

**NOTICE**

NOTICE is hereby given that the 12th Annual General Meeting of the Members of **TEXMO PIPES AND PRODUCTS LIMITED** (CIN: L25200MP2008PLC020852) will be held through Video Conference (“VC”) / Other Audio Visual Means (“OAVM”) on Wednesday, 14th October, 2020, at 12.30 P.M. to transact with or without modification(s), as may be permissible, the following business:-

**ORDINARY BUSINESS:-**

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2020, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Smt. Rashmi Devi Agrawal ((DIN: 00316248) who retires by rotation and being eligible, offers herself for re-appointment.

**SPECIAL BUSINESS:**

**3. REMUNERATION OF COST AUDITOR FOR THE YEAR 2020-21.**

To consider and, if thought fit, to pass, 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 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being enforce), the remuneration of Rs. 75,000/- (Rupees Seventy Five thousand only) plus applicable taxes to be paid to M/s Saurabh Parikh & Associate (Firm Registration No.101495), Cost Auditors of the Company to conduct the Audit of the cost records of the Company for the Financial Year ending March 31, 2021, as approved by the Board of Directors of the Company, be and is hereby ratified.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**4. APPOINTMENT OF DR. SMITA HAJARI (DIN 08763920) AS A NON EXECUTIVE INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) Dr. Smita Hajari (DIN 08763920), who was appointed as an Additional Director Independent) of the Company by the Board of Directors with effect from July 24, 2020 and who holds office till the date of the Annual General Meeting, in terms of Section 161 of the Act, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, signifying his intention to propose Dr. Smita Hajari as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director, not liable to retire by rotation, to hold office for a term of five consecutive years upto July 23, 2025.”

**5. ISSUANCE OF EQUITY SHARES ON PREFERENTIAL BASIS TO THE PROMOTERS.**

To consider and, if thought fit, to pass, with or without modification(s) the following Resolution as a **Special Resolution:**  
**“RESOLVED THAT** pursuant to the provision of Section 42 & 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014,

(including any statutory modification(s) or re-enactment thereof, for the time being in force), and in accordance with the provisions of Memorandum and Articles of Association of the Company, Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (“SEBI ICDR Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“SEBI LODR Regulations”), along with provisions of listing agreement entered into with stock exchanges and amendment thereto, the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time (“SEBI Takeover Regulations”), any other guidelines and clarification issued by the Government of India, all applicable circulars, notifications issued by the Securities and Exchange Board of India (“SEBI”), and subject to all necessary approvals, consents, permissions and/or sanctions of Government of India, any other statutory or regulatory authorities, other applicable laws, consent of the Company be and is hereby given to the Board of Directors of the Company (the “Board” which term shall be deemed to include any committee which the Board may have constituted or hereinafter constituted to exercise its powers including the power conferred by this resolution), to create, offer, issue and allot on preferential basis (“Preferential Issue”) to Shri Sanjay Kumar Agrawal and Smt. Rashmi Devi Agrawal (“Proposed Allottees”), upto maximum of 28,75,000 (Twenty Eight Lakhs Seventy Five Thousand) equity shares of face value Rs.10 (Rupees Ten) each, at a price of Rs. 13.90 (Thirteen Rupees Ninety paise only) per share including premium of Rs. 3.90 (Rupees Three and Ninety paise only) per equity share, aggregating to Rs. 3,99,62,500 /- (Rupees Three Crores Ninety Nine Lakhs Sixty Two Thousand Five Hundred only), in one or more than one tranches; provided that the minimum price of the equity share so issued shall not be less than the price arrived at, in accordance with Chapter V of the SEBI (ICDR Regulations) for preferential issue on such terms and conditions, as are stipulated in the explanatory statement attached and as the Board may deemed fit in its absolute discretion.

**RESLOVED FURTHER THAT** in accordance with the provisions of Chapter V of the SEBI (ICDR) Regulations the “Relevant Date” for the purpose of calculating the floor price for the issue of equity shares be and is hereby fixed as 14<sup>th</sup> September 2020 being date 30 days prior to the date of Annual General Meeting i.e. 14<sup>th</sup> October, 2020 or such other date as may be prescribed in accordance with the SEBI (ICDR) Regulations.

**RESLOVED FURTHER THAT** all such equity shares to be issued and allotted by the Board shall be subject to provisions of Memorandum of Association and Articles of Association of the Company and shall rank pari-passu in all respect including dividend with the existing equity shares of the Company.

**RESLOVED FURTHER THAT** the equity share to be allotted by the Company to the Proposed Allottees pursuant to the aforesaid preferential allotment shall be issued in dematerialized form within a period of 15 (Fifteen) days from the date of passing of this resolution provided that where the issue and allotment of the equity shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Central Government, the issue and allotment shall be completed within a period of 15 (Fifteen) days from the date of such approval.

**RESOLVED FURTHER THAT** the existing holding of proposed allottees along with Equity Shares to be so allotted shall be subject to lock-in for such period as specified under Chapter V of SEBI (ICDR) Regulations relating to Preferential Issue.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deemed necessary, desirable and expedient for such purpose, including without limitation, issuing clarification on the offer, issue and allotment of the equity shares and listing of equity shares at the Stock Exchange(s) as per the terms and conditions of SEBI (LODR) Regulations

and other applicable Guidelines, Rules and Regulations, to execute the necessary documents and enter into contracts, arrangements, agreements, documents (including appointment of agencies, intermediaries and advisor for the Preferential Issue), resolving all questions and doubt that may arise with respect to the offer, issued and allotment of equity shares, and to authorize all such person as may be deemed necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Shareholders of the Company and that the decision of the Board shall be final and conclusive.

**RESOLVED FURTHER THAT** subject to SEBI Regulations and other applicable laws, the Board be and is hereby authorized to decide and approve terms and conditions of the issue of above mentioned Equity Shares and to vary, modify or alter any of terms and conditions, including size of the issue, as it may deem expedient.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the power herein conferred, to any committee or to one or more Directors or executive of the Company including making necessary filings with the Stock Exchanges and Regulatory Authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint Consultants, Professional Advisors and Legal Advisors to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.”

