limited('the company') for the year ended on 31st March, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchange.

The Compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the directors and the management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing agreements.

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 Pankaj Somaiya & Associates LLP**  
**Chartered Accountants**  
**Firm Regn. No. 010081C**

**Date:13.08.2015**  
**Place:Burhanpur**

**CA Pankaj Somaiya**  
**Partner**  
**Membership No. 79918**

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY STRUCTURE AND DEVELOPMENTS

Indian Plastic industry is making significant contribution to the economic growth of our country particularly in the segments of Agriculture, Construction, Telecommunications, Electronics, Automobiles, FMCG etc. The country also building strong base of petrochemicals to increase its share in GDP from 16% to 25% by the year 2022. The Plastic Industry's demand in India is growing rapidly by 10% CAGR. India observes significant development in consumption of plastics - Western India accounted for 47%, Northern India applauded for 23%. Southern India added 21% and Eastern India stuck up by 9%.

The low per capita consumption of plastic products as compared to developed countries, India offers a growth potential in a long run. In India per capita consumption of plastic products is 10kg/person per annum. The country's export level of plastic products yielded to 1% of the total exports. There huge presence of small scale sector in plastic industry, which contributes more than 50% turnover of the industry and provides a greater employment to the tune of 0.4 million people in the country. About Rs. 100 billion are invested over the plastic processing industry.

With the come up of polystyrene in 1957, Indian polymer industry played a significant role in the country ever since it become a promising nature. The Indian plastic industry is growth has been robust and our per capita consumption of plastics has rapidly increased rather than past.

### OPPORTUNITIES AND THREATS

The Indian plastic industry has much potential to grow fast. However, considerable competition is expected in this industry over the next few years upon liberalization of the country's economy. To overcome this competition, both polymer manufacturers and processors need to follow new methods, technology and measures to reduce costs, improve market, better customer service and performance of management.

The plastic industry faces many bottlenecks like environmental myths, lack of modern technology, limited infrastructure, & high volatility in feedstock prices. To overrun these challenges, efforts by all the stakeholders are to be done.

The per capita consumption of plastics in India is below the world average.. In telecom sector with the increase of 3G & 4G cable ducting across the country gives an impulse of higher capacity utilization. Incremental developments in polymer technology, processing machineries, expertise, and cost effective mechanism are sphere heading the different segments in plastics.

The Company has setup a strong network of 400 dealers which is increasing due to its wide popularity, continual improvement and increased customer satisfaction on the quality of products and services. Company has induced new products to increase its product portfolio to gain competitive edge. In the series production our most prestigious project of CPVC Pipes and Fittings has been commenced with effect from April 13, 2014. There are very few manufacturers of CPVC Pipes and Fittings in India as the technology is too costly. There are very few suppliers of CPVC material in the world who provides material only after due agreement.

CPVC Pipes and Fittings mainly used in household, Kitchens, bathroom and sanitary, steam rooms able to sustain temperature upto (+ ) and (-) 110 °C. The Company has a good market presence of all its products and now with introduction of CPVC Pipes and Fittings the Company has extended covering complete range household, Kitchens, bathroom and sanitary, steam rooms and in future, the Company will become elite in the market by grabbing maximum market share and accordingly the company's sale will automatically boost up.

### PRODUCT WISE PERFORMANCE

Company's major products are PVC, HDPE, Fittings and Trading. Performance of various products at a glance is as under:-

₹ in Lacs

Particulars	2014-15	2013-14
HDPE Pipe	10549.93	4675.64
PVC PIPE	10693.93	12148.91
CPVC PIPE	415.73	-
MOULDING FITTINGS	2098.54	1443.88
TRADING SALE	1220.25	369.64
<b>TOTAL</b>	<b>24978.38</b>	<b>18638.07</b>
LESS EXCISE DUTY	(763.01)	(877.67)
ADD SEL FIT CHARGES	11.86	10.18
ADD CHANGE IN INVENTORY	171.15	83.53
<b>TOTAL REVENUE FROM OPERATION AS PER AUDIT REPORT</b>	<b>24398.38</b>	<b>17854.11</b>

## OUTLOOK

The Company has focused on cost control, reduction in Working Capital cycle times, economies of scale, improvement in operational efficiency and efficient Working Capital Management Program. This has led the Company in controlling the costs and also to be competitive. Prompt delivery has reaffirmed the self dependable image created by the Company in the market.

## RISKS AND CONCERNS

Utilizing various bank facilities our financial cost is on the higher side. Financial charges by way of interest is a deep concern to our Company as the company shells out a substantial part of its profit in the form of financial cost. Company has obtained BB+ Rating and company is striving hard to get the improved investment grade rating. Thus the interest cost will come down which will reduce the finance cost.

The volatility of the raw material prices has a negative impact. Inflation also affects the Company in adverse manner as it is a major factor that hiked the cost of other elements of production viz power & fuel, employees etc.

Even after the slowdown in Real Estate Sector, builders are reluctant to decrease the housing prices and pass on the benefits to lower middle class section of society which forms a major part of the population and it has a direct impact over the industry also. Though the PVC products are cost effective but the inflation has countered the purchasing power of retail consumer. The cut-throat competition in global market is leading the market players towards price war. With the new government's initiatives of "Housing for All", this will help in reviving the real estate sector vis-à-vis provide a great thrust in our industry. Your Company has opted for a strategy of relying on providing superior quality products which will prove fruitful in the upcoming year.

## INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has well defined and adequate internal controls and procedures, commensurate with its size and nature of its operations. This is further strengthened by the Internal Audit done concurrently.

An Audit Committee, headed by a Non-Executive Independent Director, reviewed audit observations in Internal audit reports periodically. The Audit Committee of Directors, in its periodical meetings also reviews the adequacy of internal control systems and procedures and suggests areas of improvements. The internal audit is also conducted at regular intervals and covers the key areas of operations. It is an independent, objective and assurance function responsible for evaluating and improving the effectiveness of risk management, control and governance processes.

## DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Despite the volatile economy your Company performed reasonably well. The main products of the Company are PVC Pipe, UPVC Pipes and Fittings CPVC Pipes and Fittings, HDPE Coils, DRIP Rolls, Manufacturing fittings, HDPE PLB Duct, Casing Pipe etc. Client list of the Company includes various corporate sectors, Telecommunication sectors, Agricultural sectors and Govt. organization.

The Company recorded a growth of 36.35% in its net turnover which is Rs. 242.15 Crores in the Current financial year 2014-15 as compared to Rs. 177.60 Crores in the previous year 2013-14. Profit before tax stood at Rs. 4.86 Cr. against 2.51 Cr. compared to previous year. The Company registered a noteworthy rise of 93.60% in Profit before Tax over last year. Profit after tax is Rs. 3.31 Cr. against Rs. 1.82 Cr. compared to previous year. EPS of the Company has also gone up to Rs. 1.39 whereas as compared to Rs. 0.76 in the previous year.

**MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT**

The Company has been continuously developing its employee capacity by way of conducting programs such as employee orientation sessions, policy and procedure awareness sessions, leadership development workshops and other options designed to enable the company and employees to succeed.

The Company ensures that all new employees are inducted seamlessly and consistently into the organization culture irrespective of the location they join. As of March 31, 2015, the Company had 657 Employees.

**CAUTIONARY STATEMENT**

Statements in the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

Some of the statements in this Management Discussion and Analysis Report may be forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Such statements reflect the Company's current views with respect to the future events and are subject to risk and uncertainties. Important developments that could affect the Company's operations include changes in industry structure, significant changes in political and economic environment in India and overseas, tax laws, and litigations.

**INDEPENDENT AUDITOR'S REPORT**

To,  
The Members,  
Texmo Pipes and Products Limited

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Texmo Pipes and Products Limited** ("the **Company**"), which comprise the Balance Sheet as at March 31, 2015, 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 Standalone Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting & auditing standards and matters which are required to be included in the audit report under the provision of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control over financial reporting and the operating effectiveness of such controls. 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 on the Standalone Financial Statements.

**Opinion**

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

**Emphasis of Matter**

We draw attention to Note 27 to the standalone financial statements which, describes the uncertainty related to the outcome of the lawsuit filed against the Insurance Company.

Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer note 29 to the standalone financial statement.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Pankaj Somaiya & Associates LLP**  
**Firm Registration No. 010081C/C4000001**  
**Chartered Accountants**

Place : Burhanpur (MP)  
Date : 26<sup>th</sup> May, 2015

**CA Pankaj Somaiya**  
**Partner**  
**Membership No.079918**

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 under "Report on Legal and Regulatory Requirements' section of our report on even date)

- (i) Having regard to the operations/activities/business of the Company during the year clause (vi) of the order is not applicable.
- (ii) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets;
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (iii) In respect of its inventories:
  - (a) As explained to us, the inventory has been physically verified at reasonable intervals during the year by the Management;
  - (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the Management is reasonable and adequate in relation to the size of the Company and the nature of its business;
  - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iv) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans:
  - (a) The receipts of principal amounts have been as per stipulations.
  - (b) In respect of overdue amounts of over Rs. 1 lakh remaining outstanding as at the year-end, as explained to us, Management has taken reasonable steps for recovery of the principal amounts and interest.
- (v) In our opinion and according to the information and explanation given to us there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods & services. We have not observed any major weakness in the internal control system during the course of our audit.
- (vi) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 & the rules framed there under;
- (vii) (a) According to information explanation given to us and on the basis of our examination of records of the Company, amount deducted/accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, wealth tax, custom duty, excise duty, value added tax, cess, Professional tax and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities.
 

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, wealth tax, custom duty, excise duty, value added tax, cess, Professional tax and other material statutory dues were in arrears as at 31<sup>st</sup> March 2015, for a period of more than six months from the date they became payable.

  - (b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs, excise duty and cess which has not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanations given to us, the following dues of income tax, sales tax and value added tax have not been deposited by the Company on account of disputes:



Name of the Statute	Nature of dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax	44.95	2007-08	M.P. High Court, Jabalpur
		0.72	2008-09	M.P. Commercial Tax Appellate Tribunal
		1.22	2011-12	Deputy Commissioner of Commercial Tax, Indore
Entry Tax Act, 1976	Entry Tax	36.32	2007-08	M.P. High Court, Jabalpur
		12.93	2008-09	M.P. Commercial Tax Appellate Board
Madhya Pradesh Value Added Tax, 2002	Value Added Tax	113.79	2007-08	M.P. High Court, Jabalpur
		37.83	2009-10 and 2010-11	M.P. Commercial Tax Appellate Board
		67.46	2011-12 and 2012-13	Additional Commissioner of Commercial Tax, Indore
		1.37	2012-13	Appellate Deputy Commissioner of Commercial Tax, Khandwa
Income Tax Act, 1961	Income Tax	16.05	2010-11	Income Tax Appellate Tribunal, Indore
		21.07	2011-12	Commissioner of Income Tax (Appeals) II, Indore

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- (viii) The company does not have any accumulated losses as at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank and financial institutions. The Company has not issued any debentures.
- (x) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions;
- (xi) In our opinion and according to the information and explanations given to us, the term loans applied, on an overall basis, for the purpose for which they were obtained.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

**For Pankaj Somaiya & Associates LLP**  
**Firm Registration No. 010081C/C4000001**  
**Chartered Accountants**

Place : Burhanpur (MP)  
 Date : 26<sup>th</sup> May, 2015

**CA Pankaj Somaiya**  
**Partner**  
**Membership No.079918**

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2015**

₹ in Lacs

Particulars	Note	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	1	2,382.00	2,382.00
(b) Reserves and surplus	2	9,697.15	9,371.87
		<b>12,079.15</b>	<b>11,753.87</b>
<b>Non-current liabilities</b>			
(a) Long-term borrowings	3	811.06	695.85
(b) Deferred tax liabilities (Net)	4	257.35	250.90
(c) Other Long term liabilities	5	96.81	10.40
		<b>1,165.22</b>	<b>957.15</b>
<b>Current liabilities</b>			
(a) Short-term borrowings	6	4,384.53	4,958.28
(b) Trade payables	7	3,982.30	2,828.22
(c) Other current liabilities	8	1,081.16	711.49
(d) Short-term provisions	9	225.44	121.88
		<b>9,673.43</b>	<b>8,619.86</b>
<b>TOTAL</b>		<b>22,917.80</b>	<b>21,330.87</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets	10		
(i) Tangible assets		4,638.42	4,707.08
(ii) Intangible assets		24.74	31.95
(iii) Capital work-in-progress		-	6.68
(b) Non-current investments	11	4,619.95	215.79
(c) Long-term loans and advances	12	714.86	5,674.54
(d) Other non-current assets	13	714.38	769.50
		<b>10,712.35</b>	<b>11,405.55</b>
<b>Current assets</b>			
(a) Current investments	14	82.23	82.23
(b) Inventories	15	6,891.14	6,090.93
(c) Trade receivables	16	3,035.29	2,143.19
(d) Cash and Bank Balances	17	951.05	576.84
(e) Short-term loans and advances	18	1,245.74	1,032.13
		<b>12,205.45</b>	<b>9,925.32</b>
<b>TOTAL</b>		<b>22,917.80</b>	<b>21,330.87</b>

**Significant Accounting Policies**

The Notes form an Integral part of these Standalone financial statements

*As per our report of even date*

**For Pankaj Somaiya & Associates LLP**  
 Firm Registration No. 010081C/C4000001  
 Chartered Accountants

**CA Pankaj Somaiya**  
 Partner  
 Membership No.079918

**Place:** Burhanpur (MP)  
**Date:** 26<sup>th</sup> May 2015

**For Texmo Pipes and Products Limited**

**Sanjay Agrawal**  
 Managing Director  
 [DIN: 00316249]

**Vijay Prasad Pappu**  
 Whole Time Director  
 [DIN: 02066748]

**Satyendra Rathi**  
 CFO  
**Place:** Burhanpur (MP)  
**Date:** 26<sup>th</sup> May 2015

**Ravi Patidar**  
 Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

₹ in Lacs

Particulars	Note	Year Ended 31 <sup>st</sup> March 2015	Year Ended 31 <sup>st</sup> March 2014
<b>Income</b>			
Revenue from operations (gross)	19	26,787.08	19,824.54
Less : Excise Duty		(2,388.70)	(1,970.42)
Revenue from operations (net)		24,398.38	17,854.11
Other income	20	288.23	140.29
<b>Total Revenue</b>		<b>24,686.61</b>	<b>17,994.40</b>
<b>Expenditure:</b>			
Cost of materials consumed	21	17,202.18	13,142.29
Purchases of Stock-in-Trade	22	1,135.62	342.36
Changes in Inventories of Finished Goods, Stock-in-Process & Stock-in-Trade	23	186.13	(263.03)
Employee benefits expense	24	901.53	733.94
Finance costs	25	1,291.09	1,030.23
Depreciation and amortization expense	10	525.44	548.90
Other Expenses	26	2,958.55	2,208.61
<b>Total expenses</b>		<b>24,200.55</b>	<b>17,743.30</b>
<b>Profit before tax</b>		<b>486.06</b>	<b>251.11</b>
<b>Tax expense:</b>			
(1) Current tax		148.74	52.70
(2) Deferred tax		8.97	16.38
(3) Short/(Excess) Provision for Tax for earlier years		(2.14)	-
<b>Profit for the year</b>		<b>330.50</b>	<b>182.03</b>
<b>Earnings per equity share of ₹ 10 each</b>	28		
(1) Basic (₹)		1.39	0.76
(2) Diluted(₹)		1.39	0.76
Weighted average number of shares outstanding		23,820,000	23,820,000

The Notes form an Integral part of these Standalone financial statements

Significant Accounting Policies

The Notes form an Integral part of these Standalone financial statements

As per our report of even date

For **Pankaj Somaiya & Associates LLP**  
 Firm Registration No. 010081C/C4000001  
 Chartered Accountants

