



12TH ANNUAL REPORT

F.Y. 2019-20



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Board of Directors

Mrs. Rashmi Devi Agrawal	Chairperson and Whole Time Director
Mr. Sanjay Kumar Agrawal	Managing Director
Mr. Vijay Prasad Pappu	Whole Time Director cum Chief Financial Officer
Mr. Shanti Lal Badera	Non Executive Independent Director (Retired on 13.08.2019)
Mr. Sunil Kumar Maheshwari	Non Executive Independent Director (Resigned on 14.02.2020)
Mr. Amber Chaurasia	Non Executive Independent Director
Mr. Parvez Anjum	Non Executive Independent Director (Appointed on 13.08.2019)
Dr. Smita Hajari	Non Executive Independent Director (Appointed on 24.07.2020)

Committees of Directors

Audit Committee

Mr. Amber Chaurasia – Chairperson
 Mr. Vijay Prasad Pappu - Member
 Mr. Parvez Anjum - Member
 Dr. Smita Hajari –Member

Nomination and Remuneration Committee

Dr. Smita Hajari - Chairperson
 Mr. Amber Chaurasia - Member
 Mr. Parvez Anjum - Member

Treasury Committee

Mr. Sanjay Kumar Agrawal - Chairperson
 Mr. Vijay Prasad Pappu - Member
 Mr. Amber Chaurasia - Member

Stakeholder Relationship Committee

Mr. Parvez Anjum - Chairperson
 Mr. Sanjay Kumar Agrawal - Member
 Mr. Amber Chaurasia - Member

Corporate Social Responsibility Committee

Dr. Smita Hajari - Chairperson
 Mr. Sanjay Kumar Agrawal - Member
 Mr. Parvez Anjum - Member

Chief Executive Officer

Mr. Mohit Agrawal

Company Secretary & Compliance Officer

Mr. Shyam Sunder Agrawal (Resigned on 25.07.2019)
 Mr. Mahesh Thakur (Appointed on 13.08.2019 and Resigned on 14.02.2020)
 Mr. Ajay Shrivastava (Appointed on 24.07.2020)

Statutory Auditors

Anil Kumar Garg & Company
 Chartered Accountants, Indore

Secretarial Auditor

Mr. Dinesh Kumar Gupta
 Practicing Company Secretary, Indore

Bankers

State Bank of India
 Bank of Baroda
 Punjab National Bank
 Central Bank of India

Bankers

KFin Technologies Private Limited
 Karvy Selenium Tower B
 Plot 31-32, Financial District
 Nanakramguda, Hyderabad- 500032

Registered Office :

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

Corporate Identification Number

L25200MP2008PLC020852

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CHAIRPERSON'S MESSAGE

Dear Shareholders,

It is my privilege to share with you the 12th Annual Report of your Company for FY 2019-20 and share the key highlights and the financials and the roadmap going forward. As a Company, we have always strived to better our performance by continually quality production and strengthening capabilities and expanding our products with making it unique one. Since the inception, our vision is always based on hard work, open communication and a strong focus on team work and a high level of responsibility and accountability. We believe that Sustainable development is the key to success and we have aligned ourselves to this mission. Your Company Texmo Pipes and Products Limited is one of the most trusted Company, engaged in defining and offering higher levels of customer satisfaction and faster adoption of latest available technology.

In the FY 2019-20, we have made significant progress and your Company has performed well in terms of revenue and profitability and achieved to our targets. Your Company is continuously increasing our operations year by year and is being committed towards the same growth in order to achieve a milestone. Your Company is focused on to increase the value of stakeholders and to maintain a wide market as a leader. We are always focused on growth and innovations so as to maintain a diversified and strong portfolio and maintain our strength in the market.

As all are very well aware that, the wide spread and outbreak of COVID-19 pandemic in the fourth quarter of FY 2020 forced the entire world into a lockdown and has inflicted a global economic recession. Societies, business and economies have all suffered as to prevent and stop the chain of spread of the virus. The crisis has dimmed the growth outlook for the global economy for the coming year, including for India. Accordingly, a series of stimulus packages have been enforced by major economies and financial institutions to limit the economic fallout from the global pandemic.

We have also made significant progress with the implementation of our strategic priorities and expanded our mid- to long-term financial ambitions for our company. Your Company is working hard enough to accelerate our growth and bring innovation and development in our portfolio and reach a wider scenario.

As a token of appreciation, I would like to extend my gratitude and sincere thanks to our management team, staff, bankers and business associates for their commitment and contribution towards your Company Texmo Pipes and Products Limited. Further, I would like to show my appreciation for my fellow Directors for providing guidance amidst the tough operating environment. Last but not least, I would like to extend my sincerest gratitude to our employees, customers, partners, business associates and all our esteemed stakeholders for their undying faith and support. Each one has been a part of our exciting and enriching journey. We continue to seek value creation for our stakeholders and persevere in building a sustainable business. Always hoping for a brighter and stronger future together for coming years.

With Best Wishes,

Rashmi Devi Agrawal
Chairperson & Whole Time Director
DIN 00316248

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 31st 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 14th September 2020 being date 30 days prior to the date of Annual General Meeting i.e. 14th 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 1st September, 2020 for the remaining period of his present term of appointment upto 31st 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 1st September, 2020 for the remaining period of her present term of appointment upto 31st 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 12th 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. 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 8th October, 2020 to 14th 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. 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 12th 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 12th AGM and the Annual Report for 2019-20 will also be made available on the Company's website, www.texmopipe.com, websites of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited, at www.bseindia.com and 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/. In case of any queries, shareholder may write to 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 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 with a copy marked to 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 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. 24th 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 23rd 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 14th September, 2020, being a date which is 30 (thirty) days prior to the date of Annual General Meeting, i.e 14th 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 12th 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
A	Promoter's Holding:				
1.	Indian:				
	Individual	7427955	28.22	10302955	35.29
	Bodies Corporate	2612000	9.92	2612000	8.95
	Sub Total	10039955	38.14	12914955	44.24
2.	Foreign Promoters	0	0	0	0
	Sub Total (A)	10039955	38.14	12914955	44.24
B	Non-Promoter's Holding:				
1.	Institutional Investors	0	0	0	0
2.	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 :				
a.	NRI	321607	1.22	321607	1.10
b.	Clearing Members	47156	0.18	47156	0.16
c.	Trust	0	0	0	0
	Sub Total (B)	16280045	61.86	16280045	55.76
	GRAND TOTAL	26320000	100	29195000	100

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. 1st September, 2018 till 31st 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 31st 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 01st September, 2018, she continues as a Whole Time Director of the Company and appointed for a period of five years w.e.f. 1st September 2018 till 31st August 2023 upon the terms and conditions as approved by the members.

The Nomination and Remuneration Committee at its meeting held on 15th 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. 1st September, 2020 till 31st 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 st September, 2018 till 31 st 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 st September, 2018 till 31 st 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

Sr. No	Particulars	Details
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

BOARD'S REPORT

To,
The Members,
Your Directors have pleasure in presenting their 12th Annual Report on the business and operations of your Company together with the Audited Financial Statements and the Auditor's Report for the year ended 31st March, 2020.

1. Financial summary or highlights/Performance of the Company (Standalone and Consolidated)
(Amount in Rs. Lakh)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Turnover	32794.56	30974.45	32794.56	30974.45
Profit before Interest, Depreciation and Tax	1796.89	1491.91	1,758.74	1,455.34
Less Interest	561.50	532.05	561.50	532.05
Less Depreciation	619.64	560.26	619.64	560.26
Profit before tax	615.76	399.60	577.61	363.03
Less Provision for tax				
- Current tax	154.16	86.45	154.16	86.45
- Deferred tax	25.08	(5.53)	25.08	(5.53)
Excess provision for earlier year	3.96	(15.23)	3.96	(15.23)
Profit after tax	432.56	333.91	394.41	297.34
Prior year adjustment	-	-		
Profit after tax & prior year adjustments	432.56	333.91	394.41	297.34
Profit after adjustment of discontinued operations	432.56	333.91	394.41	297.34
Balance of profit brought forward from earlier years	(895.22)	(1,202.01)	2,243.79	1,948.90
Transferred from Revaluation Reserve				
Adjustment relating to Fixed Assets (net of Deferred Tax)	-	-	-	-
Unamortized cost written off on discounting of loans to subsidiary	(28.97)	(26.82)	(2.32)	(2.15)
Other comprehensive income	44.30	(0.30)	44.30	(0.30)
Exchange difference on translation of financial statements of foreign operations	-	-		
Profit available for Appropriations:	(447.32)	(895.22)	2,680.18	2,243.79

Appropriations				
Transfer to General Reserves				
Proposed dividend:				
- Equity				
- Preference				
Profit carried to Balance Sheet	(447.32)	(895.22)	2,680.18	2,243.79

During the year under review, the Company recorded total revenue of Rs 32,794.56 Lakhs as compared to Rs. 30,974.45 Lakhs in the previous year which is increase by 5.88% The Company has earned a net profit of Rs. 432.56 Lakhs as against profit of Rs. 333.91 Lakhs in the previous year which is increase by 29.54%. Your Directors are hopeful that the company may be able to show better performance in coming year.

2. Change in nature of Business

During the year under review, there has been no change in the nature of business of the Company.

3. Dividend

Your Directors do not recommended any dividend for the year ended 31st March, 2020 and the available surplus be retained to strength the net worth of the company.

4. Transfer to Reserves

Your Directors do not proposed any amount to be transferred to the Reserves for the year ended 31st March, 2020.

5. Details of Subsidiary / Associate Companies

The Company had one subsidiary namely Tapti Pipes & Products Limited FZE (Overseas Subsidiary).

The consolidated financial statements of your Company for the financial year 2019-20, are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standards and SEBI (LODR) Regulations, 2015. The consolidated financial statements have been prepared on the basis of audited financial statements of the Company, its subsidiaries, as approved by their respective Board of Directors.

A separate statement in Form AOC-1 containing the salient features of financial statements of 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.

6. Commission received by Directors from Subsidiary.

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

7. Particulars of Employees

The Company has not appointed any employee(s) in receipt of remuneration exceeding the limits specified under Rule 5(2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

8. Details relating to remuneration of Director, KMPs and employees

Disclosure pertaining to remuneration and other details as required Section 197(12) of the Companies Act 2013 read with rule 5 (1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in **Annexure - A**.

9. 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 6 and 7 to the standalone financial statement).

10. Extract of the annual return

In terms of provision of Section 134(3)(a) of the Companies Act, 2013, the extract of the Annual Return as provided under sub-section (3) of the Section 92 of the Companies Act, 2013 in Form MGT-9 forming part of this Board's Report and is annexed as **Annexure - B**. The same has also been placed at the website of the Company at <https://texmopipe.com>.

11. Deposits

Your company has not invited/accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 and Rules made there under, during the year under review.

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

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and out-go, in accordance with the requirement of the Section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Account) Rules, 2014 forms part of this Board's Report and is annexed as **Annexure-C**.

13. Particulars of contracts or arrangements 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 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 particulars of contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013 for the financial year 2019-20 in the prescribed format, AOC 2 has been enclosed with the report as **Annexure - D**.

The Policy on materiality of related party transactions and manner of dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <https://texmopipe.com>

14. Auditors:**A. Statutory Auditors:**

The Statutory Auditors M/s Anil Kamal Garg & Company, Chartered Accountants, Indore (Firm Registration No. 004186C) was appointed in 10th Annual General Meeting to hold office from the conclusion of the 10th Annual General Meeting for a term of five consecutive years till conclusion of 15th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting). The requirement of seeking ratification of the members for the continuous of their appointment has been withdrawn consequent upon the changes made by the Companies (Amendment) Act, 2017 with effect from May 07, 2018.

The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors.

B. Secretarial Auditor:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **CS Dinesh Kumar Gupta, Company Secretary in Practice, Indore (M.P.)**, to undertake the Secretarial Audit of the Company for the Financial Year 2020-21.

C. Cost Auditors:

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Saurabh Parikh and Associates, Cost Accountants, (Firm Registration No. 101495) as Cost Auditor of the Company, for the financial year ending 31st March 2021, on a remuneration as mentioned in the Notice convening the 12th Annual General Meeting for conducting the audit of the cost records maintained by the Company.

A Certificate from M/s. Saurabh Parikh and Associates, Cost Accountants has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

A resolution seeking Members' approval for remuneration payable to Cost Auditor forms part of the Notice of the 12th Annual General Meeting of the Company and same is recommended for your consideration.

The Company is required to maintain Cost Records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

Accordingly, the Company has made and maintained such accounts and records.

15. AUDITOR'S REPORTS**A. Statutory Auditor's 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.

B. Secretarial Auditor's Report :

Pursuant to the provisions of Section 204 (1) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014, the Company has obtained a Secretarial Audit Report in the prescribed Form MR-3, from CS Dinesh Kumar Gupta, Company Secretary in practice, Indore (M.P.). The Company has taken Secretarial Compliance Report during the year from Secretarial Auditor as per SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 requirement. The Secretarial Auditor' Report dated September 14, 2020 is annexed herewith as **Annexure - E**. The Secretarial Auditor has observed qualifications as above in the report as under:

- a) Pursuant to section 149, 152, 177 & 178 of Companies Act, 2013 and Regulation 25 (2) & 36 (3) of SEBI LODR, the tenure for one term (5years) of Mr. Sunil Kumar Maheshwari expire/ends in Annual General Meeting dated 24.09.2019, where he has to be re-appointed for second term. But no effect has been given neither in Annual General Meeting nor was any disclosure of such appointment made in the Board's report. Also reconstitution of various committees was not made appropriately in compliance with various applicable provisions of Companies Act, 2013 after retirement of Mr. Sunil Kumar Maheshwari w.e.f 24.09.2019.

However, he was re-appointed in Extra-Ordinary General Meeting dated 19.12.2019 w.e.f. 12.11.2019. As and when the consent has been received from Mr. Sunil Kumar Maheshwari, the Company has taken necessary action and re-appointed him in Extra-Ordinary General Meeting

- b) As per Regulation 17 (1) (a) & (b) & Regulation 25 (6) of SEBI LODR, the company should have at least 3 Independent Directors, but no Independent Director has been appointed since resignation of existing Independent Director w.e.f. 14.02.2020.

However, after the closure of financial year, the company has appointed New Independent director in immediate next Board Meeting held on 24.07.2020.

- c) As per Regulation 27 of SEBI LODR, incorrect information was wrongly provided by company regarding Mr. Sunil Kumar Maheshwari in report for Quarter ended September 2019.
- d) As per Regulation 34 (1) of SEBI LODR, the company has made delay in submission of Annual Report for the Financial Year 2018-19 to both the stock exchanges. Mail received from BSE dated 15.10.2019 for levying penalty for delay submission of Annual Report. (Delay of 15 Days). Notice received from NSE dated 15.10.2019 for non-compliance of Reg. 34 & levying penalty for delay submission of Annual Report. (Delay of 16 Days)

The Company has given reply letter dated 12.11.2019 to both stock exchanges and done payment of amount of penalty charged. However, Penalty Charged was withdrawn by both Stock Exchange(s) vide NSE email dated 02.01.2020 and BSE Email dated 07.01.2020.

- e) The company has not created charge with Registrar of companies, Gwalior Ministry of Corporate Affairs/MCA Portal for Vehicle loan of Rs. 10,00,000/- & Rs. 4,24,551/- respectively taken from HDFC Bank Limited

The comments of the Board on the above are as under:

- a) As and when the consent has been received from Mr. Sunil Kumar Maheshwari, the Company has taken necessary action and re-appointed him in Extra-Ordinary General Meeting and accordingly he was re-appointed in Extra-Ordinary General Meeting dated 19.12.2019 w.e.f 12.11.2019.
- b) After the closure of financial year, the Company has appointed New Independent director in immediate next Board Meeting held on 24.07.2020.
- c) As first tenure of Mr. Sunil Kumar Maheshwari has been completed on 24.09.2019, the details of the same are missed to be incorporated in the said report and noted.
- d) The company has given reply vide letter dated 12.11.2019 to both stock exchanges and done payment of amount of penalty charged. However, Penalty Charged was withdrawn by both Stock Exchange(s) vide NSE email dated 02.01.2020 and BSE Email dated 07.01.2020 as a one time measure as the same has been filed within 21 working days as per earlier stated provisions.
- e) The Company in consultation with the Bank takes on record and if required, may proceed to file the same.

16. Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government

The Statutory Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made there under.

17. Share Capital

During the Financial Year 2019-20, there are not any changes in share capital.

18. Disclosure regarding issue of employee stock options

The Company has not issued any shares under employee's stock options scheme pursuant to provisions of Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.

19. Disclosure regarding issue of sweat equity shares

The Company has not 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.

20. Details of Directors and Key Managerial Personnel

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Smt. Rashmi Devi Agrawal (DIN 00316248), retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. Smt. Rashmi Devi Agrawal has given declaration in terms of Section 164(2) of the Companies Act, 2013 to the effect that she is not disqualified from being reappointed as a Director of the Company.

Mr. Shanti Lal Badera (DIN 02295033) Independent Director resigned / retired w.e.f. 13.08.2019 from the Board of Directors of the Company. Mr. Sunil Kumar Maheshwari (DIN 03304103) Independent Director of the Company's first tenure has been completed on 24.09.2019. However, Mr. Sunil Kumar Maheshwari was re-appointed as Independent Director in EGM held on 19.12.2019 w.e.f. 12.11.2019 and later he resigns from the Board citing personal reasons due to pre-occupation and personal commitment elsewhere due to paucity of time, with effect from 14th February, 2020. The Board places on record its sincere appreciations for the valuable guidance and contribution made by Mr. Sunil Kumar Maheshwari in deliberations of the Board during his tenure as Independent Director on the Board of Directors of the Company.

Pursuant to provisions of Section 149 & 161(1) of Companies Act, 2013, applicable provisions of SEBI (LODR) Regulation, 2015, Articles of Association of the Company and as per recommendations of Nomination and Remuneration Committee, Mr. Parvez Anjum (DIN 08529781) appointed as an Additional Independent Director of the Company with effect from 13th August, 2019. Mr. Parvez Anjum, aged about 45 years has a rich experience of 11 years in the field of Business Strategy. He has specialization in the field of Marketing and Operations, Business Development. The members of the Company in its last Annual General Meeting approved appointment of Mr. Parvez Anjum (DIN 08529781) as Director of the Company for a period of 5 years.

After the closure of financial year, and pursuant to the provisions of section 149 & 161(1) of Companies Act, 2013, applicable provisions of SEBI (LODR) Regulation, 2015, Articles of Association of the Company and as per recommendations of Nomination and Remuneration Committee, Dr. Smita Hajari (DIN 08763930) appointed as an Additional Independent Director of the Company with effect from 24th July, 2020. Dr. Smita Hajari, aged about 41 year has a rich experience of 18 years in the field of academics and administration. She has specialization in the field of industrial administration and corporate management. Pursuant to provisions of section 161(1) Dr. Smita Hajari (DIN 08763920) shall hold office up to the date of ensuing Annual General Meeting, the Board recommends to the members of the Company for regularization of Dr. Smita Hajari (DIN 08763920) as Director of the Company.

Mr. Shyam Sunder Agrawal, Company Secretary and Compliance Officer (ACS-No-24489) of the Company resigned from the services of the Company with effect from 25th July, 2019 and Mr. Mahesh Thakur (ACS N0- 53407) has been appointed as Company Secretary and Compliance Officer of the Company with effect from 13th August,2019.

Mr. Mahesh Thakur, Company Secretary and Compliance Officer (ACS No. 53407) of the Company resigned from the services of the Company with effect from 14th February 2020. And Mr. Ajay Shrivastava (ACS no. 41817) appointed as Company Secretary and Compliance Officer of the Company with effect from 24th July, 2020.

21. Declaration given by Independent Director(s) and reappointment.

In compliance with Section 149(7) of the Act, all Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

22. 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 Auditor whose findings and recommendations are reviewed by the Audit Committee of 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.

23. Number of meetings of Board of Directors and committees

The details of Board and Committee meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period as prescribed under the Companies Act, 2013.

24. Committees of the Board

The details with respect to the compositions, powers, roles and terms of reference etc. of relevant Committees of the Board of Directors are also given in the Corporate Governance Report which forms a part of this Annual Report. All recommendations made by the Audit Committee during the year were accepted by the Board.

25. 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.

The Policy on Familiarization Programme may be accessed on the Company's website at the link: <https://texmopipe.com>

26. Corporate Social Responsibility

The provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company for the year, therefore the Company has not developed and implemented any Corporate Social Responsibility initiatives. However, from the FY 2020-21, the provisions of Section 135 of the Companies Act, 2013 is applicable to the Company. The Board in its meeting held on September 15, 2020 adopted Corporate Social Responsibility (CSR) Policy of the Company and the composition of the CSR Committee is as under:

- 1) Dr. Smita Hajari, Chairperson
- 2) Mr. Sanjay Kumar Agrawal, Member
- 3) Mr. Parvez Anjum, Member

27. BOARD EVALUATION:

Pursuant to provisions of the section 134(3)(p), 149(8) and Schedule IV of the Companies Act, 2013 and Regulation 17 of SEBI Listing Regulations, annual performance evaluation of Directors as well as of the Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee of the Board has been carried out.

The performance evaluation of the Independent Directors was carried out by the entire Board and the Performance Evaluation of Chairman and Non-Independent Directors was carried out by the Independent Directors.

The manner in which the evaluation has been carried out has been provided in the Corporate Governance Report

28. 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 as **Annexure - F**.

29. 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 Regulations, 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, 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 <https://texmopipe.com>. During the year under review no complaint was received in vigil mechanism.

30. Nomination and Remuneration Policy

The Company framed a policy for Nomination and Remuneration of all Directors & KMPs etc in accordance with provisions of section 178 of Companies Act, 2013 and Rules made thereunder and other applicable provisions of Companies Act, 2013, provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to harmonize the aspirations of human resources consistent with the

goals of the Company. Board of Directors of the Company approved and updated the said policy as and when required. The same may be accessed on the Company's website at: <https://texmopipe.com>

The Nomination and Remuneration Committee works with the entire Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual members. Members are expected to possess the required qualifications, integrity, expertise and experience for the position. They should also possess the deep expertise and insights in sectors / areas relevant to the Company and ability to contribute to the Company's growth.

31. 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.

32. Transfer to Investor Education and Protection Fund

During the year under review the Company has no liability to transfer to Investor Education and Protection Fund.

33. Management Discussion and Analysis Report

Management Discussion and Analysis, as required under Regulation 34(3) of SEBI (LODR) Regulations, 2015 read with Schedule V of said Regulations, forms part of this Board's report as **Annexure - G**.

34. 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 for the financial year 2019-20, 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 and loss of the company for that period;
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (iv) The directors had prepared the annual accounts on a going concern basis;
- (v) The directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (vi) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

35. Material changes and commitments affecting the financial position of the Company.

There have been no material changes and commitments affecting financial position of the Company that have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

36. Details of significant and material orders passed by the regulators or courts or tribunal

There were no significant and material orders passed by the regulators or courts or tribunal impacting the going concern status and Company’s operations in future.

37. Code of Conduct

The Board has adopted the Code of Conduct for members of the Board and Senior Management personnel of the Company. The Code lays down, in details, the standards of business conduct, ethics and governance. The compliance of the same has been affirmed and a declaration signed by the Managing Director to this effect is given below. Code of Conduct has also been posted on the Company’s Website. <https://texmopipe.com>

Declaration

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby confirms that it has obtained from all the Members of the Board and senior management personnel, affirmations that they have complied with the code of conduct in respect of financial year ended on March 31, 2020.

38. 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 pending at the beginning of the financial year: Nil

Number of Complaints received during the financial year: Nil

Number of Complaints disposed off during the financial year: Nil

Number of Complaints pending at the end of financial year: Nil

39. Acknowledgement

Your Directors would like to gratefully acknowledge and place on record their sincere appreciation for the cooperation and assistance received from its stakeholders, advisors, valued customers, suppliers, banks, consultants, financial institutions, government authorities and stock exchanges. The Directors also wish to

place on record their sincere appreciation of the devoted and dedicated services rendered by all Executives, Staff Members and Workmen of the Company.

For and on behalf of the Board of Directors

Sanjay Kumar Agrawal
Managing Director
(DIN 00316249)

Vijay Prasad Pappu
Whole Time Director cum CFO
(DIN 02066748)

Place:- Burhanpur
Date: 15.09.2020

‘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 2019-20, ratio of the remuneration of each director to the median remuneration of the employees of the Company for financial year 2019-20.

S. No.	Name of Director And Designation	Remuneration of Directors / KMPs For Financial Year 2019-2020 (in Rs.)	%Increase In Remuneration In The Financial Year 2019-2020	Ratio of Remuneration of Each Director/To Median of Remuneration of Employees
1	Mrs. Rashmi Devi Agrawal, Chairperson and Whole-time Director	30,00,000	58.33%	23.81
2	Mr. Sanjay Agrawal Managing Director	72,00,000	26.32%	57.14
3	Mr. Vijay Prasad Pappu Whole-time Director cum CFO	11,60,049	Nil	9.21
4	Mr. Mohit Agrawal Chief Executive Officer	15,60,000	Nil	12.38
5	*Mr. Shyam Sunder Agrawal Company Secretary	2,23,331	Nil	-
6.	**Mr. Mahesh Thakur Company Secretary	3,63,428	NA	-

*Resigned on 25.07.2019.

**Appointed on 13.08.2019 and Resigned w.e.f. 14.02.2020.

Note:-

i. The Non-Executive Directors of the Company are entitled for sitting fee which is 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 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 2019-2020 was Rs. 1,26,000/-

iii. In the financial year, there was increase of 6.6% in the median remuneration of employees;

Iv. There were 541 permanent employees on the rolls of company as on 31st March, 2020;

V. Average percentage increase made in the salaries of employees other than the managerial personnel in financial year 2019-2020 was 6.19%.

vi. 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.

vii. No employee received remuneration higher than the limit as provided in Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended.

viii. It is hereby affirmed that the remuneration paid during the year ended 31st March 2020 is as per remuneration policy of the company.