**6. TO APPROVE REVISION IN REMUNERATION OF SHRI SANJAY KUMAR AGRAWAL (DIN: 00316249) AS A MANAGING DIRECTOR OF THE COMPANY**

To consider and, if thought fit, to pass, with or without modification(s) the following Resolution as **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and any other applicable provisions, (if any) of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and the Articles of Association of the Company and on recommendation of Nomination and Remuneration Committee to the Board of Directors (Board) and approval thereof by the Board, approvals of the members of the Company be and is hereby accorded for revision in the remuneration payable to Mr. Sanjay Kumar Agrawal (DIN: 00316249) as Managing Director of the Company with effect from 1<sup>st</sup> September, 2020 for the remaining period of his present term of appointment upto 31<sup>st</sup> August, 2023 on the remuneration and perquisites set out hereunder with liberty to the Board (which term shall include any committee constituted by the Board) from time to time to alter the said terms and conditions and to revise upwards the salary and perquisites as herein mentioned in such manner as may be decided by the Board in the best interest of the Company and as may be permissible at law viz:-

1) Salary-

Monthly basic salary of Rs. 7,50,000/- (Rupees Seven Lakhs Fifty Thousand only)

(2) Allowances / Benefits / Perquisites

A. Housing - Rent free furnished residential accommodation. In case, no accommodation is

Provided by the Company, the Managing Director shall be paid House Rent Allowance equivalent to 40% of basic salary i.e. Rs. 3,00,000/-

**B. Other Perquisites / Allowances**

i. Medical Allowance 10% of basic Salary i.e. Rs. 75,000/-p.m.

- ii. Conveyance Allowance Rs. 1,50,000/-p.m.
- iii. Uniform Allowance Rs. 75,000/- p.m.
- iv. Other Allowance and Children education allowance Rs. 1,50,000/- p.m.
- v. Leave Travel Concession for self and family once in a year incurred in accordance with the Rules of the Company applicable to Senior Management Staff / Personnel of the Company.
- vi. Medical and Personal Accident Insurance.
- vii. Reimbursement of membership fees /subscription, subject to a maximum of two clubs in India.
- viii. Conveyance: The Company shall provide suitable conveyance facilities as per requirements.
- ix. Telecom / Computer facilities: The Company shall provide telecom / computer facilities as per requirements.
- x. Servants facilities Gardener, cook, house keeper, watchman and driver etc.

**C. (i) Contribution to Provident fund**, super annuation fund or annuity fund as per the Rules of the Company to the extent these either singly or put together do not exceed the limit laid down under the Income Tax Act, 1961 or under any statutory modification or re-enactment thereof;

(ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service, For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, the service of the Managing Director will be considered continuous service with the Company and change of designation or renewal of appointment will not be considered as any break in service.

(iii) Leave on full pay and allowances but not exceeding one month's leave for 11 month's service, encashment of unavailed earned leave as per Rules of the Company and / or at the end of the tenure being permitted.

(iv) Reimbursement of entertainment and other business promotion expenses actually incurred by the Managing Director in the course of business of the Company.

In the event of loss or inadequacy of profits of the Company in any year, the Managing Director shall be entitled to payment by way of salary and perquisites as specified above subject to the restrictions specified in Schedule V to the Act.

The Company shall pay to the Managing Director compensation for loss of office, or as consideration for loss of office or retirement from office or in connection with such loss or retirement, in accordance with the provisions of Section 191 and 202 of the Act.

Either party shall be entitled to terminate the appointment by giving 90 days notice in writing to the other. The Managing Director shall not be entitled to Sitting Fees for attending meetings of the Board of Directors of the Company or any Committee or Committees thereof.

**RESOLVED FURTHER THAT** where in any financial year during the currency of the tenure of Mr. Sanjay Kumar Agrawal, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above subject to the restrictions set out in Schedule V of Companies Act, 2013;

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to increase and / or vary the terms and conditions aforesaid within the limitations specified in that behalf in Schedule V to the Act or any statutory modification or re-enactment thereof for the time being in force or otherwise as may be permissible at law;

**RESOLVED FURTHER THAT** the Managing Director shall not be liable to retire by rotation as long as he continues to be Managing Director of the Company;

AND RESOLVED LASTLY THAT the Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution.”

**7. TO APPROVE REVISION IN REMUNERATION OF SMT. RASHMI DEVI AGRAWAL ( (DIN: 00316248 ) AS WHOLE TIME DIRECTOR OF THE COMPANY.**

To consider and, if thought fit, to pass, with or without modification(s) the following Resolution as **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and any other applicable provisions, (if any) of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and the Articles of Association of the Company and on recommendation of Nomination and Remuneration Committee to the Board of Directors (Board) and approval thereof by the Board, approvals of the members of the Company be and is hereby accorded for revision in the remuneration payable to Mrs. Rashmi Devi Agrawal (DIN: 00316248) as Chairperson and Whole Time Director of the Company with effect from 1<sup>st</sup> September, 2020 for the remaining period of her present term of appointment upto 31<sup>st</sup> August, 2023 on the remuneration and perquisites set out hereunder with liberty to the Board (which term shall include any committee constituted by the Board) from time to time to alter the said terms and conditions and to revise upwards the salary and perquisites as herein mentioned in such manner as may be decided by the Board in the best interest of the Company and as may be permissible at law viz:-

1) Salary-

Monthly basic salary of Rs. 2,50,000/- (Rupees Two Lakhs Fifty Thousand only)

(2) Allowances / Benefits / Perquisites

A. The Whole Time Director shall be paid House Rent Allowance equivalent to 40% of basic salary i.e. Rs.1,00,000/- p.m.

B. Other Perquisites / Allowances

- i. Medical Allowance 10% of basic Salary i.e. Rs. 25,000/-p.m.
- ii. Conveyance Allowance Rs. 50,000/-p.m.
- iii. Uniform Allowance Rs. 25,000/- p.m.
- iv. Other Allowance and Children education allowance Rs. 50,000/- p.m.
- v. Leave Travel Concession for self and family once in a year incurred in accordance with the Rules of the Company applicable to Senior Management Staff / Personnel of the Company.
- vi. Medical and Personal Accident Insurance.
- vii. Reimbursement of membership fees /subscription, subject to a maximum of two clubs in India.
- viii. Conveyance: The Company shall provide suitable conveyance facilities as per requirements.
- ix. Telecom / Computer facilities: The Company shall provide telecom / computer facilities as per requirements.

C. (i) Contribution to Provident fund, superannuation fund or annuity fund as per the Rules of the Company to the extent these either singly or put together do not exceed the limit laid down under the Income Tax Act, 1961 or under any statutory modification or re-enactment thereof;

(ii) Gratuity payable at a rate not exceeding half a month’s salary for each completed year of service, for the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, the service of the Whole Time Director will be considered continuous service with the Company and change of designation or renewal of appointment will not be considered as any break in service.

(iii) Leave on full pay and allowances but not exceeding one month's leave for 11 month's service, encashment of unavailed earned leave as per Rules of the Company and / or at the end of the tenure being permitted.

(iv) Reimbursement of entertainment and other business promotion expenses actually incurred by the Whole Time Director in the course of business of the Company.

In the event of loss or inadequacy of profits of the Company in any year, the Whole Time Director shall be entitled to payment by way of salary and perquisites as specified above subject to the restrictions specified in Schedule V to the Act.