**CA Pankaj Somaiya**  
 Partner  
 Membership No.079918

Place: Burhanpur (MP)  
 Date: 26<sup>th</sup> May 2015

For Texmo Pipes and Products Limited

**Sanjay Agrawal**  
 Managing Director  
 [DIN: 00316249]

**Vijay Prasad Pappu**  
 Whole Time Director  
 [DIN: 02066748]

**Satyendra Rathi**  
 CFO  
 Place: Burhanpur (MP)  
 Date: 26<sup>th</sup> May 2015

**Ravi Patidar**  
 Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

₹ in Lacs

	Year Ended 31st March 2015	Year Ended 31st March 2014
<b>A. Cash Flow arising from operating Activities</b>		
Profit before tax and exceptional items as per Statement of Profit & Loss	486.06	251.12
<b>Add/Deduct</b>		
a) Depreciation and amortization expenses	525.44	548.90
b) Finance Cost	1,291.09	1,030.23
c) Interest Income	(125.31)	(108.26)
d) Provisions for Doubtful Debts & Advances	20.68	18.38
e) (Profit)/Loss on Sale of Asset/Investments	(2.75)	(15.72)
f) Provision no longer Required written back	(42.86)	-
Operating cash profit before working capital changes	<u>1,666.29</u>	<u>1,473.52</u>
<b>Add/Deduct</b>	<u>2,152.35</u>	<u>1,724.64</u>
a) Increase/(Decrease) in Trade and other Payables	1,244.17	1,029.31
b) (Increase)/Decrease in Trade and other Receivables	(384.68)	(428.49)
c) (Increase)/Decrease in Inventories	(800.21)	(1,392.91)
	<u>59.28</u>	<u>(792.09)</u>
Cash Flow from Operations	<u>2,211.63</u>	<u>932.55</u>
<b>Deduct</b>		
Direct Taxes (Net)	<u>(67.79)</u>	<u>(44.06)</u>
Net Cash Inflow in Course of operating Activities	<u>2,143.84</u>	<u>888.49</u>
<b>B. Cash Flow arising from Investing Activities :</b>		
<b>Inflow</b>		
a) Interest Income	125.31	108.26
b) Proceed from sale of investment	2.75	70.84
c) Proceeds from Long Term Loans & Advances	26.40	-
	154.47	179.00
<b>Outflow</b>		
a) Purchase of Fixed Assets	(122.04)	(694.71)
b) Long Term Investment in Jointly Controlled Entity/Partnership Firm	(35.45)	(11.45)
c) Long Term Investment in Property	(16.92)	-
d) Movement in Long term Loans & Advances	-	(121.26)
e) Movement in Short term Loans & Advances	(0.07)	-
f) Movement in Bank Deposits	(298.72)	(202.07)
	<u>(473.19)</u>	<u>(1029.50)</u>
Net Cash Inflow/(Outflow)in the course of Investing Activities	<u>(318.72)</u>	<u>(850.50)</u>
<b>C. Cash Flow arising from Financing Activities :</b>		
<b>Inflow</b>		
a) Proceeds from Long Term Borrowings	115.20	536.77
b) Proceeds from Short Term Borrowings	-	497.17
<b>Outflow</b>		
a) Repayment of Short term Borrowings	(573.74)	-
b) Finance Charges	(1,291.09)	(1,030.23)
Net Cash Inflow/(Outflow)in the course of Financing Activities	<u>(1,749.63)</u>	<u>3.71</u>
Net Increase/(decrease)in cash or cash equivalents (A+B+C)	75.49	41.71
<b>Add:</b> Balance at the beginning of the year	63.90	22.19
<b>Less:</b> Cash & Cash Equivalent at the close of the year	139.39	63.90

As per our report of even date

For Pankaj Somaiya & Associates LLP  
Firm Registration No. 010081C/C4000001  
Chartered Accountants

CA Pankaj Somaiya  
Partner  
Membership No.079918

Place: Burhanpur (MP)  
Date: 26<sup>th</sup> May 2015

For Texmo Pipes and Products Limited

Sanjay Agrawal  
Managing Director  
[DIN: 00316249]

Vijay Prasad Pappu  
Whole Time Director  
[DIN: 02066748]

Satyendra Rathi  
CFO  
Place: Burhanpur (MP)  
Date: 26<sup>th</sup> May 2015

Ravi Patidar  
Company Secretary

**Significant Accounting Policies**

**BACKGROUND**

Texmo Pipes and Products Limited was formed as a Partnership Firm by the name M/s Shree Mohit Industries on 13<sup>th</sup> May 1999 and was subsequently converted and incorporated as a Public Limited Company in July 2008 with the Registrar of Companies, Madhya Pradesh and Chhattisgarh. The Partnership Firm was converted into Company under Part IX of the Companies Act, 1956 under the name of Texmo Pipes and Products Limited having Certificate of incorporation dated 3<sup>rd</sup> July 2008.

**I. Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis and in consonance with the mandatory accounting standards as prescribed under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provision of the Act (to the extent notified) and guidelines issued by Securities and Exchange Board of India (SEBI). The financial statements for the financial year ended 31<sup>st</sup> March, 2015 have been prepared as per the requirements of the Schedule III to the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

**II. Use of Estimates**

In preparation of financial statements estimates and assumptions are required to be made in conformity with GAAP, which affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Any revisions to the accounting estimates are recognized prospectively in the current and future periods.

**III. Fixed Assets**

**a. Tangible**

Tangible fixed assets are carried at cost of acquisition or construction, less accumulated depreciation. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Profit or loss on disposal of tangible asset is recognised in the statement of profit and Loss.

**b. Intangible**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any. Profit or loss on disposal of intangible assets is recognised in the statement of profit and loss.

**IV. Depreciation and Amortization:**

Depreciation is charged on Straight Line Method over the useful lives of assets as prescribed in schedule II to the Companies Act, 2013. Depreciation on assets purchased/sold during the year is proportionately charged. In respect of the following assets, useful life estimated is different than those prescribed in Schedule II;

<b>Asset</b>	<b>Useful Life</b>
Dies and Moulds	8 years

Intangible Assets are amortized over their respective individual estimated useful lives on Straight Line basis, commencing from the date the asset is available for its use. The Computer Software SAP is amortized over a period of 5 years.

**V. Impairment of Assets**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**VI. Foreign Currency Transactions:**

- a. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- b. Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

- c. Non-monetary foreign currency items are carried at cost.
- d. Exchange differences arising on a monetary item that is receivable from a non-integral foreign operation, the settlement of which is neither planned nor likely to occur in the foreseeable future are accumulated in Foreign Currency Translation Reserve (FCTR). The exchange differences so accumulated in FCTR are reclassified to the Statement of Profit and Loss as and when settlement occurs.
- e. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Statement.

**VII. Investments**

- a. Investments which are intended for sale within twelve months are classified as current investment.
- b. Others are classified as long term investment.
- c. Cost of investment comprises of the purchase price and any directly attributable expenses incurred.
- d. Current investments are carried at the lower of cost and fair value computed individually.

Long term Investment are stated at cost. Provision for diminution in the value of long term investment is made, only if, in the opinion of the management, such a decline is registered as being other than temporary

**VIII. Inventories**

- a. Raw material, work in progress, finished goods, packing materials, stores, spares, components consumables and stock-in trade are carried at the lower of cost and net realizable value. Damaged unserviceable and inert stocks are suitably written down/provided for. Reusable waste is valued at net realizable value.
- b. In determining cost of raw material, packing materials, stock-in trade, stores, spares, component and consumable, weighted average cost method is used. Cost of inventory comprises all cost of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.
- c. Cost of finished goods and work in progress includes costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is computed on weighted Average basis. Excise Duty in respect of finished goods lying at the factory premises have been provided for and included in valuation of inventory where the excise duty is payable.
- d. Goods or materials in transit are valued at cost to date.

**IX. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effect of transaction of non-cash nature and any deferrals or accrual of past or future cash receipts or payment. The cash flow from operating, investing and financing activities of the Company are segregated based on the available information.

**X. Cash and Cash Equivalent**

Cash and cash equivalent include cash and cheques in hand, bank balance, demand deposits with banks and other short-term highly liquid investment where the original maturity is three month or less.

**XI. Revenue Recognition**

- a. Revenue from sale of goods is recognized on transfer of all significant risks and rewards of ownership to the buyer. The amount recognized as sale is exclusive of sales tax/VAT and is net of returns. Sales are stated gross of excise duty as well as net of excise duty; excise duty being the amount included in the amount of gross turnover. The excise duty related to the difference between the closing stock and opening stock is recognized separately as part of changes in inventories of finished goods, work in progress and stock in trade.
- b. Interest income is recognized on the time proportion basis.

**XII. Employee Benefits**

*a. Short term Employee Benefits :*

Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related service is rendered.

*b. Post Employment Benefits :*

- i. Defined Contribution Plan: The Company's contribution paid/payable during the year to Provident Fund, Employee State Insurance are considered as Defined Contribution Plans. The contribution paid/ payable under these plans are recognised during the period in which the employee render services.
- ii. Defined Benefit Plan: Employee Benefits in the nature of Gratuity are recognised as an expense in the statement of Profit and Loss for the period in which the employee has rendered services. The company contributes towards Gratuity Fund administered by LIC of India for eligible employees. Under this scheme the settlement obligations

remain with the company, although insurer administer the scheme and determine the contribution premium required to be paid by the company. The plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's salary and the years of employment with the company. Liability with regard to Gratuity Fund is accrued based on actuarial valuation conducted by an independent Actuary as at 31<sup>st</sup> March each year.

### **XIII. Borrowing Cost**

Borrowing Cost attributable to acquisitions and construction of qualifying assets are capitalized as a part of cost of such assets up to the date when such assets are ready for its intended use. A Qualifying Asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged in the Statement of Profit & Loss in the period in which they are incurred.

### **XIV. Taxation**

Tax expense comprises of Current Tax and Deferred Tax. Current Tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, subject to consideration of prudence in respect of deferred tax assets, on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more periods.

### **XV. Earnings per share**

The Basic and Diluted Earnings Per Share ("EPS") is computed by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year.

### **XVI. Government Grant**

The company recognizes Government grants only when there is reasonable accuracy and conditions attached to them shall be complied with, and the grants will be received. The Revenue grants are recognised in the Profit and loss account in the period in which these are accrued.

### **XVII. Provisions, Contingent Liabilities and Contingent Assets**

The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resource and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resource. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

₹ in Lacs

1. Share Capital	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Authorised</b> 3,00,00,000 (Previous Year 3,00,00,000) Equity Shares of ₹10 each	3,000.00	3,000.00
<b>Issued, Subscribed &amp; Paid up</b> 2,38,20,000 (Previous Year 2,38,20,000) Equity Shares of ₹10 each fully paid up	2,382.00	2,382.00
<b>Total</b>	<b>2,382.00</b>	<b>2,382.00</b>

1.1 Reconciliation of number of shares

Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	Number	Amount in ₹ Lacs	Number	Amount in ₹ Lacs
Shares outstanding at the beginning of the year	23,820,000	2,382.00	23,820,000	2,382.00
Add: Share Issued during the year	-	-	-	-
Less: Buy back of shares during the year	-	-	-	-
Shares outstanding at the end of the year	23,820,000	2,382.00	23,820,000	2,382.00

1.2 Rights, Preferences and restrictions attached to Equity Shares

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

1.3 Details of shareholders holding more than 5% shares in the company :

Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sanjay Kumar Agrawal	3556000	14.93%	3007500	12.63%
Rashmi Devi Agrawal	3223500	13.53%	3001500	12.60%

₹ in Lacs

2. Reserves & Surplus	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Securities Premium Reserve</b>		
As per last Balance Sheet	6,564.04	6,564.04
<b>Foreign Currency Translation Reserve</b>		
As per last Balance Sheet	559.76	559.76
<b>Profit and loss account</b>		
As per last Balance Sheet	2,248.07	2,066.04
Add: Profit for the year	330.50	182.03
Less: Adjustment relating to Fixed Assets (net of Deferred Tax) (Refer Note No. 10.1)	(5.22)	-
	<b>2,573.35</b>	<b>2,248.07</b>
<b>Total</b>	<b>9,697.15</b>	<b>9,371.87</b>

2.1 During the year, the Company has adopted estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act, 2013. Accordingly, adjustments to Fixed Assets of ₹ 5.22 lacs (net of Deferred Tax of ₹ 2.50 lacs) on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against General Reserve.



NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

₹ in Lacs

3. Long Term Borrowings	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Term loans</b>		
<b>From banks</b>		
Secured	479.29	588.57
<b>From Others</b>		
Secured	78.69	82.08
Unsecured	173.08	25.20
	<b>731.06</b>	<b>695.85</b>
<b>Loans and Advances From Related Parties</b>		
Unsecured (Refer Note 33)	80.00	-
<b>Total</b>	<b>811.06</b>	<b>695.85</b>

**3.1 Nature of Security and terms of repayment for Long Term Secured Borrowings**

**Nature of Security**

**Terms of Repayment**

- a) Bank of India Term Loan for Indore Godown of ₹ 14.70 Lacs (Previous Year: ₹ 33.86 Lacs), secured by Equitable mortgage of Godown and Personal Guarantees of Directors Mr. Sanjay Kumar Agrawal, Mr. Vijay Prasad Pappu and Mrs. Rashmi Devi Agrawal. Repayable in 57 equal monthly installments starting from September 2010 Last installment due in November 2015. Rate of interest 11.00% p.a. as at year end.(Previous Year 11.00 %).
- b) HDFC Bank Term Loan of ₹ 107.32 Lacs (Previous Year: ₹ 113.00 Lacs) secured by Mumbai office of the Company. Repayable in 120 equal monthly installments starting from May 2014 . Last installment due in April 2024. Rate of interest 12% p.a. as at year end.(Previous Year 12%).
- c) Bank of Baroda Term Loan for Plant & Machinery of ₹ 407.18 Lacs (Previous Year: ₹ 520.70 Lacs), repayable within 66 months including initial moratorium period of 6 months, repayable by October 2019, secured on pari pasu charge on plant & Machinery and Personal Guarantees and Corporate Guarantees of Mr. Sanjay Kumar Agrawal, Mrs. Rashmidevi Agrawal, Shree Padmavati Irrigation Pvt. Ltd., Balaji Industries and Venkatesh Industries. Repayable in 60 equal monthly installments starting from November 2013. Last installment due in November 2018. Rate of interest 13.50% p.a. as at year end (Previous Year 13.50%).
- d) Vehicle Loan of ₹ 114.37 Lacs (Previous Year: ₹ 78.17 Lacs) .The loans are secured by way of hypothecation of respective motor vehicles purchased. Repayable in 36 to 60 equal monthly installments. Rate of interest in range of 9.81% to 14.00% p.a.(Previous Year 9.81% to 14.00 %).
- e) Secured Loan From Others include Loan from Religare Fin Vest Limited of ₹83.80 Lacs (Previous Year: ₹ 86.20 Lacs), secured by Equitable Mortgage of Indore Office. Repayable in 120 equal monthly installments starting from May 2014. Last installment due in April 2024. Rate of interest 13.50%p.a. as at year end. (Previous Year 13.50 %).

**3.2: Terms of Repayment for Long Term Unsecured Borrowing**

**Borrowings**

**Terms of Repayment**

- f) Unsecured Loan From Others include Loan from Religare Fin Vest Limited of ₹25.75 Lacs (Previous Year: ₹ 33.91 Lacs). Repayable in 36 equal monthly installments starting from May 2014 . Last installment due in April 2017. Rate of interest 18.50% p.a. as at year end.(Previous Year 18.50 %).
- g) Unsecured Loan From Others includes Loan from Bajaj Finance Limited of ₹33.11 Lacs (Previous Year: Nil, disbursed in February 2015 of ₹ 35.35 Lacs repayable in 18 equal monthly installments, repayable by September 2016. Repayable in 18 equal monthly installments starting from March 2015. Last installment due in September 2016. Rate of interest 19.12% p.a. as at year end.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

3.3: Terms of Repayment for loan Related Parties

**Borrowings**

**Terms of Repayment**

h) Loans & Advances from Related parties Include Loan from Managing Director Mr. Sanjay Agrawal of ₹ 55.00 Lacs (Previous Year - Nil) & Director Mrs. Rashmi DeviAgrawal - ₹ 25.00 Lacs (Previous Year - Nil) The loan is Interest free and is repayable on demand after 31/03/2018.