For and on behalf of the Board of Directors

Sanjay Kumar Agrawal
Managing Director
(DIN 00316249)

Vijay Prasad Pappu
Whole Time Director cum CFO
(DIN 02066748)

Place:- Burhanpur
Date: 15.09.2020

**‘ANNEXURE – B’
FORM NO. MGT-9**

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2020.
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, (M.P.) 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	KFin Technologies Private Limited (Formerly known as Karvy FinTech Pvt. Ltd.) Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad-500032 Tel: +91 40 67162222, 33211000 Fax: +91 40 23420814

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:-

Sr. 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

Sr. No.	Name And Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	Percentage of shares held	Applicable Section
1.	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	
A. Promoter									
1) Indian									
a) Individual/ HUF	7427955	0	7427955	28.22	7427955	0	7427955	28.22	0
b) Central Govt./ State govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	1312000	1300000	2612000	9.92	2612000	0	2612000	9.92	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total(A)(1)	8739955	1300000	10039955	38.15	10039955		10039955	38.15	0
2) Foreign									
a) Individuals (NRI/foreign individuals)	0	0	0	0	0	0	0	0	0
b) Bodies Corporate	0	0	0	0	0	0	0	0	0
c) Banks / FI	0	0	0	0	0	0	0	0	0
d) Qualified foreign investors	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(2)	0	0	0	0	0	00	0	0	0
Sub-total (A1+A2)	8739955	1300000	10039955	38.15	10039955		10039955	38.15	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds /UTI	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	64896	0	64896	0.25	0.25
c) Central Govt. /state govt.	0	0	0	0	0	0	0	0	0
d) Venture Capital Funds	0	0	0	0	0	0	0	0	0
e) Insurance Companies	0	0	0	0	0	0	0	0	0
f) FIIs	0	0	0	0	0	0	0	0	0
g) Foreign Portfolio Investors	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
j) Others	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	0	0	0	0	64896	0	64896	0.25	0.25
2. Non-Institutions									
a) Bodies Corporate:	1209337	0	1209337	4.59	633239	0	633239	2.41	(2.18)
b) Individuals:									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	9536539	104	9536643	36.23	9714404	104	9714508	36.91	0.68
(ii) Individual									

shareholders holding nominal share capital in excess of Rs1 lakh	5069523	0	5069523	19.26	5492457	0	5492457	20.87	1.61
b) NBFCs Registered with RBI	42134	0	42134	0.16	0	0	0	0	(0.16)
c) Qualified Foreign Investor:	0	0	0	0	0	0	0	0	0
d) Others:									
(i) Clearing Members	82268	0	82268	0.31	66247	0	66247	0.25	(0.06)
(ii) NRI	340128	12	340140	1.30	308686	12	308698	1.17	(0.13)
(iii) Trust	0	0	0	0	0	0	0	0	0
Sub-total(B)(2)	16279929	116	16280045	61.85	16215033	116	16215149	61.61	(0.24)
Sub-total(B1+B2)	16279929	116	16280045	61.85	16279929	116	16280045	61.85	0
C. Shares held by Custodian for GDRs & ADRs									
a) Promoter & Promoter Group	0	0	0	0	0	0	0	0	0
b) Public	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	25019884	1300116	26320000		26319884	116	26320000		0

ii. Shareholding of Promoters

Sr. 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 Kumar Agrawal	3896474	14.80	0	3896474	14.80	0	0
2.	Rashmi Devi Agrawal	3377592	12.83	0	3377592	12.83	0	0
3.	Sanjay Kumar Agrawal and Rashmi Devi Agrawal on behalf of Shree Venkatesh Industries	143000	0.54	0	143000	0.54	0	0
4.	*Shree Padmavati Irrigations LLP (previously known as Shree Padmavati Irrigations Pvt Ltd)	2612000	9.92	0	2612000	9.92	0	0
5.	Mohan Lal Sohan	6089	0.02	0	6089	0.02	0	0
6.	Anand Umale	1200	0.00	0	1200	0.00	0	0
7.	Mahmood Ahmed	1200	0.00	0	1200	0.00	0	0
8.	Vijay Prasad Pappu	1200	0.00	0	1200	0.00	0	0
9.	Rajesh Baban Lal Agrawal	1200	0.00	0	1200	0.00	0	0
	Total	10039955	38.15	0	10039955	38.15	0	0

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

Sr. no.	Particular's	Shareholding at the beginning of the year		Cumulative Shareholding during the year 01.04.2019 to 31.03.2020	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	10039955	38.15	10039955	38.15
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	During the year there is no change in Promoter's shareholding.			
	At the End of the year	10039955	38.15	10039955	38.15

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

Sr. No.	For each of the top ten shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Subramanian P				
	At the beginning of the year	444400	1.69	444400	1.69
	Decrease as on 8/11/2019	(444400)	(1.69)	0	(1.69)
	At the end of the year	0	0	0	0
2	Sangeetha S				
	At the beginning of the year	0	0	0	0
	Increase as on 8/11/2019	444400	1.69	444400	1.69
	At the end of the year	444400	1.69	444400	1.69
3	Sharad Kanayalal Shah				
	At the beginning of the year	300000	1.14	300000	1.14
	No change during the year	-	-	-	-
	At the end of the year	300000	1.14	300000	1.14
4	Ritika Mukesh Agarwal				
	At the beginning of the year	193000	0.73	193000	0.73
	Increase as on 24/01/2020	193000	0.73	386000	1.47
	Decrease as on 24/01/2020	(193000)	(0.73)	193000	0.73
	At the end of the year	193000	0.73	193000	0.73
5	Karvy Stock Broking Limited				
	At the beginning of the year	189068	0.72	189068	0.72
	Decrease as on 05/04/2019	(700)	(0.00)	188368	0.72
	Increase as on 12/04/2019	1337	0.01	189705	0.72
	Decrease as on	(3007)	(0.01)	186698	0.71

12/04/2019					
Increase as on 19/04/2019	965	0.00	187663		0.75
Decrease as on 19/04/2019	(500)	(0.00)	187163		0.75
Increase as on 26/04/2019	340	0.00	187503		0.71
Increase as on 03/05/2019	200	0.00	187703		0.71
Decrease as on 03/05/2019	(100)	(0.00)	187603		0.71
Increase as on 10/05/2019	25	0.00	187628		0.71
Decrease as on 10/05/2019	(1080)	(0.00)	186548		0.71
Increase as on 17/05/2019	289	0.00	186837		0.71
Decrease as on 17/05/2019	(138)	(0.00)	186699		0.71
Increase as on 24/05/2019	99952	0.38	286651		1.09
Decrease as on 24/05/2019	(100000)	(0.38)	186651		0.71
Increase as on 31/05/2019	2308	0.01	188959		0.72
Decrease as on 31/05/2019	(398)	(0.00)	188561		0.72
Increase as on 07/06/2019	28	0.00	188589		0.72
Decrease as on 07/06/2019	(288)	(0.00)	188301		0.72
Increase as on 14/06/2019	427	0.00	188728		0.72
Increase as on 21/06/2019	1400	0.01	190128		0.72
Decrease as on 21/06/2019	(1129)	(0.00)	188999		0.72
Decrease as on 28/06/2019	(881)	0.00	188118		0.71
Decrease as on 05/07/2019	(700)	(0.00)	187418		0.71
Increase as on 12/07/2019	824	0.00	188242		0.72
Decrease as on 12/07/2019	(975)	(0.00)	187267		0.71
Increase as on 19/07/2019	735	0.00	188002		0.71
Decrease as on 19/07/2019	(685)	(0.00)	187317		0.71
Decrease as on 26/07/2019	(513)	(0.00)	186804		0.71
Increase as on 02/08/2019	1272	0.00	188076		0.71
Increase as on 09/08/2019	1406	0.01	189482		0.72
Decrease as on 09/08/2019	(161)	(0.00)	189321		0.72
Increase as on	1855	0.01	191176		0.73

16/08/2019					
Decrease as on 23/08/2019	(1751)	(0.01)	189425		0.72
Increase as on 30/08/2019	100946	0.38	290371		1.10
Decrease as on 30/08/2019	(100308)	(0.38)	190063		0.72
Increase as on 06/09/2019	1156	0.00	191219		0.73
Decrease as on 06/09/2019	(643)	0.00	190576		0.72
Increase as on 13/09/2019	983	0.00	191559		0.73
Decrease as on 13/09/2019	(2787)	(0.01)	188772		0.72
Decrease as on 20/09/2019	(2125)	(0.01)	186647		0.71
Decrease as on 27/09/2019	(155)	0.00	186492		0.71
Increase as on 30/09/2019	500	0.00	186992		0.71
Decrease as on 30/09/2019	(1273)	(0.00)	185719		0.71
Increase as on 04/10/2019	25	0.00	185744		0.71
Decrease as on 04/10/2019	(25)	(0.00)	185719		0.71
Decrease as on 11/10/2019	(355)	(0.00)	185364		0.70
Decrease as on 18/10/2019	(125)	(0.00)	185239		0.70
Decrease as on 25/10/2019	(100160)	(0.38)	85079		0.32
Increase as on 01/11/2019	100	0.00	85179		0.32
Decrease as on 01/11/2019	(22447)	(0.09)	62732		0.24
Increase as on 08/11/2019	122	0.00	62854		0.24
Decrease as on 08/11/2019	(4932)	(0.02)	57922		0.22
Decrease as on 15/11/2019	(224)	(0.00)	57698		0.22
Increase as on 22/11/2019	110	0.00	57808		0.22
Decrease as on 22/11/2019	(1047)	(0.00)	56761		0.22
Decrease as on 29/11/2019	(200)	(0.00)	56561		0.21
Decrease as on 06/12/2019	(700)	(0.00)	55861		0.21
Increase as on 13/12/2019	600	0.00	56461		0.21
Decrease as on 13/12/2019	(1900)	(0.01)	54561		0.21
Decrease as on 31/12/2019	(677)	(0.00)	53884		0.20
Decrease as on	(50)	(0.00)	53834		0.20

	03/01/2020				
	Decrease as on 10/01/2020	(101)	(0.00)	53733	0.20
	Decrease as on 17/01/2020	(500)	(0.00)	53233	0.20
	At the end of the year	53233	0.20	53233	0.20
6	Mukesh Kumar Agarwal				
	At the beginning of the year	170000	0.65	170000	0.65
	No change during the year	-	-	170000	0.65
	At the end of the year	170000	0.65	170000	0.65
7	S R Gupta				
	At the beginning of the year	147292	0.56	147292	0.56
	No change during the year	-	-	147292	0.56
	At the end of the year	147292	0.56	147292	0.56
8	Sachin Bahadkar				
	At the beginning of the year	83270	0.32	83270	0.32
	Decrease as on 15/11/2019	(12994)	(0.05)	70276	0.27
	Increase as on 22/11/2019	10000	0.04	80276	0.31
	Increase as on 20/12/2019	3384	0.01	83660	0.32
	Decrease as on 03/01/2020	(176)	-(0.00)	83484	0.32
	Increase as on 17/01/2020	16058	0.06	99542	0.38
	Increase as on 07/02/2020	25000	0.09	124542	0.47
	Increase as on 13/03/2020	20000	0.07	144542	0.55
	Decrease as on 31/03/2020	(18508)	(0.07)	126034	0.48
	At the end of the year	126034	0.48	126034	0.48
9	Dr. Ramesh Chimanlal Shah				
	At the beginning of the year	125000	0.47	125000	0.47
	Decrease as on 07/06/2019	(15000)	(0.06)	110000	0.42
	Decrease as on 14/06/2019	(4691)	(0.02)	105309	0.40
	At the end of the year	105309	0.40	105309	0.40
10	Bamb Prashant Ishwardas				
	At the beginning of the year	116908	0.44	116908	0.44
	Increase as on 03/01/2020	1500	0.01	118408	0.45
	At the end of the year	118408	0.45	118408	0.45
11	Bharatkumar Chaturdas Patel				
	At the beginning of the	111111	0.42	111111	0.42

	year				
	No change during the year	-	-	111111	0.42
	At the end of the year	111111	0.42	111111	0.42
12	Nikhil Vora				
	At the beginning of the year	107000	0.41	107000	0.41
	No change during the year	-	-	107000	0.41
	At the end of the year	107000	0.41	107000	0.41
13	Mannat Steel Private Ltd.				
	At the beginning of the year	102000	0.39	102000	0.39
	No change during the year	-	-	102000	0.39
	At the end of the year	102000	0.39	102000	0.39

Notes :

- In case of joint holding, the name of the first holder is considered.
- The increase/decrease in shareholding above is due to transactions between shareholders.
- The shareholding details given above are based on the legal ownership and not beneficial ownership and is derived based on the folio number listing provided by the Registrar and Transfer agent of the Company.

v. Shareholding of Directors and Key Managerial Personnel

Sr. no.	Name	Shareholding		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 Total Shares of the Company
1.	Mr. Sanjay Kumar Agrawal, Managing Director	3896474	14.80	Nil	-	3896474	14.80
2.	Mrs. Rashmi Devi Agrawal Whole Time Director	3377592	12.83	Nil	-	3377592	12.83
3	Mr. Vijay Prasad Pappu Whole- Time Director cum CFO	1200	0.004	Nil	-	1200	0.004
4	Mr. Mohit Agrawal Chief Executive Officer	Nil	Nil	Nil	-	Nil	Nil
5	Mr. Sunil Kumar Maheshwari (Resigned on 14.02.2020)	Nil	Nil	Nil	-	Nil	Nil
6	Mr. Shantilal Badera (Retired on 13.08.2019)	Nil	Nil	Nil	-	Nil	Nil
7	Mr. Amber Chaurasia	Nil	Nil	Nil	-	Nil	Nil
8	Mr. Parvez Anjum (Appointed on 13.08.2019)	Nil	Nil	Nil	-	Nil	Nil
9	Mr. Shyam Sunder Agrawal Company Secretary (Resigned on 25.07.2019)	Nil	Nil	Nil	-	Nil	Nil
10	Mr. Mahesh Thakur Company Secretary (Appointed on 13.08.2019 and resigned on 14.02.2020)	Nil	Nil	Nil	-	Nil	Nil

V. INDEBTEDNESS

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

Particular's	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year as on 01-04-2019				
i) Principal Amount				
ii) Interest due but not paid	5,048.64	128.06	--	5,176.70
iii) Interest accrued but not due	-	-		-
	1.94	-		1.94
Total(i+ii+iii)	5,050.58	128.06	--	5,178.64
Change in Indebtedness during the financial year 2019-20				
- Addition	-	4.70		4.70
- Reduction	(113.95)	(74.61)		(188.56)
Net Change	(113.95)	(69.91)	-	(183.86)
Indebtedness at the end of the financial year 2019-2020				
i) Principal Amount	4,936.63	58.15		4,994.78
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	0.60	-		0.60
Total (i+ii+iii)	4,937.23	58.15	-	4,995.38

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager.

Sr. no.	Particulars of Remuneration	Name Of WTD/MD			Total Amount
		Mr. Vijay Prasad Pappu	Mr. Sanjay Kumar Agrawal	Smt.Rashmi Devi Agrawal	
1.	Gross salary:-				
	(a) Salary as per provisions containing section 17 (1) of the Income-tax Act, 1961.	11,60,049	72,00,000	30,00,000	1,13,60,049
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL

	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as% of profit - others, specify	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total(A)	11,60,049	72,00,000	30,00,000	1,13,60,049

B. Remuneration to other directors:-

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	<u>Independent Directors</u>	Mr. Shantilal Badera*	Mr. Sunil Kumar Maheshwari**	Mr. Amber Chaurasia	Mr. Parvez Anjum***	340000 NIL NIL
	·Fee for attending Board/Committee meetings	70000 NIL NIL	130000 NIL NIL	70000 NIL NIL	70000 NIL NIL	
	·Commission					
	·Others, please specify					
	Total	70000	130000	70000	70000	

*Retired / Resigned on 13.08.2019, **Resigned on 14.02.2020 and ***Appointed on 13.08.2019.

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

Sr. No.	Particulars of Remuneration					
		CEO	Company Secretary (*Mr. Shyam Sunder Agrawal)	Company Secretary (**Mr. Mahesh Thakur)	CFO	Total
1.	Gross salary	15,60,000	2,23,331	3,63,428	NIL	21,46,759
	(a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961					
	(b)Value of perquisites u/s 17(2)Income-tax Act,1961	NA	NIL	NIL	NIL	NIL
	(c)Profits in lieu of salary under section 17(3)Income-tax Act,1961		NIL	NIL	NIL	NIL
2.	Stock Option		NIL	NIL	NIL	NIL
3.	Sweat Equity		NIL	NIL	NIL	NIL
4.	Commission - as% of profit -others, specify		NIL	NIL	NIL	NIL
5.	Others, please specify	NA	NIL	NIL	NIL	NIL
	Total	15,60,000	2,23,331	3,63,428	NIL	21,46,759

*Resigned on 25.07.2019 and **Appointed on 13.08.2019 and Resigned on 14.02.2020.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:-

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

Sanjay Kumar Agrawal
Managing Director
(DIN 00316249)

Vijay Prasad Pappu
Whole Time Director cum CFO
(DIN 02066748)

Place:- Burhanpur
Date:- 15.09.2020

‘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) *Steps taken for conservation of energy*

- Replace the 65/18 machine screw barrels with 65/22 screw barrels so that the output of the machines increases at the same setup & almost same power consumptions.
- Covered the heating zones of offline socket machine heaters chamber with insulated material
- Transparent sheets have been put on which amounts to power saving during day shift.
- Replace few machines Vaccum tank with the new SS tanks & fix 2 vaccum pump of 3 & 2 HP in place of one 7 HP
- Usage of SSR (Solid State Relay) in place of contactor.
- Replacement of Induction Motor to Servo Motor.
- Make the jacket of Barrel at CPVC Pipe extruder so it results that we stop the energy loss through the heaters.
- Make the mixers for HDPE & Master Batch mixings its results we save the manpower & homogenous mixing of the machine so reduces the load variations

b) *Impact of Conservation of Energy*

- Maintain the internal heating of heater chamber & the less work to heater so less power consume.
- Less chance of heater shot, Life of the panel increases, now the sudden ampere shoot become less so less power consume.
- Optimum utilization of production capacity by energy saving and consequently reduction in the cost of production.

Steps taken by the Company fertilization of alternate source of energy:-

The Company has launch renewable energy by way of installing solar plant in its factory premises to generate solar power. By installation of solar power plant the Company has reduced its dependency on traditional source of energy because solar power provides energy independence, energy security and energy reliability. This will also helps in diminution of expulsion of CO₂ and other green house gas emissions and has been proved to be an eco friendly.

iii) ***Capital investment on energy conservation equipment:*** - Rs. 5 lakhs approx.

TECHNOLOGY ABSORPTION:

(i) *The efforts made towards technology absorption:*

- Laser printing on LLDPE Pipes.
- Install Pad Printing machines for the PVC Column Coupler & fabricated coupler marking, replacing the same with manual basis, so it decreases operation cost
- Usage of chiller water for cooling the pipe in HDPE Extruder its help us to achieve us the max capacity of the plant with less quality defects.
- Replace few machines Vaccum tank with the new SS tanks & fix 2 vaccum pump of 3 & 2 HP in place of one 7 HP.

- Works on the drip machine at their insertion & perforation part & it results the output of the machine at the same power consumptions.
- Make the mixers for HDPE & Master Batch mixings its results in saving the manpower & homogenous mixing of the machine to reduces the load variations
- Replacement of hand sealing machine by automatic conveying sealing machine.
- EOT Crain has been installed in PVC Pipe Plant for unloading of raw material jumbo bags.
- Replacement of single head by double head fusing machine so that two operations of jointing on sprinkler pipes could be done simultaneously.

(ii) ***The benefits derived like product improvement, cost reduction, product development or imports substitutions:***

By introducing the above mechanism the process has become simplified which resulting in improvement in the quality of products and cost efficient also.

(iii) ***In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – All technologies used are indigenous.***

(iv) ***The expenditure incurred on Research and Development:*** Approx. Rs. 10 lakhs

C).FOREIGN EXCHANGE EARNINGS AND OUT GO:-

(i) **Foreign Exchange Outgo:-**

Particulars	Amt. in Rs. Lakhs
	Amount
Raw Materials	200.44
Spare Parts	-
Finance Charges	Nil

(ii) **Foreign Exchange Earning:-**

Particulars	Amt. in Rs. Lakhs
	Amount
Nil	Nil

For and on behalf of the Board of Directors

Sanjay Kumar Agrawal
Managing Director
(DIN 00316249)

Vijay Prasad Pappu
Whole Time Director cum CFO
(DIN 02066748)

Place:- Burhanpur
Date: 15.09.2020

ANNEXURE-D

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of Companies Act, 2013 including certain arm’s length transactions under third proviso thereto.

1. Details of contracts or arrangements or transaction not at arm’s length basis:

- (a) *Name(s) of the related party and nature of relationship:* Not Applicable
- (b) *Nature of contracts/arrangements/transactions:* Not Applicable
- (c) *Duration of the contracts/arrangements/transactions:* Not Applicable
- (d) *Salient terms of the contracts or arrangements or transactions including the value, if any:* Not Applicable
- (e) *Justification for entering into such contracts or arrangements or transactions:* Not Applicable
- (f) *Date(s) of approval by the Board:* Not Applicable
- (g) *Amount paid as advances, if any:* Not Applicable
- (h) *Date on which the special resolution was passed in general meeting as required under first proviso to section 188:* Not Applicable

2. Details of material contracts or arrangement or transactions at arm’s length basis

Sr. No	Name of Related Party	Nature of Relationship	Nature of transaction	Duration of transaction	Salient terms of the contracts or arrangements or transactions including the value, if any
1.	Mrs. Rashmi Devi Agrawal	Whole Time Director	Leasing of property	On- going	In normal course of business and at prevailing market prices. Rent paid Rs. 63.59 lakh
2.	Mr. Sanjay Kumar Agrawal	Managing Director	Leasing of property	On- going	In normal course of business and at prevailing market prices. Rent paid Rs68.87lakh.
3.	Shree Vasudeo Industries	Enterprise in which KMP are able to exercise significant influence	Purchase or supply of any goods and materials	On- going	In normal course of business and at prevailing market prices. Rs. 2493.33 Lakh
			Logistic Income	On- going	In normal course of business and at prevailing market prices. Rs 4.08 Lakh
			Turnover Discount Received	On- going	In normal course of business and at prevailing market prices. Rs 261.77 Lakh
4.	Shree Padmavati Irrigations LLP	Enterprise in which KMP are able to exercise significant influence	Leasing of property	On- going	In normal course of business and at prevailing market prices. Leasing of property Rs 0.24 Lakh.

Note: Appropriate approval have been taken for related party transactions in Board Meeting held on 14th February, 2019 and 21st May, 2019. No advances have been paid or received against the transactions mentioned above.

Date: September 15, 2020

Place: Burhanpur

For and on behalf of the Board of Directors

Sanjay Kumar Agrawal

Managing Director

(DIN 00316249)

Vijay Prasad Pappu

Whole Time Director cum CFO

(DIN 02066748)

‘ANNEXURE – E’

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

I 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 me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 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:

I 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, 2020 according to the provisions of:

- i. The Companies Act, 2013(the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’)and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act,1999and the rules and regulations 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, 2015;
 The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)Regulations, 2009 / The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)Regulations 2018 ; **(Not applicable to the Company during the audit period);**
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable to the Company during the audit period);**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period);**

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the audit period**); and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the Company during the audit period**).
 - i. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- vi. As per information provided by the management, there is no law applicable specifically to the Company vis-à-vis the industry to which the Company belongs.

I have also examined compliance with the applicable clauses/Regulations of the following:

- a) Secretarial Standards with regard to Meeting of Board of Director (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
 - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vii. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

- a) Pursuant to section 149, 152, 177 & 178 of Companies Act, 2013 and Regulation 25 (2) & 36 (3) of SEBI LODR, the tenure for one term (5years) of Mr. Sunil Kumar Maheshwari expire/ends in Annual General Meeting dated 24.09.2019, where he has to be re-appointed for second term. But no effect has been given neither in Annual General Meeting nor was any disclosure of such appointment made in the Board's report. Also reconstitution of various committees was not made appropriately in compliance with various applicable provisions of Companies Act, 2013 after retirement of Mr. Sunil Kumar Maheshwari w.e.f 24.09.2019.

However, he was re-appointed in Extra-Ordinary General Meeting dated 19.12.2019 w.e.f 12.11.2019. As and when the consent has been received from Mr. Sunil Kumar Maheshwari, the company has taken necessary action and re-appointed him in Extra-Ordinary General Meeting.

- b) As per Regulation 17 (1) (a) & (b) & Regulation 25 (6) of SEBI LODR, the company should have at least 3 Independent Directors, but no Independent Director has been appointed since resignation of existing Independent Director w.e.f. 14.02.2020.
However, after the closure of financial year, the company has appointed New Independent director in immediate next Board Meeting held on 24.07.2020.
- c) As per Regulation 27 of SEBI LODR, incorrect information was wrongly provided by company regarding Mr. Sunil Kumar Maheshwari in report for Quarter ended September 2019.
- d) As per Regulation 34 (1) of SEBI LODR, the company has made delay in submission of Annual Report for the Financial Year 2018-19 to both the stock exchanges. Mail received from BSE dated 15.10.2019 for levying penalty for delay submission of Annual Report. (Delay of 15 Days). Notice received from NSE dated 15.10.2019 for non-compliance of Reg. 34 & levying penalty for delay submission of Annual Report. (Delay of 16 Days).
The company has given reply letter dated 12.11.2019 to both stock exchanges and done payment of amount of penalty charged. However, Penalty Charged was withdrawn by both Stock Exchange(s) vide NSE email dated 02.01.2020 and BSE Email dated 07.01.2020.
- e) The company has not created charge with Registrar of companies, Gwalior Ministry of Corporate Affairs/MCA Portal for Vehicle loan of Rs. 10,00,000/- & Rs. 4,24,551/- respectively taken from HDFC Bank Limited.

Due to COVID-19 pandemic, Securities and Exchange Board of India has given relaxation by extending time-limit for filing of compliance under various regulations for quarter/half year ended on 31.03.2020.

I 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 except observations as mentioned above from point viii a to d. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, Company did not had any events/actions which had major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Note: This report is to be read with our letter of even date which is annexed as "Appendix-I" and Forms an integral part of this report.