The Company shall pay to the Whole Time Director compensation for loss of office, or as consideration for loss of office or retirement from office or in connection with such loss or retirement, in accordance with the provisions of Section 191 and 202 of the Act.

Either party shall be entitled to terminate the appointment by giving 90 days notice in writing to the other. The Whole Time Director shall not be entitled to Sitting Fees for attending meetings of the Board of Directors of the Company or any Committee or Committees thereof.

**RESOLVED FURTHER THAT** where in any financial year during the currency of the tenure of Mrs. Rashmi Devi Agrawal, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as specified above subject to the restrictions set out in Schedule V of Companies Act, 2013;

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to increase and / or vary the terms and conditions aforesaid within the limitations specified in that behalf in Schedule V to the Act or any statutory modification or re-enactment thereof for the time being in force or otherwise as may be permissible at law;

**RESOLVED FURTHER THAT** the Whole Time Director shall be liable to retire by rotation as long as she continues to be Whole Time Director of the Company;

**AND RESOLVED LASTLY THAT** the Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or expedient to give effect to this Resolution.”

**8. INCREASE OF AUTHORISED SHARE CAPITAL AND ALTERATION IN CLAUSE V OF MEMORANDUM OF ASSOCIATION**

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

“**RESOLVED THAT** pursuant to the provisions of Section 4, 13, 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded for increase in Authorized Share Capital of the Company from Rs. 30,00,00,000 /- (Rupees Thirty Crores Only) divided into 3,00,00,000 (Three Crore Only) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 36,00,00,000/- (Rupees Thirty Six Crores Only) divided into 3,60,00,000 (Three Crore Sixty Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten only) each by creation of an additional 60,00,000 (Sixty Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten only) each ranking pari passu in all respect with existing Equity shares of the Company.

“**RESOLVED THAT** pursuant to the provisions of Section 4, 13, 61, 64 and all other applicable provisions, if any, of

the Companies Act, 2013, read with rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Clause V of the Memorandum of Association (“the MOA”) be and is hereby altered by replacing the existing Clause V with the following new Clause V:

V. The Authorized shares capital of the Company is Rs. 36,00,00,000/- (Rupees Thirty Six Crores Only) divided into 3,60,00,000 (Three Crore Sixty Lakhs Only) Equity Shares of Rs. 10/- (Rs. Ten Only) each with rights, privileges or conditions attaching thereto as provided by the regulations of the company for the time being with power to increase and reduce the capital of the company and to divide the shares in the capital into several classes and attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being provided in the regulations of the Company.

**RESOLVED FURTHER THAT** the Board of Directors and Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to settle all matters arising out of and incidental thereto and to sign and execute all such deeds, drafts, documents, application and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution either on its own or by delegating all or any of its powers to any of the Director, Company Secretary or any other officer of the Company.”

**BY ORDER OF THE BOARD OF DIRECTORS OF  
TEXMO PIPES AND PRODUCTS LIMITED**

**Ajay Shrivastava**

**Company Secretary**

**Membership No.: ACS 41817**

**Place: Burhanpur**

**Date: September 15, 2020**

**NOTES:-**

1. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the special business as set out above is annexed hereto.
2. Pursuant to the General Circular numbers 14/2020, 17/2020 and 20/2020 issued by the Ministry of Corporate Affairs (MCA) dated April 8, 2020, April 13, 2020 and May 5, 2020, Order No. ROC-G/Extension of AGM /2020/926 dated September, 8, 2020 issued by Office of the Registrar of Companies, Madhya Pradesh, MCA and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM for the calendar year 2020.
3. In compliance with applicable provisions of the Companies Act, 2013 read with aforesaid MCA circulars the 12<sup>th</sup> Annual General Meeting of the Company being conducted through Video Conferencing (VC) herein after called as “e-AGM”.
4. e-AGM: The Company has appointed M/s KFin Technologies Private Limited, Registrars and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.

5. Pursuant to the provisions of the circulars of AMC on the VC/OVAM (e-AGM):
  - a. Members can attend the meeting through log in credentials provided to them to connect to Video conference. Physical attendance of the Members at the Meeting venue is not required.
  - b. Appointment of proxy to attend and cast vote on behalf of the member is not available.
  - c. Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
6. The Members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
7. Up to 1,000 members will be able to join on a First-In-First-Out (FIFO) basis to the e-AGM.
8. No restrictions on account of FIFO entry into e-AGM in respect of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
9. The attendance of the Members (members logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
10. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM. Corporate members intending to authorize their representatives to participate and vote at the AGM are requested to send a certified copy of the Board resolution / authorization letter to the Company or upload on the VC portal / e-voting portal.
11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. October 14, 2020 and Members seeking to inspect such documents and ask any information pertaining to the above can send an email to [complaints@texmopipe.com](mailto:complaints@texmopipe.com). The same will be replied by the Company suitably.
12. Members whose shareholding is in electronic mode are requested to direct notifications about change of address, mobile number and email IDs to their respective depository participants(s) (DP) and also to quote Folio Number/Client ID/DP ID, in all their correspondence with the Company/DP.
13. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the management to keep the information ready at the meeting.
14. The Share Transfer Book and Register of Members of the Company will remain closed from 8<sup>th</sup> October, 2020 to 14<sup>th</sup> October, 2020 (both days inclusive) for the purpose of Annual General Meeting of the Company.
15. In compliance with Section 108 of the Act, the corresponding Rules made thereunder and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), the Company has provided a facility to its members to exercise their votes electronically through the electronic voting (“remote e-voting”) facility provided by the M/s. KFin Technologies Private Limited (KFin), the Registrar & Share Transfer Agents (“RTA”) of the Company. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The instructions for remote e-voting by members holding shares in dematerialized mode and for members who have not registered their email address is provided in the e-voting section which forms part of this Notice. The Board of Directors have appointed CS Dinesh Kumar Gupta, Company Secretary in Practice (FCS - 5396 and CP No. - 4715), as the Scrutinizer to scrutinize the remote e-voting as well as the e-voting at the AGM, in a fair and transparent manner.