3.4 Installments falling due within a year in respect of all the above loans aggregating ₹ 203.19 lacs (previous year ₹ 170.00 lacs) have been grouped under "Current Maturities of Long term debt." (refer note 8)

₹ in Lacs		
4. Deferred Tax Liability (Net)	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Deferred Tax Liabilities</b>		
Related to Fixed Assets (Refer Note 4.1)	274.54	260.75
<b>Deferred Tax Assets</b>		
Provision For Doubtful Trade Receivable	11.25	4.91
Provision for Doubtful Loans & Advances	1.43	1.05
Gratuity Payable	4.51	3.89
<b>Total</b>	<b>257.35</b>	<b>250.90</b>

4.1 Refer Note 2.1 for utilization of Deferred Tax of ₹ 2.50 lacs (2013-14: Nil) on depreciation on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against General Reserve

₹ in Lacs		
5. Other Long Term Liabilities	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Security Deposits from Dealers	96.81	10.40
<b>Total</b>	<b>96.81</b>	<b>10.40</b>

₹ in Lacs		
6. Short Term Borrowings	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Secured</b>		
Loans repayable on demand :		
Working Capital Loan		
From banks	3,911.20	4,478.16
From others	473.33	480.12
<b>Total</b>	<b>4,384.53</b>	<b>4,958.28</b>

a) Working Capital Loans are from Consortium of Banks State Bank of India, Bank of Baroda, Punjab National Bank and Central Bank of India led by State Bank of India where in, SBI Cash Credit Loan of ₹ 2699.87 Lacs (Previous Year: ₹ 3773.18 Lacs), Bank Of Baroda Cash Credit Loan of ₹ 645.81 (Previous Year: 704.98 Lacs), Punjab National Bank cash Credit Loan of ₹ 381.23 Lacs (Previous Year: Nil) and Central Bank of India Cash Credit Loan of ₹ 184.29 Lacs (Previous Year: Nil) secured by first Pari pasu charge (between consortium members) on whole of companies present & future stocks of Raw Material, Finished Goods, Stock in Process, Stores & Spares and other Raw Material, and the companies present and future book debts, outstanding monies, receivable, claims, bills, Contracts, engagements, securities, investments, rights and assets of the company. The working capital facilities as above are further secured by way of equitable mortgage of Immovable Properties of the company and promoters, Related Entities and Personal Guarantees and Corporate Guarantees of Mr. Sanjay Kumar Agrawal, Mrs Rashmidevi Agrawal, Shree Padmavati Irrigations Private Limited, Shree Balaji Industries and Shree Venkatesh Industries.

b) Working Capital Loans from others includes Raw Material NSIC assistance of ₹ 473.30 Lacs (Previous Year: ₹ 480.12 Lacs) is secured by bank guarantees.

₹ in Lacs		
7. Trade Payables	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Acceptances	2,286.25	1,881.22
Other than Acceptances	1,696.05	947.00
<b>Total</b>	<b>3,982.30</b>	<b>2,828.22</b>

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

7.1 Details of dues towards MSME units

₹ in Lacs

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Principal amount remaining unpaid and interest due thereon	366.53	86.02
Interest paid in terms of Sec 16	-	-
Interest due and payable for the period of delay in payment	6.23	8.91
Interest accrued and remaining unpaid	-	-
Interest due and payable even in the succeeding years	-	-

7.2 The identification of suppliers as Micro, Small and Medium Enterprise defined under “The Micro, Small and Medium Enterprises Development Act, 2006” was done on the basis of information to the extent provided by the suppliers of the Company.

₹ in Lacs

8. Other Current Liabilities	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
(a) Current maturities of long-term debt	203.19	170.00
(b) Interest accrued but not due on borrowings	6.16	-
(c) Statutory Remittances (Excise Duty/PF/ESI/other Statutory due etc.)	215.85	59.81
(d) Advance from customers	531.66	395.54
(e) Advance for sale of Property	33.40	7.30
(f) Gratuity Payable (refer note 24.1[b])	24.07	-
(g) Other Payables	66.83	78.84
<b>Total</b>	<b>1,081.16</b>	<b>711.49</b>

₹ in Lacs

9. Short Term Provisions	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Provision for Employee Benefits	76.70	69.18
Provision for tax	148.74	52.70
<b>Total</b>	<b>225.44</b>	<b>121.88</b>

10. FIXED ASSETS

₹ in Lacs

Assets	GROSS BLOCK				DEPRECIATION AND AMORTISATION					NET BLOCK	
	As at 01.04.2014	Additions	Deductions	As at 31.03.2015	As at 01.04.2014	For the year	Adjusted to General Reserve	Deductions	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>i) Tangible Assets</b>											
Freehold Land	352.12	-	-	352.12	-	-	-	-	-	352.12	352.12
Factory Buildings	852.44	25.22	-	877.65	106.20	29.18	-	-	135.38	742.28	746.24
Office Buildings	289.52	-	-	289.52	19.06	4.49	-	-	23.55	265.97	270.46
Plant & Machinery	4,745.02	338.11	-	5,083.13	1,679.19	420.00	1.35	-	2,100.55	2,982.58	3,065.83
Furniture & Fixture	128.29	2.25	-	130.54	32.21	15.29	0.12	-	47.63	82.91	96.07
Vehicles	248.28	81.67	-	329.95	127.76	31.54	2.56	-	156.74	173.21	120.52
Office Equipment	85.39	10.05	-	95.44	29.55	17.73	8.81	-	56.09	39.35	55.84
<b>Total Tangible Assets (i)</b>	<b>6,701.05</b>	<b>457.30</b>	<b>-</b>	<b>7,158.35</b>	<b>1,993.97</b>	<b>518.23</b>	<b>7.72</b>	<b>-</b>	<b>2,519.92</b>	<b>4,638.42</b>	<b>4,707.08</b>
<b>ii) Intangible Assets</b>											
Computer Software	38.39	-	-	38.39	6.44	7.21	-	-	13.65	24.74	31.95
<b>Total Intangible Assets (ii)</b>	<b>38.39</b>	<b>-</b>	<b>-</b>	<b>38.39</b>	<b>6.44</b>	<b>7.21</b>	<b>-</b>	<b>-</b>	<b>13.65</b>	<b>24.74</b>	<b>31.95</b>
<b>iii) Capital Work In Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.68</b>
<b>Total (i) + (ii) + (iii)</b>	<b>6,739.44</b>	<b>457.30</b>	<b>-</b>	<b>7,196.73</b>	<b>2,000.41</b>	<b>525.44</b>	<b>7.72</b>	<b>-</b>	<b>2,533.57</b>	<b>4,663.16</b>	<b>4,745.71</b>
<b>Previous Year</b>	<b>6,329.80</b>	<b>426.39</b>	<b>(16.75)</b>	<b>6,739.44</b>	<b>1,466.11</b>	<b>548.90</b>	<b>-</b>	<b>(14.59)</b>	<b>2,000.42</b>	<b>4,745.71</b>	<b>4,863.72</b>

10.1 Adjustments to General Reserves of ₹ 5.22 lacs (net of Deferred Tax of ₹ 2.50 lacs) on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against General Reserve pursuant to adoption of estimated useful life of Fixed Assets as stipulated by Schedule II to Companies Act, 2013. (Refer Note 4.1).

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**

₹ in Lacs

<b>11. Non - Current Investments</b>	<b>As at 31<sup>st</sup> March 2015</b>	<b>As at 31<sup>st</sup> March 2014</b>
<b>Long Term Investments</b> <i>(Valued at cost less other than temporary diminution in value, if any)</i>		
<b>Investment in Equity Shares of wholly owned Subsidiaries :</b> <i>Unquoted</i>		
<b>Tapti Pipes &amp; Products Limited FZE, UAE</b> 32235 equity shares (Previous year 35) ( 1000 AED per share) (Refer note 11.1)	4,356.13	4.34
<b>Texmo Petrochemicals Pvt. Ltd.</b> 2000000 Equity shares of Rs. 10 each (Previous Year 2000000)	200.00	200.00
<b>Investment in Jointly Controlled Entity/Partnership firm</b> Mangal Murti Minerals, Neapanagar	46.90	11.45
<b>Investment in Property (Freehold Land)</b>	16.92	-
<b>Total</b>	<b>4,619.95</b>	<b>215.79</b>
Aggregate amount of Unquoted Investment	<b>4,603.03</b>	<b>215.79</b>
Aggregate amount of Investment in Property	<b>16.92</b>	-

11.1 During the year the company has converted loan and advances amounting to ₹ 4351.78 lacs given to Tapti Pipes & Products Ltd. FZE a wholly owned subsidiary into share capital vide Board resolution dated 27.09.2014. Accordingly, the Company has applied for necessary approval through the Authorized Dealer to the RBI ; however the approval is pending till date.

₹ in Lacs

<b>12. Long Term Loans and Advances</b>	<b>As at 31<sup>st</sup> March 2015</b>	<b>As at 31<sup>st</sup> March 2014</b>
<b>Capital Advances (advance for capital goods)</b>		
Unsecured, considered good	17.00	311.10
<b>Security Deposits</b>		
Unsecured, considered good	85.44	87.39
<b>Loans and Advances to related parties (Refer Note 33)</b>		
Unsecured, considered good	19.86	34.13
Unsecured, considered doubtful	8.51	9.72
less : Provision for doubtful loans & advances	8.51	9.72
	19.86	34.13
Loans to related party - wholly owned overseas subsidiary company <i>(Refer note 11.1)</i>		
Tapti Pipes & products Ltd FZE	420.55	4,972.33
<b>Other Loans Advances (Unsecured, considered good)</b>		
Balance with Tax Authorities	92.07	28.59
Inter Corporate Deposits		
Unsecured, considered good	3.49	180.71
Unsecured, considered doubtful	1.16	-
less : Provision for doubtful loans & advances	1.16	-
	3.49	180.71
Others(Advances, amount paid under protest etc.)	76.44	60.29
<b>Total</b>	<b>714.86</b>	<b>5,674.54</b>

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**

₹ in Lacs

<b>13. Other Non-Current Assets</b>	<b>As at 31<sup>st</sup> March 2015</b>	<b>As at 31<sup>st</sup> March 2014</b>
Insurance claim receivable	714.38	769.50
<b>Total</b>	<b>714.38</b>	<b>769.50</b>

₹ in Lacs

<b>14. Current Investment</b>	<b>As at 31<sup>st</sup> March 2015</b>	<b>As at 31<sup>st</sup> March 2014</b>
Investment in Property (Freehold Land)	82.23	82.23
<b>Total</b>	<b>82.23</b>	<b>82.23</b>

14.1 Investment in Property classified as current investment on the basis of agreement as the property have been agreed to be sold within one year.

₹ in Lacs

<b>15. Inventories</b>	<b>As at 31<sup>st</sup> March 2015</b>	<b>As at 31<sup>st</sup> March 2014</b>
Raw Materials	4,086.11	3,287.43
Packing Materials	256.40	62.38
Finished goods	2,233.91	2,108.61
Stock in trade	274.83	586.26
Stores and spares	39.89	46.25
<b>Total</b>	<b>6,891.14</b>	<b>6,090.93</b>

₹ in Lacs

<b>16. Trade Receivables</b>	<b>As at 31<sup>st</sup> March 2015</b>	<b>As at 31<sup>st</sup> March 2014</b>
<b>Trade Receivable outstanding for a period exceeding six month from the date they are due for payment:</b>		
Unsecured, Considered good	554.51	505.10
Unsecured, Considered doubtful	19.52	37.97
less: Provision for doubtful debts	19.52	37.97
	554.51	505.10
<b>Trade Receivable outstanding for a period less than six month from the date they are due for payment:</b>		
Unsecured, considered good	2,480.78	1,638.09
<b>Total</b>	<b>3,035.29</b>	<b>2,143.19</b>

₹ in Lacs

<b>17. Cash and Bank Balances</b>	<b>As at 31<sup>st</sup> March 2015</b>	<b>As at 31<sup>st</sup> March 2014</b>
<b>Cash and cash equivalents:</b>		
Cash in Hand	16.62	18.28
Bank Balance :		
In Current Account	122.77	45.62
<b>Sub Total</b>	139.39	63.90
<b>Other Bank Balances</b>		
In deposit account #	811.66	512.94
<b>Total</b>	<b>951.05</b>	<b>576.84</b>

(# as margin money for bank guarantee and letter of credits)

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**

₹ in Lacs

18. Short-term loans and advances	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Security deposits</b>		
Unsecured, Considered good	5.63	8.55
<b>Loans to related party (Refer Note 33)</b>		
wholly owned overseas subsidiary company		
Tapti Pipes & products Ltd FZE (Refer note 11.1)		
Unsecured, Considered good	200.00	-
<b>Advance Tax &amp; TDS</b>	90.48	73.28
<b>Balances with Tax Authorities</b>	83.24	108.09
<b>Prepaid Expenses</b>	62.74	63.89
<b>Other Loans &amp; Advances ( Unsecured, Considered good)</b>		
Advance to employees	12.23	19.10
Advance to others	33.63	53.85
Advance to Suppliers	185.63	440.36
Incentives Receivable from Government	406.96	265.01
Inter Corporate Deposits	165.20	-
<b>Total</b>	<b>1,245.74</b>	<b>1,032.13</b>

₹ in Lacs

19. Revenue from Operations	For the Year Ended 31 <sup>st</sup> March 2015	For the Year Ended 31 <sup>st</sup> March 2014
<b>Sale of Products</b>		
Sale of Manufactured Goods	25,185.13	19,361.19
Sale of Traded goods	1,418.94	369.64
<b>Other operating Revenue</b>		
Selfit Charges	11.86	10.18
Government Incentive for industrial promotion	171.15	83.53
<b>Total</b>	<b>26,787.08</b>	<b>19,824.54</b>

**19.1 Details of Sale of Product**

₹ in Lacs

<b>Manufactured Goods</b>		
Pipes & Fittings	25,185.13	19,361.19
	25,185.13	19,361.19
<b>Sale of Traded goods</b>		
Pipes & Fittings	1,010.37	120.44
Others	408.57	249.20
	1,418.94	369.64

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**

₹ in Lacs

<b>20. Other Income</b>	<b>For the Year Ended 31<sup>st</sup> March 2015</b>	<b>For the Year Ended 31<sup>st</sup> March 2014</b>
Interest Income	125.31	108.26
Foreign Exchange Gain	0.54	-
Gain on Sale of Investment in Property	2.75	14.20
Gain on Sale of Fixed Asset	-	1.52
Provisions no longer required written back	42.86	-
Miscellaneous Income	116.77	16.31
<b>Total</b>	<b>288.23</b>	<b>140.29</b>

₹ in Lacs

<b>21. Cost of material consumed</b>	<b>For the Year Ended 31<sup>st</sup> March 2015</b>	<b>For the Year Ended 31<sup>st</sup> March 2014</b>
Raw Materials Consumed	16,603.20	12,752.27
Packing Materials Consumed	598.98	390.02
<b>Total</b>	<b>17,202.18</b>	<b>13,142.29</b>

₹ in Lacs

<b>22. Purchase of traded goods</b>	<b>For the Year Ended 31<sup>st</sup> March 2015</b>	<b>For the Year Ended 31<sup>st</sup> March 2014</b>
Pipes & Fittings	849.08	86.42
Others	286.54	255.94
<b>Total</b>	<b>1,135.62</b>	<b>342.36</b>

₹ in Lacs

<b>23. Changes in Inventories of Finished Goods, Stock-in-Process &amp; Stock-in-Trade</b>	<b>For the Year Ended 31<sup>st</sup> March 2015</b>	<b>For the Year Ended 31<sup>st</sup> March 2014</b>
<b>Inventories (at close)</b>		
Stock-in-Trade	274.83	586.26
Stock of Manufactured Goods	2,233.91	2,108.61
	<b>2,508.74</b>	<b>2,694.87</b>
<b>Inventories (at commencement)</b>		
Stock-in-Trade	586.26	568.01
Stock of Manufactured Goods	2,108.61	1,863.83
	<b>2,694.87</b>	<b>2,431.84</b>
<b>Net (Increase)/Decrease</b>	<b>186.13</b>	<b>(263.03)</b>

₹ in Lacs

<b>24. Employees benefit expenses</b>	<b>For the Year Ended 31<sup>st</sup> March 2015</b>	<b>For the Year Ended 31<sup>st</sup> March 2014</b>
Salaries, Wages & Bonus	804.61	644.35
Contributions to Provident and other funds	70.66	69.29
Staff Welfare Expenses	26.26	20.30
<b>Total</b>	<b>901.53</b>	<b>733.94</b>

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**

**24.1** As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

**(a) Defined Contribution Plans**

Contribution to Defined Contribution Plans recognized as expense for the year is as under

₹ in Lacs

Particulars	2014-15	2013-14
Employer's Contribution to Provident Fund	41.55	34.04
Employer's Contribution to Employees State Insurance	27.21	23.25

**(b) Defined Benefit Plan**

The employees' gratuity funds scheme managed by a Trust (Life Insurance Corporation of India of the Company) is a defined benefit plan.