Date: 14.09.2020

Place: Indore

Dinesh Kumar Gupta
Practicing Company Secretary
(FCS No. 5396 CP No. 4715)
UDINF005396B000708593

Appendix - I

(To the Secretarial Audit Report to the Members of Texmo Pipes and Products Limited for the financial year ended 31st March, 2020)

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

My Secretarial Audit Report for the financial year ended March 31, 2020 of even date is to be read along with this letter.

- 1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.*
- 2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts reflected on secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.*
- 3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.*
- 4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.*
- 5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.*
- 6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.*

Note: There was lockdown declared by the Central Government in the country due to COVID-19 pandemic since March, 24, 2020. For carrying on and completion of the Audit, documents /details have been provided by the Company through electronic mode and the same have been verified by us.

*Date: 14.09.2020
Place: Indore*

*Dinesh Kumar Gupta
Practicing Company Secretary
(FCS No. 5396 CP No. 4715)*

‘ANNEXURE-F’**REPORT ON CORPORATE GOVERNANCE****1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE**

Corporate Governance in simple words means the way a corporation is governed. Corporate governance refers to mechanisms, processes and relations by which corporations are controlled and directed. Corporate Governance is a systematic process driven by the ethical conduct of the business and affairs of an organization aimed at promoting sustainable business and enhancing shareholders value in long term. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability across all business practices. Corporate governance essentially involves balancing the interests of a Company’s stakeholders, such as shareholders, management, customers, suppliers, financiers, government and the community. We believe that Corporate Governance is a continuous journey for sustainable value creation for all the stakeholders driven by our values of Integrity, Commitment, Passion, Seamlessness and Speed.

Your Company has complied with the requirements of Corporate Governance as laid down under Regulation 27 and other applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

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. As on March 31, 2020, the Board consists of 3 Executive Directors and 2 Non-Executive Independent Directors. The Company has an Executive Chairperson. Mr. Sunil Kumar Maheshwari (DIN 03304103) Independent Director of the Company’s first tenure has been completed on 24.09.2019. However, Mr. Sunil Kumar Maheshwari was re-appointed as Independent Director in EGM held on 19.12.2019 w.e.f. 12.11.2019 and later he resigns from the Board citing personal reasons due to pre-occupation and personal commitment elsewhere due to paucity of time with effect from 14th February, 2020. Accordingly, the Company is having 2 Independent Directors as on March 31, 2020. As per Regulation 17 of the SEBI (LODR) Regulations, 2015, the Company must have one-half of the total strength of Board of Directors of the Company as Independent Directors. However, after the financial year and as required, the Company has appointed Dr. Smita Hajari as Independent Director w.e.f. 24.07.2020 which meets the requirement relating to the composition of the Board. In compliance of provisions of Section 149 of Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of SEBI (LODR) Regulation, 2015, the Company is having one Woman Director in form of Executive Chairperson as on March 31, 2020.

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

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

We at Texmo Pipes and Products Limited adhere to the definition of independence of Directors is derived from section 149 (6) 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 works 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 or 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 Regulation 25 of SEBI (LODR) Regulation, 2015 the Company has entered into a Listing agreement with Stock Exchange. The Company provides 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 disclosed in the Annual Report.

The Company acknowledged the importance of continuous 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 policy, 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. Same is available on the Company's website at <https://texmopipe.com>

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-a-vis the industry, performance track record of the Managing Director & Whole-Time Director.

Mr. Sanjay Kumar Agrawal is the Managing Director of the Company. The Salary and allowance paid to Mr. Sanjay Kumar Agrawal during the year 2019-20 were Rs. 72.00 Lakhs, Mrs. Rashmi Devi Agrawal is the Whole time director cum Chairperson of the Company and the Salary and allowance paid to Mrs. Rashmi Devi Agrawal during the year 2019-20 were Rs. 30.00 Lakhs and Mr. Vijay Prasad Pappu is the Whole time director cum Chief Financial Officer of the Company and the Salary and allowance paid to Mr. Vijay Prasad Pappu during the year 2019-20 were Rs.11.60 Lakhs.

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. 15,000 for attending each meeting of the Board and Audit Committee and of Rs. 2,500 for attending each of the Stakeholders Relationship Committee and Rs. 2,500 for attending each of the 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 2019-20.

The details of Sitting Fees paid to the Non-Executive Directors during the year 2019-20:

Sr. No.	Name of Non-Executive Directors	Sitting fees (Rs.)
1.	Mr. Sunil Kumar Maheshwari (Resigned on 14.02.2020)	1,30,000
2.	Mr. Amber Chaurasia	70,000
3.	Mr. Shantilal Badera (Retired on 13.08.2019)	70,000
4.	Mr. Parvez Anjum (Appointed on 13.08.2019)	70,000

8. BOARD MEETINGS

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

The Board meets at regular intervals to discuss and decides 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 at registered office in Burhanpur. The Agenda of the Board / Committee meetings is set by the Company Secretary in consultation with the Chairperson 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 2019-20, five meetings of the Board of Directors were held on 21st May, 2019, 13th August 2019, 12th November 2019, 28th December 2019 and 14th February 2020. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days. The necessary quorum was present for all meetings. The draft minutes of each Board / Committee meetings are circulated to all Directors for their comments within 15 days of the meeting. The Company Secretary, after incorporating comments, received if any, from the Directors, records the minutes of each Board / Committee meeting within 30 days from conclusion of the meeting. The important decisions taken at the Board / Committee meetings are communicated to the concerned departments promptly.

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 31st March, 2020 have been made by the Directors.

The details of attendance of Directors for the year 2019-20 at the Board Meetings, AGM and in EGM are given below:

Name of Director	Category	Board Meetings held	Board Meetings entitle to attend	Board Meetings Attended	Attendance in previous AGM	Attendance in previous EGM
Mrs. Rashmi Devi Agrawal	Executive	5	5	5	Yes	Yes
Mr. Sanjay Kumar Agrawal	Executive	5	5	5	Yes	Yes
Mr. Vijay Prasad Pappu	Executive	5	5	5	Yes	Yes
Mr. Shanti Lal Badera (Retired on 13.08.2019)	Non Executive Independent	5	2	2	NA	NA
Mr. Sunil Kumar Maheshwari (Resigned on 14.02.2020)	Non Executive Independent	5	4	3	Yes	Yes
Mr. Amber Chaurasia	Non Executive Independent	5	5	2	No	Yes
Mr, Parvez Anjum (Appointed on 13.08.2019)	Non Executive Independent	5	3	2	Yes	No

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.
- b) Capital budgets with revisions and updates.
- 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.
- 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) Details of any joint venture or collaboration agreement.
- i) Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- j) Quarterly details of foreign exchange exposures and the step taken by management to limit the risks of adverse exchange rate movement, if material.
- k) Industrial relationship issues of material nature and proposed remedial actions. All significant development in Human Resources/ industrial relations.
- l) Transactions of material nature of buying and selling of investments, or undertaking/ assets, which are not in normal course of business.
- m) Status on compliance with all regulatory, statutory and material contract requirements.
- n) Details of delegation of authorities to executives and power of attorney.

Criteria for performance evaluation:

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of Directors. The annual evaluation of Directors is made on the following criteria:

- i. Attendance for the meetings, participation and independence during the meetings;
- ii. Interaction with Management;
- iii. Role and accountability of the Board and
- iv. Knowledge and proficiency

e. Meeting of Independent Directors

Pursuant to provisions of Schedule IV of the Companies Act 2013 and the rules made there under, the Independent Directors of the Company shall hold at least one meeting in a year, without attendance of non-independent directors and members of the management. The meeting of Independent Directors was held on 14th February, 2020 to discuss, inter-alia:

- i. the performance of Non-Independent Directors and the Board as a whole;
- ii. the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors;
- iv. the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The table below summarizes core skills / expertise / competencies identified by the Board of Directors as required and available with the Board in the context of business of the Company for its effective functioning is as follows:

Sr. No.	Core Skills / Expertise Competencies	Mr. Sanjay Agrawal	Mr. Vijay Prasad Pappu	Mrs. Rashmi Devi Agrawal	*Mr. Parvez Anjum	Mr. Amber Chaurasia	**Mr. Sunil Kumar Maheshwari
A	Technical						
1.	Finance	✓	✓	✓		✓	✓
2.	Management	✓	✓	✓	✓	✓	✓
3.	Sales and Marketing	✓	✓		✓		
4.	Manufacturing and Operations	✓	✓				
5.	Research and Development	✓	✓				
6.	Human Resource	✓	✓	✓	✓	✓	✓
7.	Information Technology						
B.	Industry						
1.	Knowledge about Economy	✓	✓	✓		✓	✓
2.	Industry Experience	✓	✓	✓		✓	✓
3.	Knowledge of Business Sector	✓	✓	✓	✓	✓	✓
C.	Governance						
1.	Compliance Management	✓	✓	✓		✓	✓
2.	Knowledge about Statutory / Regulatory Law	✓	✓	✓	✓	✓	✓
3.	Experience in developing and implementing Risk Management	✓	✓	✓			
4.	Strategic Planning	✓	✓	✓	✓	✓	✓
D.	Others						
1.	Communication and interpersonal skill	✓	✓	✓	✓	✓	✓
2.	Public Relations	✓	✓	✓		✓	✓
3.	Corporate Restructuring	✓	✓			✓	✓

*Appointed on 13.08.2019. **Resigned on 14.02.2020.

9. BOARD COMMITTEES

Currently, the Board has four committees Audit Committee, Stakeholders’ Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility (CSR) Committee.

i) Audit Committee

The Audit Committee constituted in pursuance of Regulation 18 of the SEBI (LODR) Regulations, 2015 and Section 177 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.
- Scrutiny of inter-corporate loans and investments.
- 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 Chairperson of the Audit Committee at present is Mr. Amber Chaurasia. During the year 2019-20, Four Audit Committee Meetings were held on 21st May, 2019, 13th August 2019, 12th November 2019 and 14th February 2020, the necessary quorum was present for all meetings.

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

Name of Director	Category	No. of Meeting held	Meetings entitle to attend	No. of Meetings attended
Mr. Amber Chaurasia	Non Executive Independent	4	4	2
Mr. Shanti Lal Badera (Retired on 13.08.2019)	Non Executive Independent	4	2	2
Mr. Vijay Prasad Pappu	Executive	4	4	4
Mr. Sunil Kumar Maheshwari (Resigned on 14.02.2020)	Non Executive Independent	4	3	3
Mr. Parvez Anjum(Appointed on 13.08.2019)	Non Executive Independent	4	2	2

Company Secretary acts as the Secretary to the Audit Committee.

The Committee Meetings are also attended on invitation by Statutory Auditors and Internal Auditor 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 Committee is set up in accordance with Regulation 20 of the SEBI (LODR) Regulation, 2015 read with section 178 of Companies Act, 2013. 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.

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.

Composition of the Committee, its Meetings and Attendance

- i) The Chairperson of the Stakeholders’ Relationship Committee at present is Mr. Parvez Anjum. During the year 2019-20, four meetings of the committee were held on 21st May, 2019, 13th August 2019, 12th November 2019 and 14th February 2020, the necessary quorum was present for all meetings.

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

Name of Director	Category	No of Meeting held	Meetings entitle to attend	No. of Meetings attended
Mr. Shanti Lal Badera (Retired on 13.08.2019)	Non Executive Independent	4	2	2
Mr. Sanjay Kumar Agrawal	Executive	4	4	4

Mr. Amber Chaurasia	Non Executive Independent	4	4	2
Mr. Parvez Anjum (Appointed on 13.08.2019)	Non Executive Independent	4	2	2

During the financial year 2019-20 the Company / RTA has not received any complaints through SEBI SCORES platform, however, Shareholders have raised 19 complaints and requests, which have been redressed to the satisfaction of the shareholders by the Registrar and Share Transfer Agents of Company.

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

ii) Nomination And Remuneration Committee

The Committee is set up in accordance with Regulation 19 of SEBI (LODR) Regulations, 2015. 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.

Composition of the Nomination & Remuneration Committee, its Meetings and Attendance

Presently, Dr. Smita Hajari is the Chairperson of the Committee. During the year 2019-20, Four Meeting of the committee was held on 21st May, 2019, 13th August 2019, 12th November 2019 and 14th February 2020. The composition of the Nomination & Remuneration Committee and number of meetings attended by the Members are given below:

Name of Director	Category	No. of Meeting held	Board Meetings entitle to attend	No. of meetings attended
Mr. Sunil Kumar Maheshwari Chairman (Resigned on 14.02.2020)	Non Executive Independent	4	3	3
Mr. Shanti Lal Badera (Retired on 13.08.2019)	Non Executive Independent	4	2	2
Mr. Amber Chaurasia	Non Executive Independent	4	4	2
Mr. Parvez Anjum(Appointed on 13.08.2019)	Non Executive Independent	4	2	2
Dr. Smita Hajari (Appointed on 24.07.2020)	Non Executive Independent	NA	NA	NA

iii) Composition of Corporate Social Responsibility Committee

Our CSR Committee (‘the Committee’) comprised two Independent Directors and Managing Director. The Composition of the Committee is as under:

- Dr. Smita Hajari, Chairperson (Appointed on 24.07.2020)
- Mr. Parvez Anjum, Member
- Mr.Sanjay Kumar Agrawal, Member

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.

In view of criteria provided under Section 135 of Companies Act, 2013 and Rules made thereunder, the Company is not required to set aside mandatory sum towards CSR expenditure during FY 2019-20. However, the same is applicable to the Company for FY 2020-21 and Company has adopted CSR Policy of the Company in the meeting of the Board of Directors held on September 15, 2020.

iv) Treasury Committee

The Board of Directors has constituted a Non- mandatory Sub Committee of Board styled as Treasury Committee with Mr.Sanjay Kumar Agrawal as Chairman of the Committee, Mr. Vijay Prasad Pappu and Mr. Sunil Kumar Maheshwari as members of the Committee. However, after the resignation of Shri Sunil Kumar Maheshwari w.e.f. 14.02.2020, Mr. Amber Chaurasia becomes the member of the said 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 2019-20, Ten Treasury Committee Meetings were held on 12th April 2019, 08th June 2019, 24th June 2019, 16th July 2019, 28th September 2019, 30th September 2019, 24th October 2019, 13th November 2019, 22nd November 2019 and 26th December 2019. The necessary quorum was present for all meetings.

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

Name of Director	No of Meeting held	No. of Meetings entitled to attend	No of Meetings attended
Mr.Sanjay Kumar Agrawal	10	10	10
Mr. Vijay Prasad Pappu	10	10	10
Mr. Sunil Kumar Maheshwari (Resigned on 14.02.2020)	10	7	7
Mr. Amber Chaurasia	10	NA	NA

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

10. 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.

11. 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 Regulation 23 of the SEBI (LODR) Regulation, 2015 the Company has adopted a policy on the subject and the same is available on the Company’s website at <https://texmopipe.com>.

Details of 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. 40 on notes forming part of the accounts.

12. DETAILS OF SHARES HELD IN SUSPENSE ACCOUNT

The disclosure under Schedule V (Clause F) of the SEBI (LODR) Regulations, 2015 is as under:

Sr. 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 01.04.2019.	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 31.03.2020.	2	150
5	The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.		

13. NAME AND DESIGNATION OF COMPLIANCE OFFICER

Mr. Ajay Shrivastava

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

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.

The Company Secretary has been designated as Compliance Officer of the Company in line with the requirement of SEBI (LODR) Regulation, 2015.

14. 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. The inputs / corrections in the draft Minutes as suggested by Directors are incorporated in the final minutes thereafter signed copy of Minutes are also circulated to all Directors. This is also in compliance with Secretarial Standard SS-1 issued by The Institute of Company Secretaries of India.

15. DETAILS OF OTHER DIRECTORSHIP AND COMMITTEE MEMBERSHIP

Details with particulars of their Directorships and Chairpersonship/Membership of Board Committees in other Public Companies, in which they are Directors showing the position as on 31st March, 2020 are given below :-

Sr. No.	Name of Directors	Directorship in other Public Companies	Committee positions held	
			Chairmanship	Membership
1	Mr. Sanjay Kumar Agrawal	0	0	0
2	Mrs. Rashmi Devi Agrawal	0	0	0
3	Mr. Vijay Prasad Pappu	0	0	0
4	Mr. Shanti Lal Badera (Retired on 13.08.2019)	0	0	0
5	Mr. Sunil Kumar Maheshwari (Resigned on 14.02.2020)	0	0	0
6.	Mr. Amber Chaurasia	0	0	0
7.	Mr. Parvez Anjum (Appointed on 13.08.2019)	0	0	0
8.	Dr. Smita Hajari (Appointed on 24.07.2020)	0	0	0

In accordance with Regulation 26 of the SEBI (LODR) Regulations, 2015 with the Stock Exchanges, Memberships/ Chairpersonships of only the Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies whether listed or not (excluding those of the company) have been considered.

The Company has received Declarations of independence as prescribed in section 149 (7) of Companies Act, 2013 from Independent Directors.

16. CODE OF CONDUCT

In compliance with Regulation 26(3) of SEBI (LODR) Regulation, 2015 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 <https://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, 2020. The Annual Report of the Company contains a Certificate by the Managing Director & CFO in terms of Schedule V of the SEBI (LODR) Regulations, 2015

17. PREVENTION OF INSIDER TRADING

The Board of Directors has adopted the Code for prevention of Insider Trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulation, 2015. The Code for prevention of Insider Trading lays down guideline and procedures to be followed and disclosures to be made while dealing with shares of the Company as well as consequences of violation. The Code has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company Securities. 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 pre-clearance of Trade etc. 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 <https://texmopipe.com>.

18. 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 Regulation 24 of SEBI (LODR) Regulation, 2015 with regard to subsidiary companies have been complied with. The Company has adopted a policy for determining “Material Subsidiaries” and the same is available on the Company’s website at <https://texmopipe.com>.

19. DISCLOSURE**i) Material Significant Related Party Transaction**

There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large.

ii) Details of non-compliance by the Company, penalties, and structures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

During the last year, Stock Exchanges has levied fine to the Company for delay in filing of Annual Report for FY 2018-19 as per amended SEBI LODR Regulations, 2015, however, the same has been withdrawn as a one-time measure by the stock exchanges, as the same has been filed by the Company within 21 working days from AGM as per the earlier stated provisions.

iii) The Company has complied with the requirements of regulatory authorities on capital markets and no penalties / strictures have been imposed against it in the last three years.

i) Vigil mechanism/ Whistle Blower Policy

In Compliance with Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015 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.

ii) Management Discussion and Analysis Report

The Management discussion and analysis report is prepared in accordance with the requirement of Regulation 34 of the SEBI (LODR) Regulation, 2015 and shall form part of the Annual Report to the shareholders.

20. 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 results submitted to the Stock Exchange at Mumbai in the prescribed format within 30 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, Corporate Governance Report, Audited Results and the quarterly Financial Results are also available on the website of the Company <https://texmopipe.com> under investor’s information section.

21. 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 2020.

22. PROMOTERS' SHAREHOLDING

The aggregate Shareholding of the Promoters and Persons belonging to the Promoters Group as on 31st March 2020 comprised of 10039955 Equity Shares of Rs. 10/- each representing 38.15% of the total paid up Share Capital of the Company.

23. DISCLOSURE OF NON-COMPLIANCE BY THE COMPANY DURING THE PREVIOUS YEAR.

During the last year, Stock Exchanges has levied fine to the Company for delay in filing of Annual Report for FY 2018-19 as per amended SEBI LODR Regulations, 2015, however, the same has been withdrawn as a one-time measure by the stock exchanges, as the same has been filed by the Company within 21 working days from AGM as per the earlier stated provisions.

The Company has complied with the mandatory requirements of corporate governance Regulation 27 of the SEBI (LODR) Regulation, 2015 with the Stock Exchanges.

24. GENERAL SHAREHOLDERS INFORMATION

i) General Body Meeting

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

Financial year	Date and time	Venue	Special Resolution passed
2016-17	23 rd September, 2017 at 11.30 A.M.	98, Bahadarpur Road, Burhanpur (M.P.)-450331	(1) Alteration in Clause 3 of Memorandum of Association the Company. (2) Alteration of Clause 4 of Memorandum of Association of the Company. (3) Adoption of new set of Article of Association of the Company. (4) Issuance of Equity Share on Preferential basis to the Promoter Group of the Company.
2017-18	25 th September, 2018 at 12.30 P.M.	98, Bahadarpur Road, Burhanpur (M.P.)-450331	1) To approve re-appointment and remuneration of Shri Sanjay Kumar Agrawal (Director Identification No. 00316249) as a Managing Director of the Company. 2) To approve re-appointment and remuneration of Shri Vijay Prasad Pappu (Director Identification No. 02066748) as a Whole Time Director of the Company. 3) To approve appointment and remuneration of Mrs. Rashmi Devi Agrawal (Director Identification No. 00316248) as a Whole Time Director of the Company
2018-19	24 th September, 2019 at 12.30 P.M	98, Bahadarpur Road, Burhanpur (M.P.)-450331	Nil

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

Financial year	Date and time	Venue	Special Resolution passed
2018-19	14 th March, 2019 at 11.30 A.M.	98, Bahadarpur Road, Burhanpur (M.P.)-450331	1) Issuance of Equity Share on Preferential basis to the Promoter Group of the Company. 2) To approve to enter into Related Party Transaction by the Company.
2019-20	19 th December, 2019 at 11.00 A.M.	98, Bahadarpur Road, Burhanpur (M.P.)-450331	To approve Appointment of Shri Sunil Kumar Maheshwari as Director.

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) General Meeting for the financial year 2019-20

Date & Day	14, October, 2020
Mode	Through “Video Conference” or “Other Audio Visual Means”
Time	12.30 P.M.
Book closure date	From 8 to 14 October, 2020. (Both days inclusive)

v) Tentative Calendar for financial year ending 31st March, 2021.

Quarterly Financial Results	Date of Board Meeting
1 st Quarterly results	First half of August 2020 (Extended to first half of September, 2020 as per SEBI)
2 nd Quarterly results	First half of November 2020
3 rd Quarterly results	First half of February 2021
4 th Quarterly results	Second half of May 2021

vi) Listing Details

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

The Annual Listing fees for the financial year 2020-21 have been paid to the Stock Exchanges.

The Company has paid Annual Custodial Fees for the year 2020-21 the National Securities Depository Limited and Central Depository Services Limited on the basis of beneficial accounts maintained by them as on 31st March 2020.

Equity Shares
BSE Limited 16 th Floor, P.J. Tower, Dalal Street, Mumbai 400001
National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Bandra- Kurla Complex, Bandra (East), Mumbai 400051

vii) Stock Codes

Name of the stock Exchange	Stock Code
BSE Limited	533164
National Stock Exchange of India Limited (NSE)	TEXMOPIPES
ISIN of Equity Shares	INE141K01013

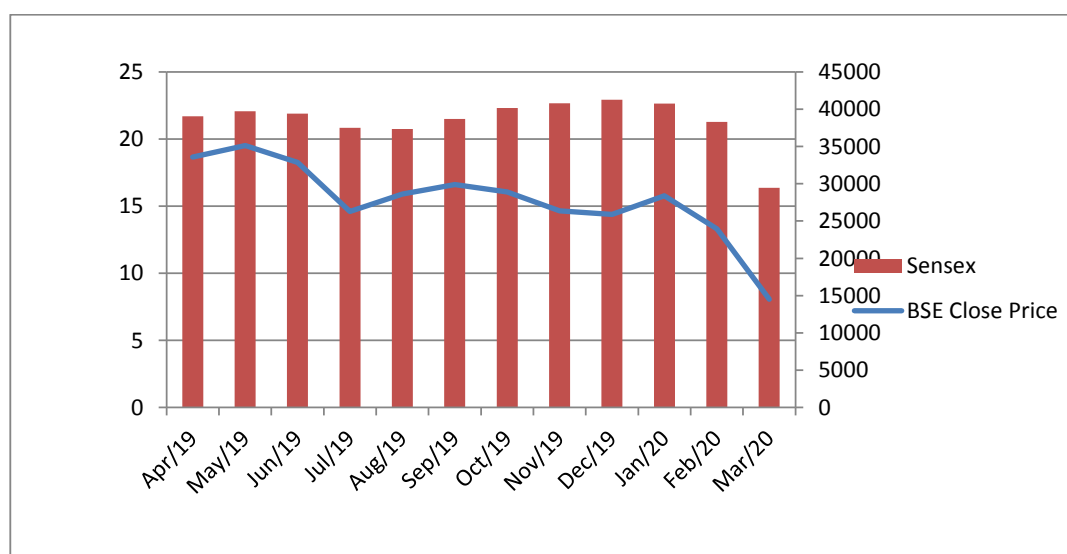
viii) Share Price Data

The details of High, Low Prices of shares of the company at BSE Limited and National Stock Exchange of India Limited (NSE) for the year ended 31st March, 2020 are as under:-

Period – from 01st April, 2019 to 31st March, 2020.