16. The remote e-voting period commences on Sunday, October 11, 2020 at 9:00 am (IST) and ends on Tuesday, October 13, 2020 at 5:00 pm (IST). During this period, members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on Wednesday, October 7, 2020, may cast their votes electronically. The remote e-voting module will be disabled by the RTA for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast through remote e-voting. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on October 7, 2020.
17. Once the vote on a Resolution is cast by the shareholder either through remote e-voting or at the AGM, he/she shall not be allowed to change it subsequently.
18. In pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, Mr. Ajay Shrivastava, Company Secretary is authorized and responsible to address the grievances connected with the electronic voting and contact details of him is as under: E-mail: [cs@texmopipe.com](mailto:cs@texmopipe.com). Tel: 07325-255122, Address: Texmo Pipes and Products Limited, 98, Bahadarpur Road, Burhanpur - 450 331, MP.
19. The facility for e-voting at the e-AGM will also be made available. Members present in the e-AGM through VC/OAVM and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the e-AGM.
20. The results of the remote e-voting and poll in the e-AGM shall be declared within 48 hours of conclusion of the e-AGM and will be published on the website of the Company and also intimated to the Stock Exchanges.
21. In compliance with the Circulars, the Annual Report for 2019-20, the Notice of the 12<sup>th</sup> AGM and the instructions for remote e-voting along with other relevant information are being sent only through electronic mode to those members whose email address is registered with the Company / depository participant(s).
22. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses as per the instructions provided by your respective depository participants or RTA.
23. Members may also note that the Notice of the 12<sup>th</sup> AGM and the Annual Report for 2019-20 will also be made available on the Company's website, [www.texmopipe.com](http://www.texmopipe.com), websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited, at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of RTA, <https://evoting.karvy.com>.
24. Members who have acquired shares after the dispatch of notice and before the cut-off date may approach the Company/ RTA for issuance of User ID and Password for exercising their votes by electronic means.
25. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

**PROCEDURE FOR OBTAINING THE ANNUAL REPORT, E-AGM NOTICE AND REMOTE E-VOTING INSTRUCTIONS BY THE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES OR WITH RTA ON PHYSICAL FOLIOS:**

On account of threat posed by COVID-19 and in terms of the MCA and SEBI Circulars, the Company has sent the Annual Report, Notice of e-AGM and remote e-voting instructions only in electronic form to the registered email addresses of the shareholders. Therefore, those shareholders who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

- 1 Those shareholders who have registered/not registered their email address and mobile numbers including address and bank details may please contact and validate/update their details with the Depository Participant in case of shares held in electronic form and with the Company's RTA, in case the shares are held in physical form.
- 2 Shareholders who have not registered their email address and in consequence the Annual Report, Notice of e-AGM could not be serviced, may temporarily get their email address and mobile number registered with the Company's RTA by following the instructions provided at: [https://ris.kfintech.com/email\\_registration/](https://ris.kfintech.com/email_registration/). In case of any queries, shareholder may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
- 3 Shareholders may also visit the website of the Company <https://texmopipe.com> or the website of the RTA <https://evoting.karvy.com/> for downloading the Annual Report and Notice of the e-AGM.
- 4 Alternatively members may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with a scanned copy of the signed request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy (in case of electronic folio) or copy of share certificate (in case of physical folio) for sending the Annual report, Notice of e-AGM and the remote e-voting instructions.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE E-AGM THROUGH VC/OAVM:**

1. Member will be provided with a facility to attend the e-AGM through VC/OAVM platform provided by the Company's RTA. Members may access the same at <https://emeetings.kfintech.com/> by using the remote e-voting credentials. The link for e-AGM will be available in shareholder/member's login where the 'EVENT' and the name of the company can be selected. Please note that the members who do not have the User ID and Password for remote e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice.
2. Members are encouraged to join the Meeting through Laptops (preferably) with Google Chrome for a better experience.
3. Further Members will be required to enable camera settings in their laptops and hence use Internet with a good bandwidth/speed to avoid any disturbance during the e-AGM.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use a stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. **AGM Questions prior to e-AGM:** Shareholders who would like to express their views/ask questions during the meeting may log into <https://emeetings.kfintech.com/> and click on "Post your Questions" may post their queries/views/questions in the window provided by mentioning the name, demat account number/folio number, email id, mobile number. Please note that, members questions will be answered, only if the shareholder continue to hold the shares as of cut-off date benpos. The posting of the questions shall commence on October 9, 2020, at 9.00 AM and will be closed on October 11, 2020 at 5.00 PM.
6. **Speaker Registration for e-AGM session:** The investors who want to register as a speaker to speak during the AGM may log into <https://emeetings.kfintech.com/> with the same evoting credentials and click on "Speaker Registration" by mentioning the demat account number/folio number, city, email id, mobile number and submit. The speaker registration shall commence on October 9, 2020, at 9.00 AM and will be closed on October 11, 2020 at 5.00 PM.
7. Due to limitations of transmission and coordination during the Q&A session, the Company may dispense with the speaker registration during the e-AGM conference.

**INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE E-AGM SESSION:**

1. Only those Members/ shareholders, who will be present in the e-AGM through VC/OAVM facility and have not casted

their vote through remote e-voting are eligible to cast their votes through e-voting at the e-AGM.

2. However, members who have already voted through remote e-voting will only be eligible to attend the e-AGM but not vote.

**INSTRUCTIONS FOR REMOTE E-VOTING ARE AS UNDER:**

- A. In case a Member receives the notice convening the e-AGM through an email from RTA[for members whose email IDs are registered with the Company/Depository Participant(s)]:
  - i. Launch internet browser by typing the URL: <http://evoting.karvy.com>.
  - ii. Enter the login credentials (i.e., User ID and password provided by RTA). However, if you are already registered with RTA for remote 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. First time users 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 the “EVENT” i.e. 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 in “FOR” and partially in “AGAINST” but the total number in “FOR/AGAINST” taken together should not exceed your total shareholding. If the shareholder does not indicate either “FOR” or “AGAINST” then such electronic vote shall be treated as “ABSTAIN/INVALID” and the shares held will not be counted under either head.
  - viii. Shareholders holding multiple folios/demat account shall choose the voting process separately for each folio/demat account.
  - ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote for any specific item it will be treated as “abstained”.
  - x. 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 number of times till they have voted on the all Resolution(s).
  - xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copies (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at E-mail ID: [csdineshgupta@gmail.com](mailto:csdineshgupta@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above-mentioned documents should be in the naming format “Corporate Name EVENT NO.”
  
- B. In case a person becomes a member of the Company after the dispatch of AGM Notice but on or before the cut-off date i.e. **October 7, 2020**, the member may write to the RTA on the email Id [evoting@kfintech.com](mailto:evoting@kfintech.com) requesting for the User ID and Password. After receipt of the same, please follow all the instructions from Sl. No. (i) to Sl. No. (xii) as mentioned in (A) above, to cast your vote.