Gratuity Plan	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
<b>Defined benefit obligation :</b>		
<b>Actuarial assumptions</b>		
Discount Rate	8.00%	8.00%
Salary escalation rate (p.a.)	7.00%	7.00%
Expected Return on Plan Asset	8.75%	8.75%
<b>Change in present value of the defined benefit obligation</b>		
Opening balance	22.50	17.17
Current service cost	10.61	3.67
Interest cost	1.80	1.37
Actuarial loss/ (gain) on obligation	15.94	0.29
Benefits paid	-	-
<b>Closing balance</b>	<b>50.85</b>	<b>22.50</b>
<b>Change in fair value of plan assets</b>		
Opening fair value of plan assets	24.63	22.65
Expected return on plan assets	2.16	1.98
Actuarial gain/ (loss) on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
<b>Closing fair value of plan assets #</b>	<b>26.79</b>	<b>24.63</b>
<b>Movement the Net Liability Recognized in Balance Sheet</b>		
Changes In Present Value of Defined Benefit Obligation	50.85	22.50
Changes In Fair Value of Plan Assets	26.79	24.63
<b>Closing Net Liability</b>	<b>24.07</b>	<b>(2.13)</b>
<b>Expenses Recognized in Statement of Profit &amp; Loss</b>		
Current Service Cost	10.61	3.67
Interest Cost	1.80	1.37
Expected return On Plan Assets	(2.16)	(1.98)
Actuarial (Gain)/loss	15.94	0.29
<b>Expenses recognized in the Statement of Profit &amp; Loss</b>	<b>26.20</b>	<b>3.35</b>



**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**

₹ in Lacs

<b>25. Finance costs</b>	<b>For the Year Ended 31<sup>st</sup> March 2015</b>	<b>For the Year Ended 31<sup>st</sup> March 2014</b>
Interest expense	833.63	716.57
Other borrowing costs	457.46	313.66
<b>Total</b>	<b>1,291.09</b>	<b>1,030.23</b>

₹ in Lacs

<b>26. Other Expenses</b>	<b>For the Year Ended 31<sup>st</sup> March 2015</b>	<b>For the Year Ended 31<sup>st</sup> March 2014</b>
<b>Manufacturing Expenses</b>		
Power & Fuel	706.36	588.58
Stores and Spares consumed	117.94	85.67
Repairs to Machineries	19.51	28.28
Repairs to Buildings	10.49	8.13
Excise Duty #	155.01	
Exchange Difference	4.97	26.78
Other Manufacturing Expenses	191.64	132.68
<b>Selling and Distribution Expenses</b>		
Advertisement, Publicity and Sales Promotion	105.78	44.96
Commission on Sales	120.37	130.58
Freight Outward & Forwarding	780.38	573.20
Discounts & Other Selling Expenses	302.82	328.64
<b>Other</b>		
Payment to Auditors		
Statutory Audit Fees	7.50	3.00
Taxation Matters	0.75	3.00
Directors Sitting Fees	3.20	2.65
Rent	37.28	30.08
Rates & Taxes	117.50	63.16
Travelling & Conveyance	58.53	40.99
Insurance	22.65	17.50
Bad Debts Written Off	76.94	-
Provision for Doubtful Debts/loans	20.68	18.38
Communication Expenses	16.63	16.41
Legal & Professional Expenses	33.87	24.56
Office Expenses	15.42	10.82
Printing & Stationary Expenses	10.47	10.93
Charity & Donations	1.66	0.35
Miscellaneous Expenses	20.20	19.26
<b>Total</b>	<b>2,958.55</b>	<b>2,208.61</b>

# Excise Duty shown under expenditure represents the aggregate of excise duty borne by the Company and difference between excise duty on opening and closing stock of finished goods.

**27. Insurance Claim Receivable**

During the year 2010-11 on 21.03.2011 a fire occurred in main Raw Material godown at the factory premises of the Company and the Company has lodged the claim of ₹ 2547.69 Lacs with the Insurance Company and the same was accounted as 'Insurance Claim Receivable'. The Claim is finally settled by Insurance Company for ₹ 1640.86 Lacs on 12.04.2012. The Management has filed lawsuit against the Insurance Company as the claim for the balance amount. The Management is confident of realizing the amount due from the Insurance Company and accordingly no adjustments are made to the financial results of the Company in this regard.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

28. Earnings Per Share (EPS)

S. No.	Particulars	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
i)	Net Profit after Tax as per Profit and Loss Statement attributable to Equity Shareholders (₹ in lacs)	330.50	182.03
ii)	Weighted Average number of Equity Shares used as denominator for calculating EPS	23,820,000	23,820,000
iii)	Basic and Diluted Earnings per Share (₹)	1.39	0.76
iv)	Face Value per Equity Share (₹)	10.00	10.00

29. Contingent Liabilities and Commitments not provided for :

₹ in Lacs

Contingent Liabilities not provided for in respect of:	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
a. Disputed Income Tax Demands	74.85	58.80
b. Disputed VAT, CST & Entry Tax Demands	306.06	253.00
c. Guarantees given by the company's Bankers in the normal course of business	990.99	664.50
d. Letter of Credit for Purchase of goods	589.76	104.81

₹ in Lacs

Commitments	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
Capital contracts remaining to be executed	65.31	330.22

30. In accordance with AS-28 issued by ICAI, the carrying amounts of assets have been reviewed at year end for indication of impairment loss, if any. As there is no indication of impairment of assets, no loss has been recognized during the year.

31. The Company is engaged mainly in production of Plastic products which constitutes a single reportable segment in accordance with Accounting Standard-17-"Segment Reporting" specified under section 133 of the Companies Act, 2013, read with the rule 7 of the Companies (Accounts) rules, 2014. The geographical segmentation is not relevant as the company mainly operates within India.

32. Details of Investment in Jointly Controlled Entity :

Firm's Name	Partners' Name	Share of Capital	Holding Ratio	Profit & Loss Sharing Ratio
		March 31, 2015	March 31, 2015	March 31, 2015
Mangal Murti Minerals	Texmo Pipes & Products Ltd.	4,690,000.00	88.47%	90.00%
	Mohit Agrawal	611,250.00	11.53%	10.00%
	<b>Total</b>	<b>5,301,250.00</b>	<b>100.00%</b>	<b>100.00%</b>

33. RELATED PARTY DISCLOSURES:

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

a) As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

S No.	Relationship	Name of Related Parties
1	Key Management Personnel	Mr. Sanjay Agrawal (Managing Director)
		Mr. Vijay Prasad Pappu (Whole Time Director)
		Mrs. Rashmidevi Agrawal (Chair Person)
2	Subsidiary Companies	Texmo Petrochemicals Private Limited
		Tapti Pipes & Products Ltd. FZE
3	Enterprises in which Key Managerial Personnel are able to exercise significant influence	Shree Padmavati Irrigations Private Limited
		Shree Venkatesh Industries
4	Jointly Controlled Entity	Mangal Murti Minerals
5	Enterprises in which relatives of Key Managerial Personnel are able to exercise significant influence	C.P Industrial Products Private Limited
		Rahul Developers Private Limited
		Shree Vasudeo Industries

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**
**b) Transactions during the Year with Related Parties**

Figures corresponding to previous year are shown in brackets

₹ in Lacs

S. No.	Transaction	Key Management Personnel	Subsidiary Company	Enterprises in which Key Managerial Personnel are able to exercise significant influence	Joint Venture/ Jointly Controlled Entity	Enterprises in which Relatives of Key Managerial Personnel are able to exercise significant influence
1	Purchase of Goods	NIL NIL	NIL NIL	0.94 NIL	NIL NIL	1,616.79 (307.53)
2	Sale of Goods	NIL NIL	NIL NIL	NIL (13.98)	NIL NIL	NIL (0.36)
3	Sale of Fixed Asset	NIL NIL	NIL NIL	NIL NIL	NIL NIL	NIL (1.55)
4	Rent Paid	14.51 (12.04)	NIL NIL	NIL NIL	NIL NIL	NIL NIL
5	Rent Received	NIL NIL	NIL (0.01)	NIL (0.24)	NIL NIL	NIL NIL
6	Remuneration Paid	48.00 (24.00)	NIL NIL	NIL NIL	NIL NIL	NIL NIL
7	Loan Taken	80.00 NIL	NIL (146.00)	NIL NIL	NIL NIL	NIL NIL
8	Loan Given	NIL NIL	NIL (28.90)	NIL NIL	NIL (11.45)	NIL NIL
9	Loan Repaid	NIL NIL	NIL (146.00)	NIL NIL	NIL NIL	4.03 NIL
10	Loan Received Back	NIL NIL	NIL (28.90)	NIL NIL	NIL NIL	NIL NIL
12	Investment in Jointly Controlled Entity	NIL NIL	NIL NIL	NIL NIL	24.00 (11.45)	NIL NIL
Balance as at 31 <sup>st</sup> March 2015						
13	Long term Borrowing	80.00 NIL	NIL NIL	NIL NIL	NIL NIL	NIL NIL
14	Trade and Other Payable	4.80 (5.11)	NIL NIL	NIL NIL	NIL NIL	337.24 (1.21)
15	Investments	NIL NIL	NIL NIL	NIL NIL	46.90 (11.45)	NIL NIL
16	Trade and Other Receivable	NIL NIL	NIL NIL	55.48 (59.76)	NIL NIL	NIL NIL
17	Loan And Advances	NIL NIL	620.54 (4,972.33)#	NIL NIL	NIL NIL	28.37 (32.40)

# Loans & Advances of ₹ 4972.23 is towards overseas subsidiary Tapti Pipes and Products Ltd FZE of the company, during the year the loan has been converted into share capital as is shown as Investments. (refer note 11.1)

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015**
**Disclosure in respect of Related Party Transaction during the year**

₹ in Lacs

Particulars	Relationship	2014-15	2013-14
<b><u>Purchase of Goods</u></b>			
Shree Vasudeo Industries,	Enterprises in which relatives of Key Managerial Personnel are able to exercise significant influence	1,616.79	307.53
Shree Padmavati Irrigations Private Limited	Enterprises in which Key Managerial Personnel are able to exercise significant influence	0.94	-
<b><u>Sale of Goods</u></b>			
M/s Shree Padmavati Irrigations Pvt. Ltd.	Enterprises in which Key Managerial Personnel are able to exercise significant influence	-	13.98
Shree Venkatesh Industries	Enterprises in which Key Managerial Personnel are able to exercise significant influence	-	0.36
<b><u>Sale of Fixed Asset</u></b>			
Shree Vasudeo Industries,	Enterprises in which relatives of Key Managerial Personnel are able to exercise significant influence	-	1.55
<b><u>Rent Paid</u></b>			
Mr. Sanjay Agrawal	Key Management Personnel	9.06	6.92
Mrs. Rashmidevi Agrawal	Key Management Personnel	5.46	5.12
<b><u>Rent Received</u></b>			
M/s Shree Padmavati Irrigations Pvt. Ltd.	Enterprises in which Key Managerial Personnel and able to exercise significant influence	-	0.24
Texmo Petrochemicals Pvt. Ltd.,	Subsidiary Companies	-	0.01
<b><u>Remuneration Paid</u></b>			
Mr. Sanjay Agrawal	Key Management Personnel	36.00	12.00
Mr. Vijay Prasad Pappu	Key Management Personnel	12.00	12.00
<b><u>Loan Taken</u></b>			
Mr. Sanjay Agrawal	Key Management Personnel	55.00	-
Mrs. Rashmidevi Agrawal	Key Management Personnel	25.00	-
Texmo Petrochemicals Pvt. Ltd.,	Subsidiary Companies	-	146.00
<b><u>Loan Given</u></b>			
Texmo Petrochemicals Pvt. Ltd.,	Subsidiary Companies	-	28.90
<b><u>Loan Repaid</u></b>			
Texmo Petrochemicals Pvt. Ltd.,	Subsidiary Companies	-	146.00
Rahul Developers Pvt. Ltd.	Enterprises in which relatives of Key Managerial Personnel are able to exercise significant influence	4.03	
<b><u>Loan Received Back</u></b>			
Texmo Petrochemicals Pvt. Ltd.,	Subsidiary Companies	-	28.90
Rahul Developers Pvt. Ltd.	Enterprises in which relatives of Key Managerial Personnel are able to exercise significant influence		
<b><u>Capital Contribution in Partnership Firm Investment</u></b>			
Mangal Murti Minerals	Joint Venture/Jointly Controlled Entity	24.00	23.90

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

₹ in Lacs

<b>Long term Borrowing</b>			
Shri Sanjay Agrawal	Key Management Personnel	55.00	-
Mrs. Rashmidevi Agrawal	Key Management Personnel	25.00	-
<b>Trade and Other Payable</b>			
Shri Sanjay Agrawal	Key Management Personnel	3.58	-
Mrs. Rashmidevi Agrawal	Key Management Personnel	0.35	4.41
Mr. Vijay Prasad Pappu	Key Management Personnel	0.87	0.70
Shree Vasudeo Industries	Enterprises in which relatives of Key Managerial Personnel are able to exercise significant influence	337.24	1.21
<b>Investments</b>			
Mangal Murti Minerals	Joint Venture/Jointly Controlled Entity	46.90	22.90
<b>Trade and Other Receivable</b>			
Shree Padmavati Irrigations Private Limited	Enterprises in which Key Managerial Personnel are able to exercise significant influence	55.11	59.39
Shree Venkatesh Industries	Enterprises in which Key Managerial Personnel are able to exercise significant influence	0.36	0.36
<b>Loan And Advances</b>			
Tapti Pipes & Products Ltd. FZE	Subsidiary Companies	620.54	4,972.33
C.P Industrial Products Private Limited	Enterprises in which relatives of Key Managerial Personnel are able to exercise significant influence	28.37	28.37
Rahul Developers Pvt. Ltd.	Enterprises in which relatives of Key Managerial Personnel are able to exercise significant influence	-	4.03

34. The Company has recognized exchange differences arising on foreign currency items in line with Accounting Standard-11 Pursuant to above Net Exchange Loss on purchase of Raw Material and Machinery Spare Parts relating to the financial year 2014-15 amounting to ₹ 4.43 Lacs (PY Rs. 26.78 Lacs) has been recognized as Expense.

35. Imported and Indigenous Consumption:

₹ in Lacs

S.No.	Particulars	2014-15		2013-14	
		Amount	Percentage	Amount	Percentage
(a)	<b>Raw Materials</b>				
	Imported (Inclu. High Sea)	1,164.02	7.01%	2,662.01	20.87%
	Indigenous	15,439.18	92.99%	10,090.26	79.13%
	<b>Total</b>	<b>16,603.20</b>	<b>100%</b>	<b>12,752.27</b>	<b>100%</b>
(b)	<b>Packing Material</b>				
	Imported (Inclu. High Sea)	-	0.00%	-	0.00%
	Indigenous	598.98	100.00%	390.02	100.00%
	<b>Total</b>	<b>598.98</b>	<b>100.00%</b>	<b>390.02</b>	<b>100.00%</b>
(c)	<b>Store And Spares</b>				
	Imported (Inclu. High Sea)	1.38	1.17%	36.85	43.01%
	Indigenous	116.56	98.83%	48.82	56.99%
	<b>Total</b>	<b>117.94</b>	<b>100.00%</b>	<b>85.67</b>	<b>100.00%</b>

**36. C.I.F. Value of Imports and Expenditure in Foreign Currency:**

₹ in Lacs

S.No.	Particulars	2014-15	2013-14
(a)	Raw Materials	1,102.46	2,309.19
(b)	Spare Parts	1.38	36.85
(c)	Capital Goods	-	-
	<b>Total</b>	<b>1,103.84</b>	<b>2,346.04</b>

**37. Expenditure in Foreign Currency**

₹ in Lacs

Particulars	2014-15	2013-14
Finance Charges	81.25	-
<b>Total</b>	<b>81.25</b>	<b>-</b>

38. Balances of creditors and debtor/advances are subject to confirmation/reconciliation and consequential adjustments, if any.

39. The Company has established Unit no. 2 and is eligible for incentive under Madhya Pradesh Industrial Investment Promotion Assistance Scheme-2004, wherein 75% of VAT and CST paid shall be refunded till F.Y 2018-19. During the year ended 31<sup>st</sup> March 2015, incentive as mentioned are booked in Other Operating Income of ₹ 171.15 Lacs (P.Y 83.53 Lacs).

40. In the opinion of the Board of Directors the current assets, loans and advances have a value of realization in ordinary course of business at least equal to the amount at which they are stated and the provision for all known liabilities are adequate and not in excess of the amount reasonably necessary.