Months	BSE		NSE	
	High (Rs.)	Low(Rs.)	High (Rs.)	Low(Rs.)
April 2019	20.85	18.60	20.85	18.50
May 2019	21.50	16.90	21.15	17.10
June 2019	19.90	17.65	21.85	17.75
July 2019	19.40	13.15	19.60	14.45
August 2019	18.94	13.15	18.75	12.50
September 2019	17.85	15.60	18.20	15.40
October 2019	16.85	13.70	17.20	14.10
November 2019	18.55	14.25	18.65	14.10
December 2019	16.89	12.21	15.25	12.10
January 2020	18.40	13.95	18.20	13.75
February 2020	16.60	13.10	16.75	13.05
March 2020	13.93	7.01	13.95	6.80

ix) Stock Performance in comparison to Broad Based indices;



x) Distribution of Shareholding as on 31st March, 2020

Category (Amount)	Shareholders		No. of Equity Shares held	Equity Shares held	
	No. of shareholders	% of total Shareholders		Amount	% amount
1- 5000	12764	74.81	2098625	20986250	7.97
5001 – 10000	1991	11.67	1711099	17110990	6.50
10001 – 20000	1082	6.34	1727303	17273030	6.56
20001 - 30000	357	2.09	931683	9316830	3.54
30001 - 40000	185	1.08	672554	6725540	2.56
40001 - 50000	198	1.16	943609	9436090	3.59
50001 - 100000	279	1.64	2072019	20720190	7.87
100001 & ABOVE	207	1.21	16163108	161631080	61.41
Total	17063	100.00	26320000	263200000	100.00

Xi Shareholding Pattern as on 31st March, 2020

Category	No. of shareholders	No. of share held	% of equity
Promoters and Promoter Group	9	1,00,39,955	38.15%
Public shareholdings			
Clearing member	29	66,247	0.25 %
Financial Institutions / Banks	1	64,896	0.25%
Bodies Corporate	106	6,33,239	2.41%
Non Resident Indians	128	2,12,939	0.81%
Non Resident Indians Non Repatriate	34	95,759	0.36%
Resident Individuals	16477	1,52,06,965	57.77%
Total	16784	2,63,20,000	100%

xii) Director`s Shareholding as on 31st March, 2020

S. No.	Name of Director	No. of Share Held	% of Holding
1.	Mrs. Rashmi Devi Agrawal	3377592	12.83%
2.	Mr.Sanjay Kumar Agrawal	3896474	14.80%
3.	Mr. Vijay Prasad Pappu	1200	0.001%
4.	Mr. Shanti Lal Badera (Retired on 13.08.2019)	Nil	Nil
5.	Mr. Sunil Kumar Maheshwari (Resigned on 14.02.2020)	Nil	Nil
6.	Mr. Amber Chaurasia	Nil	Nil
	Dr. Smita Hajari (Appointed on 24.07.2020)	Nil	Nil
	Total	7274066	27.64%

xiii) Dematerialization of Shares and Liquidity

2,63,19,884 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, 2020.

The bifurcation of shares held in Physical & Demat form as on 31st March 2020, is given below:

Category	No. of shareholders	No. of share held	% of equity
Physical	4	116	0.00%
Demat Segment	NSDL	8645	38.73%
	CDSL	8414	61.26%
Total	17063	2,63,20,000	100.00%

xiv) No 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 2020, there were no GDRs outstanding.

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

xv) Investor Grievances Redressal System

KFin Technologies Private Limited, Registrar & Transfer Agents (RTA) of the Company has confirmed that, 19 Complaints were received during the FY 2019-20 from the Shareholders and same were disposed

off with the satisfaction of investors. However, no complaints were received during the year through SEBI Scores portal. To redress investor grievances, the Company has a dedicated e-mail id complaints@texmopipe.com to which investors may send complaints.

xvi) 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.

xvii) 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. KFin Technologies Private Limited having their office at:-

KFin Technologies Private Limited
 Karvy Selenium Tower B, Plot 31-32, Gachibowli
 Financial District, Nanakramguda, Hyderabad – 500 032
 Tel: +91-40-67162222, 33211000
 Fax: +91-40-23420814

xviii) Plant Locations

The Company's plant is located at Registered Office, i.e. 98, Bahadarpur Road, Burhanpur (M.P.) 450331.

xix) Corporate Identity Number

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

xx) 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:

KFin Technologies Private Limited
 Karvy Selenium Tower B, Plot 31-32, Gachibowli
 Financial District, Nanakramguda, Hyderabad – 500 032
 Tel: +91 40 67162222, 33211000
 Fax: +91 40 23420814

2. Shareholder may also contact:

Mr. Ajay Shrivastava
 Company Secretary & Compliance Officer
 Texmo Pipes and Products Limited
 98, Bahadarpur Road, Burhanpur (M.P.) 450331
 Tel. No. 07325-255122
 Email id- cs@texmopipe.com

xxi) Reconciliation of Share Capital

As stipulated by SEBI, during the year on quarterly basis the Company had complied with the Regulation 55A of SEBI (D&P) Regulation 1996 by obtaining from a qualified Practicing Company Secretary a '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.

xxii) 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 three 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.

xxiii) Credit Rating

The Company has obtained Credit Rating from Rating Agency M/s Brickwork Rating India Private Limited and has reaffirmed Bank loan rating as "BWR BBB" for fund based facilities.

25. 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 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 issued by the Institute of Company Secretaries of India.

26. MANDATORY REQUIREMENTS

The Company has fully complied with the applicable mandatory requirements of Regulation 27 of the SEBI (LODR) Regulations, 2015 executed with the Stock Exchanges.

27. ADOPTION OF NON-MANDATORY REQUIREMENTS

Although it is not mandatory, the Board of TPPL has constituted a Corporate Social Responsibility Committee. However, the same has been applicable from the present FY 2020-21, as per the provisions of Section 135 of the Companies Act, 2013. Details of the Committee have been provided under "Composition of Corporate Social Responsibility Committee".

28. 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 or Managing Director as per applicable provisions of SEBI (LODR) 2015. Apart from that the Company has also complied all requirement of Corporate Governance Report of sub-para(2) to (10) of Schedule V of SEBI (LODR) Regulations, 2015.

29. AUDITORS QUALIFICATION ON FINANCIAL STATEMENT

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

30. COMPANY SECRETARY CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a Certificate from its Secretarial Auditors testifying to its compliance with the provision relating to Corporate Governance laid out in Schedule V of the SEBI (LODR) Regulations, 2015 executed with the Stock Exchange.

The Certificate is annexed to this Report and the same will be forming part of the Annual Report to be filed by the Company.

31. INFORMATION PURSUANT TO REGULATION 34(3) AND SCHEDULE V OF THE SEBI (LODR) REGULATIONS, 2015.

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

Name of the Company	Amt. in Lakh	
	Balance as at 31 st March 2020	Maximum outstanding during the year
Tapti Pipes & Products Limited FZE	590.18	592.50

32. CEO/ CFO CERTIFICATE

As required under Part B of Schedule II of the SEBI (LODR) Regulations, 2015 with the Stock Exchanges, Mr. Mohit Agrawal, Chief Executive Officer and Mr. Vijay Prasad Pappu, Whole Time Director cum Chief Financial Officer of the Company have certified to the Board regarding financial statements for the year ended 31st March, 2020.

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

33. 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 2019-20.

34. DISCLOSURE ABOUT UTILISATION OF FUND RECEIVED FROM PREFERENTIAL ALLOTMENT UNDER REGULATION 32 (7A) OF SEBI (LODR) REGULATIONS, 2015

During the FY 2019-20, the Company has not received any amount arising out of allotment of equity shares on Preferential basis. However, the Company has utilized the fund received earlier in FY 2018-19 for the purpose of the long term working capital requirements and long term financial resources of the Company.

35. DECLARATION REGARDING COMPLIANCE OF CODE OF CONDUCT PURSUANT TO SCHEDULE V OF THE SEBI (LODR) REGULATIONS, 2015

As required by Clause D of Schedule V of SEBI (LODR) Regulation, 2015, 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.e. <https://texmopipe.com>.

I, confirm in respect of the financial year ended 31st March, 2020, that the Company has 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, 2020 of the Company.

For Texmo Pipes and Products Limited

Date: 15th September 2020
Place: Burhanpur

Mohit Agrawal
Chief Executive Officer

CEO/CFO CERTIFICATION TO THE BOARD

(Under Schedule II of SEBI (LODR) Regulations, 2015)

To
The Board of Directors
Texmo Pipes and Products Limited

We, Mohit Agrawal, Chief Executive Officer and Vijay Prasad Pappu, Whole Time Director Cum Chief Financial Officer, of Texmo Pipes and Products Limited (“the Company”), to the best of our knowledge and belief, hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (2) These statements together present a true and fair view of the listed entity’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity’s code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee

- (1) Significant changes in internal control over financial reporting during the year;
- (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity’s internal control system over financial reporting.

Place: Burhanpur
Date: 24.07.2020

Mohit Agrawal
Chief Executive Officer

Vijay Prasad Pappu
Whole Time Director cum CFO
(DIN: 02066748)

CORPORATE GOVERNANCE CERTIFICATE

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

I have examined the Compliance of Corporate Governance by **Texmo Pipes and Products Limited (CIN: L25200MP2008PLC020852)** (“the Company”) for the year ended on 31st March, 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended on March 31, 2020.

1. The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
2. In my opinion and to the best of my information and according to my examination of the relevant records and the explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the respective period of applicability as specified under paragraph 1 above, during the year ended March 31, 2020 except following:
 - i. **Regulation 17 (1) (a) of SEBI LODR:** The composition of board of directors of the listed entity. The company has 3 executive Director. Thus, the company should have at least 3 Independent Directors. But the company has 2 independent directors instead of 3 from 14.02.2020. After the closure of Financial year, the company has appointed New Independent director in immediate next Board Meeting held on 24.07.2020.
 - ii. **Regulation 17 (1) (b) of SEBI LODR:** The Chairman of the company is Executive Director. There are 3 Executive Directors in the company. Thus, the company should have at least 3 Independent Directors. But the company has 2 independent directors instead of 3 from 14.02.2020. After the closure of Financial year, the company has appointed New Independent director in immediate next Board Meeting held on 24.07.2020.
 - iii. **Regulation 25 (2) of SEBI LODR:** The tenure of Mr. Sunil Kumar Maheshwari ends in AGM 2019, where he has to be re-appointed for second term. But no effect has been given neither in AGM nor mentioned in Annual Report. However, he was re-appointed in EGM dated 19.12.2019 w.e.f 12.11.2019.
As intimated by the Company in this regard, consent from Mr. Sunil Kumar Maheshwari was received after AGM and reappointment for a second term has been done in EGM held on 19.12.2019.
 - iv. **Regulation 25 (6) of SEBI LODR:** No Independent Director has been appointed since resignation of existing Independent Director w.e.f. 14.02.2020. The company has appointed New Independent director in immediate next Board Meeting held on 24.07.2020 in compliance of Regulation 25 (6) of SEBI (LODR).
 - v. **Regulation 27 Corporate Governance of SEBI LODR:** Incorrect Information provided for Sunil Kumar Maheshwari in report for Quarter ended September 2019. The company has wrongly mentioned incorrect information.
3. I 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.

Date: 14.09.2020
Place: Indore
UDIN: F005396B000711521

Dinesh Kumar Gupta
Practicing Company Secretary
M. No.: 5396 CP No. 4715

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34 (3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the **Texmo Pipes And Products Limited** having (CIN: **L25200MP2008PLC020852**) and having registered office at **98, Bahadarpur Road, Burhanpur (M.P.) 450331** (hereinafter referred as ‘the company’), produced before me by the company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) and Schedule V Para C Clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Director Identification number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the company and its officers, I hereby certify that none of the directors on the Board of the company as stated below for the financial year ending 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Director of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.No.	Name of Directors	DIN	Date of appointment
1.	Rashmidevi Agrawal	00316248	03/07/2008
2.	Sanjay Kumar Agrawal	00316249	03/07/2008
3.	Vijay Prasad Pappu	02066748	03/07/2008
4.	Amber Chaurasia	07729278	10/02/2017
5.	Parvez Anjum	08529781	13/08/2019

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Date: 14.09.2020
Place: Indore

Dinesh Kumar Gupta
 Practicing Company Secretary
 (M No 5396 | CP No. 4715)
 UDIN: F005396B000711508

MANAGEMENT DISCUSSION AND ANALYSIS

INDIAN ECONOMY

The Indian economy displayed positive growth trend over the past few years on the back of various Government initiatives and reforms. The growth outlook was optimistic prior to the unexpected Corona virus (COVID-19) outbreak. However, owing to the massive impact of COVID-19, almost all the major economies of the world have gone through some form of lockdown or social distancing. The lockdown in India disrupted the economic activities in the fourth quarter of the financial year. Indian economy grew by 4.2% in the FY 2019-20 as compared to 6.8% in FY 2018-19.

However, to combat the impact of lockdown, the Government implemented various measures. These measures included reduction in repo rate and reverse repo rate, moratorium on repayment of term loans among others. The Government also provided wage support, in-kind and cash transfers to lower-income households and deferral of tax payments. The Government along with the RBI released a stimulus package of Rs. 20 trillion (mid-May 2020) which is approximately 10% of GDP. The package aims to boost private investments, increase liquidity support and infrastructure.

OUTLOOK

Significant monetary and liquidity measures taken by the RBI and fiscal measures taken by the Government are expected to mitigate the adverse impact of COVID-19 and help reinvigorate the economic activities. The stimulus package is expected to foster long-term employment and opportunities that will strengthen the economy further. On a positive side, the agriculture and allied sector functioned smoothly despite the health crisis, displaying a growth rate of 3.7% during the 2019-20 fiscal. And several initiatives taken by Government to boost rural income and infrastructure are now fructifying to boost business in several segments which are catered by the Company. There are a number of factors like low per capita consumption, manufacturing focus, end use industry growth, increasing urbanization, changing lifestyle, promoting growth of plastic industry in India. The Company, therefore, envisaged a faster growth in business from upcoming years.

INDIAN PIPING INDUSTRY OVERVIEW

Over the past five years, domestic plastic pipe industry has clocked a 10% CAGR and now its market size stands at 30,000 crores. Wherein, the 60-65% market share accounts to organised players and remaining to the unorganised ones. The major driver behind the growth is Government infrastructural spending, increasing constructions, industrial production, irrigation sector, replacement of aging pipelines, among others. Besides, its superior properties and economical cost makes plastic pipes favorable over metal pipes. Amongst all plastic pipes, the 65% of the industry demand is for Unplasticised Polyvinyl Chloride (UPVC), 15% for Chlorinated Polyvinyl Chloride (CPVC) and remaining constitute to others. There has been growing adoption in PVC/CPVC pipes owing to its corrosion resistant, flame resistant, easy to install & handle, environmentally sound and durability features. Along with this, increased focus by the Government in the end user application will be the major contributor in the growth. Consequently, it is also creating upsurge in the demand for solvent cement used in the fitting and attaching of pipe.

OPPORTUNITIES AND GROWTH DRIVERS

Consolidation in the industry

Post GST era, the unorganised players in the plastic pipes industry were already finding it difficult to gain advantage on the price. Now with COVID-19 scenario, the companies with high debt and weak cash flow are

bound to head towards consolidation. This will allow organised players with opportunities to acquire regional players at lower valuation.

CHALLENGES

Cost of raw material

The higher raw material prices can increase the production cost of the players operating in the industry. However, the increase in raw material prices does not impact pipe manufacturing players as the higher cost is passed down to the downstream industry users.

Risk Management

The Company has an effective risk management framework in place to primarily control business and operational risks. The major risk areas are periodically and systematically reviewed by the senior management. Comprehensive policies and procedures help identify, mitigate and monitor risks at various levels. By taking such proactive measures, the Company ensures that strategic business objectives are achieved seamlessly. During the financial year under review, the Company was reaffirmed ‘BWR BBB’ rating for fund based facilities. Higher finance cost is still a concern to the Company and Company is still striving hard to get more improved ratings for more reducing the finance cost. Further, your Company has an intricate Risk Management procedure which depicts business risk and operational risks that are supported by policy framework.

Human Resource

The Human Resource division of the company plays a vital role in hiring, training, managing and retaining employees to build a group of talented workforces. So that they can reach their full potential and work diligently towards the growth of the organization. The Company has created a level playing field space, whereon equal opportunities to all employees is provided. With this belief, it has enhanced employee morale, boosted productivity and reduced people absenteeism. As of March 31, 2020, the Company’s total work force is 541 employees.

Product Wise Performance

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

Particulars	(Rs. In lakhs)	
	2019-20	2018-19
HDPE Pipe	14,134.84	10797.13
PVC Pipe	13,218.80	14554.19
CPVC fitting	724.56	647.54
Moulding fittings	2,783.29	3006.06
Trading Sale	1,933.07	1969.53
Total	32,794.55	30974.45
Less excise duty	-	-
Add Sell Fit Charges	-	-
VAT/CST subsidy for Industrial promotion	-	-
Installation Charges	-	-
Total revenue from operation as per audit report	32,794.55	30974.45

Note – The Previous year figures have been regrouped/ reclassified wherever necessary to make them comparable with current periods figure..

Internal Control System and their adequacy

The Company considers that internal control is one of the key supports of governance which provide freedom to the management within a outline of appropriate checks and balances. Texmo Pipes and Products Limited have a strong internal control framework, which was instituted considering the size, nature and risk in the business. The Company’s internal control environment provide assurance on efficient conduct of operations, security of Assets, prevention and detection of frauds/errors, accuracy and completeness of accounting records, timely preparation of authentic financial information and compliance with applicable laws and regulation. The Company uses SAP - Enterprise Resources Planning software as its core IT system. The Internal Auditor is a Chartered Accountant has been entrusted the job to conduct regular internal Audits at all the units/Branches and report to the management the lapses, if any and submitted Report on quarterly basis to the Board of Directors for their review and comments. To ensure efficient Internal control system, the Company has a well constituted Audit committee who at its periodical meeting, review the competence of internal control system and Procedures thereby Suggesting improvement in the system and process as per the changes of Business dynamics. The system and process are continuously improved by adopting best in class processes, automation and implementing latest IT tools.

Discussion on Financial Performance with respect to operational performance

On a standalone basis your company recorded a turnover of Rs. 32,794.55 Lakhs for the year ended 31st March, 2020 as against Rs. 30,974.45 Lakhs in the previous year which shows an increase of 5.88%.

On a standalone basis, the profit before interest, depreciation and tax for the financial year is Rs. 1,796.89 Lakhs as against Rs. 1,491.91 Lakhs recorded in the previous year. The profit before tax for the financial year stood at Rs. 615.76 Lakhs compared to Rs. 399.60 Lakhs of the previous year. The profit after tax & exceptional item for the financial year at Rs. 432.56 Lakhs compared to Rs. 333.91 Lakhs of the previous year.

On a standalone basis your company recorded Production of 28,194.93 MT for the year ended 31st March, 2020 as against 30,680.48 MT in the previous year which shows an increase to 8.82%.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:

There were no significant changes, i.e., change of 25% or more, as compared to the immediately previous Financial Year in key financial ratios pertaining to the Company.

RETURN ON NET WORTH:

Details of change in Return on Net Worth as compared to the immediately previous Financial Year as follows:

Sr. No.	Particulars	Ratio as on 31 March 2020 in	Ratio as on 31 March 2019 in	% of Change	Explanations
1	Return on Net Worth	4.73%	3.84%	23.23%	Increase in Net Profit

Cautionary Statement

Some of the statements in this Management Discussion and Analysis, describing the company’s objectives, projections, estimates and expectations may be ‘forward looking statements’ within the meaning of applicable Laws and Regulations. Actual results might differ substantially from those expressed or implied. Important developments that could affect the Company’s operations include changes in economic conditions affecting demand, supply and price movements in the domestic and overseas markets in which your company operates changes in the Government regulations, Tax Laws and other Statutes or other incidental factors. The company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in future.

INDEPENDENT AUDITORS' REPORT

To the Members of

TEXMO PIPES AND PRODUCTS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone Financial Statements of **Texmo Pipes And Products Limited** (“the Company”), which comprises the Standalone Balance Sheet as at March 31st, 2020, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the ‘standalone financial statements’).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 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 31st, 2020, and its Profit and Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

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

Description of Key Audit Matters		
S.No.	Key Audit Matters	How was the matter addressed in our audit
1	Uncertain tax positions - Direct and Indirect Taxes	
	<p>The Company has uncertain tax matters pending litigations under direct tax and various indirect tax laws. The litigation involves significant judgement to determine the possible outcome based on which accounting treatment is given to the disputed amount.</p> <p>Given the magnitude of potential outflow of economic resources and uncertainty of potential outcome, uncertain tax positions are considered to be key audit matters.</p> <p>[Refer Note 37 to the standalone financial statements.]</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> • Obtained details of uncertain tax position and gained understanding thereof; • Obtained details of tax assessments and also demands raised; • Along with our internal tax experts, read and analysed relevant communication with the authorities; • Evaluated advice obtained by the management from legal consultants on possible outcome of the litigation; • Discussed with senior management and evaluated management’s assumptions regarding provisions made or reflected as contingent liabilities; • Assessed whether the disclosures for uncertain tax positions are in accordance with the requirements of Ind AS 37 on “Provisions, Contingent Liabilities and Contingent Assets”.

Information Other than the Standalone Financial Statements and Auditors’ Report Thereon

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the Standalone Financial Statements and our Auditors’ Report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31st, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure-A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) On the basis of the written representations received from the directors as on March 31st , 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure-B”;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note - 37 to the standalone financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. : 004186C

Place : Indore
Dated : July 24th, 2020

Devendra Bansal
Partner
Membership No. : 078057

UDIN: 20078057AAAAAT2736

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1, under '*Report on Other Legal and Regulatory Requirements*' section of the Independent Auditors' Report of even date to the members of **Texmo Pipes And Products Limited** on the standalone financial statements as of and for the year ended March 31st, 2020, we report that:

- (i)(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
 - (b) The Company has a regular programme for physical verification in a phased periodic manner, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.
 - (c) According to the information and explanations given to us by the management and on the basis of our examination of the records of the Company, the title deeds of immovable properties recorded in the books of accounts of the Company are held in the name of the Company. In respect of Immovable Property taken on lease and recognized as Right-of-use Assets in the financial statements, the lease agreements are in the name of the company.
- (ii) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on physical verification of inventory as compared to books and records were not material and have been appropriately dealt with in the books of accounts.
 - (iii) In respect of the granting of loans by the Company:
 - (a) The Company has granted unsecured loan to only one company, i.e. a company in which the relatives of Directors are Directors, covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion, the terms and conditions of such loan are not prejudicial to the Company's interest.
 - (b) The loan has been granted without stipulating any schedule of repayment of principal and interest. As the loan is repayable on Demand along with interest, the question as to regularity of the repayment or interest receipts does not arise.
 - (c) There being no stipulated schedule of repayment and the Company having not demanded the repayment of loan, the loan so granted has not become overdue.

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the relevant rules framed there under.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act, in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and services taxes, cess and other material statutory dues applicable to it, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amount payable in respect of aforesaid dues were in arrears as on March 31st, 2020 for a period more than six months from the date they became payable, *except Excise Duty amounting to Rs.158.56 Lakhs, which is payable due to reversal of CENVAT Credit on the Lost Goods. It has been informed to us that the outstanding amount of Rs. 158.65 Lakhs will be paid by the company as and when the insurance claim against the goods lost will be received by it.*

- (b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, goods and services tax, excise duty, entry tax and cess which have not been deposited with the appropriate authorities on account of any dispute, *except for the following:*

[Amount in Lakhs]

Name of the Statute	Nature of Dues	Amount	Amount Deposited	Period to which the amount relates (F.Y.)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	32.10	32.09	2009-10	Income Tax Appellate Tribunal, Indore
		42.75	42.75	2010-11	Income Tax Appellate Tribunal, Indore
		29.90	6.00	2010-11	Commissioner of Income Tax Appeals, Indore
		151.71	28.00	2011-12	Commissioner of Income Tax Appeals, Indore
		60.31	12.10	2012-13	Commissioner of Income Tax Appeals, Indore
		154.51	31.00	2013-14	Commissioner of Income Tax Appeals, Indore
		198.18	40.00	2015-16	Commissioner of Income Tax Appeals, Indore
		655.23	133.65	2016-17	Commissioner of Income Tax Appeals, Indore
Madhya Pradesh Value Added Tax, 2002	Value Added Tax	119.78	5.99	2007-08	Hon'ble High Court of Madhya Pradesh, Jabalpur
		62.89	29.87	2010-11	M.P. Commercial Tax Appellate Board
		6.70	-	2011-12	M.P. Commercial Tax Appellate Board
		17.86	7.11	2014-15	M.P. Commercial Tax Appellate Board
		24.25	6.06	2010-11	Additional Commissioner of Commercial Tax , Indore
		13.14	3.29	2015-16	Additional Commissioner of Commercial Tax , Indore
		39.94	9.99	2016-17	Additional Commissioner of Commercial Tax , Indore
		18.53	-	2010-11	Additional Commissioner of Commercial Tax , Indore
Central Sales Tax Act, 1956	Central Sales Tax	47.32	2.37	2007-08	Hon'ble High Court of Madhya Pradesh, Jabalpur
Entry Tax Act, 1976	Entry Tax	38.23	1.91	2007-08	Hon'ble High Court of Madhya Pradesh, Jabalpur
		21.55	8.62	2008-09	M.P. Commercial Tax Appellate Board
		17.46	6.99	2014-15	M.P. Commercial Tax Appellate Board

- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowing to any financial institution or bank. There is no borrowing from the Government and there are no debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the Company had not raised money by way of initial public offer or further public offer (including debt instruments) during the year and the term loans taken by the Company have been applied for the purpose for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in dia, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the Management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Act and the details, as required by the applicable accounting standards have been disclosed in the standalone financial statements.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Anil Kamal Garg & Company
Chartered Accountants
ICAI Firm Reg. No. : 004186C

Place : Indore
Dated : July 24th, 2020

Devendra Bansal
Partner
Membership No. : 078057
UDIN: 20078057AAAAAT2736

ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

Referred to in Paragraph 2(f), under '*Report on Other Legal and Regulatory Requirements*' section of the Independent Auditors' Report of even date to the members of **Texmo Pipes and Products Limited** on the standalone financial statements as of and for the year ended March 31st, 2020, we report that:

We have audited the internal financial controls over financial reporting of TEXMO PIPES AND PRODUCTS LIMITED ("the Company") as of 31st March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. : 004186C

Place : Indore

Dated : July 24th, 2020

Devendra Bansal
Partner
Membership No. : 078057
UDIN: 20078057AAAAAT2736

TEXMO PIPES AND PRODUCTS LIMITED

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2020

[₹ in Lakhs]