- C. The remote e-voting period commences on Sunday, October 11, 2020 at 9:00 am (IST) and ends on Tuesday, October 13, 2020 at 5:00 pm (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. October 7, 2020, may cast their vote electronically. The e-voting module will be disabled by RTA for e-voting thereafter. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently. Further, the shareholders who have cast their votes electronically may participate in the e-AGM but shall not be allowed to vote again.
- D. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <http://evoting.karvy.com> or contact RTA at Tel. No. 18003454001 (toll free).
- E. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- F. The voting rights of shareholders shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. October 7, 2020.
- G. The Board of Directors has appointed CS Dinesh Kumar Gupta, Company Secretary in Practice, (FCS - 5396 and CP No. - 4715), 104, 1st Floor, Sham Tower, Near Hotel President, 164/2, R.N.T. Marg. Indore (M.P.) - 452001, as the Scrutinizer to scrutinize the remote e-voting as well as e-voting process at the e-AGM, in a fair and transparent manner.
- H. The members who are entitled to vote but have not exercised their right to vote through remote e-voting may vote at the e-AGM through electronic mode (Insta poll) for all businesses specified in the accompanying Notice.
- I. The Scrutinizer shall, immediately after the conclusion of e-voting at the e-AGM, will first 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 consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and handover the same forthwith to the Chairman or a person authorized by the Board who shall countersign the same.
- J. The Results shall be declared forthwith by the Chairman or a person authorized by Board in writing and the Resolutions will be deemed to be passed on the AGM date subject to the requisite number of votes cast in favor of the Resolution(s). The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website <https://texmopipe.com> and on the website of RTA <http://evoting.karvy.com> within 48 hours from the conclusion of the e-AGM and shall also be communicated to the Stock Exchanges where the Company's shares are listed and also displayed in the Notice Board at the Registered Office of the Company.

**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:

**ITEM NO 3**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor M/s Saurabh Parikh & Associate, Cost Accountants to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021, the remuneration 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.

The Board recommends the ordinary resolution as set out in Item No. 3 of this Notice for your approval.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

**ITEM NO. 4**

The Board of Directors on the recommendation of the Nomination and Remuneration Committee appointed appointment of Dr. Smita Hajari (Din 08763920) as a non executive independent director w.e.f. 24<sup>th</sup> July, 2020 and he holds office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member (“the Act”) along with the deposit of the requisite amount proposing his candidature for the office of Director of the Company. Dr. Smita Hajari is not disqualified from being appointed as a Director in terms of section 164 of the Act and has also given his consent to act as a Director of the Company. Dr. Smita Hajari has given a declaration to the Board that he meets the criteria of Independence as provided under section 149(6) of the Act. In the opinion of the Board, he fulfils the conditions specified in the Act and the Rules framed there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment as Independent Director and he is independent of the management.

Section 149(10) of the Act provided that an independent director shall hold office for a term of up to five consecutive years on the Board. Further section 149(13) states that the provision relating to retirement of Director by rotation shall not apply to the appointment of Independent Directors. In compliance with the provisions of the Companies Act, 2013, it is proposed to appoint Dr. Smita Hajari an Independent Director of the Company to hold office for a term up to 23<sup>rd</sup> July, 2025.

A copy of the draft letter of appointment for Independent Director setting out the terms and conditions for appointment of Independent Director is available for inspection by the Members at the registered office of the Company on all working days between 11:00 am to 01:00 pm up to the date of AGM.

The Board recommended the Ordinary Resolution at Item no.4 for approval by the members.

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

**ITEM NO. 5**

The proposed issue and allotment of Equity shares on a preferential basis, shall be governed by the applicable provisions of SEBI (ICDR) Regulations and Companies Act, 2013 read with the applicable provisions made there under. Further, in terms of Regulation 163 of the SEBI (ICDR) Regulations, certain disclosure are required to be made to the Members of the Company which forms part of this Explanatory Statement to the Notice. Without prejudice to the generality of above, the salient feature of the preferential issue of Equity Shares are:

**Details of the Issue**

1. The allotment of the Equity Shares to the proposed allottees is subject to not having sold any Equity shares of the Company during the 6 (six) months preceding the Relevant Date. The proposed allottee have represented that the Allottee has not sold any Equity shares of the Company during the 6(six) months preceding the Relevant Date.
2. The Disclosure required under Companies Act, 2013 and in terms of Regulation 163 of the SEBI (ICDR) Regulations, are set out below:

**(a) The object of the Issue through Preferential Offer**

The object of the issue of Equity Shares by way of the proposed preferential offer is to infuse the capital from Promoters / Promoter Group for long term working capital requirements and long term financial resources for the Company. The Board of Directors of the Company have decided to issue Equity Shares to Shri Sanjay Kumar Agrawal and Smt. Rashmi Devi Agrawal, since it will also strengthen the financial position of the Company without increasing the finance cost.

**(b) The Total number of Equity Shares to be issued**

Equity Shares up to 28,75,000 (Twenty Eight Lakh Seventy Five Thousand) of face value of Rs. 10 each, the Equity Share proposed to be issued shall not be less than the price arrived at in accordance with provisions of SEBI (ICDR) Regulations.

**(c) Pricing of the Preferential Issue**

The Equity Shares will be allotted in accordance with the price determined in terms of the Regulation 164(1) of the SEBI (ICDR) Regulations. The Equity Shares shall be allotted at a price not less than higher of the following:

- (i) The average of the weekly high and low of the volume weighted average price of the related Equity Shares quoted on the recognised Stock Exchange during the twenty six weeks preceding the relevant date; or
- (ii) The average of the weekly high and low of the volume weighted average price of the related Equity Shares quoted on the recognised Stock Exchange during the two weeks preceding the relevant date.

As per the calculations, 26 weeks and 2 weeks of the high and low of the volume weighted average price of the related Equity Shares quoted on the recognised Stock Exchanges preceding the relevant date stands at Rs. 11.82 and Rs. 13.82 respectively. However the issue has been fixed as Rs. 13.90 (including Premium of Rs. 3.90 each) per share which is higher price than Rs. 13.82 calculated as per Regulation 164(1) of the SEBI (ICDR) Regulations.

**(d) Basis on which the price has been arrived at along with report of the registered valuer.**

As such this is not applicable in the present case since the Company is a listed Company and the pricing is in terms of the SEBI (ICDR) Regulations.

**(e) Relevant Date with reference to which the price has been arrived at**

The Relevant Date in terms of Regulation 161(a) of the SEBI (ICDR) Regulations for determining the minimum price is 14<sup>th</sup> September, 2020, being a date which is 30 (thirty) days prior to the date of Annual General Meeting, i.e 14<sup>th</sup> October, 2020.

**(f) The Class or Classes of person to whom the allotment is proposed to be made**

The allotment is proposed to be made to Shri Sanjay Kumar Agrawal and Smt. Rashmi Devi Agrawal, promoters of the Company.