*As per our report of even date*

**For Pankaj Somaiya & Associates LLP**  
Firm Registration No. 010081C/C4000001  
Chartered Accountants

**For Texmo Pipes and Products Limited**

**Sanjay Agrawal**  
*Managing Director*  
[DIN: 00316249]

**Vijay Prasad Pappu**  
*Whole Time Director*  
[DIN: 02066748]

**CA Pankaj Somaiya**  
Partner  
**Membership No.079918**

**Satyendra Rathi**  
*CFO*  
**Place: Burhanpur (MP)**  
**Date: 26<sup>th</sup> May 2015**

**Ravi Patidar**  
*Company Secretary*

**Place: Burhanpur (MP)**  
**Date: 26<sup>th</sup> May 2015**

## Independent Auditors' Report on Consolidated Financial Statements

To  
The Members of  
**Texmo Pipes and Products Limited**

### Report on the Consolidated Financial Statements

1. We have audited the accompanying Consolidated Financial Statements of **TEXMO PIPES AND PRODUCTS LIMITED** ("the Company") and its subsidiaries & its Joint Venture (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated financial statements").

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

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

### Auditor's Responsibility

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

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in sub-paragraph (i) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

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

### Emphasis of Matter

5. We draw attention to the following matters in the Notes forming part to the consolidated financial statements:

- (i) Note 28 to the consolidated financial statements which, describes the uncertainty related to the outcome of the lawsuit filed against the Insurance Company.

- (ii) Note 29 to the consolidated financial statements that no provisions have been made during the year in respect of balances outstanding for Investments, Trade Receivables and advances in respect of one of the subsidiary "Tapti Pipes and Products Limited FZE", which in opinion of the management are considered good and are fully recoverable.

Our opinion is not modified in respect of these matters.

**Other Matter**

6. We did not audit the financial statements of one subsidiary company, whose financial statements reflect total assets of ₹ 6,298.96 lacs as at 31st March, 2015, total revenues of ₹ 6,748.52 lacs, net cash inflow of 0.43 lacs for the year then ended on that date. These financial statements have been audited by other auditor whose report have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on the report of the other auditor.

Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

7. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, based on the comments in the auditor's report of the Company, subsidiary company and jointly controlled entity incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

8. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Company as on March 31, 2015 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiaries companies and jointly controlled entity incorporated in India, none of the directors of the group companies incorporated in India is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statement disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entity – Refer note 32 to the consolidated financial statements.
  - ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company, its subsidiary company, and jointly controlled entity incorporated in India.

Place : Burhanpur (MP)  
Date : 26th May 2015

**For Pankaj Somaiya & Associates LLP**  
Firm Registration No. 010081C/ C4000001  
Chartered Accountants

**CA Pankaj Somaiya**  
Partner  
Membership No.079918



## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIALS STATEMENTS

(Referred to in paragraph 7 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

"Our reporting on the Order includes one subsidiary company incorporated in India, to which the Order is applicable, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements."

Having regard to the nature of the Company's business / activities / results during the year, clause (vi) of paragraph 3 of the Order is not applicable to the Company.

(i) In respect of its fixed assets of the Company:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets;
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(ii) In respect of its inventories of the Company:

- (a) As explained to us, the inventory has been physically verified at reasonable intervals during the year by the Management;
- (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the Management is reasonable and adequate in relation to the size of the Company and the nature of its business;
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

(iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans:

- (a) The receipts of principal amounts have been as per stipulations.
- (b) In respect of overdue amounts of over Rs. 1 lakh remaining outstanding as at the year-end, as explained to us and the other auditor, Management and respective entities has taken reasonable steps for recovery of the principal amounts and interest.

(iv) In our opinion and according to the information and explanation given to us there is adequate internal control system commensurate with the size of the respective entities and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods & services. We have not observed any major weakness in the internal control system during the course of our audit.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 & the rules framed there under;

(vi) (a) According to information explanation given to us and on the basis of our examination of records of the respective entities, amount deducted/accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, wealth tax, custom duty, excise duty, value added tax, cess, Professional tax and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, wealth tax, custom duty, excise duty, value added tax, cess, Professional tax and other material statutory dues were in arrears as at 31st March 2015, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs, excise duty and cess which has not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanations given to us, the following dues of income tax, sales tax and value added tax have not been deposited by the respective entities on account of disputes:

Name of the Statute	Nature of dues	Amount in ₹ Lacs	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax	44.95	2007-08	M.P. High Court, Jabalpur
		0.72	2008-09	M.P. Commercial Tax Appellate Tribunal
		1.22	2011-12	Deputy Commissioner of Commercial Tax, Indore
Entry Tax Act, 1976	Entry Tax	36.32	2007-08	M.P. High Court, Jabalpur
		12.93	2008-09	M.P. Commercial Tax Appellate Board
Madhya Pradesh Value Added Tax, 2002	Value Added Tax	113.79	2007-08	M.P. High Court, Jabalpur
		37.83	2009-10 and 2010-11	M.P. Commercial Tax Appellate Board
		67.46	2011-12 and 2012-13	Additional Commissioner of Commercial Tax, Indore
		1.37	2012-13	Appellate Deputy Commissioner of Commercial Tax, Khandwa
Income Tax Act, 1961	Income Tax	16.05	2010-11	Income Tax Appellate Tribunal, Indore
		21.07	2011-12	Commissioner of Income Tax (Appeals) II, Indore

- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (vii) The Group does not have any accumulated losses as at the end of the financial year and the Group has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank and financial institutions. The Company has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, the Company, and its subsidiary company have not given any guarantee for loans taken by others from banks or financial institutions;
- (x) In our opinion and according to the information and explanations given to us, the term loans applied, on an overall basis, for the purpose for which they were obtained.
- (xi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and its subsidiary company and no material fraud on the Company, and its subsidiary company has been noticed or reported during the year.

**For Pankaj Somaiya & Associates LLP**  
**Firm Registration No. 010081C/C4000001**  
**Chartered Accountants**

**CA Pankaj Somaiya**  
**Partner**  
**Membership No.079918**

**Place : Burhanpur (MP)**  
**Date : 26th May 2015**

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015**

₹ in Lacs

Particulars	Note	As at 31st March 2015	As at 31st March 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	2,382.00	2,382.00
(b) Reserves and surplus	3	11,014.79	10,428.88
		<u>13,396.79</u>	<u>12,810.88</u>
<b>Non-current liabilities</b>			
(a) Long-term borrowings	4	811.06	695.85
(b) Deferred tax liabilities (Net)	5	257.03	250.89
(c) Other Long term liabilities	6	96.81	10.40
		<u>1,164.90</u>	<u>957.14</u>
<b>Current liabilities</b>			
(a) Short-term borrowings	7	4,387.18	4,958.28
(b) Trade payables	8	3,982.30	2,828.21
(c) Other current liabilities	9	1,087.52	716.34
(d) Short-term provisions	10	225.94	121.95
		<u>9,682.94</u>	<u>8,624.78</u>
<b>TOTAL</b>		<u><b>24,244.63</b></u>	<u><b>22,392.80</b></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		4,638.42	4,707.08
(ii) Intangible assets		24.74	31.95
(iii) Capital work-in-progress		45.52	6.68
(b) Non-current investments	12	636.53	607.40
(c) Long-term loans and advances	13	465.92	872.88
(d) Other non-current assets	14	714.38	771.04
		<u>6,525.51</u>	<u>6,997.03</u>
<b>Current assets</b>			
(a) Current investments	15	82.23	82.23
(b) Inventories	16	6,891.14	6,090.94
(c) Trade receivables	17	6,531.43	5,490.46
(d) Cash and Bank balances	18	961.20	581.57
(e) Short-term loans and advances	19	3,253.12	3,150.57
		<u>17,719.12</u>	<u>15,395.77</u>
<b>TOTAL</b>		<u><b>24,244.63</b></u>	<u><b>22,392.80</b></u>

**Significant Accounting Policies**

The Notes Form an Integral part of these Consolidated financial statements

*As per our report of even date*

 For **Pankaj Somaiya & Associates LLP**  
 Firm Registration No. 010081C/C4000001  
 Chartered Accountants

**CA Pankaj Somaiya**  
 Partner  
 Membership No.079918

**Place:** Burhanpur (MP)  
**Date:** 26<sup>th</sup> May 2015

**For Texmo Pipes and Products Limited**
**Sanjay Agrawal**  
 Managing Director  
 [DIN: 00316249]

**Vijay Prasad Pappu**  
 Whole Time Director  
 [DIN: 02066748]

**Satyendra Rathi**  
 CFO  
**Place:** Burhanpur (MP)  
**Date:** 26<sup>th</sup> May 2015

**Ravi Patidar**  
 Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

₹ in Lacs

Particulars	Note	Year Ended 31st March 2015	Year Ended 31st March 2014
<b>Revenue</b>			
Revenue from operations(Gross)	20	33,535.60	25,963.55
Less: Excise Duty		-2,388.70	-1,970.42
Revenue from Operations (net)		31,146.90	23,993.13
Other income	21	301.65	154.64
<b>Total Revenue</b>		<b>31,448.55</b>	<b>24,147.77</b>
<b>Expenses:</b>			
Cost of materials consumed	22	17,202.18	13,142.29
Purchases of Stock-in-Trade	23	7,843.14	6,449.31
Changes in inventories	24	186.13	-263.04
Employee benefits expense	25	910.03	740.24
Finance costs	26	1,291.09	1,030.23
Depreciation and amortization expense	11	525.44	548.90
Other Expenses	27	2,993.97	2,245.50
<b>Total expenses</b>		<b>30,951.98</b>	<b>23,893.43</b>
<b>Profit before tax</b>		<b>496.57</b>	<b>254.34</b>
<b>Tax expense:</b>			
(1) Current tax		149.23	52.76
(2) Deferred tax		8.65	16.38
(3) Short/(Excess) Provision for Tax for earlier years		(2.14)	-
<b>Profit for the year</b>		<b>340.83</b>	<b>185.2</b>
<b>Earnings per equity share of `10 each</b>	<b>31</b>		
(1) Basic (₹)		1.43	0.78
(2) Diluted (₹)		1.43	0.78
Weighted Average number of Shares outstanding		23,820,000	23,820,000

The Notes Form an Integral part of these Consolidated Financial Statements

*As per our report of even date*

For **Pankaj Somaiya & Associates LLP**  
 Firm Registration No. 010081C/C4000001  
 Chartered Accountants

**CA Pankaj Somaiya**  
 Partner  
 Membership No.079918

Place: Burhanpur (MP)  
 Date: 26<sup>th</sup> May 2015

 For **Texmo Pipes and Products Limited**

**Sanjay Agrawal**  
 Managing Director  
 [DIN: 00316249]

**Vijay Prasad Pappu**  
 Whole Time Director  
 [DIN: 02066748]

**Satyendra Rathi**  
 CFO  
 Place: Burhanpur (MP)  
 Date: 26<sup>th</sup> May 2015

**Ravi Patidar**  
 Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

₹ in Lacs

Particulars	Year Ended 31st March 2015	Year Ended 31st March 2014
<b>A. Cash Flow arising from operating Activities</b>		
Profit before tax and exceptional items as per Statement of Profit & Loss	496.57	254.34
<b>Add/Deduct</b>		
a) Depreciation and amortization expenses	526.98	549.41
b) Finance Cost	1,291.09	1,030.23
c) Interest Income	(138.73)	(122.62)
d) Provisions for Doubtful Debts & Advances	20.68	18.38
e) (Profit)/Loss on Sale of Asset/Investments	(2.75)	(15.72)
f) Provision no longer Required written back	(42.86)	-
Operating cash profit before working capital changes	<u>1,654.41</u>	<u>1,459.68</u>
<b>Add/Deduct</b>	<u>2,150.98</u>	<u>1,714.02</u>
a) Increase/(Decrease) in Trade and other Payables	1,245.52	1,022.96
b) (Increase)/Decrease in Trade and other Receivables	(394.82)	(426.88)
c) (Increase)/Decrease in Inventories	(800.21)	(1,392.91)
Cash Flow from Operations	<u>50.49</u>	<u>(796.83)</u>
<b>Deduct</b>	<u>2,201.47</u>	<u>917.19</u>
Direct Taxes (Net)	(69.04)	(45.50)
Net Cash Inflow in Course of operating Activities	<u>2,132.43</u>	<u>871.69</u>
<b>B. Cash Flow arising from Investing Activities :</b>		
<b>Inflow</b>		
a) Interest Income	138.73	122.62
b) Proceed from sale of investment	2.75	70.74
c) Proceeds from Long Term Loans & Advances	37.85	-
	179.33	193.36
<b>Outflow</b>		
a) Purchase of Fixed Assets	(167.55)	(694.71)
b) Long Term Investment in Partnership Firm	-	(11.45)
c) Long Term Investment in Property	(16.92)	-
f) Movement in Long term Loans & Advances	-	(121.26)
e) Movement in Short term Loans & Advances	(1.02)	(74.26)
f) Movement in Bank Deposits	(298.72)	(202.07)
Net Cash Inflow/(Outflow) in the course of Investing Activities	<u>(484.21)</u>	<u>(1103.75)</u>
	<u>(304.88)</u>	<u>(910.39)</u>
<b>C. Cash Flow arising from Financing Activities :</b>		
<b>Inflow</b>		
a) Proceeds from Long Term Borrowings	115.20	536.77
b) Proceeds from Short Term Borrowings	2.65	497.17
<b>Outflow</b>		
a) Repayment of Short term Borrowings	(573.74)	-
b) Finance Charges	(1,291.09)	(1,030.23)
Net Cash Inflow/(Outflow) in the course of Financing Activities	<u>(1,746.98)</u>	<u>3.71</u>
Net Increase/(decrease) in cash or cash equivalents (A+B+C)	80.57	(34.99)
Effects of Exchange Difference on translation of Cash & Cash equivalents	0.35	1.01
<b>Add:</b> Balance at the beginning of the year	68.62	102.60
<b>Less:</b> Cash & Cash Equivalent at the close of the year	149.54	68.62

The Notes Form an Integral part of these Consolidated Financial Statements

As per our report of even date

 For Pankaj Somaiya & Associates LLP  
 Firm Registration No. 010081C/C4000001  
 Chartered Accountants

 CA Pankaj Somaiya  
 Partner  
 Membership No.079918

 Place: Burhanpur (MP)  
 Date: 26<sup>th</sup> May 2015

For Texmo Pipes and Products Limited

 Sanjay Agrawal  
 Managing Director  
 [DIN: 00316249]

 Vijay Prasad Pappu  
 Whole Time Director  
 [DIN: 02066748]

 Satyendra Rathi  
 CFO

 Ravi Patidar  
 Company Secretary

 Place: Burhanpur (MP)  
 Date: 26<sup>th</sup> May 2015

## **Significant Accounting Policies**

### **I. Basis of Preparation of Financial Statements**

- a. The financial statements have been prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis and in consonance with the mandatory accounting standards as prescribed under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provision of the Act (to the extent notified), and guidelines issued by Securities and Exchange Board of India (SEBI). The financial statements for the financial year ended 31st March, 2015 have been prepared as per the requirements of the Schedule III to the Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy.
- b. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

### **II. Principles of Consolidation**

- a. The consolidated financial statements have been prepared by the Company in accordance with the requirements of the Accounting Standard (AS) 21 – "Consolidated Financial Statements". The financial statements of the Company and its subsidiaries and the joint venture (on a proportionate basis, as per AS 27 "Financial Reporting of Interest in Joint Ventures") have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra – group balances, intra – group transactions and unrealized gain/ loss.
- b. In translating the financial statements of non-integral foreign operations for incorporating in the Consolidated Financial Statements, the assets and liabilities are translated at the exchange rate prevailing at the Balance Sheet date. Income and expense items of non-integral foreign operations are translated at the average rates of the exchange for the year. The resulting exchange differences are disclosed under the 'Foreign Currency Translation Reserve' until the disposal of the net investment in non-integral operations.
- c. The financial Statements of Company and its Subsidiaries and Jointly controlled entity have been consolidated using uniform accounting policies.

### **III. Use of Estimates**

In preparation of financial statements estimates and assumptions are required to be made in conformity with GAAP, which affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Any revisions to the accounting estimates are recognized prospectively in the current and future periods.

### **IV. Mine Under Development**

The cost of Exploration (Prospecting) and other Development Expenditure of Mine is capitalized and booked in Mine Under Development account and grouped under Capital Work in Progress till the mines are workable and are brought to revenue. The ore obtained during Development activity is adjusted against such expenditure at its desired realizable value.

### **V. Fixed Assets**

#### **a. Tangible**

Tangible fixed assets are carried at cost of acquisition or construction, less accumulated depreciation. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Profit or loss on disposal of tangible asset is recognised in the statement of profit and Loss.

#### **b. Intangible**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any. Profit or loss on disposal of intangible assets is recognised in the statement of profit and loss.