Particulars		Note No.	As at 31st March, 2020	As at 31st March, 2019
A.	<u>ASSETS</u>			
(1)	<u>NON-CURRENT ASSETS</u>			
	(a) Property, Plant and Equipment	2	11,391.54	11,296.78
	(b) Capital Work-In-Progress	3	25.77	9.91
	(c) Investment Property	4	38.44	38.44
	(d) Intangible Assets Other than Goodwill	5	12.45	8.59
	(e) Financial Assets			
	i) Investments	6	1,162.13	1,162.13
	ii) Loans	7	590.18	592.50
	(f) Other Non-Current Assets	8	343.98	312.82
	<u>TOTAL NON-CURRENT ASSETS</u> (1)		13,564.49	13,421.17
(2)	<u>CURRENT ASSETS</u>			
	(a) Inventories	9	7,344.68	6,371.54
	(b) Financial Assets			
	i) Trade Receivables	10	4,421.08	6,155.77
	ii) Cash and Cash Equivalents	11	29.87	25.83
	iii) Bank Balances other than cash and cash equivalents	12	881.74	810.47
	iv) Loans	13	0.55	16.36
	(c) Other Current Assets	14	2,329.50	2,609.14
	<u>TOTAL CURRENT ASSETS</u> (2)		15,007.42	15,989.12
	<u>TOTAL ASSETS (1 + 2)</u>		28,571.91	29,410.30
B.	<u>EQUITY AND LIABILITIES</u>			
	<u>EQUITY</u>			
	(a) Equity Share Capital	15	2,632.00	2,632.00
	(b) Other Equity	16	12,945.55	12,499.84
	<u>TOTAL EQUITY</u>		15,577.55	15,131.84
	<u>LIABILITIES</u>			
(1)	<u>NON-CURRENT LIABILITIES</u>			
	(a) Financial Liabilities			
	i) Borrowings	17	686.65	1,014.85
	(b) Deferred Tax Liabilities (Net)	18	1,678.29	1,653.22
	(c) Other Non-Current Liabilities	19	400.25	350.56
	<u>TOTAL NON-CURRENT LIABILITIES</u> (1)		2,765.19	3,018.62

Particulars		Note No.	As at 31st March, 2020	As at 31st March, 2019
(2)	CURRENT LIABILITIES			
	(a) Financial Liabilities			
	i) Borrowings	20	4,089.69	3,853.45
	ii) Trade Payables	21		
	-Total Outstanding Dues of Micro Enterprises & Small Enterprises		116.02	455.50
	-Total Outstanding Dues of Others		4,923.44	5,464.62
	iii) Other Financial Liabilities	22	218.13	280.00
	(b) Other Current Liabilities	23	740.15	1,058.57
	(c) Provisions	24	132.20	149.87
	(d) Current Tax Liabilities (Net)		9.54	(2.18)
	TOTAL CURRENT LIABILITIES (2)		10,229.17	11,259.84
	TOTAL LIABILITIES (1 + 2)		12,994.36	14,278.46
	TOTAL EQUITY AND LIABILITIES		28,571.91	29,410.30
	Basis of preparation, measurement and significant accounting policies	1		
	Contingent Liabilities and Commitments	37		

The accompanying notes are an integral part of these Financial Statements

In terms of our report of even date attached

For **Anil Kamal Garg & Company**

Chartered Accountants

ICAI Firm Registration No. 004186C

For and on the behalf of the Board

Devendra Bansal

Partner

Membership No. 078057

Sanjay Kumar Agrawal

Managing Director

Vijay Prasad Pappu

Whole Time Director cum CFO

Place : Indore

Date : July 24th, 2020

Mohit Agrawal

Chief Executive Officer

Ajay Shrivastava

Company Secretary

UDIN: 20078057AAAAAT2736

Place : Burhanpur

Date : July 24th, 2020

TEXMO PIPES AND PRODUCTS LIMITED

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars		Note No.	[₹ in Lakhs]	
			For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
	INCOME			
I	Value of Sales		38,384.11	36,248.16
II	Less: GST Recovered		(5,589.55)	(5,273.71)
III	Revenue from Operations	25	32,794.56	30,974.45
IV	Other Income	26	130.59	157.82
V	TOTAL INCOME (III + IV)		32,925.15	31,132.27
	EXPENSES			
	Cost of Materials Consumed	27	23,627.43	22,327.79
	Purchases of Stock-In-Trade	28	2,044.42	1,775.69
	Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	29	(611.42)	(124.45)
	Employee Benefits Expense	30	1,511.19	1,538.00
	Finance Costs	31	1,052.17	969.81
	Depreciation and Amortization Expense		619.64	560.26
	Other Expenses	32	3,972.33	3,746.15
	TOTAL EXPENSES (VI)		32,215.76	30,793.25
VII	Profit before exceptional items and tax (V-VI)		709.39	339.02
VIII	Exceptional items	33	(93.64)	60.58
IX	Profit before tax (VII+VIII)		615.76	399.60
X	Tax Expenses			
	(1) Current Tax		154.16	86.45
	(2) Short/(Excess) Tax Provision for earlier years		3.96	(15.23)
	(3) Deferred Tax		25.08	(5.53)
	TOTAL TAX EXPENSES		183.20	65.69
XI	Profit for the year (IX-X)		432.56	333.91
XII	Other Comprehensive Income	34		
	A. (i) Items that will not be reclassified to Profit or Loss		44.30	(0.30)
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
	B. (i) Items that will be reclassified to Profit or Loss		-	-
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
	OTHER COMPREHENSIVE INCOME		44.30	(0.30)
XIII	Total Comprehensive Income for the year (Comprising Profit and Other Comprehensive Income for the period) (XI+XII)		476.86	333.61
XIV	Earnings Per Equity Share	35		
	(1) Basic (INR)		1.64	1.33
	(2) Diluted (INR)		1.64	1.33
	Basis of preparation, measurement and significant accounting policies	1		
<p>The accompanying notes are an integral part of these Financial Statements</p> <p>In terms of our report of even date attached</p> <p>For Anil Kamal Garg & Company Chartered Accountants ICAI Firm Registration No. 004186C</p> <p>For and on the behalf of the Board</p> <p>Devendra Bansal Partner Membership No. 078057</p> <p>Sanjay Kumar Agrawal Managing Director</p> <p>Vijay Prasad Pappu Whole Time Director cum CFO</p> <p>Place : Indore Date : July 24th, 2020</p> <p>Mohit Agrawal Chief Executive Officer</p> <p>Ajay Shrivastava Company Secretary</p> <p>UDIN: 20078057AAAAAT2736</p> <p>Place : Burhanpur Date : July 24th, 2020</p>				

TEXMO PIPES AND PRODUCTS LIMITED
STANDALONE STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020
A. Equity Share Capital

[₹ in Lakhs]

Balance at the beginning of the reporting period as on 1st April 2018	Changes in Equity Share Capital during the year 2018-19	Balance at the end of the reporting period as on 31st March 2019
2,502.00	130.00	2,632.00

[₹ in Lakhs]

Balance at the beginning of the reporting period as on 1st April 2019	Changes in Equity Share Capital during the year 2019-20	Balance at the end of the reporting period as on 31st March 2020
2,632.00	-	2,632.00

B. Other Equity

[₹ in Lakhs]

Particulars	Equity Component of Compound Financial Instruments	Reserve and Surplus		Revaluation Surplus	Total
		Securities Premium	Retained Earnings		
Balance at the beginning of the reporting period 1st April, 2018	85.48	6,708.04	(1,202.01)	6,427.35	12,018.86
Changes in Accounting Policies/Prior Period Errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	85.48	6,708.04	(1,202.01)	6,427.35	12,018.86
Profit for the year 2018-19	-	-	333.91	-	333.91
Other comprehensive income for the year 2018-19	-	-	(0.30)	-	(0.30)
Dividends	-	-	-	-	-
Transferred to Retained Earnings	-	-	-	-	-
Equity Shares issued during the year	-	171.60	-	-	171.60
Transferred from Retained Earnings	-	-	-	-	-
Unamortised Cost Portion on Interest Free Loans to Subsidiary written off	-	-	(26.82)	-	(26.82)
Classified during the year	2.59	-	-	-	2.59
Balance at the end of the reporting period ended 31st March, 2019	88.07	6,879.64	(895.22)	6,427.35	12,499.84

Particulars	Equity Component of Compound Financial Instruments	Reserve and Surplus		Revaluation Surplus	Total
		Securities Premium	Retained Earnings		
Balance at the beginning of the reporting period 1st April, 2019	88.07	6,879.64	(895.22)	6,427.35	12,499.84
Changes in Accounting Policies/Prior Period Errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	88.07	6,879.64	(895.22)	6,427.35	12,499.84
Profit for the year 2019-20	-	-	432.56	-	432.56
Other comprehensive income for the year 2019-20	-	-	44.30	-	44.30
Dividends	-	-	-	-	-
Transferred to Retained Earnings	-	-	-	-	-
Equity Shares issued during the year	-	-	-	-	-
Transferred from Retained Earnings	-	-	-	-	-
Unamortised Cost Portion on Interest Free Loans to Subsidiary written off	-	-	(28.97)	-	(28.97)
Classified / (Redeemed) during the year	(2.18)	-	-	-	(2.18)
Balance at the end of the reporting period ended 31st March, 2020	85.89	6,879.64	(447.33)	6,427.35	12,945.55

In terms of our report of even date attached

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. 004186C

For and on the behalf of the Board

Devendra Bansal
Partner
Membership No. 078057

Sanjay Kumar Agrawal
Managing Director

Vijay Prasad Pappu
Whole Time Director cum CFO

Place : Indore
Date : July 24th, 2020

Mohit Agrawal
Chief Executive Officer

Ajay Shrivastava
Company Secretary

UDIN: 20078057AAAAT2736

Place : Burhanpur
Date : July 24th, 2020

TEXMO PIPES AND PRODUCTS LIMITED
STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2020

[₹ in Lakhs]

Sno.	Particulars	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
A.	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>				
	Profit before Tax		615.76		399.60
	<u>Adjustments for :</u>				
	Depreciation and Amortization Expense	619.64		560.26	
	Finance Costs	1,052.17		969.81	
	Exceptional (Gain) / Loss	(93.64)		(60.58)	
	Bad Debts	81.46		1.96	
	Prior Period Items	0.75		6.15	
	Excess Provision Written Back	-		(10.85)	
	Provision for Impairment of Debtors	(6.46)		40.00	
	Interest Income	(116.56)		(127.20)	
	Net Loss/(Gain) on sale of assets	2.34		2.66	
	Remeasurement of Defined Benefit Plans	44.30	1,584.01	(0.30)	1,381.91
	Operating Profit before Working Capital Changes		2,199.77		1,781.51
	<u>Adjustments for :</u>				
	(Increase)/ Decrease in Inventories	(973.14)		546.86	
	(Increase)/ Decrease in Trade Receivables	1,659.69		(2,125.32)	
	(Increase)/ Decrease in Other Financial Assets	(55.45)		1,078.58	
	(Increase)/ Decrease in Other Current Assets	249.92		(523.01)	
	Increase/ (Decrease) in Financial Liabilities	(880.66)		954.48	
	Increase/ (Decrease) in Other Current Liabilities	(318.42)		66.51	
	Increase/ (Decrease) in Short Term Provisions	(17.67)	(335.73)	42.07	40.17
	Cash generated from Operations		1,864.04		1,821.68
	Direct Taxes Paid (Net)		146.39		71.23
	Net Cash Flow from Operating Activities		1,717.64		1,750.45
B.	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>				
	Purchase of Property, Plant and Equipment and Intangibles		(737.61)		(807.22)
	Sale/ Disposals of Property, Plant and Equipment		94.78		156.19
	Proceeds from Sale of Investments in Subsidiary/ Associates/ Joint Ventures		-		47.20
	Movement in Long Term Advances		2.32		2.15
	Movement in Deposits		(31.16)		36.34
	Interest Received		116.56		127.20
	Net Cash (Used in) Investing Activities		(555.11)		(438.16)
C.	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>				
	Proceeds from issue of Preferential Equity Shares		-		301.60
	(Repayment)/Proceeds of Long-term Borrowings		(330.38)		(403.84)
	(Repayment)/Proceeds from Short term Borrowings		236.24		(296.80)
	Proceeds from Long Term Deposits		49.69		97.90
	(Repayment)/Proceeds of Other Current Financial Liabilities		(61.87)		(103.97)
	Finance Costs		(1,052.17)		(969.81)
	Net Cash (Used in) Financing Activities		(1,158.49)		(1,374.92)

Sno.	Particulars	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
	NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS [A+B+C]		4.04		(62.61)
	Cash and cash equivalents at the beginning of the year		25.83		88.44
	Cash and cash equivalents at the end of the year		29.87		25.83
	Components of cash and cash equivalents as at the year end :				
	Balance with Banks in Current Accounts		0.57		2.18
	Cheques, Drafts on Hand		-		10.00
	Cash on Hand		29.30		13.65
			29.87		25.83

For Anil Kamal Garg & Company
Chartered Accountants
ICAI Firm Registration No. 004186C

For and on the behalf of the Board

Devendra Bansal
Partner
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Whole Time Director cum CFO

Place : Indore
Date : July 24th, 2020

Mohit Agrawal
Chief Executive Officer

Ajay Shrivastava
Company Secretary

UDIN: 20078057AAAAAT2736

Place : Burhanpur
Date : July 24th, 2020

TEXMO PIPES AND PRODUCTS LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

[₹ in lakhs unless specified otherwise]

NOTE - 1A - CORPORATE INFORMATION

Texmo Pipes and Products Limited ("the Company") was formed as a Partnership Firm by the name M/s Shree Mohit Industries on 13th May 1999 and was subsequently converted into Public Limited Company under Part IX of the Companies Act, 1956 under the name of Texmo Pipes and Products Limited having Certificate of Incorporation dated 3rd July 2008. Its shares are listed with the National Stock Exchange [NSE] and Bombay Stock Exchange [BSE]. The Registered Office of the Company is situated at 98, Bahadarpur Road, Burhanpur (M.P.) 450331. The Company is principally engaged in manufacturing and trading of PVC, HDPE, SWR, Sprinkler, Drip, CPVC Pipes and Fittings.

NOTE - 1B - SIGNIFICANT ACCOUNTING POLICIES

1B.1 Basis of Preparation

The standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The standalone financial statements of the Company for the year ended March 31, 2020 were authorized for issue in accordance with a resolution of the Board of Directors on July 24th, 2020.

1B.2 Basis of Measurement

The standalone financial statements have been prepared on a going concern basis using historical cost convention and on accrual method of accounting, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivative instruments);
- Defined benefit plans - plan assets; and
- Assets Held for Sale

1B.3 Functional and Presentation Currency

These standalone financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All amounts have been rounded off to the nearest lakh, unless otherwise indicated.

1B.4 Summary of Significant Accounting Policies

1B.4.1 Property, Plant and Equipment (PPE)

- (a) Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any other cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- (b) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.
- (c) Expenses incurred in relation to a project, net of income earned during the project development stage prior to its intended use, are considered as Pre - Operative Expenses and are disclosed under 'Capital Work - in - Progress'.
- (d) Depreciation on Property, Plant and Equipment is provided using straight line method, except on Freehold Land, on which no depreciation is provided. Depreciation provided is based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. If, significant parts of an item of Property, Plant and Equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of Property, Plant and Equipment. In respect of the Dies and Moulds, the useful life is estimated at 12 years, which is different from the prescribed life of 8 years under Schedule II to the Companies Act 2013
- (e) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (f) Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

- (g) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.
- (h) The addition in Property, Plant and Equipment for the year under review, includes a sum of Rs. 25.35 Lakhs (previous year Rs. Nil) which has been recognized as reusable after incidence of the natural calamities in the year 2018-19.

1B.4.2 Leases

The Company as a lessee

- (a) The Company's lease asset classes primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether :
 - (i) the contract involves the use of an identified asset;
 - (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
 - (iii) the Company has the right to direct the use of the asset.
- (b) Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.
- (c) At the date of commencement of the lease, the Company recognizes a Right-of-Use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short term leases and low value leases. For these short term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
- (d) The lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
- (e) The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.
- (f) ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.
- (g) The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.
- (h) Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

- (a) The Company has not entered into any lease contract during the year in the capacity of "Lessor".

Adoption of Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases, which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has entered into six lease agreements, in earlier years, all expiring in the financial year 2021-22. Looking to the short-term unexpired period of the lease agreements as on the date of applicability of Ind AS 116 Leases, the company has classified such leases as 'Short Term Leases' and correspondingly, has claimed the exemption benefit under paragraph 5(a) of Ind AS 116 Leases. Accordingly, the company has recognised the lease payments associated with those leases as an operating expense.

1B.4.3 Capital Work-in-Progress

- (a) Expenditure incurred on assets under construction (including a project) is carried at cost under 'Capital Work-in-Progress'. Such costs comprises purchase price of asset including import duties and non-refundable taxes and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and after deducting trade discounts and rebates.
- (b) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under 'Capital Work-in-Progress' and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.
- (c) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under 'Capital Work-in-Progress' and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

1B.4.4 Intangible assets

- (a) Intangible Assets purchased are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.
- (b) Amortisation is provided on straight-line basis over estimated useful lives of the intangible assets, which is taken at 5 years for Computer Software. The amortisation period for intangible assets with finite useful lives are reviewed at least at each year end. Changes in useful lives are treated as changes in accounting estimates.
- (c) Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.
- (d) Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.
- (e) The Company has no internally generated Intangible Assets.

1B.4.5 Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets

- (a) The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.
- (b) An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.
- (c) The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

1B.4.6 Borrowing Costs

- (a) Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

- (b) Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.
- (c) All other borrowing costs are expensed in the period in which they occur.

1B.4.7 Inventories

- (a) Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.
- (b) Cost of raw materials, work-in-progress, finished goods, stock-in-trade, stores and spares and packing materials are determined at Cost, with moving average price on First in First Out [FIFO] basis.

1B.4.8 Assets Held For Sale

The assets are classified as held for sale if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of held for sale is met when the asset is available for immediate sale and the same is highly probable of being completed within one year from the date of classification under held for sale. The Company, is holding a Land at Shukhpuri Village, as 'Assets held for Sale', under the head of Other Current Assets, as the management anticipates completion of the sale by March 2021.

1B.4.9 Provisions, Contingent Liabilities and Contingent Assets

- (a) Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management's estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.
- (b) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
- (c) Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management's estimate.
- (d) Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable.

1B.4.10 Income Taxes

- (a) Income-Tax expense comprises of current and deferred income tax, net of Health and Education Cess which has been shown under the head 'Other Expenses'. Income tax expense is recognised in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.
- (b) Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.
- (c) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.
- (d) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

1B.4.11 Foreign Currency Transactions and Translations

- (a) Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.
- (b) Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.
- (c) Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

1B.4.12 Employee Benefits Expense

(a) Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

(b) Post-Employment Benefits

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

(c) Defined Benefits Plans

(i) The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(ii) The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the provisions of the Payment of Gratuity Act, 1972.

(iii) The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by the governing Income-Tax authorities.

(iv) The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

(v) Re-measurements of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

(d) Employee Separation Costs

Compensation to employees who have opted for retirement under the voluntary retirement scheme of the Company is payable in the year of exercise of option by the employee. The Company recognises the employee separation cost when the scheme is announced and the Company is demonstrably committed to it.

1B.4.13 Revenue from Operations

(a) Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

(b) Revenue from rendering of services is recognised when the performance obligation to render the services are completed as per contractually agreed terms. The revenue derived by the company from rendering of Logistics services has been netted off against its 'Freight, Cartage Outward & Other Selling Expenses'.

(c) Revenue from sale of goods & rendering of services is measured at the fair value of the consideration received or receivable after taking into account contractually defined terms of payment and excluding trade discounts, volume rebates and taxes or duties collected on behalf of the Government such as Goods and Services Tax [GST].

1B.4.14 Other Income

(a) Interest Income

For all Debt Instruments measured either at Amortized Cost or at Fair Value through Other Comprehensive Income, interest income is recorded using the Effective Interest Rate [EIR]. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability.

(b) Dividend Income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

1B.4.15 Goods & Services Tax [GST]

The Goods & Services Tax balances, as appearing in the Balance Sheet of the Company, are subject to the GST Audit which is to be carried out under s. 35(5) of the Central Goods & Services Tax Act, 2017 for the financial year 2019-20.

1B.4.16 Insurance Claims

- (a) Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted to the extent that there is no uncertainty in receiving the claims.
- (b) During the financial year ended 31st March, 2019, due to accidents & natural calamities viz. (i) Inundation of Water in factory and business premises, (ii) Wind Storm & Fire in the factory and business Premises and (iii) Vehicle Accidental Damages, the Company had lodged Re-instatement claims towards the lost or damaged assets. As, under the Re-instatement policy, the insurer is contractually obliged to pay the Re-instatement cost of the damaged asset, the company had recognised a 'Net Gain on Insurance Claim' aggregating to Rs. 60.58 Lakhs. However, during the financial year 2019-20, the company has received a sum of Rs. 16.96 Lakhs only against its claim and correspondingly, a sum of Rs. 93.64 Lakhs (towards Revenue Items Rs. 13.71 Lakhs, towards Capital Items Rs. 4.56 Lakhs & towards Re-instatement claim of Rs. 75.36 Lakhs) has been shown as Net Loss on Insurance Claim under the head 'Exceptional Items', in the Statement of Profit and Loss.
- (c) The Company is expecting the settlement of insurance claims lodged by it, within next twelve months and therefore, the Company has classified such Insurance Claims Receivables under the head 'Other Current Assets' in the Balance Sheet.

1B.4.17 Financial Instruments

(a) Financial Assets

(i) Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

(ii) Subsequent measurement

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

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

Financial assets at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL.

(iii) Investment in subsidiaries, Associates and Joint Ventures

The Company has elected to measure investment in its wholly owned subsidiary M/s. Tapti Pipes and Products Ltd. FZE, UAE at its Fair Value.

(iv) Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

(v) Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(b) Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

(ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derivative financial instruments and Hedge Accounting

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

Cash flow hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

Fair Value Hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

(iv) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1B.4.18 Operating Cycle

- (a) The Company presents its assets and liabilities in the balance sheet based on current/non-current classification which is based upon the Company's operating cycle. The Company has identified twelve months as its operating cycle.
- (b) An asset is treated as current when it is:
 - (i) Expected to be realized or intended to be sold or consumed in normal operating cycle;
 - (ii) Held primarily for the purpose of trading;
 - (iii) Expected to be realized within twelve months after the reporting period; or
 - (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- (c) A liability is treated as current when :
 - (i) It is expected to be settled in normal operating cycle;
 - (ii) It is held primarily for the purpose of trading;
 - (iii) It is due to be settled within twelve months after the reporting period, or
 - (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- (d) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1B.4.19 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of shares issued during the year including bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

1B.4.20 Dividend Distribution

Dividends paid (including Income-Tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by the shareholders.

1B.4.21 Statement of Cash Flows

(a) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

- (b) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Ind AS.

NOTE - 1C - CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the standalone financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1C.1 Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, Plant and Equipment / Intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

1C.2 Recoverability of Trade Receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

1C.3 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

1C.4 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

1C.5 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

1C.6 Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these standalone financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's standalone financial statements may differ from that estimated as at the date of approval of these financial statements.

NOTE - 1D - AMENDMENTS TO EXISTING STANDARDS

1D.1 Appendix C to Ind AS 12 - Uncertainty over income tax treatments

Appendix C to Ind AS 12 clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. The adoption of Appendix C to Ind AS 12 did not have any material impact on the financial statements of the Company.

1D.2 Amendment to Ind AS 12 – Income Taxes

The Ministry of Corporate Affairs issued amendments to Ind AS 12 – Income Taxes. The amendments clarify that an entity shall recognize the income tax consequences of dividends on financial instruments classified as equity according to where the entity originally recognized those past transactions or events that generated distributable profits were recognized. The adoption of amendment to Ind AS 12 did not have any material impact on the standalone financial statements of the Company.

1D.3 Amendment to Ind AS 19 - Plan Amendment, Curtailment or Settlement

The Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements requiring an entity to determine the current service costs and the net interest for the period after the remeasurement using the assumptions used for the remeasurement; and determine the net interest for the remaining period based on the remeasured net defined benefit liability or asset. The adoption of amendment to Ind AS 19 did not have any material impact on the standalone financial statements of the Company.

NOTE - 1E - NEW ACCOUNTING STANDARDS NOT YET ADOPTED BY THE COMPANY

1E.1 Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1st, 2020.

NOTE - 2 - PROPERTY, PLANT AND EQUIPMENT

SNO.	PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT		
		As at 1-4-2019	Additions	Disposals	As at 31-3-2020	As at 1-4-2019	For the year	Disposals	As at 31-3-2020	As at 31-3-2019
1	Freehold Land	6,447.13	-	-	6,447.13	-	-	-	6,447.13	6,447.13
2A	Factory Buildings	868.31	27.03	-	895.34	85.30	33.25	-	776.80	783.02
2B	Office Buildings	333.13	-	-	333.13	15.76	5.63	-	311.75	317.38
3	Plant and Equipment	4,642.05	575.40	0.48	5,216.97	1,290.31	479.16	0.16	3,447.65	3,351.74
4	Furniture and Fixtures	100.12	3.13	-	103.25	46.80	9.40	-	47.05	53.33
5	Vehicles	393.83	96.29	9.94	480.17	102.88	77.02	6.78	307.06	290.95
6	Office Equipment	86.09	13.93	-	100.03	32.85	13.07	-	54.11	53.24
	TOTAL	12,870.66	715.78	10.42	13,576.02	1,573.89	617.53	6.94	11,391.54	11,296.78
	Previous Year	11,925.42	1,099.89	154.64	12,870.66	1,072.32	557.95	56.38	11,296.78	10,853.10

Note:

1 Entire movable and immovable Property, Plant and Equipment are mortgaged in favour of secured lenders against the sanctioned credits [Refer Note 17.1].