The details regarding the existing and proposed Shareholding are as under:

| Name of Shareholder       | Pre-Preferential Issue As on September 11, 2020 |        | Post-Allotment of Equity Shares pursuant to the Preferential Issue |        |
|---------------------------|-------------------------------------------------|--------|--------------------------------------------------------------------|--------|
|                           | No. of Equity Shares held                       | % held | No. of Equity Shares held                                          | % held |
| Shri Sanjay Kumar Agrawal | 3896474                                         | 14.80  | 5448974                                                            | 18.66  |
| Smt. Rashmi Devi Agrawal  | 3377592                                         | 12.83  | 4700092                                                            | 16.10  |

**(g) Intention of the Promoter/ Directors/ Key Management Personnel of the Issuer to subscribe to the offer.**

Shri Sanjay Kumar Agrawal and Smt. Rashmi Devi Agrawal, promoters of the Company has intension to subscribe the issue. No shares being offered to any other Promoter and Promoter Group Companies, Directors, Key Managerial Personnel or relative of the Directors or Key Managerial Personnel of the Company.

**(h) The Time within which the preferential issue shall be completed**

As required under Chapter V of the SEBI (ICDR) Regulations, the Company shall complete the allotment of Equity Shares as aforesaid on or before the expiry of 15 (Fifteen) days from the date of passing of the special resolution by the shareholders granting consent for preferential issue at the 12<sup>th</sup> Annual Ordinary General Meeting or in the event, allotment of Equity Shares would require any approval(s) from any regulatory authority or the Central Government, the allotment shall be completed within 15 (Fifteen) days from the date of such approval(s), as the case may be.

**(i) The name of proposed allottees and the percentage of post preferential offer capital that may be held by them.**

Shri Sanjay Kumar Agrawal and Smt. Rashmi Devi Agrawal, promoters of the Company and percentage of post preferential offer capital that will held by it is. 34.76 %.

**(j) The Shareholding pattern of the Issuer before and after the preferential issue:**

| S.NO      | CATEGORY                       | PRE ISSUE AS ON 11.09.2020 |                    | POST ISSUE         |                    |
|-----------|--------------------------------|----------------------------|--------------------|--------------------|--------------------|
|           |                                | NO. OF SHARES HELD         | % OF SHARE HOLDING | NO. OF SHARES HELD | % OF SHARE HOLDING |
| <b>A</b>  | <b>Promoter's Holding:</b>     |                            |                    |                    |                    |
| <b>1.</b> | Indian:                        |                            |                    |                    |                    |
|           | Individual                     | 7427955                    | 28.22              | 10302955           | 35.29              |
|           | Bodies Corporate               | 2612000                    | 9.92               | 2612000            | 8.95               |
|           | <b>Sub Total</b>               | <b>10039955</b>            | <b>38.14</b>       | <b>12914955</b>    | <b>44.24</b>       |
| <b>2.</b> | Foreign Promoters              | 0                          | 0                  | 0                  | 0                  |
|           | <b>Sub Total (A)</b>           | <b>10039955</b>            | <b>38.14</b>       | <b>12914955</b>    | <b>44.24</b>       |
| <b>B</b>  | <b>Non-Promoter's Holding:</b> |                            |                    |                    |                    |
| <b>1.</b> | Institutional Investors        | 0                          | 0                  | 0                  | 0                  |
| <b>2.</b> | Non- institution:              |                            |                    |                    |                    |
|           | Private Bodies Corporate       | 658588                     | 2.50               | 658588             | 2.26               |
|           | Financial Institutions / Banks | 64478                      | 0.24               | 64478              | 0.22               |
|           | Directors and Relatives        | 0                          | 0                  | 0                  | 0                  |
|           | Indian public                  | 15188216                   | 57.72              | 15188216           | 52.02              |
|           | Others :                       |                            |                    |                    |                    |
| <b>a.</b> | NRI                            | 321607                     | 1.22               | 321607             | 1.10               |
| <b>b.</b> | Clearing Members               | 47156                      | 0.18               | 47156              | 0.16               |
| <b>c.</b> | Trust                          | 0                          | 0                  | 0                  | 0                  |
|           | <b>Sub Total (B)</b>           | <b>16280045</b>            | <b>61.86</b>       | <b>16280045</b>    | <b>55.76</b>       |
|           | <b>GRAND TOTAL</b>             | <b>26320000</b>            | <b>100</b>         | <b>29195000</b>    | <b>100</b>         |

**Note: (1)** The table shows the expected shareholding pattern of the Company upon assumption of the allotment and assumes that holding of all other shareholders shall remain the same post issue as they were on the date on which the pre issue shareholding pattern was prepared.

(2) The percentage of post issue shareholding has been calculated on the basis of post preferential capital assuming full allotment of shares as proposed.

**(k) Change in Control**

The issue of Equity Shares under consideration will not result in any change in management or control of the Company or change in the composition of the Board of Directors of the Company.

**(l) The Number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:**

During the Financial Year 2020-21, the Company has not offered, issued and allotted any Equity Shares on Preferential basis to promoter and non promoters.

**(m) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

This is not applicable in present case since the Company is a listed Company and pricing is in terms of SEBI (ICDR) Regulations. Further, the proposed allotment is for cash consideration.

**(n) Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the Proposed Allottee, the percentage of Post-Preferential Issued Capital that may be held by the said allottee:**

Not Applicable since the proposed allotment is to individual promoter(s) and they are the registered owners of the Shares.

**(o) Requirement as to re-computation of Price and Lock-in of specified securities**

Since the Equity Share of the Company have been listed on the recognized Stock Exchanges for a period of more than 6 (Six) months prior to the Relevant Date, the Company is not required to re-compute the price of the Equity Shares and therefore, the Company is not required to submit the undertakings specified under Regulations 163(1) (g) and (h) of the SEBI (ICDR) Regulations.

**(p) Disclosure as specified in under Regulations 163(1)(i) of the SEBI (ICDR) Regulations.**

This is not applicable in present case, as the Company and any of its promoters or directors are not a wilful defaulter.

**(q) Auditor's Certificate**

A Copy of the Certificate from the Statutory Auditors of the Company, M/s Anil Kamal Garg & Co, Chartered Accountants, Indore, MP certifying that the issue of the Equity Shares is being made in accordance with the requirement of SEBI (ICDR) Regulations for Preferential issue shall be made available for inspection by the members during the meeting.

**(r) Lock-in Period**

The Equity Shares to be allotted to the proposed allottees mentioned above, who is part of promoter Group, shall be locked-in for a period of three years from the date of trading approval subject to the provisions of SEBI (ICDR) Regulations.

The entire pre-preferential allotment shareholding of the proposed allottees, if any, shall be locked-in from the Relevant Date up to a period of 6 (Six) months from the date of trading approval granted by the Stock Exchanges.

**(s) Undertaking to put Equity Shares under lock-in till the re-computation price is paid:**



The Company undertakes that if the amount payable on re-computation of the price is not paid within the time stipulated in the SEBI (ICDR) Regulations, the Equity Shares shall continue to be locked-in till such time said amount is paid by the allottees.