**VI. Depreciation and Amortization:**

Depreciation is charged on Straight Line Method over the useful lives of assets as prescribed in schedule II to the Companies Act, 2013. Depreciation on assets purchased/sold during the year is proportionately charged. In respect of the following assets, useful life estimated is different than those prescribed in Schedule II;

Asset	Useful Life
Dies and Moulds	8 years

Intangible Assets are amortized over their respective individual estimated useful lives on Straight Line basis, commencing from the date the asset is available for its use. The Computer Software SAP is amortized over a period of 5 years.

**VII. Impairment of Assets**

The Group assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**VIII. Foreign Currency Transactions by Indian Companies:**

- a. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- b. Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- c. Non-monetary foreign currency items are carried at cost.
- d. Exchange differences arising on a monetary item that is receivable from a non-integral foreign operation, the settlement of which is neither planned nor likely to occur in the foreseeable future are accumulated in Foreign Currency Translation Reserve (FCTR). The exchange differences so accumulated in FCTR are reclassified to the Statement of Profit and Loss as and when settlement occurs.
- e. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Statement.

**IX. Investments**

- a. Investments which are intended for sale within twelve months are classified as current investment.
- b. Others are classified as long term investment.
- c. Cost of investment comprises of the purchase price and any directly attributable expenses incurred.
- d. Current investments are carried at the lower of cost and fair value computed individually.

Long term Investment are stated at cost. Provision for diminution in the value of long term investment is made, only if, in the opinion of the management, such a decline is registered as being other than temporary

**X. Inventories**

- a. Raw material, work in progress, finished goods, packing materials, stores, spares, components consumables and stock-in trade are carried at the lower of cost and net realizable value. Damaged unserviceable and inert stocks are suitably written down/provided for. Reusable waste is valued at net realizable value.
- b. In determining cost of raw material, packing materials, stock-in trade, stores, spares, component and consumable, weighted average cost method is used. Cost of inventory comprises all cost of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

- c. Cost of finished goods and work in progress includes costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is computed on weighted Average basis. Excise Duty in respect of finished goods lying at the factory premises have been provided for and included in valuation of inventory where the excise duty is payable.
- d. Goods or materials in transit are valued at cost to date.

#### XI. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effect of transaction of non-cash nature and any deferrals or accrual of past or future cash receipts or payment. The cash flow from operating, investing and financing activities of the Company are segregated based on the available information.

#### XII. Cash and Cash Equivalent

Cash and cash equivalent include cash and cheques in hand, bank balance, demand deposits with banks and other short-term highly liquid investment where the original maturity is three month or less.

#### XIII. Revenue Recognition

- a. Revenue from sale of goods is recognized on transfer of all significant risks and rewards of ownership to the buyer. The amount recognized as sale is exclusive of sales tax/VAT and is net of returns. Sales are stated gross of excise duty as well as net of excise duty; excise duty being the amount included in the amount of gross turnover. The excise duty related to the difference between the closing stock and opening stock is recognized separately as part of changes in inventories of finished goods, work in progress and stock in trade.
- b. Interest income is recognized on the time proportion basis.

#### XIV. Employee Benefits

##### a. Short term Employee Benefits :

Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related service is rendered.

##### b. Post Employment Benefits :

- i. Defined Contribution Plan: The Company's contribution paid/payable during the year to Provident Fund, Employee State Insurance are considered as Defined Contribution Plans. The contribution paid/ payable under these plans are recognised during the period in which the employee render services.
- ii. Defined Benefit Plan: Employee Benefits in the nature of Gratuity are recognised as an expense in the statement of Profit and Loss for the period in which the employee has rendered services. The company contributes towards Gratuity Fund administered by LIC of India for eligible employees. Under this scheme the settlement obligations remain with the company, although insurer administer the scheme and determine the contribution premium required to be paid by the company. The plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's salary and the years of employment with the company. Liability with regard to Gratuity Fund is accrued based on actuarial valuation conducted by an independent Actuary as at 31st March each year.

#### XV. Borrowing Cost

Borrowing Cost attributable to acquisitions and construction of qualifying assets are capitalized as a part of cost of such assets up to the date when such assets are ready for its intended use. A Qualifying Asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged in the Statement of Profit & Loss in the period in which they are incurred

#### XVI. Taxation

Tax expense comprises of Current Tax and Deferred Tax. Current Tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, subject to consideration of prudence in respect of deferred tax assets, on timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more periods.

#### XVII. Earnings per share

The Basic and Diluted Earnings Per Share ("EPS") is computed by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year.



**XVIII. Government Grant**

The Group recognizes Government grants only when there is reasonable accuracy and conditions attached to them shall be complied with, and the grants will be received. The Revenue grants are recognised in the Profit and loss account in the period in which these are accrued.

**XIX. Provisions, Contingent Liabilities and Contingent Assets**

The Group creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resource and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resource. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements.

**1. Group Information**

The Company, its subsidiaries and its joint venture (jointly referred to as the 'Group' herein under) considered in these consolidated financial statements are:

**Company**

Texmo Pipes and Products Limited (the 'Company') is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange of India Limited (NSE).

**Subsidiaries**

Name of the Company	Country of Incorporation	% of Voting Power held as at 31st March 2015	% of Voting Power held as at 31st March 2014
Texmo Petrochemicals Private Limited	India	100%	100%
Tapti Pipes & Products Limited FZE	Dubai	100%	100%

**Joint Venture**

Name of the Entity	Country of Incorporation	% of Ownership Interest, as at 31st March 2015	% of Ownership Interest, as at 31st March 2014 #
Mangal Murti Minerals	India	88.47%	-

# Previous year ownership not shown as controlling interest was acquired during the year.

2. Share Capital	As at 31st March 2015	As at 31st March 2014
<b>Authorised</b> 3,00,00,000 (Previous Year 3,00,00,000) Equity Shares of ₹10 each	3,000.00	3,000.00
<b>Issued, Subscribed &amp; Paid up</b> 2,38,20,000 (Previous Year 2,38,20,000) Equity Shares of ₹10 each fully paid up	2,382.00	2,382.00
<b>Total</b>	<b>2,382.00</b>	<b>2,382.00</b>

**2.1 Reconciliation of number of shares**

Particulars	As at 31st March 2015		As at 31st March 2014	
	Number	Amount in ₹ Lacs	Number	Amount in ₹ Lacs
Shares outstanding at the beginning of the year	23,820,000	2,382.00	23,820,000	2,382.00
Add: Share Issued during the year	-	-	-	-
Less: Buy back of shares during the year	-	-	-	-
Shares outstanding at the end of the year	23,820,000	2,382.00	23,820,000	2,382.00

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**
**2.2 Rights, Preferences and restrictions attached to Equity Shares**

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

**2.3 Details of shareholders holding more than 5% shares in the company :**

Particulars	As at 31st March 2015		As at 31st March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sanjay Kumar Agrawal	3556000	14.93%	3007500	12.63%
Rashmi Devi Agrawal	3223500	13.53%	3001500	12.60%

₹ in Lacs

3. Reserves & Surplus	As at 31st March 2015	As at 31st March 2014
<b>Securities Premium Reserve</b>		
As per last Balance Sheet	6,564.04	6,564.04
(A)	<b>6,564.04</b>	<b>6,564.04</b>
<b>Foreign Currency Translation Reserve</b>		
(B)	<b>1,862.72</b>	<b>1,612.42</b>
<b>Profit and Loss Account</b>		
As per last Balance Sheet	2,252.42	2,067.22
Add : Net Profit/(Net Loss) For the current year	340.83	185.20
Less : Adjustment relating to Fixed Assets (net of Deferred Tax) (Refer Note 10.1)	(5.22)	
(C)	<b>2,588.03</b>	<b>2,252.42</b>
<b>Total (A+B+C)</b>	<b>11,014.79</b>	<b>10,428.88</b>

3.1 During the year, the Company has adopted estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act,2013. Accordingly, adjustments to Fixed Assets of ₹ 5.22 lacs (net of Deferred Tax of ₹ 2.50 lacs) on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against General Reserve

₹ in Lacs

4. Long Term Borrowings	As at 31st March 2015	As at 31st March 2014
<b>Term loans</b>		
<b>From banks</b>		
Secured	479.29	588.57
<b>From Others</b>		
Secured	78.69	82.08
Unsecured	173.08	25.20
	<b>731.06</b>	<b>695.85</b>
<b>Loans and Advances From Related Parties</b>		
Unsecured	80.00	-
<b>Total</b>	<b>811.06</b>	<b>695.85</b>

**4.1 Nature of Security and terms of repayment for Long Term Secured Borrowings**
**Nature of Security**

a) Bank of India Term Loan for Indore Godown of ₹ 14.70 Lacs (Previous Year: ₹ 33.86 Lacs), secured by Equitable mortgage of Godown and Personal Guarantees of Directors Mr. Sanjay Kumar Agrawal, Mr. Vijay Prasad Pappu and Mrs. Rashmi Devi Agrawal.

**Terms of Repayment**

Repayable in 57 equal monthly installments starting from september 2010. Last installment due in November 2015. Rate of interest 11.00% p.a. as at year end.(Previous Year 11.00 %).

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

**Nature of Security**

b) HDFC Bank Term Loan of ₹ 107.32 Lacs (Previous Year: ₹ 113.00 Lacs) secured by Mumbai office of the Company.

c) Bank of Baroda Term Loan for Plant & Machinery of ₹ 407.18 Lacs (Previous Year: ₹ 520.70 Lacs), repayable within 66 months including initial moratorium period of 6 months, repayable by October 2019, secured on pari pasu charge on plant & Machinery and Personal Guarantees and Corporate Guarantees of Mr. Sanjay Kumar Agrawal, Mrs. Rashmidevi Agrawal, Shree Padmavati Irrigation Pvt. Ltd., Balaji Industries and Venkatesh Industries.

d) Vehicle Loan of ₹ 114.37 Lacs (Previous Year: ₹ 78.17 Lacs) .The loans are secured by way of hypothecation of respective motor vehicles purchased.

e) Secured Loan From Others include Loan from Religare Fin Vest Limited of ₹83.80 Lacs (Previous Year: ₹ 86.20 Lacs), secured by Equitable Mortgage of Indore Office.

**Terms of Repayment**

Repayable in 120 equal monthly installments starting from May 2014 . Last installment due in April 2024. Rate of interest 12% p.a. as at year end.(Previous Year 12%).

Repayable in 60 equal monthly installments starting from November 2013. Last installment due in November 2015. Rate of interest 13.50% p.a. as at year end.(Previous Year 13.50%).

Repayable in 36 to 60 equal monthly installments. Rate of interest in range of 9.81% to 14.00% p.a.(Previous Year 9.81% to 14.00 %).

Repayable in 120 equal monthly installments starting from May 2014. Last installment due in April 2024. Rate of interest 13.50%p.a. as at year end. (Previous Year 13.50 %).

**4.2: Terms of Repayment for Long Term Unsecured Borrowing**

**Borrowings**

f) Unsecured Loan From Others include Loan from Religare Fin Vest Limited of ₹25.75 Lacs (Previous Year: ₹ 33.91 Lacs).

g) Unsecured Loan From Others includes Loan from Bajaj Finance Limited of ₹33.11 Lacs (Previous Year: Nil, disbursed in February 2015 of ₹ 35.35 Lacs repayable in 18 equal monthly installments, repayable by September 2016.

**Terms of Repayment**

Repayable in 36 equal monthly installments starting from May 2014 . Last installment due in April 2017. Rate of interest 18.50% p.a. as at year end.(Previous Year 18.50 %).

Repayable in 18 equal monthly installments starting from March 2015 Last installment due in September 2016. Rate of interest 19.12% p.a. as at year end.

**4.3 : Terms of Repayment for loan Related Parties**

**Borrowings**

h) Loans & Advances from Related parties Include Loan from Managing Director Mr. Sanjay Agrawal of ₹ 55.00 Lacs (Previous Year - Nil) & Director Mrs. Rashmi DeviAgrawal - ₹ 25.00 Lacs (Previous Year - Nil)

**Terms of Repayment**

The loan is Interest free and is repayable on demand after 31/03/2018.

4.4 Installments falling due within a year in respect of all the above loans aggregating ₹ 203.19 lacs (previous year ₹ 170.00 lacs) have been grouped under "Current Maturities of Long term debt." (refer note 8)

₹ in Lacs

5. Deferred Tax Liability (Net)	As at 31st March 2015	As at 31st March 2014
<b>Deferred Tax Liabilities</b>		
Related to Fixed Assets (refer note no. 5.1)	274.54	260.74
<b>Deferred Tax Assets</b>		
Provision For Doubtful Trade Receivable	11.25	4.91
Provision for Doubtful Loans & Advances	1.43	1.05
Gratuity Payable	4.51	3.89
Preliminary Expenses	0.32	-
<b>Total</b>	<b>257.03</b>	<b>250.89</b>

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

5.1 : Refer Note 3.1 for utilisation of Deferred Tax of ₹ 2.50 lacs (2013-14: Nil) on depreciation on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against General Reserve.

<b>6. Other Long Term Liabilities</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
Security Deposits from Dealers	96.81	10.40
<b>Total</b>	<b>96.81</b>	<b>10.40</b>

₹ in Lacs

<b>7. Short Term Borrowings</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
<b>Secured</b>		
Loans repayable on demand :		
Working Capital Loan		
From banks	3,911.20	4,478.16
From others	473.33	480.12
<b>Unsecured</b>		
From Others	2.65	-
<b>Total</b>	<b>4,387.18</b>	<b>4,958.28</b>

a) Working Capital Loans are from Consortium of Banks State Bank of India, Bank of Baroda, Punjab National Bank and Central Bank of India led by State Bank of India where in, SBI Cash Credit Loan of ₹ 2699.87 Lacs (Previous Year: ₹ 3773.18 Lacs), Bank Of Baroda Cash Credit Loan of ₹ 645.81 (Previous Year: 704.98 Lacs), Punjab National Bank cash Credit Loan of ₹ 381.23 Lacs (Previous Year: Nil) and Central Bank of India Cash Credit Loan of ₹ 184.29 Lacs (Previous Year: Nil) secured by first Pari pasu charge (between consortium members) on whole of companies present & future stocks of Raw Material, Finished Goods, Stock in Process, Stores & Spares and other Raw Material, and the companies present and future book debts, outstanding monies, receivable, claims, bills, Contracts, engagements, securities, investments, rights and assets of the company. The working capital facilities as above are further secured by way of equitable mortgage of Immovable Properties of the company and promoters, Related Entities and Personal Guarantees and Corporate Guarantees of Mr. Sanjay Kumar Agrawal, Mrs Rashmi Devi Agrawal, Shree Padmavati Irrigations Private Limited, Shree Balaji Industries and Shree Venkatesh Industries.

b) Working Capital Loans from others includes Raw Material NSIC assistance of ₹ 473.33 Lacs (Previous Year: ₹ 480.12 Lacs) is secured by bank guarantees.

₹ in Lacs

<b>8. Trade Payables</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
Acceptances	2,286.25	1,881.22
Other than Acceptances	1,696.05	946.99
<b>Total</b>	<b>3,982.30</b>	<b>2,828.21</b>

**8.1 Details of dues towards MSME units**

₹ in Lacs

<b>Particulars</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
Principal amount remaining unpaid and interest due thereon	366.53	86.02
Interest paid in terms of Sec 16		
Interest due and payable for the period of delay in payment	6.23	8.91
Interest accrued and remaining unpaid	-	-
Interest due and payable even in the succeeding years	-	-

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

8.2 The identification of suppliers as Micro, Small and Medium Enterprise defined under "The Micro, Small and Medium Enterprises Development Act, 2006" was done on the basis of information to the extent provided by the suppliers of the Company.