NOTE - 3 - CAPITAL WORK-IN-PROGRESS

SNO.	PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT		
		As at 1-4-2019	Additions	Disposals	As at 31-3-2020	As at 1-4-2019	For the year	Disposals	As at 31-3-2020	As at 31-3-2019
1	Capital Work-In-Progress	9.91	158.63	142.78	25.77	-	-	-	25.77	9.91
	TOTAL	9.91	158.63	142.78	25.77	-	-	-	25.77	9.91
	Previous Year	309.18	356.04	655.31	9.91	-	-	-	9.91	309.18

NOTE - 4 - INVESTMENT PROPERTY

SNO.	PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION/ IMPAIRMENT LOSS/ REVERSAL			NET CARRYING AMOUNT		
		As at 1-4-2019	Additions	Disposals	As at 31-3-2020	As at 1-4-2019	For the year	Disposals	As at 31-3-2020	As at 31-3-2019
1	Freehold Land	38.44	-	-	38.44	-	-	-	38.44	38.44
	<u>TOTAL</u>	38.44	-	-	38.44	-	-	-	38.44	38.44
	<u>Previous Year</u>	38.44	-	-	38.44	-	-	-	38.44	38.44

NOTE - 5 - INTANGIBLE ASSETS OTHER THAN GOODWILL

SNO.	PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION/ AMORTISATION			NET CARRYING AMOUNT		
		As at 1-4-2019	Additions	Disposals	As at 31-3-2020	As at 1-4-2019	For the year	Disposals	As at 31-3-2020	As at 31-3-2019
1	Computer Software - Acquired	25.59	5.97	-	31.56	17.00	2.11	-	19.11	8.59
	<u>TOTAL</u>	25.59	5.97	-	31.56	17.00	2.11	-	19.11	8.59
	<u>Previous Year</u>	18.99	6.60	-	25.59	14.69	2.31	-	17.00	4.28

NOTE - 6 - NON-CURRENT INVESTMENTS

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
Investment in Equity Instruments (Unquoted)		
Wholly Owned Subsidiary		
Tapti Pipes and Products Ltd. FZE, UAE 32,235 [Previous year - 32,235] Equity Shares of UAE Dirhams of 1000 [Previous year - 1000] each	1,162.13	1,162.13
TOTAL	1,162.13	1,162.13
Note:		
1	Aggregate amount of diminution in value of investments in equity instruments - Rs.3194 Lakhs. [Previous year - Rs.3194 Lakhs]	

NOTE - 6.1 - Investments in Equity Instruments

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
Aggregate amount of Quoted Investments	-	-
Aggregate amount of Unquoted Investments	1,162.13	1,162.13
Aggregate amount of Impairment in Value of Investments	-	-

NOTE - 7 - NON-CURRENT LOANS

[Unsecured, considered good]

[₹ in Lakhs]

Particulars	As at 31st March, 2020	As at 31st March, 2019
Loans to related parties	590.18	592.50
<u>TOTAL</u>	590.18	592.50

Notes:

- i) The entire loan has been given in the foreign currency to wholly owned subsidiary of the company namely Tapti Pipes & Products Ltd. FZE, UAE.
- ii) This loan is being carried at amortized cost.

NOTE - 8 - OTHER NON-CURRENT ASSETS

[Unsecured, considered good]

[₹ in Lakhs]

Particulars	As at 31st March, 2020	As at 31st March, 2019
<u>Advances other than Capital Advances</u>		
Security Deposits	156.63	122.06
Taxes Paid Under Protest	187.35	190.76
<u>TOTAL</u>	343.98	312.82

NOTE - 9 - INVENTORIES

[Valued at lower of cost and net realizable value]

[₹ in Lakhs]

Particulars	As at 31st March, 2020	As at 31st March, 2019
Raw Materials	4,565.52	4,198.80
Work-In-Progress	75.21	90.68
Finished Goods	2,114.11	1,683.01
Stock-In-Trade	455.80	260.01
Stores and Spares	90.19	76.69
Packing Materials	43.85	62.35
<u>TOTAL</u>	7,344.68	6,371.54

Notes:

- i) Amount of inventories recognised as an expense have been disclosed in Notes 27, 28 and 29.
- ii) Entire inventories have been hypothecated as security with banks against working capital loans, refer Note-20 for details.

NOTE - 10 - CURRENT TRADE RECEIVABLES

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
Secured, considered good	-	-
Unsecured, considered good	4,421.08	6,155.77
Trade Receivables which have significant increase in Credit Risk	73.54	80.00
Less: Impairment for trade receivables	(73.54)	(80.00)
Trade Receivables - Credit Impaired	-	-
TOTAL	4,421.08	6,155.77

Notes:

- i) No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Further, trade receivables due from enterprises over which Key managerial Persons are able to exercise significant influence amounts to Rs. 0.10 Lakhs and firms or private companies in which any director is a partner, a director or a member amounts to Rs. 0.01 Lakhs as at 31st March, 2020.
- ii) The provision for the impairment of trade receivable has been made on the basis of expected credit loss as per the judgment of the management.
- iii) Trade Receivables have been hypothecated with Banks against working capital loans, refer Note-20 for details.

NOTE - 11 - CASH AND CASH EQUIVALENTS

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
Balances with Banks in Current Accounts	0.57	2.18
Cheques, Drafts on Hand	-	10.00
Cash on Hand	29.30	13.65
TOTAL	29.87	25.83

NOTE - 12 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
Fixed Deposits - Maturity more than 3 months and less than 12 months	881.74	810.47
TOTAL	881.74	810.47

Note: Fixed Deposits are held as margin money against the bank guarantee and letter of credit facilities sanctioned by the Banks.

NOTE - 13 - CURRENT LOANS

[Unsecured, considered good]

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
Security Deposits	-	-
Loans to related parties	0.21	-
Others	0.34	16.36
TOTAL	0.55	16.36

Notes:

- 1 No loans are due from directors or other officers of the Company either severally or jointly with any other person. Further, loan receivables due from firms or private companies in which any director is a partner, a director or a member amounts to Rs. 0.21 Lakhs as at 31st March, 2020.
- 2 None of the loan receivables have been considered as having significant increase in credit risk or are credit impaired.

NOTE - 14 - OTHER CURRENT ASSETS

		[₹ in Lakhs]	
Particulars		As at 31st March, 2020	As at 31st March, 2019
A. Capital Advances		36.97	50.58
	(A)	36.97	50.58
B. Advances other than Capital Advances			
Security Deposits		-	-
Taxes Paid Under Protest		438.60	429.04
Advance to related parties		-	-
Others			
- Advance to Suppliers		112.73	72.25
- Advance to Employees		25.51	22.63
- Advance to Others		44.93	89.07
	(B)	621.77	612.99
C. Others			
Assets Held for Sale - Freehold Land		217.15	217.15
Balances with Statutory Authorities		88.14	9.93
Prepaid Expenses		50.60	52.53
Insurance Claims Receivable		715.03	1,206.97
Incentives Receivable from Government		430.02	430.02
Incentives Receivable from Suppliers		138.54	-
Unamortised Cost (Current Portion)*		31.28	28.97
	(C)	1,670.76	1,945.57
TOTAL	(A+B+C)	2,329.50	2,609.14
* Relating to Interest Free Loan to foreign subsidiary			

Notes:

- No advances are due from directors or other officers of the Company either severally or jointly with any other person. Further, no advance is due from firms or private companies in which any director is a partner, a director or a member.
- Entire Incentives Receivable from Suppliers amounting to Rs. 138.54 Lakhs (Previous Year Rs. Nil) is due from a firm in which relative of director is a partner, as at 31st March, 2020.

NOTE - 15 - EQUITY SHARE CAPITAL
A. Authorised and Paid-up Share Capital

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
<u>AUTHORISED</u>				
Equity Shares of Rs.10/- each	3,00,00,000	3,000.00	3,00,00,000	3,000.00
<u>ISSUED, SUBSCRIBED AND FULLY PAID-UP</u>				
Equity Shares of Rs.10/- each	2,63,20,000	2,632.00	2,63,20,000	2,632.00
TOTAL	2,63,20,000	2,632.00	2,63,20,000	2,632.00

B. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

[₹ in Lakhs]

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	2,63,20,000	2,632.00	2,50,20,000	2,502.00
Shares issued during the year	-	-	13,00,000	130.00
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	2,63,20,000	2,632.00	2,63,20,000	2,632.00

C. Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Name of Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shri Sanjay Kumar Agrawal	38,96,474	14.80	38,96,474	14.80
Smt. Rashmi Devi Agrawal	33,77,592	12.83	33,77,592	12.83
Shree Padmavati Irrigations LLP	26,12,000	9.92	26,12,000	9.92

D. Rights, Preferences and restrictions attached to Equity Shares

The Company has issued only one class of equity shares having face value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. 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 to their shareholding.

E. Allotment of Bonus Shares/Buy Back of shares

There are no shares allotted as fully paid up by way of bonus shares or allotted as fully paid up pursuant to contract without payment being received in cash, or bought back during the period of five years immediately preceding the reporting date. There are no securities which are convertible into equity shares.

NOTE - 16 - OTHER EQUITY

[₹ in Lakhs]

Particulars	As at 31st March, 2020	As at 31st March, 2019
Securities Premium	6,879.64	6,879.64
Retained Earnings	(447.32)	(895.22)
Revaluation Surplus	6,427.35	6,427.35
Equity Component of Compound Financial Instruments	85.89	88.07
TOTAL	12,945.55	12,499.84

Notes :

- During the F.Y. 2018-19, the company had issued 13,00,000 Equity Shares of face value of Rs.10/- each as fully paid-up at a value of Rs.23.20 per share. The excess of aggregate consideration received over the face value of shares amounting to Rs.171.60 Lakhs was credited to securities premium. The amount of securities premium can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.
- Retained Earnings are the profits/losses that the Company has earned till date.
- The company has created Revaluation Surplus out of revaluation of lands carried out during the financial year 2016-17.
- Equity component of Compound Financial Instruments represents the difference between the proceeds of the borrowings made by the Company from its promoters at low interest rate, and the fair value of the liability component.

NOTE - 17 - NON-CURRENT BORROWINGS

[₹ in Lakhs]

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non Current	Current	Non Current	Current
Term Loans				
A. Secured				
From Banks	629.41	217.53	867.93	250.04
From Others	-	-	49.20	28.02
(A)	629.41	217.53	917.13	278.06
B. Unsecured				
Loans and advances from related parties	57.24	-	97.71	-
(B)	57.24	-	97.71	-
TOTAL (A+B)	686.65	217.53	1,014.84	278.06

Notes:

- (i) The Current portion of the Borrowings represent the principal amount of loan, which is repayable in next twelve months and has been classified under Note No. 22 'Other Current Financial Liabilities'.
- (ii) Refer Note 41 for information about liquidity risk.

Note - 17.1 - Nature of security, terms of repayment and details of guarantee given for Long Term Secured Borrowings

Sno.	Nature of Security	Terms of Repayment
1	<p>Term Loan of Rs.700 Lakhs from Punjab National Bank is secured on first and exclusive charge by way of Equitable Mortgage on Machineries and Hypothecation of all movable Machineries/ Implements/ Fixed Assets and Guarantees of Mr. Sanjay Kumar Agrawal, Mrs. Rashmidevi Agrawal, Shree Padmavati Irrigation LLP, Shree Balaji Industries and Shree Venkatesh Industries along with pari passu charge by way of Equitable Mortgage of Properties owned by Directors Mr. Sanjay Kumar Agrawal, Mrs. Rashmidevi Agrawal and M/s Shree Balaji Industries as collateral security.</p> <p>[Total Outstanding as on 31-03-2020 is Rs.512.56 Lakhs (Previous year Rs.630.98 Lakhs) out of which Rs.99.99 Lakhs (Previous year Rs.99.99 Lakhs) is taken to current maturities of long term debts]</p>	<p>Repayable in 84 equal monthly installments of Rs. 8.33 Lakhs with initial moratorium period of 5 months starting from April, 2018. Last installment due in March, 2025. Rate of interest 10.55% p.a. as at year end. (Previous Year 10.55% p.a.)</p>
2	<p>Term Loan of Rs.400 Lakhs from Central Bank of India, is secured by Pari Pasu charge on Plant & Machineries situated at Factory Premises Present & Future with SBI and Personal Guarantees of Directors Mr. Sanjay Kumar Agrawal, Mrs. Rashmidevi Agrawal, M/s Shree Balaji Industries, M/s. Shree Padmavati Irrigation LLP and M/s. Shree Venkatesh Industries along with First pari passu charge by way of Equitable Mortgage of Properties owned by Directors Mr. Sanjay Kumar Agrawal, Mrs. Rashmidevi Agrawal and M/s Shree Balaji Industries as collateral security.</p> <p>[Total Outstanding as on 31-03-2020 is Rs. 204.04 Lakhs (Previous year Rs.260.95 Lakhs) out of which Rs.56.32 Lakhs (Previous year Rs.51.31 Lakhs) is taken to current maturities of long term debts]</p>	<p>Repayable in 84 equal monthly installments of Rs. 4.69 Lakhs starting from October, 2016. Last installment due in September, 2023. Rate of interest is 11.10% p.a. as at the year end. (Previous Year 12.55% p.a.)</p>

Sno.	Nature of Security	Terms of Repayment
3	Vehicle Loan of Rs.9.68 Lakhs from HDFC Bank is secured by Hypothecation of Vehicle. [Total Outstanding Rs.1.50 Lakhs (Previous year Rs.4.89 Lakhs) out of which Rs.1.50 Lakhs (Previous year Rs.3.39 Lakhs) taken to current maturities of long term debts]	Repayable in 36 equal monthly installments starting from September, 2017. Last installment due in August, 2020. Rate of Interest is 8.76% p.a. as at year end. (Previous Year 8.76%)
4	Four Vehicle Loans aggregating to Rs.65.64 Lakhs from HDFC Bank are secured by Hypothecation of Vehicles. [Total Outstanding Rs.16.39 Lakhs (Previous year Rs. 32.88 Lakhs) out of which Rs.16.39 Lakhs (Previous year Rs.16.50 Lakhs) taken to current maturities of long term debts]	Repayable in 36 equal monthly installments starting from March 2018.Last installment due in February 2021. Rate of Interest is 8.51% p.a. as at year end. (Previous Year 8.51%)
5	Vehicle Loan of Rs. 77.65 Lakhs from HDFC Bank is secured by Hypothecation of Vehicle. [Total Outstanding Rs.55.32 Lakhs (Previous year Rs.69.09 Lakhs) out of which Rs.14.98 Lakhs (Previous year Rs.13.77 Lakhs) taken to current maturities of long term debts]	Repayable in 60 equal monthly installments starting from August 2018.Last installment due in July 2023. Rate of Interest is 8.50% p.a. as at year end. (Previous Year 8.50%)
6	Vehicle Loan of Rs.7.06 Lakhs from HDFC Bank is secured by Hypothecation of Vehicle. [Total Outstanding Rs. 5.70 Lakhs (Previous year Rs. Nil) out of which Rs.3.49 Lakhs (Previous year Rs. Nil) taken to current maturities of long term debts]	Repayable in 24 equal monthly installments starting from November, 2019. Last installment due in October,2021. Rate of Interest is 10.02% p.a. as at year end. (Previous Year Nil)
7	Four Vehicle Loans aggregating to Rs.61.98 Lakhs from HDFC Bank are secured by Hypothecation of Vehicles. [Total Outstanding Rs. 44.87 Lakhs (Previous year Rs. Nil) out of which Rs.20.43 Lakhs (Previous year Rs. Nil) taken to current maturities of long term debts]	Repayable in 36 equal monthly installments starting from May, 2019. Last installment due in April,2022. Rate of Interest is 9.51% p.a. as at year end. (Previous Year Nil).
8	Vehicle Loan of Rs.4.24 Lakhs from HDFC Bank is secured by Hypothecation of Vehicle. [Total Outstanding Rs. 3.82 Lakhs (Previous year Rs. Nil) out of which Rs.1.32 Lakhs (Previous year Rs. Nil) taken to current maturities of long term debts]	Repayable in 36 equal monthly installments starting from December, 2019. Last installment due in November,2022. Rate of Interest is 9.00% p.a. as at year end. (Previous Year Nil)
9	Vehicle Loan of Rs.9.76 Lakhs from HDFC Bank is secured by Hypothecation of Vehicle. [Total Outstanding Rs. 8.80 Lakhs (Previous year Rs. Nil) out of which Rs.3.05 Lakhs (Previous year Rs. Nil) taken to current maturities of long term debts]	Repayable in 36 equal monthly installments starting from December, 2019. Last installment due in November,2022. Rate of Interest is 9.00% p.a. as at year end. (Previous Year Nil)

NOTE - 18 - DEFERRED TAX LIABILITIES (NET)

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
<u>Deferred Tax Liabilities on account of taxable temporary differences:</u>		
At the beginning of the year	1,653.22	1,658.75
Charged / (Credited) to Statement of Profit and Loss	25.08	(5.53)
TOTAL	1,678.29	1,653.22

Component of Deferred Tax Liabilities/(Assets)

Particulars	[₹ in Lakhs]		
	As at 1st April, 2019	Charged/(Credit) to Statement of Profit and Loss	As at 31st March, 2020
A. <u>Deferred Tax Liabilities in relation to :</u>			
Property, Plant and Equipment (Other than Land) & Intangible Assets	338.50	11.63	350.13
Revaluation of Land	1,376.71	(3.42)	1,373.29
(A)	1,715.21	8.21	1,723.42
B. <u>Deferred Tax Assets in relation to :</u>			
Provision for Impairment of Trade Receivables	26.71	(6.25)	20.46
Gratuity Payable	35.29	(10.62)	24.67
(B)	62.00	(16.87)	45.13
<u>Deferred Tax Liabilities</u> (A-B)	1,653.22	25.08	1,678.29

NOTE - 19 - OTHER NON-CURRENT LIABILITIES

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
A. Advances against Sale of Property	5.50	5.50
(A)	5.50	5.50
B. <u>Others</u>		
Long Term Deposits from Dealers	298.87	239.36
Long Term Deposits from Tenants	7.20	-
Gratuity Payable	88.68	105.70
(B)	394.75	345.06
TOTAL (A+B)	400.25	350.56

NOTE - 20 - SHORT-TERM BORROWINGS

[Loans Repayable on Demand. Secured]

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
<u>From Banks</u>		
Cash Credit Facilities	4,089.69	3,853.45
TOTAL	4,089.69	3,853.45

Note:

- (i) The company has borrowed Cash Credit loans from State Bank of India, Bank of Baroda, Punjab National Bank and Central Bank of India led by State Bank of India wherein, SBI Cash Credit Loan of 3052.88 Lakhs (Previous Year Rs. 3214.78 Lakhs), Bank of Baroda Cash Credit Loan of Rs. 620.13 Lakhs (Previous Year Rs. 295.10 Lakhs), Punjab National Bank Cash Credit Loan of Rs. 217.71 Lakhs (Previous Year 250.41 Lakhs) and Central Bank of India Cash Credit Loan of Rs. 198.97 Lakhs (Previous Year 93.15 Lakhs) are 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 company's 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 of Mr. Sanjay Kumar Agrawal, Mrs. Rashmidevi Agrawal, Shree Padmavati Irrigations LLP, Shree Balaji Industries and Shree Venkatesh Industries.

NOTE - 21 - CURRENT TRADE PAYABLES

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
Total Outstanding dues of Micro Enterprises and Small Enterprises	116.02	455.50
Total Outstanding dues of Others, including Acceptances	4,923.44	5,464.62
TOTAL	5,039.46	5,920.12

NOTE - 21.1 - Information to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006

The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below :

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
(a) Principal amount remaining unpaid to any supplier as at the end of accounting year	116.02	455.50
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(d) The amount of interest due and payable for the year	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

NOTE - 22 - OTHER CURRENT FINANCIAL LIABILITIES

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
Current Maturities of Long-Term Debts	217.53	278.06
Interest accrued but not due on borrowings	0.60	1.94
TOTAL	218.13	280.00

NOTE - 23 - OTHER CURRENT LIABILITIES

		[₹ in Lakhs]	
Particulars		As at 31st March, 2020	As at 31st March, 2019
A. <u>Revenue Received in Advance</u>			
Advance from Customers		407.00	480.87
	(A)	407.00	480.87
B. <u>Others</u>			
Statutory Liabilities		255.09	466.16
Other Liabilities		78.06	111.54
	(B)	333.15	577.70
	TOTAL	740.15	1,058.57

NOTE - 24 - SHORT-TERM PROVISIONS

		[₹ in Lakhs]	
Particulars		As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits		132.20	149.87
	TOTAL	132.20	149.87

NOTE - 25 - REVENUE FROM OPERATIONS

		[₹ in Lakhs]	
Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
A. <u>Sale of Products</u>			
Manufactured Goods		30,862.55	29,031.33
Traded Goods		1,932.01	1,943.12
	TOTAL	32,794.56	30,974.45

NOTE - 26 - OTHER INCOME

		[₹ in Lakhs]	
Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
A. <u>Interest Income</u>		116.56	127.20
B. <u>Other Non-Operating Income</u>			
Miscellaneous Receipts		14.03	30.62
	TOTAL	130.59	157.82

Note : Interest Income includes impact of financial instruments.

NOTE - 27 - COST OF MATERIALS CONSUMED

		[₹ in Lakhs]	
Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
Raw Materials Consumed		23,353.28	22,058.13
Packing Materials Consumed		274.15	269.66
	TOTAL	23,627.43	22,327.79

NOTE - 28 - PURCHASES OF STOCK-IN-TRADE

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Pipes & Fittings	1,699.96	1,346.62
Others	344.46	429.07
<u>TOTAL</u>	<u>2,044.42</u>	<u>1,775.69</u>

NOTE - 29 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
A. <u>Inventories at the beginning of the year</u>		
Finished Goods	1,683.01	1,634.71
Work-In-Progress	90.68	93.53
Stock-In-Trade	260.01	181.01
(A)	<u>2,033.70</u>	<u>1,909.25</u>
B. <u>Inventories at the end of the year</u>		
Finished Goods	2,114.11	1,683.01
Work-In-Progress	75.21	90.68
Stock-In-Trade	455.80	260.01
(B)	<u>2,645.12</u>	<u>2,033.70</u>
<u>CHANGES IN INVENTORIES</u> (A-B)	<u>(611.42)</u>	<u>(124.45)</u>

NOTE - 30 - EMPLOYEE BENEFITS EXPENSES

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Directors' Remuneration	113.60	86.23
Salary, Wages, Bonus & Gratuity	1,274.37	1,336.53
Contributions toward Provident Fund	53.99	59.19
Contribution towards ESIC	22.75	36.15
Employee Welfare and Other Benefits	46.48	19.90
<u>TOTAL</u>	<u>1,511.19</u>	<u>1,538.00</u>

NOTE - 31- FINANCE COSTS

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Interest Expenses	561.50	532.05
Letter of Credit Charges	392.03	368.91
Loan Processing and Incidental Expenses	55.76	61.24
Bank Guarantee Commission	42.88	7.62
<u>TOTAL</u>	<u>1,052.17</u>	<u>969.81</u>

NOTE - 32 - OTHER EXPENSES

[₹ in Lakhs]

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
A. <u>Manufacturing and Operating Expenses</u>		
Power & Fuel	1,144.52	1,001.69
Stores & Spares Consumed	124.92	154.19
Repairs to Plant & Machinerics	64.93	83.25
Other Manufacturing Expenses	284.59	352.42
(A)	1,618.96	1,591.56
B. <u>Administrative Expenses</u>		
Lease Rent Expenses [Refer Note 1B.4.2]	102.75	95.96
Rent Expenses	52.11	43.61
Stationery & Printing	24.85	26.18
Postage and Courier Expenses	1.89	3.28
Electricity Expenses	1.04	1.44
Vehicle Running and Maintenance	14.86	34.41
Travelling & Conveyance Expenses	119.62	107.82
Telephone, Mobile and Internet Expenses	8.22	9.13
Directors Sitting Fees	3.40	4.30
Auditors' Remuneration		
- Statutory Audit	8.00	8.00
- Tax Audit	2.00	2.00
- GST Audit	1.00	-
- Cost Audit	1.61	0.91
Insurance	35.52	18.16
Repairs and Maintenance		
- Factory Building	25.98	34.79
- Office Building	4.92	29.67
- Others	1.21	1.98
Legal & Professional Expenses	42.34	69.98
Software Programme & License Fees	12.81	28.06
License Renewal Fees	3.01	4.84
Guest Accomodation Charges	3.55	4.39
Professional Tax	0.08	0.05
Commercial & Property Taxes	18.16	21.16
Charity & Donation	6.39	1.67
Prior Period Expenses	0.75	6.15
Loss on Sale of Assets	2.34	2.66
Foreign Currency Fluctuation Loss	2.07	12.51
Health & Education Cess	5.84	3.55
Office & Miscellaneous Expenses	29.46	34.93
(B)	535.78	611.60
C. <u>Selling, Distribution & Other Expenses</u>		
Advertisement, Publicity & Sales Promotion	157.30	152.68
Commission on Sales	58.75	83.47
Freight, Cartage Outward & Other Selling Expenses (Net)	1,252.08	815.43
Selfit & Installation Charges	31.29	(11.80)
Dealers Conference Expenses	-	77.24
Discount & Other Expenses	243.17	384.01
Bad Debts	81.46	1.96
Provision for Impairment of Debtors(reversed)/charged	(6.46)	40.00
(C)	1,817.59	1,542.99
TOTAL	3,972.33	3,746.15

NOTE - 32.1 - BREAK UP OF AUDIT FEES

		[₹ in Lakhs]	
Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019	
(a) Auditors' Remuneration			
- Statutory Audit Fees	8.00	8.00	
- Tax Audit Fees	2.00	2.00	
- GST Audit Fees	1.00	-	
(b) Certification and Consultation Fees	-	-	
<u>TOTAL</u>	11.00	10.00	

NOTE - 33 - EXCEPTIONAL ITEMS

		[₹ in Lakhs]	
Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019	
1 Net (Loss)/Gain on Insurance Claim (under Re-instatement Policy)	(93.64)	60.58	
<u>TOTAL</u>	(93.64)	60.58	

NOTE - 34 - OTHER COMPREHENSIVE INCOME

		[₹ in Lakhs]	
Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019	
A. <u>Items that will not be reclassified into profit or loss :</u>			
(i) Change in Revaluation surplus	-	-	
(ii) Remeasurement of defined benefit plans	44.30	(0.30)	
(iii) Equity Instrument of the defined benefit plans	-	-	
(iv) Fair Value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss	-	-	
(v) Share of other comprehensive Income in Associate and Joint Ventures, to the extent not to be classified into profit or loss	-	-	
(vi) Others	-	-	
(A)	44.30	(0.30)	
B. <u>Items that will be reclassified to profit or loss :</u>			
(i) Exchange differences in translating the financial statements of foreign operation	-	-	
(ii) Debt instruments through other comprehensive Income	-	-	
(iii) The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-	
(iv) Share of other comprehensive Income in Associate and Joint Ventures, to the extent not to be classified into profit or loss	-	-	
(v) Others	-	-	
(B)	-	-	
<u>TOTAL</u> (A+B)	44.30	(0.30)	

NOTE - 35 - EARNINGS PER EQUITY SHARE

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shreholders	432.56	333.91
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	263.20	250.38
Weighted Average Potential Equity Shares	-	-
Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	263.20	250.38
Basic Earning Per Share [₹]	1.64	1.33
Diluted Earning Per Share [₹]	1.64	1.33
Face Value Per Equity Share [₹]	10.00	10.00

NOTE - 36 - THE RECONCILIATION OF TAX EXPENSES AND THE ACCOUNTING PROFIT

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Profit before Tax	615.76	403.15
Effect of Ind AS Adjustments	18.43	(16.73)
Adjusted Profit before Tax	634.19	386.41
Applicable Tax Rate	27.820%	33.384%
Computed Tax Expense	176.43	129.00
Tax Effect of:		
Exempted Income	-	(23.85)
Expenses Disallowed	(17.06)	(15.15)
Capital Gains	-	-
Uncertain tax positions / Other Differences	0.63	-
Current Tax Provision	160.00	90.00
Effective Tax Rate	25.98%	22.32%

NOTE - 37 - CONTINGENT LIABILITIES & COMMITMENTS

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
A. <u>Contingent Liabilities</u>		
Disputed Income-Tax Demand	1,324.69	1,257.95
Disputed Excise Duty, VAT, CST & Entry Tax Demands	824.47	858.62
Guarantee Given by the Company's Banker in the normal course of business	667.48	298.77
Outstanding Letter of Credit against purchase of goods	560.48	352.30
Factoring Services provided by Private Parties/NBFCs	33.40	998.16
Other Disputes	-	-
	3,410.52	3,765.79
B. <u>Commitments</u>		
Capital Contracts remaining to be executed	426.54	366.77
	426.54	366.77

Notes:

- (i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- (ii) The Company does not expect any reimbursements in respect of the above contingent liabilities.
- (iii) Future cash outflows in respect of the above matters are determined only on receipt of judgments / decisions pending before various
- (iv) The Company's pending litigations comprise of claims against the Company pertaining to proceedings pending with Excise, Income Tax, Sales/ VAT tax and Entry Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements
- (v) Amount in relation with factoring services is on account of Vendor Finance Facility obtained by the Company from Centrum Financial Services Limited in respect of supplies made by the Company to Larsen and Toubro. If, the payments, in future, are not made by Larsen and Toubro to Centrum Financial Services Limited, the same is liable to be paid by the company.