**(t) Other terms and conditions for issue of Equity Shares.**

- (i) The allotment of Equity Shares does not require making of a public offer as it is below the prescribed threshold limit for making of a public offer in terms of SEBI (ICDR) Regulations. Due to above preferential allotment of the Equity Shares, no change in management control is contemplated. The aforesaid allottees shall be required to comply with the relevant provisions of the SEBI (ICDR) Regulations.
- (ii) The Equity Shares arising out of issue of Equity Shares pursuant to the proposed resolution shall rank pari-passu in all respects with the existing Equity Shares of the Company and will be listed on National Stock Exchange of India Ltd and BSE Limited where the Equity Shares of the Company are listed.

**The Board Recommends the Special Resolution as set out in the notice for member’s approval.**

Mr. Sanjay Kumar Agrawal, Managing Director and Mrs. Rashmi Devi Agrawal, Whole Time Director of Company, the proposed allottees and their relatives may be deemed to be considered as interested financially or otherwise to the extent of the shares as may be offered and allotted by the Company. Mr. Mohit Agrawal, Chief Executive Officer of the Company, is also interested being son of Mr. Sanjay Kumar Agrawal & Mrs. Rashmi Devi Agrawal. Except that none of the Directors or Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in the passing of the above resolution.

**ITEM NO. 6 and 7**

Since the incorporation of the Company, Mr. Sanjay Kumar Agrawal is at the management and administration of the Company under the overall supervision, control and direction of the Board of Directors. Ever since under their supervision and management, the Company is being functioned successfully. The appointments of Mr. Sanjay Kumar Agrawal as Managing Director and Mrs. Rashmi Devi Agrawal as Whole Time Director of the Company for a period of five years w.e.f. 1<sup>st</sup> September, 2018 till 31<sup>st</sup> August, 2023 were duly approved by the Shareholders vide Special Resolution. The existing term of the office of Mr. Sanjay Kumar Agrawal, Managing Director and Mrs. Rashmi Devi Agrawal as Whole Time Director of the Company for a period of five years is continue till 31<sup>st</sup> August 2023. On the same line Mrs Rashmi Devi Agrawal has been associated with the Company since 2013 and looking after the affairs of the Company as Chairperson of the Company, and from 01<sup>st</sup> September, 2018, she continues as a Whole Time Director of the Company and appointed for a period of five years w.e.f. 1<sup>st</sup> September 2018 till 31<sup>st</sup> August 2023 upon the terms and conditions as approved by the members.

The Nomination and Remuneration Committee at its meeting held on 15<sup>th</sup> September, 2020 had recommended for revision in remuneration of Mr. Sanjay Kumar Agrawal as Managing Director, and Mrs. Rashmi Devi Agrawal as Whole Time Director for their remaining term w.e.f. 1<sup>st</sup> September, 2020 till 31<sup>st</sup> August, 2023.

Considering their competence, experience as also the tremendous growth in the operations of the Company during their tenure and compared to the remuneration payable to other comparable personnel of other Corporate’s in the country, the terms of their service and remuneration as set out in the resolution, and which may also be deemed to be a part of this explanatory statement, are considered to be quite just, fair and reasonable. The Resolutions is accordingly recommended for your approval.

Other information as required under Section II of Schedule V of Companies Act, 2013 is as follows:

**I. General Information**

| Sr. No | Particulars                                                                                                                                         | Details                                                                                                                                                                  |              |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| 1.     | Nature of Industry                                                                                                                                  | The Company is operated in Plastic Industry and engaged in production of PVC, HDPE, SWR, Sprinkler, DRIP, CPVC Pipes and Fittings etc.                                   |              |
| 2.     | Date or expected date of commencement of commercial production                                                                                      | The Company was incorporated in the year 2008 and is into commercial production since then.                                                                              |              |
| 3.     | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable.                                                                                                                                                          |              |
| 4.     | Financial performance based on given indicators (as per Audited Statements for the year ended on 31.03.2020)                                        | Particulars                                                                                                                                                              | Rs. in lakhs |
|        |                                                                                                                                                     | Gross turnover including other income                                                                                                                                    | 38,514.70    |
|        |                                                                                                                                                     | Profit before interest, depreciation and tax                                                                                                                             | 1796.89      |
|        |                                                                                                                                                     | Interest                                                                                                                                                                 | 561.50       |
|        |                                                                                                                                                     | Depreciation                                                                                                                                                             | 619.64       |
|        |                                                                                                                                                     | Profit before tax                                                                                                                                                        | 615.76       |
|        |                                                                                                                                                     | Current tax                                                                                                                                                              | 154.16       |
|        |                                                                                                                                                     | Deferred tax                                                                                                                                                             | 25.08        |
|        |                                                                                                                                                     | Short / (Excess) provisions for earlier years                                                                                                                            | 3.96         |
|        | Profit / (Loss) for the period                                                                                                                      | 432.56                                                                                                                                                                   |              |
| 5.     | Foreign investments or collaborations, if any                                                                                                       | The Company is having its overseas subsidiary in UAE viz Tapti Pipes and Products Ltd FZE; except this the Company has not entered into material foreign collaborations. |              |

**II. Information about the Directors concerned:**

| Sr. No | Particulars        | Mr. Sanjay Kumar Agrawal                                                                                                                                                                                                                                                                                 | Mrs. Rashmi Devi Agrawal                                                                                                                                                                                                                               |
|--------|--------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | Background details | Mr. Sanjay Kumar Agrawal is one of the Promoter, Director and is associated with the Company since inception and looking after the operations and management of the Company. He is a creative thinker and future oriented industrialist having vast experience of over 32 years in the plastic industry. | Mrs Rashmi Devi Agrawal is one of the Promoter, Director and is associated with the Company since 2013. Presently she is Chairperson of the Company and a Whole Time Director and actively taking part in policy making and management of the Company. |