₹ in Lacs

9. Other Current Liabilities	As at 31st March 2015	As at 31st March 2014
(a) Current maturities of long-term debt	203.19	170.00
(b) Interest accrued but not due on borrowings;	6.15	-
(c) Statutory Remittances (Excise Duty/PF/ESI/other statutory dues etc.)	215.85	59.81
(d) Advance from customers	531.66	395.54
(e) Advance for sale of Property	33.40	7.30
(f) Gratuity Payable (refer note 24.1 [b])	24.07	22.50
(g) Other Payables	73.20	61.19
<b>Total</b>	<b>1,087.52</b>	<b>716.34</b>

₹ in Lacs

10. Short Term Provisions	As at 31st March 2015	As at 31st March 2014
Provision for Employee Benefits	76.71	69.18
Provision for tax	149.23	52.77
<b>Total</b>	<b>225.94</b>	<b>121.95</b>

**11. FIXED ASSETS**

₹ in Lacs

Assets Particular	GROSS BLOCK				DEPRECIATION AND AMORTISATION					NET BLOCK	
	As at 01.04.2014	Addition	Deduction	As at 31.03.2015	As at 01.04.2014	For the Year	Adjusted to General Reserve	Deduction	As at 31.03.2015	As at 31.03.2015	As at 31.03.2014
<b>i) Tangible Assets</b>											
Freehold Land	352.12	-	-	352.12	-	-	-	-	-	352.12	352.12
Factory Buildings	852.44	25.22	-	877.65	106.20	29.18	-	-	135.38	742.28	746.24
Office Buildings	289.52	-	-	289.52	19.06	4.49	-	-	23.55	265.97	270.46
Plant & Machinery	4,745.02	338.11	-	5,083.13	1,679.19	420.00	1.35	-	2,100.55	2,982.58	3,065.83
Furniture & Fixture	128.29	2.25	-	130.54	32.21	15.29	0.12	-	47.63	82.91	96.07
Vehicles	248.28	81.67	-	329.95	127.76	31.54	2.56	-	156.74	173.21	120.52
Office Equipment	85.39	10.05	-	95.44	29.55	17.73	8.81	-	56.09	39.35	55.84
<b>Total Tangible Assets</b>	<b>6,701.05</b>	<b>457.30</b>	<b>-</b>	<b>7,158.35</b>	<b>1,993.97</b>	<b>518.23</b>	<b>7.72</b>	<b>-</b>	<b>2,519.92</b>	<b>4,638.42</b>	<b>4,707.08</b>
<b>ii) Intangible Assets</b>											
Computer Software	38.39	-	-	38.39	6.44	7.21	-	-	13.65	24.74	31.95
<b>Total Intangible Assets</b>	<b>38.39</b>	<b>-</b>	<b>-</b>	<b>38.39</b>	<b>6.44</b>	<b>7.21</b>	<b>-</b>	<b>-</b>	<b>13.65</b>	<b>24.74</b>	<b>31.95</b>
<b>iii) Capital Work In Progress</b>											
	-	45.52	-	45.52	-	-	-	-	-	45.52	6.68
<b>Total (i)+(ii)+(iii)</b>	<b>6,739.44</b>	<b>502.82</b>	<b>-</b>	<b>7,242.26</b>	<b>2,000.41</b>	<b>525.44</b>	<b>7.72</b>	<b>-</b>	<b>2,533.57</b>	<b>4,708.68</b>	<b>4,745.71</b>
<b>Previous Year</b>	<b>6,329.80</b>	<b>426.39</b>	<b>(16.75)</b>	<b>6,739.44</b>	<b>1,466.11</b>	<b>548.90</b>	<b>-</b>	<b>(14.59)</b>	<b>2,000.42</b>	<b>4,745.71</b>	<b>4,863.72</b>

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

11.1 Adjustments to General Reserves of ₹ 5.22 Lacs (net of Deferred Tax of ₹ 2.50 Lacs) on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against General Reserve pursuant to adoption of estimated useful life of Fixed Assets as stipulated by Schedule II to Companies Act, 2013. (Refer Note 5.1).

₹ in Lacs

12. Non - Current Investments	As at 31st March 2015	As at 31st March 2014
<b>Long Term Investments</b>		
<i>(Valued at cost less other than temporary diminution in value, if any)</i>		
<b>Investment in Partnership firm</b>		
Mangal Murti Minerals, Neapanagar	-	11.45
<b>Other Investments</b>		
Polyogon Far East Corporation	594.61	570.95
MARS Distributors Pvt. Ltd.	25.00	25.00
<b>Investment in Property (Freehold Land)</b>	16.92	
<b>Total</b>	<b>636.53</b>	<b>607.40</b>
Aggregate Amount of Unquoted Investment	<b>619.61</b>	<b>607.40</b>
Aggregate Amount of Unquoted Property	<b>16.92</b>	-

12.1 : Investment made during Previous Year of ₹ 11.45 lacs towards capital of the Firm for becoming Partner with Profit/loss sharing ratio of 25% with insignificant operations, hence the firm has not considered for consolidation in Previous Year.

₹ in Lacs

13. Long Term Loans and Advances	As at 31st March 2015	As at 31st March 2014
<b>Capital Advances (advance for capital goods)</b>		
Unsecured, considered good	17.00	311.10
<b>Security Deposits</b>		
Unsecured, considered good	85.44	87.64
<b>Loans and Advances to related parties (Refer Note 33)</b>		
Unsecured, considered good	19.86	34.13
Unsecured, considered doubtful	8.51	9.72
Less : Provision for doubtful Loans and Advances	8.51	9.72
	19.86	34.13
<b>Other Loans Advances (Unsecured, considered good)</b>	-	-
Balance with Tax Authorities	92.07	28.59
Inter Corporate Deposits		
Unsecured, considered good	175.11	351.13
Unsecured, considered doubtful	1.16	
Less : Provision for doubtful Loans and Advances	1.16	-
	175.11	351.13
<b>Others (Advance amount paid under protest etc.)</b>	76.44	60.29
<b>Total</b>	<b>465.92</b>	<b>872.88</b>

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

₹ in Lacs

<b>14. Other non current assets</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
Insurance claim receivable	714.38	769.50
Others	-	1.54
<b>Total</b>	<b>714.38</b>	<b>771.04</b>

₹ in Lacs

<b>15. Current Investment</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
Investment in Property (Freehold Land)	82.23	82.23
<b>Total</b>	<b>82.23</b>	<b>82.23</b>

**15.1** Investment in property classified as current investment on the basis of agreement as the property have been agreed to sold within one year.

₹ in Lacs

<b>16. Inventories</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
Raw Materials	4,086.11	3,287.43
Packing Materials	256.40	62.38
Finished goods	2,233.91	2,108.62
Stock in trade	274.83	586.26
Stores and spares	39.89	46.25
<b>Total</b>	<b>6,891.14</b>	<b>6,090.94</b>

₹ in Lacs

<b>17. Trade Receivables</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
<i>Trade Receivable outstanding for a period exceeding six month from the date they are due for payment:</i>		
Unsecured, Considered good	554.51	505.10
Unsecured, Considered doubtful	19.52	37.97
less: Provision for doubtful debts	19.52	37.97
	554.51	505.10
<i>Trade Receivable outstanding for a period less than six month from the date they are due for payment:</i>		
Unsecured, considered good	5,976.92	4,985.36
<b>Total</b>	<b>6,531.43</b>	<b>5,490.46</b>

₹ in Lacs

<b>18. Cash and Bank Balances</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
Cash and cash equivalents:		
Cash in Hand	24.27	21.33
Bank Balance :	-	-
In Current Account	125.27	47.29
	149.54	68.62
Other Bank Balances		
In deposit account #	811.66	512.95
<b>Total</b>	<b>961.20</b>	<b>581.57</b>

# as margin money for bank guarantee and letter of credits

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

₹ in Lacs

<b>19. Short-term loans and advances</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
<b>Security deposits</b>		
Unsecured, considered good	16.12	18.62
<b>Advance Tax &amp; TDS</b>	90.48	73.28
<b>Balances with Tax Authorities</b>	85.95	109.60
<b>Prepaid Expenses</b>	62.74	63.89
<b>Other Loans &amp; Advances (Unsecured, considered good)</b>		
Advances to employees	12.23	19.10
Advances to others	33.63	53.85
Advance to Suppliers	2,379.81	2,547.22
Incentives Receivable from Government	406.96	265.01
Inter Corporate Deposit	165.20	-
<b>Total</b>	<b>3,253.12</b>	<b>3,150.57</b>

₹ in Lacs

<b>20. Revenue from Operations</b>	<b>For the Year Ended 31st March 2015</b>	<b>For the Year Ended 31st March 2014</b>
<i>Sale of Products</i>		
Sale of Manufactured Goods	25,185.13	19,361.19
Sale of Traded goods	8,167.47	6,508.66
<i>Other Operating Revenue</i>		
Selffit Charges	11.85	10.17
Government Incentive for industrial promotion	171.15	83.53
<b>Total</b>	<b>33,535.60</b>	<b>25,963.55</b>

**20.1 Details of Sale of Products**

₹ in Lacs

Manufactured Goods		
Pipes & Fittings	25,185.13	19,361.19
	<b>25,185.13</b>	<b>19,361.19</b>
Traded goods		
Pipes & Fittings	1,010.37	120.44
Others	7,157.10	6,388.22
	<b>8,167.47</b>	<b>6,508.66</b>

₹ in Lacs

<b>21. Other Income</b>	<b>For the Year Ended 31st March 2015</b>	<b>For the Year Ended 31st March 2014</b>
Interest Income	138.73	122.62
Foreign Exchange Gain	0.54	
Gain on Sale of investment in Property	2.75	14.20
Gain on Sale of Fixed Asset	-	1.52
Provisions no longer required written back	42.86	-
Miscellaneous Income	116.77	16.30
<b>Total</b>	<b>301.65</b>	<b>154.64</b>



**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

₹ in Lacs

<b>22. Cost of material consumed</b>	<b>For the Year Ended 31st March 2015</b>	<b>For the Year Ended 31st March 2014</b>
Raw Materials Consumed	16,603.20	12,752.27
Packing Materials Consumed	598.98	390.02
<b>Total</b>	<b>17,202.18</b>	<b>13,142.29</b>

₹ in Lacs

<b>23. Purchase of traded goods</b>	<b>For the Year Ended 31st March 2015</b>	<b>For the Year Ended 31st March 2014</b>
Pipes & Fittings	849.08	86.42
Others	6,994.06	6,362.89
<b>Total</b>	<b>7,843.14</b>	<b>6,449.31</b>

₹ in Lacs

<b>24. Changes in Inventories of Finished Goods, Stock-in-Process &amp; Stock-in-Trade</b>	<b>For the Year Ended 31st March 2015</b>	<b>For the Year Ended 31st March 2014</b>
Stock-in-Trade	274.84	586.26
Stock of Manufactured Goods	2,233.91	2,108.62
	<b>2,508.75</b>	<b>2,694.88</b>
<b>Inventories (at commencement)</b>		
Stock-in-Trade	586.26	568.01
Stock of Manufactured Goods	2,108.62	1,863.83
	<b>2,694.88</b>	<b>2,431.84</b>
<b>Net (Increase)/Decrease</b>	<b>186.13</b>	<b>(263.04)</b>

₹ in Lacs

<b>25. Employees benefit expenses</b>	<b>For the Year Ended 31st March 2015</b>	<b>For the Year Ended 31st March 2014</b>
Salaries, Wages & Bonus	813.12	650.65
Contributions to Provident and other funds	70.66	69.29
Staff welfare Expenses	26.25	20.30
<b>Total</b>	<b>910.03</b>	<b>740.24</b>

25.1 As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below :

**(a) Defined Contribution Plans**

Contribution to Defined Contribution Plans recognized as expense for the year is as under

<b>Particulars</b>	<b>2014-15</b>	<b>2013-14</b>
Employer's Contribution to Provident Fund	41.55	34.04
Employer's Contribution to Employees State Insurance	27.21	23.25

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**
**(b) Defined Benefit Plan**

The employees' gratuity funds scheme managed by a Trust (Life Insurance Corporation of India of the Company) is a defined benefit plan.

<b>Gratuity Plan</b>	<b>31st March 2015</b>	<b>31st March 2014</b>
<b>Defined benefit obligation :</b>		
<b>Actuarial assumptions</b>		
Discount Rate	8.00%	8.00%
Salary escalation rate (p.a.)	7.00%	7.00%
Expected Return on Plan Asset	8.75%	8.75%
<b>Change in present value of the defined benefit obligation</b>		
Opening balance	22.50	17.17
Current service cost	10.61	3.67
Interest cost	1.80	1.37
Actuarial loss/ (gain) on obligation	15.94	0.29
Benefits paid	-	0
<b>Closing balance</b>	<b>50.85</b>	<b>22.50</b>
<b>Change in fair value of plan assets</b>		
Opening fair value of plan assets	24.63	22.65
Expected return on plan assets	2.16	1.98
Actuarial gain/ (loss) on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
<b>Closing fair value of plan assets #</b>	<b>26.79</b>	<b>24.63</b>
<b>Movement the Net Liability Recognized in Balance Sheet</b>		
Changes In Present Value of Defined Benefit Obligation	50.85	22.50
Changes In Fair Value of Plan Assets	26.79	24.63
<b>Closing Net Liability</b>	<b>24.07</b>	<b>(2.13)</b>
<b>Expenses Recognized in Statement of Profit &amp; Loss</b>		
Current Service Cost	10.61	3.67
Interest Cost	1.80	1.37
Expected return On Plan Assets	(2.16)	(1.98)
Actuarial (Gain)/loss	15.94	0.29
<b>Expenses recognized in the Statement of Profit &amp; Loss</b>	<b>26.20</b>	<b>3.35</b>

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

₹ in Lacs

26. Finance costs	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
Interest expense	833.63	716.57
Other borrowing costs	457.46	313.66
<b>Total</b>	<b>1,291.09</b>	<b>1,030.23</b>

₹ in Lacs

27. Other Expenses	For the Year Ended 31st March 2015	For the Year Ended 31st March 2014
<b>Manufacturing Expenses</b>		
Power & Fuel	706.36	588.58
Stores and Spares consumed	117.94	85.67
Repairs to Machineries	19.51	28.28
Repairs to Buildings	10.49	8.13
Excise Duty #	155.01	-
Exchange Difference	4.97	26.78
Other Manufacturing Expenses	191.64	132.68
<b>Selling and Distribution Expenses</b>		
Advertisement, Publicity and Sales Promotion	105.78	44.96
Commission on Sales	120.37	130.58
Freight Outward & Other Selling Expenses	780.39	573.20
Discount & Other Expenses	302.82	334.88
<b>Other</b>		
Payment to Auditors		
Statutory Audit Fees	7.72	3.22
Taxation Matters	0.75	9.12
Directors Sitting Fees	3.20	2.65
Rent	37.28	30.08
Rates & Taxes	117.50	63.16
Travelling & Conveyance	59.17	43.84
Insurance	22.65	17.50
Bad Debts Written Off	76.94	-
Provision for Doubtful Debts	19.52	15.14
Provision for Doubtful Loans	1.16	3.24
Provision for Doubtful Loans	1.16	3.24
Communication Expenses	16.63	16.41
Legal & Professional Expenses	37.52	27.48
Loss on sale of Investment	-	-

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**

Office Expenses	17.07	11.07
Printing & Stationary Expenses	10.47	13.80
Charity & Donations	1.66	0.35
Miscellaneous Expenses	49.44	34.70
<b>Total</b>	<b>2,993.96</b>	<b>2,245.50</b>

# Excise Duty shown under expenditure represents the aggregate of excise duty borne by the Company and difference between excise duty on opening and closing stock of finished goods.

**28. Insurance Claim Receivable**

During the year 2010-11 on 21.03.2011 a fire occurred in main Raw Material godown at the factory premises of the Company and the Company has lodged the claim of ₹ 2547.69 Lacs with the Insurance Company and the same was accounted as 'Insurance Claim Receivable'. The Claim is finally settled by Insurance Company for ₹ 1640.86 Lacs on 12.04.2012. The Management has filed lawsuit against the Insurance Company as the claim for the balance amount. The Management is confident of realizing the amount due from the Insurance Company and accordingly no adjustments are made to the financial results of the Company in this regard.

29. In case of the Foreign Subsidiary Company 'Tapti Pipes & Products Limited FZE', the component auditors' has drawn emphasis of matter paragraph in the absence of independent confirmation for the balances outstanding as on 31st March, 2015 with respect to Investments of ₹ 594.61 lacs (USD 0.95 Million), Trade receivables of ₹ 3,496.15 (USD 5.58 Million) and advance to suppliers of ₹ 2,194.18 (USD 3.51 Million). However, the management consider the balances still good to be recovered and is confident of recoverability / realisation of the above investments, trade receivable and advance to suppliers, hence no provision is made as on March 31, 2015.