NOTE - 38 - DISCLOSURES AS PER IND AS 19 "EMPLOYEE BENEFITS"
(i) Defined Contribution Plan

(a) Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Employer's Contribution to Provident Fund	53.99	59.19
Employer's Contribution to ESIC Fund	22.75	36.15

(ii) Defined Benefit Plan

(a) Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	[₹ in Lakhs]	
	Gratuity (Funded)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Defined Benefit Obligation at beginning of the year	185.17	148.46
Current Service Cost	25.15	30.12
Interest Cost	12.59	11.43
Past Servicer Cost (Vested benefits)	-	-
Benefits paid	(3.11)	(3.56)
Actuarial (Gain)/Loss	(45.54)	(1.29)
Defined Benefit Obligation at year end	174.27	185.17

(b) Reconciliation of Opening and Closing balances of fair value of Plan Assets

Particulars	[₹ in Lakhs]	
	Gratuity (Funded)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Fair value of Plan Assets at beginning of year	79.47	54.65
Expected Return on Plan Assets	5.47	4.96
Actuarial Gain/(Loss)	(1.23)	(1.59)
Employer Contribution	5.00	25.00
Benefits Paid	(3.11)	(3.56)
Fair value of Plan Assets at year end	85.60	79.47

(c) Reconciliation of Fair Value of Assets and Obligations

Particulars	[₹ in Lakhs]	
	Gratuity (Funded)	
	As at 31st March, 2020	As at 31st March, 2019
Fair value of Plan Assets	85.60	79.47
Present Value of Obligation	174.27	185.17
Amount recognised in Balance Sheet (Surplus/(Deficit))	(88.68)	(105.70)

(d) Expenses recognised during the year

[₹ in Lakhs]

Particulars	Gratuity (Funded)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
A. In Income Statement		
Current Service Cost	25.15	30.12
Interest Cost	12.59	11.43
Past Service Cost	-	-
Return on Plan Assets	(5.47)	(4.96)
Net Cost	32.27	36.59
B. In Other Comprehensive Income		
Actuarial (Gain)/Loss	(44.30)	0.30
Return on Plan Assets	-	-
Net (Income)/Expenses for the period recognised in OCI	(44.30)	0.30

Actuarial Assumptions	Gratuity (Funded)	
	As at 31st March 2020	As at 31st March 2019
Mortality Table (ALM)		
Discount Rate (Per Annum)	6.80%	7.70%
Rate of Escalation in Salary (Per Annum)	7.00%	7.00%

Notes:

1. The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflations, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

2. The expected contribution for Defined Benefit Plan for the next financial year will be in line with F.Y. 2019-20.

3. The company makes provident fund (PF) contributions to defined contribution benefit plans for eligible employees. Under the scheme the company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions specified under the law are paid to the government authorities (PF commissioner).

4. Amount towards Defined Contribution Plan have been recognized under "Contribution to Provident and Other funds" in Note 32.

5. Defined Benefit Plan:

The Company has defined benefit plans for gratuity to eligible employees, contributions for which are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines. The details of these defined benefit plans recognized in the financial statements are as under:

General Description of the Plan:

The Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

The defined benefit plans typically expose the company to various risk such as :

(a) **Investment risk:**

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

(b) **Interest risk:**

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the plan assets.

(c) **Longevity risk:**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(d) **Salary risk:**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

NOTE - 39 - DETAILS OF LOAN GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN

The Details of Corporate Guarantees/Loans given by the Company in respect of loans as at 31st March, 2020 is as under :

					[₹ in Lakhs]
Sr. No.	Particulars	Name of the Entity	Relation	Purpose	Amount as on 31-03-2020
1	Loan Given [Unsecured]	M/s. CK Oils Private Limited	Relatives of Directors are Directors	Business Purpose	0.21
2	Loan Given [Unsecured]	M/s. Brij Ventures	-	Business Purpose	0.34

NOTE - 40 - RELATED PARTY DISCLOSURES

(i) List of Related Parties

Sr. No.	Relationship	Name of the Party
1	Key Managerial Personnel [KMP]	1. Mr. Sanjay Kumar Agrawal (Managing Director) 2. Mrs. Rashmidevi Agrawal (Director) 3. Mr. Mohit Agrawal (Chief Executive Officer) 4. Mr. Vijay Prasad Pappu (Whole Time Director cum Chief Financial Officer)
2	Wholly Owned Subsidiaries	1. Tapti Pipes & Products Ltd. FZE, UAE
3	Enterprises over which Key Managerial Personnel are able to exercise significant influence.	1. Shree Venkatesh Industries 2. Shree Padmavati Irrigations LLP
4	Jointly Controlled Entity	1. Mangal Murti Minerals (Till 01-09-2018)
5	Relatives of Directors are Directors/ Partners in Concern	1. C.P Industrial Products Private Limited 2. Narendra Cotfibre Industries LLP [previously known as Narendra CotFibre Industries Pvt. Ltd.] 3. Deeya Agrotech Private Limited 4. Rahul Agritech LLP [previously known as Rahul Agritech Private Limited] 5. CK Cotspin Private Limited 6. CK Oils Private Limited 7. Nimar Diagnostic Services Private Limited 8. Shree Vasudeo Industries 9. Shree Krishna Commercial Co. 10. Narendra International LLP

(ii) Related Party Transactions

(₹ in Lakhs)

Related Party Transaction Summary	Subsidiaries		Enterprises over which KMP are able to exercise significant influence		Jointly Controlled Entity		Relatives of Directors are Directors/ Partners in Concern		Key Managerial Persons	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
1 Purchase of Goods										
-Shree Vasudeo Industries	-	-	-	-	-	-	2,493.33	2,516.61	-	-
Total	-	-	-	-	-	-	2,493.33	2,516.61	-	-
2 Sale of Finished goods										
-Shree Vasudeo Industries	-	-	-	-	-	-	-	31.16	-	-
Total	-	-	-	-	-	-	-	31.16	-	-
3 Logistic Income										
-Shree Vasudeo Industries	-	-	-	-	-	-	4.08	4.92	-	-
Total	-	-	-	-	-	-	4.08	4.92	-	-
4 Turnover Discount Received										
-Shree Vasudeo Industries	-	-	-	-	-	-	261.77	201.33	-	-
Total	-	-	-	-	-	-	261.77	201.33	-	-
5 Rent Paid										
-Mr. Sanjay Kumar Agrawal	-	-	-	-	-	-	-	-	68.87	59.67
-Mrs. Rashmidevi Agrawal	-	-	-	-	-	-	-	-	63.59	58.37
Total	-	-	-	-	-	-	-	-	132.47	118.04
6 Rent Received										
-Mr. Sanjay Kumar Agrawal	-	-	-	-	-	-	-	-	-	-
-Shree Padmavati Irrigations LLP	-	-	0.24	0.24	-	-	-	-	-	-
Total	-	-	0.24	0.24	-	-	-	-	-	-
7 Remuneration										
- Mr. Sanjay Kumar Agrawal	-	-	-	-	-	-	-	-	72.00	57.00
- Mrs. Rashmidevi Agrawal	-	-	-	-	-	-	-	-	30.00	17.50
- Mr. Vijay Prasad Pappu	-	-	-	-	-	-	-	-	11.60	11.73
- Mr. Mohit Agrawal	-	-	-	-	-	-	-	-	15.60	11.70
Total	-	-	-	-	-	-	-	-	129.20	97.93
8 Unsecured Loan Taken										
- Mr. Sanjay Kumar Agrawal	-	-	-	-	-	-	-	-	0.25	85.37
- Mrs. Rashmidevi Agrawal	-	-	-	-	-	-	-	-	6.42	112.63
- Shree Padmavati Irrigations LLP	-	-	2.48	9.19	-	-	-	-	-	-
Total	-	-	2.48	9.19	-	-	-	-	6.66	197.99
9 Unsecured Loan Repaid										
- Mr. Sanjay Kumar Agrawal	-	-	-	-	-	-	-	-	13.30	74.49
- Mrs. Rashmidevi Agrawal	-	-	-	-	-	-	-	-	38.63	60.00
- Shree Padmavati Irrigations LLP	-	-	-	5.30	-	-	-	-	-	-
Total	-	-	-	5.30	-	-	-	-	51.93	134.49
10 Loan and Advances Given										
-C K Oils Private Limited	-	-	-	-	-	-	700.21	-	-	-
-C. K Cotspin Pvt. Ltd, Burhanpur	-	-	-	-	-	-	52.59	-	-	-
-N.R Fibres	-	-	-	-	-	-	207.86	-	-	-
-Shree Krishna Commercial Co	-	-	-	-	-	-	-	-	-	-
-Rahul Agritech LLP	-	-	-	-	-	-	-	-	-	-
-Deeya Agrotech Private Limited	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	960.66	-	-	-
11 Loan and Advances Received Back										
-C K Oils Private Limited	-	-	-	-	-	-	700.00	-	-	-
-C. K Cotspin Pvt. Ltd, Burhanpur	-	-	-	-	-	-	52.59	-	-	-
-N.R Fibres	-	-	-	-	-	-	207.86	-	-	-
-Shree Krishna Commercial Co	-	-	-	-	-	-	-	50.00	-	-
-Rahul Agritech LLP	-	-	-	-	-	-	-	21.46	-	-
-Deeya Agrotech Private Limited	-	-	-	-	-	-	-	4.18	-	-
Total	-	-	-	-	-	-	960.45	75.64	-	-
12 Capital Contribution Withdrawn										
-Mangal Murti Minerals	-	-	-	-	-	47.20	-	-	-	-
-Texmo Petrochemicals LLP	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	47.20	-	-	-	-
13 Investment in Subsidiary & Jointly										
-Mangal Murti Minerals	-	-	-	-	-	-	-	-	-	-
-Texmo Petrochemicals LLP	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

(iii) Balances as at 31st March, 2020

(₹ in Lakhs)

Outstanding Balances	Subsidiaries		Enterprises over which KMP are able to exercise significant influence		Jointly Controlled Entity		Relatives of Directors are Directors/ Partners in Concern		Key Managerial Persons	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
1 Receivables										
- Shree Padmavati Irrigations LLP	-	-	-	-	-	-	-	-	-	-
- Shree Vasudeo Industries	-	-	-	-	-	-	0.01	-	-	-
Total	-	-	-	-	-	-	0.01	-	-	-
2 Trade and Other Payables										
- Shree Vasudeo Industries	-	-	-	-	-	-	-	5.91	-	-
- Shree Padmavati Irrigations LLP	-	-	0.10	0.18	-	-	-	-	-	-
- Mr. Sanjay Kumar Agrawal	-	-	-	-	-	-	-	-	-	4.16
- Mrs. Rashmidevi Agrawal	-	-	-	-	-	-	-	-	14.94	0.89
- Mr. Mohit Agrawal	-	-	-	-	-	-	-	-	-	0.44
- Mr. Vijay Prasad Pappu	-	-	-	-	-	-	-	-	0.71	0.98
Total	-	-	0.10	0.18	-	-	-	5.91	15.65	6.47
3 Unsecured Loans										
- Mr. Sanjay Kumar Agrawal	-	-	-	-	-	-	-	-	1.31	14.37
- Mrs. Rashmidevi Agrawal	-	-	-	-	-	-	-	-	31.42	63.63
- Shree Padmavati Irrigation LLP	-	-	25.37	22.89	-	-	-	-	-	-
Total	-	-	25.37	22.89	-	-	-	-	32.73	77.99
4 Loans and Advances Given										
- C K Oils Private Limited	-	-	-	-	-	-	0.21	-	-	-
- Shree Krishna Commercial Co	-	-	-	-	-	-	-	-	-	-
- Rahul Agritech LLP	-	-	-	-	-	-	-	-	-	-
- Deeya Agrotech Private Limited	-	-	-	-	-	-	-	-	-	-
- Tapti Pipes and Products Limited FZE	621.46	621.46	-	-	-	-	-	-	-	-
Total	621.46	621.46	-	-	-	-	0.21	-	-	-
5 Investment										
- Mangal Murti Minerals	-	-	-	-	-	-	-	-	-	-
- Tapti Pipes and Products Limited FZE	4,356.13	4,356.13	-	-	-	-	-	-	-	-
Total	4,356.13	4,356.13	-	-	-	-	-	-	-	-
6 Incentives receivables from Suppliers										
- Shree Vasudeo Industries	-	-	-	-	-	-	138.54	-	-	-
Total	-	-	-	-	-	-	138.54	-	-	-

Notes :

- (i) The fair value of Investment in Tapti Pipes & Products Limited FZE as on 01-04-2017, 31-03-2018, 31-03-2019 and 31-03-2020 is Rs. 1,162.13 lakhs.
- (ii) Balance outstanding at the end of the year/ previous years are stated without considering impact of fair valuation carried out as per Indian Accounting Standards.
- (iii) Compensation to Key Management Personnel was Rs. 129.20 Lakhs [Previous Year Rs. Rs. 97.93 Lakhs]

NOTE - 41 - OTHER NOTES
[1] Preferential Allotment

During the financial year 2018-19, the Company has, on a preferential basis, issued 13,00,000 (Thirteen Lakhs) equity shares of face value of Rs. 10 each, fully paid up at a price of Rs. 23.20 per share, aggregating to Rs. 301.60 Lakhs to Shree Padmavati Irrigation LLP, a promoter group entity on March 27, 2019, in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

[2] Disclosure on Financial Instruments

(a) All the financial instruments are initially recognized and subsequently re-measured at fair value as described below:

(i) The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.

(ii) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date. Fair Value measurement hierarchy:

Particulars		As at 31st March, 2020		As at 31st March, 2019	
		Carrying Value	Fair Value	Carrying Value	Fair Value
[₹ in Lakhs]					
A.	<u>Financial Assets</u>				
I	<u>At Amortized Cost</u>				
(i)	Investments in Jointly Controlled Entity	-	-	-	-
(ii)	Trade Receivables	4,421.08	4,421.08	6,155.77	6,155.77
(iii)	Cash & Cash Equivalents including Other Bank Balances	911.61	911.61	836.30	836.30
(iv)	Loans	590.73	590.73	608.86	608.86
II	<u>At FVTPL</u>				
(i)	Investments	-	-	-	-
III	<u>At FVTOCI</u>				
(i)	Investments in Wholly Owned Subsidiary	1,162.13	1,162.13	1,162.13	1,162.13
Particulars		As at 31st March, 2020		As at 31st March, 2019	
		Carrying Value	Fair Value	Carrying Value	Fair Value
B.	<u>Financial Liabilities</u>				
(i)	Borrowings	4,776.34	4,776.34	4,868.30	4,868.30
(ii)	Trade Payables	5,039.46	5,039.46	5,920.12	5,920.12
(iii)	Other Financial Liabilities	218.13	218.13	280.00	280.00

(b) Foreign Currency Risk:

The Company undertakes transactions denominated in foreign currency (mainly US Dollar) which is subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency, including the Company's net investments in foreign operations (with a functional currency other than Indian Rupee), are also subject to reinstatement risks.

The carrying amount of foreign currency denominated financial assets and liabilities including derivative contracts, are as follows:

Particulars	As at 31st March, 2020 [USD]	As at 31st March, 2019 [USD]
Loan Receivables	12,52,051	12,52,051
Net Exposure	12,52,051	12,52,051

The company has exercised the option of carrying the Investments in its subsidiaries at its fair value on the date of transition i.e. 1st April, 2016.

(c) Foreign Currency Sensitivity

For every percentage point change in the underlying exchange rate of the outstanding foreign currency denominated assets and liabilities, including derivative contracts, holding all other variables constant, the profit before tax for the year ended 31st March, 2020 would change by 12520.51 USD [Previous Year - 12520.51 USD]. However, the management of the Company does not expect its foreign currency denominated financial assets to mature within a period of five years from the end of the year under review.

(d) Interest Rate Risk

Interest rate risk is the risk that the future cash flow with respect to interest payments on borrowing will fluctuate because of change in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligation with floating interest rates.

(e) Interest Rate Sensitivity

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

As at March 31, 2020, financial liability of Rs. 4089.69 lakhs was subject to variable interest rates. Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in decrease/increase in profit/(loss) before tax of Rs. 4.81 Lakhs for the year ended March 31, 2020.

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(Note: The impact is indicated on the profit/(loss) before tax basis).

(f) Commodity Price Risk

Commodity price risk arises due to fluctuation in prices of raw material. The company has a risk management frame work aimed at prudently managing the risk arising from the volatility in raw material prices and freight costs. The company's commodity risk is managed centrally through well-established trading operations and control processes. In accordance with the risk management policy, the Company carefully calibrates the timing and the quantity of purchase

(g) Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the company. Credit risk arises mainly from the outstanding receivables from customers. The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. The credit ratings/market standing of the customers are evaluated on a regular basis.

(h) Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient stock of cash and marketable securities . The Company maintains adequate cash and cash equivalents alongwith the need based credit limits to meet the liquidity needs.

(i) Hedge Accounting

The Company has established risk management policies to hedge the volatility arising from exchange rate fluctuations in respect of firm commitments and highly probable forecast transactions, through foreign exchange forward and options contracts. The proportion of forecast transactions that are to be hedged is decided based on the size of the forecast transaction and market conditions. As the counterparty for such transactions are highly rated banks, the risk of their non-performance is considered to be insignificant.

The Company uses derivatives to hedge its exposure to changes in movement in foreign currency. Where such derivatives are not designated under hedge accounting, changes in the fair value of such hedges are recognised in the Statement of Profit and Loss.

The Company may also designate certain hedges, usually for large transactions, as a cash flow hedge under hedge accounting, with the objective of shielding the exposure from variability in cash flows. The currency, amount and tenure of such hedges are generally matched to the underlying transaction(s). Changes in the fair value of the effective portion of cash flow hedges are recognised as cash flow hedging reserve in Other Comprehensive Income. While the probability of such hedges becoming ineffective is very low, the ineffective portion, if any, is immediately recognised in the Statement of Profit and Loss.

The management of the Company does not expect its foreign currency denominated financial assets to mature within a period of five years from the end of the year under review and therefore, it has not entered into any hedging contracts for the same.

For Anil Kamal Garg & Company

Chartered Accountants
ICAI Firm Registration No. 004186C

For and on the behalf of the Board

Devendra Bansal

Partner
Membership No. 078057

Sanjay Kumar Agrawal

Managing Director

Vijay Prasad Pappu

Whole Time Director cum CFO

Place : Indore

Date : July 24th, 2020

Mohit Agrawal

Chief Executive Officer

Ajay Shrivastava

Company Secretary

UDIN: 20078057AAAAAT2736

Place : Burhanpur

Date : July 24th, 2020

INDEPENDENT AUDITORS' REPORT

To the Members of

TEXMO PIPES AND PRODUCTS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated Financial Statements of **Texmo Pipes And Products Limited** (“the Company”) and its subsidiary (the Company and its subsidiary together referred to as “the Group”) which comprises the Consolidated Balance Sheet as at March 31st, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the ‘Consolidated financial statements’).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 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 Group as at March 31st, 2020, and its consolidated Profit and Other Comprehensive Income, consolidated Changes in Equity and its consolidated Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

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

Description of Key Audit Matters		
S.No.	Key Audit Matters	How was the matter addressed in our audit
1	Uncertain tax positions - Direct and Indirect Taxes	
	<p>The Group has uncertain tax matters pending litigations under direct tax and various indirect tax laws. The litigation involves significant judgement to determine the possible outcome based on which accounting treatment is given to the disputed amount.</p> <p>Given the magnitude of potential outflow of economic resources and uncertainty of potential outcome, uncertain tax positions are considered to be key audit matters.</p> <p>[Refer Note 37 to the Consolidated financial statements.]</p>	<p>Our audit procedures included, among others, the following:</p> <ul style="list-style-type: none"> • Obtained details of uncertain tax position and gained understanding thereof; • Obtained details of tax assessments and also demands raised; • Along with our internal tax experts, read and analysed relevant communication with the authorities; • Evaluated advice obtained by the management from legal consultants on possible outcome of the litigation; • Discussed with senior management and evaluated management’s assumptions regarding provisions made or reflected as contingent liabilities; • Assessed whether the disclosures for uncertain tax positions are in accordance with the requirements of Ind AS 37 on “Provisions, Contingent Liabilities and Contingent Assets”.

Information Other than the Consolidated Financial Statements and Auditors’ Report Thereon

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the Consolidated Financial Statements and our Auditors’ Report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding 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 consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

In preparing the Consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31st, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not carry out the audit of the financial statements of one subsidiary company, whose financial statements reflect total assets of Rs.7524.94 Lakhs as at March 31, 2020, total revenues of Rs. Nil, total net loss after tax of Rs. 9.18 Lakhs, total comprehensive income of Rs. Nil and net cash outflows of Rs. 2.68 Lakhs for the year ended March 31, 2020. These financial statements have been audited by other auditor whose report has been furnished to us by the management, and in our opinion on the consolidated financial statements, insofar 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 on the consolidated financial statements, and our report on Other Legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. 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;

- (b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books and the report of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31st, 2020, taken on record by the Board of Directors and the report of the statutory auditors of the subsidiary, none of the directors is disqualified as on March 31st, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure-A”;
- (g) In our opinion, the managerial remuneration for the year ended March 31st, 2020 has been paid/provided by the Companies included in the Group to their directors in accordance with the provisions of section 197 read with Schedule V to the Act; and
- (h) With respect to the other matters to be included in the Auditors’ 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 and based on the considerations of the report of the other auditors on standalone financial statements of the subsidiary, as noted in the ‘Other Matter’ paragraph:
 - (i) The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note - 37 to the consolidated financial statements.
 - (ii) The Group 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 Group.