|    |                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                  |
|----|-----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2. | Past remuneration                                                                                                     | The appointment of Mr. Sanjay Kumar Agrawal as Managing Director was duly approved by the shareholders for a period of five years, w.e.f. 1 <sup>st</sup> September, 2018 till 31 <sup>st</sup> August, 2023 at a remuneration of Rs. 6,00,000/- per month.                                                                                    | The appointment of Mrs. Rashmi Devi Agrawal as Whole Time Director was duly approved by the shareholders for a period of five years, w.e.f. 1 <sup>st</sup> September, 2018 till 31 <sup>st</sup> August, 2023 at a remuneration of Rs. 2,50,000/- per month.                                                                                    |
| 3. | Recognition or awards                                                                                                 | -                                                                                                                                                                                                                                                                                                                                              | -                                                                                                                                                                                                                                                                                                                                                |
| 4. | Job profile and suitability                                                                                           | He has worked as Managing Director of the Company for 12 years, in which capacity he has been devoting whole time attention to the affairs of the Company and is suitable for this position.                                                                                                                                                   | She has worked as Director and Chairperson of the Company for 7 years, in which capacity she has been devoting whole time attention to the affairs of the Company and is suitable for this position.                                                                                                                                             |
| 5. | Remuneration proposed                                                                                                 | Rs. 15,00,000/- per month including Company's contribution for him to Provident Fund, Superannuation Fund or Annuity Fund or leave encashment (if any) in accordance with the Rules & Regulations of the Company and Gratuity at a rate not exceeding 15 day's salary for each completed year of service                                       | Rs. 5,00,000/- per month including Company's contribution for her to Provident Fund, Superannuation Fund or Annuity Fund or leave encashment (if any) in accordance with the Rules & Regulations of the Company and Gratuity at a rate not exceeding 15 day's salary for each completed year of service                                          |
| 6. | Comparative remuneration profile with respect to industry, size of the company, profile of the position and person    | Considering the size and growth of the Company, the profile of Mr. Sanjay Kumar Agarwal, the Responsibilities entrusted upon him in his capacity as Managing Director, and also considering the industrial benchmarks, the remuneration proposed is commensurate with the remuneration packages paid to similar appointees in other companies. | Considering the size and growth of the Company, the profile of Mrs. Rashmi Devi Agrawal, the responsibilities entrusted upon her in her capacity as Whole Time Director, and also considering the industrial benchmarks, the remuneration proposed is commensurate with the remuneration packages paid to similar appointees in other companies. |
| 7. | Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any | Besides the remuneration proposed, Mr. Sanjay Kumar Agrawal has pecuniary relationship with the Company in terms of leasing of properties. Mrs. Rashmi Devi Agrawal is wife of Mr. Sanjay Kumar Agrawal. No other managerial personnel is concerned or interested in the above resolution.                                                     | Besides the remuneration proposed, Mrs. Rashmi Devi Agrawal has pecuniary relationship with the Company in terms of leasing of properties. Mr. Sanjay Kumar Agrawal is husband of Mrs. Rashmi Devi Agrawal. No other managerial personnel is concerned or interested in the above resolution.                                                    |

**Other information**

| <b>Sr. No</b> | <b>Particulars</b>                                                | <b>Details</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------|-------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.            | Reasons of previous losses or inadequate profits                  | During the previous financial years some development has taken place and Company's focus is on operations and cost. These affected the profitability of the Company up to large extent and however, results are coming for growth and profitability in a broader perspective. Apart from that Company is facing throat cutting competition from big market players of the Industry. Although Company is striving hard to form its own uniqueness and is actively working and focussed towards the quality and reputed brand name for reaching to the end users of our products.                                               |
| 2.            | Steps taken or proposed to be taken for improvement               | The Company is focusing in reducing its cost, in this series the Company has already set up Solar Power Plant in its premises which will result in substantial savings in power expenses, on the same line Company is keen towards minimizing its finance cost and obtain a positive impact on Net Worth and financials of the Company. Apart from reducing the cost efforts are being made to expand the reach of the Company to market and thereby increasing the turnover and profits of the Company and to have greater outlook and profitability and growth in near future considering the present and future viability. |
| 3.            | Expected increase in productivity and profits in measurable terms | The Company is very conscious about improvement in productivity and is undertaking constant measures to improve it. In view of various steps taken by the Company, the Company is performing gradually better and it is also expected to perform better in terms of profitability in the years to come. However, it might be difficult in the present scenario to predict profits in measurable terms.                                                                                                                                                                                                                        |

**III. Disclosures**

1. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors- It is given in form MGT-9 forming part of Board's Report.
2. Details of fixed component and performance linked incentives along with performance criteria- Remuneration of Directors is of fixed nature only.
3. Service contracts, notice period, severance fees- Nil
4. Stock options details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable- Nil

The Board recommends the special resolutions as set out in Item No. 6 and 7 of this Notice for your approval.

Mr. Sanjay Kumar Agrawal and Mrs. Rashmi Devi Agrawal themselves interested in the Resolution. Mr. Mohit Agrawal Chief Executive Officer, of the Company, is also interested being Son of Mr. Sanjay Kumar Agrawal & Mrs Rashmi Devi Agrawal. Except that none of the Directors or Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in the passing of the above resolutions.

**ITEM NO. 8**

The Authorized shares capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crores Only) divided into 3,00,00,000 (Three Crore Only) Equity Shares of Rs. 10/- (Rupees Ten Only) and the paid up capital of the Company is Company is Rs. 26,32,00,000/- (Rupees Twenty Six Crores Thirty Two Lakhs Only) divided into 2,63,20,000 (Two Crore Sixty Three Lakhs Twenty Thousand Only) Equity Shares of Rs. 10/- (Rupees Ten Only). The Company proposed to increase its authorised share capital to Rs. 36,00,00,000/- (Rupees Thirty Six Crores Only) divided into 3,60,00,000 (Three Crore Sixty Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten Only) to facilitate any kind of fund raising in future via any type of issue of equity shares of the Company.

The increase in the Authorised Share Capital of the Company will also require consequential amendment in the Clause V of the Memorandum of Association of the Company.

Pursuant to Section 13, 62 and other applicable provisions of the Companies Act, 2013, alteration of the capital clause requires approval of the members of the Company by way of passing an Ordinary Resolution to that effect.

The Board of Directors recommends the Resolution set out in Item No. 8 for approval of the members as Ordinary Resolution.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

**BY ORDER OF THE BOARD OF DIRECTORS**

**Place: Burhanpur**

**Date: 15th September, 2020**

**Ajay Shrivastava**

**Company Secretary**

**Membership No.: ACS 41817**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

{Pursuant to Regulation 36(3) of SEBI (LODR) Regulation, 2015}

| Name                     | Date of Birth | Date of appointment | Qualification                                                        | Nature of his / her expertise in specific functional areas | Relationship between directors inter-se | Directorship in other listed entities | Membership of Committees of other listed entities | Number of shares held in the Company |
|--------------------------|---------------|---------------------|----------------------------------------------------------------------|------------------------------------------------------------|-----------------------------------------|---------------------------------------|---------------------------------------------------|--------------------------------------|
| Smt. Rashmi Devi Agrawal | 27.05.1967    | 13.08.2013          | B.A.                                                                 | Business Management                                        | Wife of Mr. Sanjay Kumar Agrawal        | Nil                                   | Nil                                               | 33,77,592                            |
| Dr. Smita Hajari         | 30.06.1979    | 24.07.2020          | Doctorate & Masters in Personnel Management and Industrial Relations | Administration and management.                             | Nil                                     | Nil                                   | Nil                                               | Nil                                  |