30. In respect of Jointly Controlled Entity, the Company's share of assets, liabilities, income and expenditure of the joint venture are as follows:

Particulars	₹ in Lacs
	31st March 2015#
<b>Assets</b>	
Fixed Assets (CWIP)	45.52
Non-Current Investments	-
Non-Current Assets	-
Current Investments	-
Current Assets	0.53
<b>Liabilities</b>	
Long Term Borrowings	-
Non-Current Liabilities and Provisions	-
Short Term Borrowings	2.65
Current Liabilities and Provisions	-
<b>Incomes</b>	-
<b>Expenses</b>	-

# Previous year figures are not given as controlling interest acquired during the year.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

31. Earnings Per Share (EPS)

₹ in Lacs

S. No.	Particulars	31st March 2015	31st March 2014
i)	Net Profit after Tax as per Profit and Loss Statement attributable to Equity Shareholders (₹ in lacs)	340.83	185.20
ii)	Weighted Average number of Equity Shares used as denominator for calculating EPS	23,820,000	23,820,000
iii)	Basic and Diluted Earnings per Share (₹)	1.43	0.78
iv)	Face Value per Equity Share (₹)	10.00	10.00

32. Contingent Liabilities and Commitments not provided for :

₹ in Lacs

	Contingent Liabilities not provided for in respect of:	31st March 2015	31st March 2014
a.	Disputed Income Tax Demands	74.85	58.80
b.	Disputed VAT,CST & Entry Tax Demands	306.06	253.00
c.	Guarantees given by the company's Bankers in the normal course of business	990.99	664.50
d.	Letter of Credit for Purchase of goods	589.76	104.81

₹ in Lacs

Commitments	31st March 2015	31st March 2014
Capital contracts remaining to be executed	65.31	330.22

33. In accordance with AS-28 issued by ICAI, the carrying amounts of the assets have been reviewed at year end for indication of impairment loss, if any. As there is no indication of impairment loss of assets, no loss has been recognised during the year.

34. The Company is engaged mainly in production of plastic products which constitutes a single reportable segment in accordance with Accounting Standard-17-“Segment Reporting” specified under section 133 of the Companies Act, 2013, read with the rule 7 of the Companies (Account) Rules, 2014. Further, the Company and its subsidiaries are working in the same geographical segment.

35. RELATED PARTY DISCLOSURES:

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

a) As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

S No.	Relationship	Name of the Party
1	Key Management Personnel	Mr. Sanjay Agrawal (Managing Director)
		Mr. Vijay Prasad Pappu (Whole Time Director)
		Mrs. Rashmidevi Agrawal (Chairperson)
2	Enterprises in which Key Managerial Personnel and are able to exercise significant influence	Shree Padmavati Irrigations Private Limited
		Shree Venkatesh Industries
3	Enterprises in which relatives of Key Managerial Personnel are able to exercise significant influence	C.P Industrial Products Private Limited
		Rahul Developers Private Limited
		Shree Vasudeo Industries

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015**
**b) Transactions during the Year with Related Parties**

Figures corresponding to previous year are shown in brackets.

Sr. No.	Transaction	Key Management Personnel	Enterprises in which Key Managerial Personnel are able to exercise significant influence	Enterprises in which Relatives of Key Managerial Personnel are able to exercise significant influence
1	Purchase of Goods	NIL NIL	0.94 NIL	1,616.79 (307.53)
2	Sale of Goods	NIL NIL	NIL (13.98)	NIL (0.36)
3	Sale of Fixed Asset	NIL NIL	NIL NIL	NIL (1.55)
4	Rent Paid	14.51 (12.04)	NIL NIL	NIL NIL
5	Rent Received	NIL NIL	NIL (0.24)	NIL NIL
6	Remuneration Paid	48.00 (24.00)	NIL NIL	NIL NIL
7	Loan Taken	80.00 NIL	NIL NIL	NIL NIL
8	Loan Repaid	NIL NIL	NIL NIL	4.03 NIL
<b>Balance as at 31st March 2015</b>				
9	Long term Borrowing	80.00 NIL	NIL NIL	NIL NIL
10	Trade and Other Payable	4.80 (5.11)	NIL NIL	337.24 (1.21)
11	Trade and Other Receivable	NIL NIL	55.48 (59.76)	NIL NIL
12	Loan And Advances	NIL NIL	NIL NIL	28.37 (32.40)

36. The audited financial statements of the subsidiaries are available as on 31st March 2015 and same has been considered for the preparation of the consolidated financial statements. Figures pertaining to the subsidiary companies and jointly controlled entity have been reclassified wherever necessary to bring them in line with the group financials.

37. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/disclosure.

*As per our report of even date*

For **Pankaj Somaiya & Associates LLP**  
Firm Registration No. 010081C/C4000001  
Chartered Accountants

**CA Pankaj Somaiya**  
**Partner**  
Membership No.079918

**Place:** Burhanpur (MP)  
**Date:** 26<sup>th</sup> May 2015

For **Texmo Pipes and Products Limited**

**Sanjay Agrawal**  
Managing Director  
[DIN: 00316249]

**Vijay Prasad Pappu**  
Whole Time Director  
[DIN: 02066748]

**Satyendra Rathi**  
CFO

**Ravi Patidar**  
Company Secretary

**Place:** Burhanpur (MP)  
**Date:** 26<sup>th</sup> May 2015

**Form AOC-I**

**Statement containing salient feature of the financial statement of subsidiaries/associate companies/joint venture**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

**Part “A”: Subsidiaries**

(Information in respect of each subsidiary to be presented with ₹ in Lacs)

<b>Name of Subsidiary</b>	<b>Texmo Petrochemicals Pvt. Ltd.</b>	<b>Tapti Pipes and Products Limited FZE (Note (i) &amp; (ii))</b>
Reporting period	31.03.2015	31.03.2015
Share capital	200.00	5497.64
Reserves & surplus	0.67	13.19
Total assets	202.22	6298.97
Total Liabilities	1.55	788.14
Investments	25.00	594.61
Turnover	13.41	6748.53
Profit before taxation	0.56	9.95
Provision for taxation	0.17	--
Profit after taxation	0.39	9.95
Proposed Dividend	--	--
% of shareholding	100%	100%

**Note:**

- i) Converted into Indian Rupees at the Exchange rate USD 1 = 62.5908 INR.
- ii) The financial statements have been audited by a firm of Chartered Accountants other than Pankaj Somaiya & Associates LLP.

**Part “B”: Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

₹ in Lacs

	<b>Name of Jointly Controlled Entity</b>	<b>M/s. Mangal Murti Minerals</b>
<b>1.</b>	<b>Latest audited Balance Sheet Date</b>	<b>31.03.2015</b>
<b>2.</b>	<b>Shares of Jointly Controlled Entity held by the company on the year end</b>	<b>31.03.2015</b>
	Number	----
	Amount of Investment in Jointly Control Entity	46.90
	Extend of Holding %	88.47%
<b>3.</b>	<b>Description of how there is significant influence</b>	<b>Controlling interest &amp; Partner</b>
<b>4.</b>	<b>Reason why the Jointly Controlled Entity is not consolidated</b>	<b>Not Applicable</b>
<b>5.</b>	<b>Net worth attributable to Shareholding as per latest audited Balance Sheet</b>	<b>53.01</b>
<b>6.</b>	<b>Profit / Loss for the year</b>	<b>Not Applicable</b>
	i. Considered in Consolidation	----
	ii. Not Considered in Consolidation	----

**For Texmo Pipes and Products Limited**

**Sanjay Agrawal**  
**Managing Director**  
**(DIN 00316249)**

**Vijay Prasad Pappu**  
**Whole Time Director**  
**(DIN 02066748)**

**Satyendra Rathi**  
**CFO**

**Ravi Patidar**  
**Company Secretary**



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**ANNUAL GENERAL MEETING – 26.09.2015**

**ADMISSION SLIP**

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

Name (in block letters) \_\_\_\_\_

Member's Folio Number: \_\_\_\_\_

Name of Proxy (in block letters to be filled in case the Proxy attends instead of the Member)

\_\_\_\_\_ No. of Shares held \_\_\_\_\_

I hereby record my presence at the Annual General Meeting of Texmo Pipes and Products Limited on Saturday, 26<sup>th</sup> day of September 2015 at 11.30A. M. 98, Bahadarpur Road, Burhanpur (M.P.) 450331

Please ( ) the appropriate box Member Proxy

\_\_\_\_\_  
Member's / Proxy's Signatures\*

Note: Please note that no gift/gift coupon will be distributed at the AGM.

\*To be signed at the time of handing over this slip.

(Please complete this attendance slip and hand it over at the entrance of the hall)

**TEXMO PIPES AND PRODUCTS LIMITED**

**CIN: L25200MP2008PLC020852**

**Regd. Office: 98, Bahadarpur Road, Burhanpur (M.P.) – 450 331**

**Form No. MGT-11**

**PROXY FORM**

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

CIN:	L25200MP2008PLC020852		
Name of Company:	TEXMO PIPES AND PRODUCTS LIMITED		
Registered Office :	98, Bahadarpur Road, Burhanpur (M.P.) 450331		
Name of Member (s) :			
Registered Address :			
E-mail Id :			
Folio No/Client Id		DP ID	

I/We, being the member(s) of ..... Shares of the above named company, hereby appoint

1.	Name			
	Address			
	E-mail Id		Signature	
	Or falling him			
2.	Name			
	Address			
	E-mail Id		Signature	
	Or falling him			
3.	Name			
	Address			
	E-mail Id		Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 7<sup>th</sup> Annual General Meeting of the Company, to be held on Saturday 26<sup>th</sup> September, 2015 at 11:30 P.M at 98, Bahadarpur Road, Burhanpur (M.P.) 450331 and at any adjournment of such resolutions as are indicated below:-

\*\* I wish my above proxy to vote in the manner as indicated in the box below:-

S.No	Resolutions	For	Against
1.	To receive, consider and adopt the Standalone and Consolidated Financial Statements for the year ended as at March 31st, 2015, and the Reports of the Directors and the Auditors thereon for the said period.		
2.	To appoint a Director in place of Mrs. Rashmi Devi Agrawal		
3.	To appoint Auditors and to fix their remuneration.		
4.	To ratify remuneration of Cost Auditor under section 148 of Companies Act, 2013.		

**Texmo Pipes and Products Limited  
(PB No.35) 98, Bahadarpur Road, Burhanpur - 450 331, Madhya Pradesh**

Dear Shareholder,

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by Companies through electronic mode. In accordance with the recent circular no. 17/2011 dated 21.04.2011 and circular no. 18/2011 dated 29.04.2011 issued by the Ministry, Companies can now send various notices and documents, including Annual Report, to its shareholders through electronic mode to the registered e-mail addresses of shareholders.

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a Greener Environment. This is a golden opportunity for every shareholder of 'Texmo Pipes and Products Limited' to contribute to the Corporate Social Responsibility initiative of the Company. Further it will ensure instant and definite receipt of the reports by you.

We notice that your email ID is not available in our records. As we propose to send future Communications, in electronic mode, we request you to please fill up the form given herewith for registering your e-mail ID and send the same to the following address:

**Karvy Computershare Private Limited**

(Unit: Texmo Pipes and Products Limited)  
Karvy Selenium Tower B, Plot 31-32, Gachibowli  
Financial District, Nanakramguda, Hyderabad – 500 032  
Email id:- sravanthi.kodali@karvy.com

If the shares are held in electronic mode, please get your e-mail registered with your DP immediately.

Please note that as a member of the Company you will be entitled to receive all such communication in Physical Form, upon request.

Thanking you,

Yours faithfully,  
For **Texmo Pipes and Products Limited**

Sd/-  
Ravi Patidar  
Company Secretary

**E-COMMUNICATION REGISTRATION FORM**

Folio No. /DP Id and Client ID: .....

Name of 1st Registered Holder: .....

Name of Joint Holder(s): .....

Registered Address: .....

.....

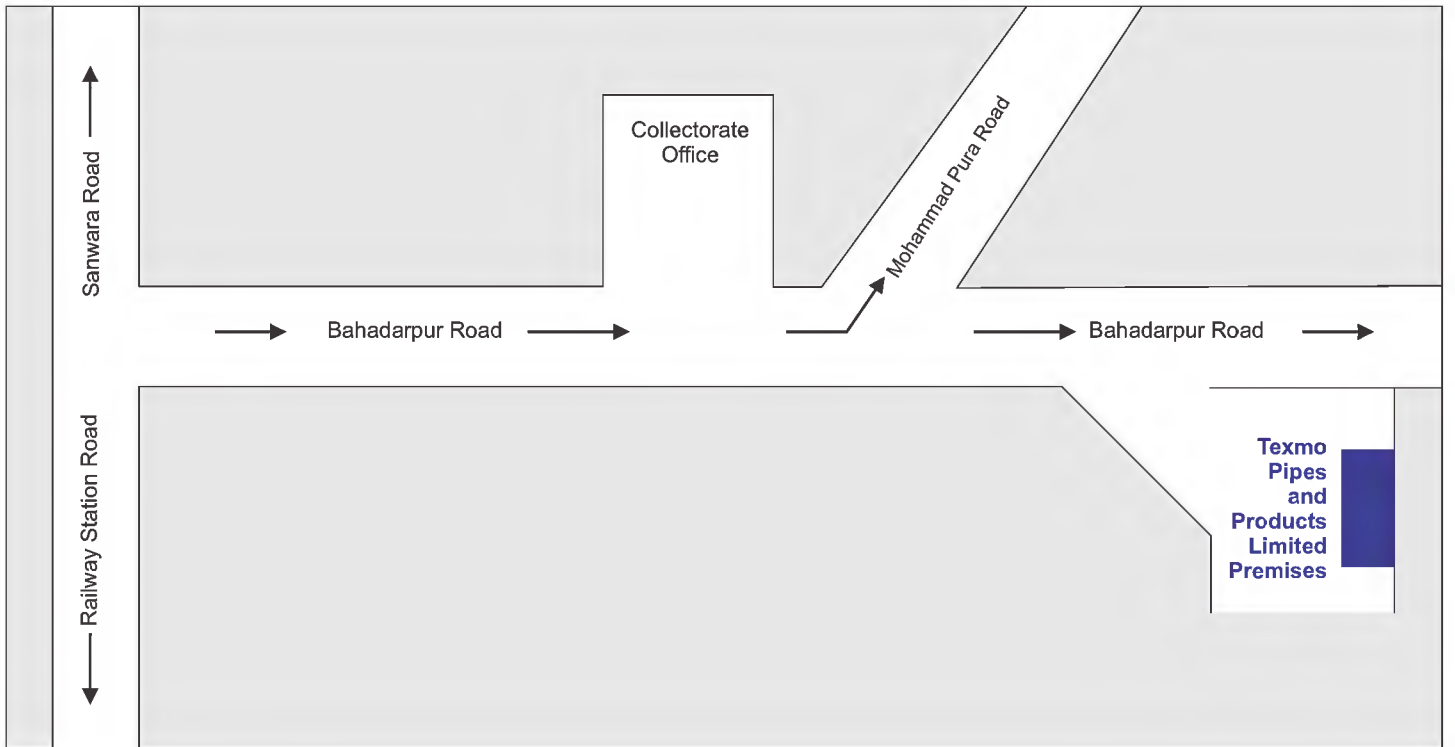
E-Mail address (to be Registered): .....

I/we Shareholder(s) of **Texmo Pipes and Products Limited** agree to receive communication from the Company in electronic mode. Please register my above e-mail ID for your records for sending communication through e-mail.

Date: ..... Signature: .....  
(1st holder only)

Note:

Shareholder(s) are requested to keep the Company informed as when there is any change in the e-mail address.





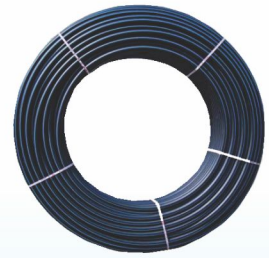
**Elastomeric Pipes**



**Suction and Delivery Pipes**



**Garden Pipes**



**H.D.P.E Coils**



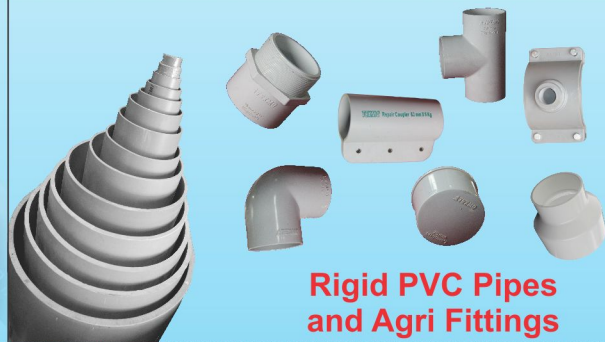
**Plumbing Pipes and Fittings**



**C-PVC Pipes and Fittings**



**SWR Pipes and Fittings**



**Rigid PVC Pipes and Agri Fittings**



**Casin and Ribbed Screen Pipes**



**Drip Irrigation Systems**



**Sprinkler Pipes**



**Column Pipes**