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. : 004186C

Place : Indore
Dated : July 24th, 2020

Devendra Bansal
Partner
Membership No. : 078057
UDIN : 20078057AAAAAU7666

ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

Referred to in Paragraph 1(f), under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date to the members of **Texmo Pipes and Products Limited** on the consolidated financial statements as of and for the year ended March 31st, 2020, we report that:

We have audited the internal financial controls over financial reporting of TEXMO PIPES AND PRODUCTS LIMITED ("the Company") as of 31st March, 2020 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls of the Company over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. : 004186C

Place : Indore

Dated : July 24th, 2020

Devendra Bansal
Partner

Membership No. : 078057

UDIN : 20078057AAAAAU7666

TEXMO PIPES AND PRODUCTS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020

[₹ in Lakhs]

Particulars		Note No.	As at 31st March, 2020	As at 31st March, 2019
A.	<u>ASSETS</u>			
(1)	<u>NON-CURRENT ASSETS</u>			
	(a) Property, Plant and Equipment	2	11,391.53	11,296.78
	(b) Capital Work-In-Progress	3	25.76	9.91
	(c) Investment Property	4	38.44	38.44
	(d) Intangible Assets Other than Goodwill	5	12.45	8.59
	(e) Financial Assets			
	i) Trade Receivables	6	4,165.58	3,836.02
	ii) Other Financial Assets	7	716.17	657.13
	(f) Other Non-Current Assets	8	2,986.71	2,737.69
	<u>TOTAL NON-CURRENT ASSETS</u> (1)		19,336.64	18,584.55
(2)	<u>CURRENT ASSETS</u>			
	(a) Inventories	9	7,344.68	6,371.54
	(b) Financial Assets			
	i) Trade Receivables	10	4,421.08	6,155.77
	ii) Cash and Cash Equivalents	11	30.33	28.71
	iii) Bank Balances other than cash and cash equivalents	12	881.74	810.47
	iv) Loans	13	0.55	16.36
	(c) Other Current Assets	14	2,298.22	2,580.17
	<u>TOTAL CURRENT ASSETS</u> (2)		14,976.60	15,963.04
	<u>TOTAL ASSETS (1 + 2)</u>		34,313.24	34,547.58
B.	<u>EQUITY AND LIABILITIES</u>			
	<u>EQUITY</u>			
	(a) Equity Share Capital	15	2,632.00	2,632.00
	(b) Other Equity	16	18,686.60	17,629.77
	<u>TOTAL EQUITY</u>		21,318.60	20,261.77
	<u>LIABILITIES</u>			
(1)	<u>NON-CURRENT LIABILITIES</u>			
	(a) Financial Liabilities			
	i) Borrowings	17	686.65	1,014.83
	(b) Deferred Tax Liabilities (Net)	18	1,678.30	1,653.22
	(c) Other Non-Current Liabilities	19	400.24	350.56
	<u>TOTAL NON-CURRENT LIABILITIES</u> (1)		2,765.19	3,018.61

[₹ in Lakhs]

Particulars		Note No.	As at 31st March, 2020	As at 31st March, 2019
(2)	<u>CURRENT LIABILITIES</u>			
	(a) Financial Liabilities			
	i) Borrowings	20	4,089.69	3,853.45
	ii) Trade Payables	21		
	-Total Outstanding Dues of Micro Enterprises & Small Enterprises		116.02	455.50
	-Total Outstanding Dues of Others		4,923.43	5,464.62
	iii) Other Financial Liabilities	22	218.12	280.00
	(b) Other Current Liabilities	23	740.45	1,065.94
	(c) Provisions	24	132.19	149.87
	(d) Current Tax Liabilities		9.55	(2.18)
	<u>TOTAL CURRENT LIABILITIES</u> (2)		10,229.45	11,267.20
	<u>TOTAL LIABILITIES (1 + 2)</u>		12,994.64	14,285.81
	<u>TOTAL EQUITY AND LIABILITIES</u>		34,313.24	34,547.58
	Basis of preparation, measurement and significant accounting policies	1		
	Contingent Liabilities and Commitments	37		

The accompanying notes are an integral part of these Consolidated Financial Statements

In terms of our report of even date attached

For **Anil Kamal Garg & Company**
Chartered Accountants
ICAI Firm Registration No. 004186C

For and on the behalf of the Board

Devendra Bansal
Partner
Membership No. 078057

Sanjay Kumar Agrawal
Managing Director

Vijay Prasad Pappu
Whole Time Director cum CFO

Place : Indore
Date : July 24th, 2020

Mohit Agrawal
Chief Executive Officer

Ajay Shrivastava
Company Secretary

UDIN: 20078057AAAAAU7666

Place : Burhanpur
Date : July 24th, 2020

TEXMO PIPES AND PRODUCTS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars		Note No.	[₹ in Lakhs]	
			For the Year ended 31st March, 2020	For the Year ended 31st March, 2019
	<u>INCOME</u>			
I	Value of Sales		38,384.10	36,248.15
II	Less: GST Recovered		(5,589.55)	(5,273.71)
III	Revenue from Operations	25	32,794.56	30,974.45
IV	Other Income	26	101.62	131.00
V	TOTAL INCOME (III+IV)		32,896.18	31,105.45
	<u>EXPENSES</u>			
VI	Cost of Materials Consumed	27	23,627.43	22,327.79
	Purchases of Stock-In-Trade	28	2,044.42	1,775.69
	Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	29	(611.42)	(124.45)
	Employee Benefits Expense	30	1,511.19	1,538.00
	Finance Costs	31	1,052.17	969.81
	Depreciation and Amortization Expense		619.64	560.26
	Other Expenses	32	3,981.51	3,755.90
	TOTAL EXPENSES (VIII)		32,224.94	30,803.00
VII	Profit before exceptional items and tax (VII-VIII)		671.24	302.45
VIII	Exceptional items	33	(93.64)	60.58
IX	Profit before tax (VII+VIII)		577.60	363.03
X	Tax Expenses			
	(1) Current Tax		154.16	86.45
	(2) Short/(Excess) Tax Provision for earlier years		3.96	(15.23)
	(3) Deferred Tax		25.08	(5.53)
	TOTAL TAX EXPENSES		183.20	65.69
XI	Profit for the year (IX-X)		394.41	297.34
XII	Other Comprehensive Income	34		
	A. (i) Items that will not be reclassified to Profit or Loss		44.30	(0.30)
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
	B. (i) Items that will be reclassified to Profit or Loss		622.61	416.16
	(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
	OTHER COMPREHENSIVE INCOME		666.91	415.86
XIII	Total Comprehensive Income for the year (Comprising Profit and Other Comprehensive Income for the period) (XI+XII)		438.71	297.04
XIV	Earnings Per Equity Share	35		
	(1) Basic (INR)		1.50	1.19
	(2) Diluted (INR)		1.50	1.19
	Basis of preparation, measurement and significant accounting policies	1		
<p>The accompanying notes are an integral part of these Consolidated Financial Statements</p> <p>In terms of our report of even date attached</p> <p>For Anil Kamal Garg & Company Chartered Accountants ICAI Firm Registration No. 004186C</p> <p>Devendra Bansal Partner Membership No. 078057</p> <p>Place : Indore Date : July 24th, 2020 UDIN: 20078057AAAAAU7666</p> <p>Sanjay Kumar Agrawal Managing Director</p> <p>Mohit Agrawal Chief Executive Officer</p> <p>Place : Burhanpur Date : July 24th, 2020</p> <p>Vijay Prasad Pappu Whole Time Director cum CFO</p> <p>Ajay Shrivastava Company Secretary</p>				

TEXMO PIPES AND PRODUCTS LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2020

[₹ in Lakhs]

Sno.	Particulars	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
A.	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>				
	Profit before Tax		577.60		363.03
	<u>Adjustments for :</u>				
	Depreciation and Amortization Expense	619.64		560.26	
	Finance Costs	1,052.17		969.81	
	Exceptional (Gain) / Loss	(93.64)		(60.58)	
	Bad Debts	81.46		1.96	
	Prior Period Items	0.75		6.15	
	Excess Provision Written Back	-		(10.85)	
	Provision for Impairment of Debtors	(6.46)		40.00	
	Interest Income	(87.59)		(100.38)	
	Net Loss/(Gain) on sale of assets	2.34		2.66	
	Remeasurement of Defined Benefit Plans	44.30		(0.30)	
	Exchange Difference on Translation of Financial Statements	622.61	2,235.59	415.16	1,823.89
	Operating Profit before Working Capital Changes		2,813.19		2,186.92
	<u>Adjustments for :</u>				
	(Increase)/ Decrease in Inventories	(973.14)		546.86	
	(Increase)/ Decrease in Trade Receivables	1,330.13		(2,344.41)	
	(Increase)/ Decrease in Other Financial Assets	(55.45)		1,078.58	
	(Increase)/ Decrease in Other Current Assets	278.89		(467.24)	
	Increase/ (Decrease) in Financial Liabilities	(880.67)		954.48	
	Increase/ (Decrease) in Other Current Liabilities	(325.49)		65.04	
	Increase/ (Decrease) in Short Term Provisions	(17.68)	(643.42)	42.07	(124.62)
	Cash generated from Operations		2,169.77		2,062.30
	Direct Taxes Paid (Net)		146.38		71.23
	Net Cash Flow from Operating Activities		2,023.39		1,991.07
B.	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>				
	Purchase of Property, Plant and Equipment and Intangibles		(737.60)		(807.22)
	Sale/ Disposals of Property, Plant and Equipment		94.78		156.19
	Proceeds from Sale of Investments in Subsidiary/ Associates/ Joint Ventures		-		47.20
	Investment in Other Financial Assets		(59.04)		(39.20)
	Movement in Deposits		(249.02)		(108.35)
	Interest Received		87.59		100.38
	Net Cash (Used in) Investing Activities		(863.29)		(651.00)
C.	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>				
	Proceeds from issue of Preferential Equity Shares		-		301.60
	(Repayment)/Proceeds of Long-term Borrowings		(330.36)		(404.28)
	(Repayment)/Proceeds from Short term Borrowings		236.24		(320.98)
	Proceeds from Long Term Deposits		49.68		97.90
	(Repayment)/Proceeds of Other Current Financial Liabilities		(61.88)		(103.97)
	Finance Costs		(1,052.17)		(969.81)
	Increase/(Decrease) in NonControlling Interest		-		(6.11)
	Net Cash (Used in) Financing Activities		(1,158.49)		(1,405.66)

[₹ in Lakhs]

Sno.	Particulars	For the Year ended 31st March, 2020		For the Year ended 31st March, 2019	
	NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS [A+B+C]		1.62		(65.59)
	Cash and cash equivalents at the beginning of the year		28.71		94.30
	Cash and cash equivalents at the end of the year		30.33		28.71
	Components of cash and cash equivalents as at the year end :				
	Balance with Banks in Current Accounts		0.72		3.01
	Cheques, Drafts on Hand		-		10.00
	Cash on Hand		29.61		15.70
			30.33		28.71

For Anil Kamal Garg & Company
Chartered Accountants
ICAI Firm Registration No. 004186C

For and on the behalf of the Board

Devendra Bansal
Partner
Membership No. 078057

Sanjay Kumar Agrawal
Managing Director

Vijay Prasad Pappu
Whole Time Director cum CFO

Place : Indore
Date : July 24th, 2020

Mohit Agrawal
Chief Executive Officer

Ajay Shrivastava
Company Secretary

UDIN: 20078057AAAAAU7666

Place : Burhanpur
Date : July 24th, 2020

TEXMO PIPES AND PRODUCTS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2020

[₹ in lakhs unless specified otherwise]

NOTE - 1A - GROUP OVERVIEW

- 1A.1 Texmo Pipes and Products Limited ("the Parent Company") was formed as a Partnership Firm by the name M/s. Shree Mohit Industries on 13th May 1999 and was subsequently converted into Public Limited Company under Part IX of the Companies Act, 1956 under the name of Texmo Pipes and Products Limited having Certificate of Incorporation dated 3rd July 2008. The Parent Company's shares are listed with the National Stock Exchange [NSE] and Bombay Stock Exchange [BSE]. The Registered Office of the Parent Company is situated at 98, Bahadarpur Road, Burhanpur (M.P.) - 450331. The Parent Company is principally engaged in manufacturing and trading of PVC, HDPE, SWR, Sprinkler, Drip, CPVC Pipes and Fittings.
- 1A.2 Tapti Pipes & Products Limited FZE is a limited liability establishment, registered in Hamriyah Free Zone as a free zone establishment with status (FZE) under Commercial License No. 7599 incorporated on March 13, 2011, issued by Hamriyah Free Zone Authority, Sharjah, U.A.E. The registered office of the establishment is ELOB Office No. E2-113F-43, P.O. Box 49509, Hamriyah Free Zone, Sharjah, United Arab Emirates. The establishment is engaged in the business of General Trading.
- 1A.3 Tapti Pipes & Products Limited FZE is the Parent Company's wholly owned foreign subsidiary.
- 1A.4 The Parent Company and its wholly owned foreign subsidiary are collectively referred to as "Group".

NOTE - 1B - SIGNIFICANT ACCOUNTING POLICIES

1B.1 Basis of Preparation

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The consolidated financial statements of the Group for the year ended March 31, 2020 were authorized for issue in accordance with a resolution of the Board of Directors on July 24th, 2020.

1B.2 Basis Of Consolidation

The financial statements of the Parent Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.

Profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full.

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.

Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of subsidiary.

The difference between the proceeds from disposal of investment in subsidiary and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the Consolidated Statement of Profit and Loss being the profit or loss on disposal of investment in subsidiary.

Non Controlling Interest's share of net assets of consolidated subsidiary is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Parent Company's shareholders.

The Parent Company accounts for its share of post acquisition changes in net assets of associates and joint ventures, after eliminating unrealised profits and losses resulting from transactions between the Parent Company and its associates to the extent of its share, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information.

1B.3 Basis of Measurement

The consolidated financial statements have been prepared on a going concern basis using historical cost convention and on accrual method of accounting, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivative instruments);
- Defined benefit plans - plan assets; and
- Assets Held for Sale

1B.4 Functional and Presentation Currency

These consolidated financial statements are presented in Indian Rupees (INR), which is the Parent Company's functional currency. All amounts have been rounded off to the nearest lakh, unless otherwise indicated.

1B.5 Summary of Significant Accounting Policies

1B.5.1 Property, Plant and Equipment (PPE)

- (a) Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any other cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- (b) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criterias are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.
- (c) Expenses incurred in relation to a project, net of income earned during the project development stage prior to its intended use, are considered as Pre - Operative Expenses and are disclosed under 'Capital Work - in - Progress'.
- (d) Depreciation on Property, Plant and Equipment is provided using straight line method, except on Freehold Land, on which no depreciation is provided. Depreciation provided is based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 . If, significant parts of an item of Property, Plant and Equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of Property, Plant and Equipment. In respect of the Dies and Moulds, the useful life is estimated at 12 years, which is different from the prescribed life of 8 years under Schedule II to the Companies Act. 2013
- (e) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (f) Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.
- (g) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.
- (h) The addition in Property, Plant and Equipment for the year under review, includes a sum of Rs. 25.35 Lakhs (previous year Rs. Nil) which has been recognized as reusable after incidence of the natural calamities in the year 2018-19.

1B.5.2 Leases

The Group as a lessee

- (a) The Group's lease asset classes primarily consist of leases for land. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether :
 - (i) the contract involves the use of an identified asset;
 - (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease; and
 - (iii) the Group has the right to direct the use of the asset.
- (b) Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts.
- (c) At the date of commencement of the lease, the Group recognizes a Right-of-Use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short term leases and low value leases. For these short term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

- (d) The lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.
- (e) The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.
- (f) ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.
- (g) The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option.
- (h) Lease liability and ROU assets have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a lessor

- (a) The Group has not entered into any lease contract during the year in the capacity of "Lessor".

Adoption of Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases, which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Group has entered into six lease agreements, in earlier years, all expiring in the financial year 2021-22. Looking to the short-term unexpired period of the lease agreements as on the date of applicability of Ind AS 116 Leases, the Group has classified such leases as 'Short Term Leases' and correspondingly, has claimed the exemption benefit under paragraph 5(a) of Ind AS 116 Leases. Accordingly, the Group has recognised the lease payments associated with those leases as an operating expense.

1B.5.3 Capital Work-in-Progress

- (a) Expenditure incurred on assets under construction (including a project) is carried at cost under 'Capital Work-in-Progress'. Such costs comprises purchase price of asset including import duties and non-refundable taxes and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and after deducting trade discounts and rebates.
- (b) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under 'Capital Work-in-Progress' and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.
- (c) Capital Expenditure incurred for creation of facilities, over which the Group does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under 'Capital Work-in-Progress' and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Consolidated Statement of Profit and Loss.

1B.5.4 Intangible assets

- (a) Intangible Assets purchased are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.
- (b) Amortisation is provided on straight-line basis over estimated useful lives of the intangible assets, which is taken at 5 years for Computer Software. The amortisation period for intangible assets with finite useful lives are reviewed at least at each year end. Changes in useful lives are treated as changes in accounting estimates.

- (c) Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.
- (d) Revenue expenditure pertaining to research is charged to the Consolidated Statement of Profit and Loss. Development costs of products are charged to the Consolidated Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.
- (e) The Group has no internally generated Intangible Assets.

1B.5.5 Impairment of Non-Financial Assets - Property, Plant and Equipment and Intangible Assets

- (a) The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.
- (b) An impairment loss is recognised in the Consolidated Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.
- (c) The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

1B.5.6 Borrowing Costs

- (a) Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.
- (b) Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.
- (c) All other borrowing costs are expensed in the period in which they occur.

1B.5.7 Inventories

- (a) Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.
- (b) Cost of raw materials, work-in-progress, finished goods, stock-in-trade, stores and spares and packing materials are determined at Cost, with moving average price on First in First Out [FIFO] basis.

1B.5.8 Assets Held For Sale

The assets are classified as held for sale if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of held for sale is met when the asset is available for immediate sale and the same is highly probable of being completed within one year from the date of classification under held for sale. The Parent Company, is holding a Land at Shukhpuri Village, as 'Assets held for Sale', under the head of Other Current Assets, as the management anticipates completion of the sale by March 2021.

1B.5.9 Provisions, Contingent Liabilities and Contingent Assets

- (a) Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management's estimate of the amount required to settle the obligation at the balance sheet date. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a consolidated asset only when the reimbursement is virtually certain.
- (b) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
- (c) Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management's estimate.
- (d) Contingent assets are not recognized but are disclosed in the consolidated financial statements when inflow of economic benefits is probable.

1B.5.10 Income Taxes

- (a) Income-Tax expense comprises of current and deferred income tax, net of Health and Education Cess which has been shown under the head 'Other Expenses'. Income tax expense is recognized in net profit in the Consolidated Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.
- (b) Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.
- (c) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.
- (d) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

1B.5.11 Foreign Currency Transactions and Translations

- (a) Transactions in foreign currencies are initially recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.
- (b) Exchange differences arising on settlement or translation of monetary items are recognized in Consolidated Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.
- (c) Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or Consolidated Statement of Profit and Loss are also recognized in OCI or Consolidated Statement of Profit and Loss, respectively).

1B.5.12 Employee Benefits Expense

(a) Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

(b) Post-Employment Benefits

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to a separate entity. The Group makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Group's contribution is recognised as an expense in the Consolidated Statement of Profit and Loss during the period in which the employee renders the related service.

(c) Defined Benefits Plans

- (i) The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- (ii) The Group pays gratuity to the employees whoever has completed five years of service with the Group at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the provisions of the Payment of Gratuity Act, 1972.
- (iii) The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees. The gratuity fund has been approved by the governing Income-Tax authorities.
- (iv) The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.
- (v) Re-measurements of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

(d) Employee Separation Costs

Compensation to employees who have opted for retirement under the voluntary retirement scheme of the Group is payable in the year of exercise of option by the employee. The Group recognises the employee separation cost when the scheme is announced and the Group is demonstrably committed to it.

1B.5.13 Revenue from Operations

- (a) Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.
- (b) Revenue from rendering of services is recognised when the performance obligation to render the services are completed as per contractually agreed terms. The revenue derived by the Group from rendering of Logistics services has been netted off against its 'Freight, Cartage Outward & Other Selling Expenses'.
- (c) Revenue from sale of goods & rendering of services is measured at the fair value of the consideration received or receivable after taking into account contractually defined terms of payment and excluding trade discounts, volume rebates and taxes or duties collected on behalf of the Government such as Goods and Services Tax [GST].

1B.5.14 Other Income

(a) Interest Income

For all Debt Instruments measured either at Amortized Cost or at Fair Value through Other Comprehensive Income, interest income is recorded using the Effective Interest Rate [EIR]. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability.

(b) Dividend Income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

1B.5.15 Goods & Services Tax [GST]

The Goods & Services Tax balances, as appearing in the Consolidated Balance Sheet of the Group, are subject to the GST Audit which is to be carried out under s. 35(5) of the Central Goods & Services Tax Act, 2017 for the financial year 2019-20.

1B.5.16 Insurance Claims

- (a) Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted to the extent that there is no uncertainty in receiving the claims.
- (b) During the financial year ended 31st March, 2019, due to accidents & natural calamities viz. (i) Inundation of Water in factory and business premises, (ii) Wind Storm & Fire in the factory and business Premises and (iii) Vehicle Accidental Damages, the Parent Company had lodged Re-instatement claims towards the lost or damaged assets. As, under the Re-instatement policy, the insurer is contractually obliged to pay the Re-instatement cost of the damaged asset, the company had recognised a 'Net Gain on Insurance Claim' aggregating to Rs. 60.58 Lakhs. However, during the financial year 2019-20, the Parent Company has received a sum of Rs. 16.96 Lakhs only against its claim and correspondingly, a sum of Rs. 93.64 Lakhs (towards Revenue Items Rs. 13.71 Lakhs, towards Capital Items Rs. 4.56 Lakhs & towards Re-instatement claim of Rs. 75.36 Lakhs) has been shown as Net Loss on Insurance Claim under the head 'Exceptional Items', in the Consolidated Statement of Profit and Loss.
- (c) The Parent Company is expecting the settlement of insurance claims lodged by it, within next twelve months and therefore, the Parent Company has classified such Insurance Claims Receivables under the head 'Other Current Assets' in the Consolidated Balance Sheet.

1B.5.17 Financial Instruments

(a) Financial Assets

(i) Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

(ii) Subsequent measurement

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

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

Financial assets at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL.

(iii) Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Consolidated Statement of Profit and Loss, except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'.

(iv) Impairment of financial assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

(b) Financial Liabilities

(i) Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Consolidated Statement of Profit and Loss as finance cost.

(ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derivative financial instruments and Hedge Accounting

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Consolidated Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Consolidated Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

Cash flow hedge

The Group designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognized asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Consolidated Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Consolidated Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Consolidated Statement of Profit and Loss.

Fair Value Hedge

The Group designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Consolidated Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Consolidated Statement of Profit and Loss over the period of maturity.

(iv) Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Consolidated Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1B.5.18 Operating Cycle

- (a) The Group presents its assets and liabilities in the consolidated balance sheet based on current/non-current classification which is based upon the Group's operating cycle. The Group has identified twelve months as its operating cycle.
- (b) An asset is treated as current when it is:
 - (i) Expected to be realized or intended to be sold or consumed in normal operating cycle;
 - (ii) Held primarily for the purpose of trading;
 - (iii) Expected to be realized within twelve months after the reporting period; or
 - (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- (c) A liability is treated as current when :
 - (i) It is expected to be settled in normal operating cycle;
 - (ii) It is held primarily for the purpose of trading;
 - (iii) It is due to be settled within twelve months after the reporting period, or
 - (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- (d) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1B.5.19 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of shares issued during the year including bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

1B.5.20 Dividend Distribution

Dividends paid (including Income-Tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by the shareholders.

1B.5.21 Consolidated Statement of Cash Flows

(a) Cash and Cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

- (b) Consolidated Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Ind AS.

NOTE - 1C - CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Consolidated Financial Statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the consolidated financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

1C.1 Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, Plant and Equipment / Intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Group's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

1C.2 Recoverability of Trade Receivable

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

1C.3 Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

1C.4 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

1C.5 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

1C.6 Estimation of uncertainties relating to the global health pandemic from COVID-19

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these consolidated financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

NOTE - 1D - AMENDMENTS TO EXISTING STANDARDS

1D.1 Appendix C to Ind AS 12 - Uncertainty over income tax treatments

Appendix C to Ind AS 12 clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. The adoption of Appendix C to Ind AS 12 did not have any material impact on the consolidated financial statements of the Group.

1D.2 Amendment to Ind AS 12 – Income Taxes

The Ministry of Corporate Affairs issued amendments to Ind AS 12 – Income Taxes. The amendments clarify that an entity shall recognize the income tax consequences of dividends on financial instruments classified as equity according to where the entity originally recognized those past transactions or events that generated distributable profits were recognized. The adoption of amendment to Ind AS 12 did not have any material impact on the consolidated financial statements of the Group.

1D.3 Amendment to Ind AS 19 - Plan Amendment, Curtailment or Settlement

The Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements requiring an entity to determine the current service costs and the net interest for the period after the remeasurement using the assumptions used for the remeasurement; and determine the net interest for the remaining period based on the remeasured net defined benefit liability or asset. The adoption of amendment to Ind AS 19 did not have any material impact on the consolidated financial statements of the Group.

NOTE - 1E - NEW ACCOUNTING STANDARDS NOT YET ADOPTED BY THE GROUP

1E.1 Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1st, 2020.

NOTE - 2 - PROPERTY, PLANT AND EQUIPMENT

SNO.	PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT		
		As at 1-4-2019	Additions	Disposals	As at 31-3-2020	As at 1-4-2019	For the year	Disposals	As at 31-3-2020	As at 31-3-2019
1	Freehold Land	6,447.13	-	-	6,447.13	-	-	-	6,447.13	6,447.13
2A	Factory Buildings	868.31	27.03	-	895.34	85.30	33.25	-	776.79	783.02
2B	Office Buildings	333.13	-	-	333.13	15.76	5.63	-	311.74	317.38
3	Plant and Equipment	4,642.05	575.40	0.48	5,216.97	1,290.31	479.16	0.16	3,447.66	3,351.74
4	Furniture and Fixtures	100.12	3.13	-	103.25	46.80	9.40	-	47.05	53.33
5	Vehicles	393.83	96.29	9.94	480.18	102.88	77.02	6.78	307.06	290.95
6	Office Equipment	86.09	13.93	-	100.02	32.85	13.07	-	54.10	53.24
	TOTAL	12,870.66	715.78	10.42	13,576.02	1,573.90	617.53	6.94	11,391.53	11,296.78
	Previous Year	11,928.26	1,099.89	157.47	12,870.66	1,072.32	557.95	56.38	11,296.78	10,855.95

Note:

1 Entire moveable and immovable Property, Plant and Equipment of the Company are mortgaged in favour of secured lenders against the sanctioned credits [Refer Note 17.1].

NOTE - 3 - CAPITAL WORK-IN-PROGRESS

SNO.	PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION			NET CARRYING AMOUNT		
		As at 1-4-2019	Additions	Disposals	As at 31-3-2020	As at 1-4-2019	For the year	Disposals	As at 31-3-2020	As at 31-3-2019
1	Capital Work-in-Progress	9.91	158.63	142.78	25.76	-	-	-	25.76	9.91
	TOTAL	9.91	158.63	142.78	25.76	-	-	-	25.76	9.91
	Previous Year	381.06	356.04	727.20	9.91	-	-	-	9.91	381.06

NOTE - 4 - INVESTMENT PROPERTY

SNO.	PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION/ IMPAIRMENT LOSS/ REVERSAL			NET CARRYING AMOUNT		
		As at 1-4-2019	Additions	Disposals	As at 31-3-2020	As at 1-4-2019	For the year	Disposals	As at 31-3-2020	As at 31-3-2019
1	Freehold Land	38.44	-	-	38.44	-	-	-	38.44	38.44
	<u>TOTAL</u>	38.44	-	-	38.44	-	-	-	38.44	38.44
	Previous Year	38.44	-	-	38.44	-	-	-	38.44	38.44

NOTE - 5 - INTANGIBLE ASSETS OTHER THAN GOODWILL

SNO.	PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION/ AMORTISATION			NET CARRYING AMOUNT		
		As at 1-4-2019	Additions	Disposals	As at 31-3-2020	As at 1-4-2019	For the year	Disposals	As at 31-3-2020	As at 31-3-2019
1	Computer Software - Acquired	25.59	5.97	-	31.56	17.00	2.11	-	19.11	8.59
	<u>TOTAL</u>	25.59	5.97	-	31.56	17.00	2.11	-	19.11	8.59
	Previous Year	18.99	6.60	-	25.59	14.69	2.31	-	17.00	4.28

NOTE - 6 - NON-CURRENT TRADE RECEIVABLES

[Unsecured, considered good]

[INR in Lakhs]

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured, considered good	-	-
Unsecured, considered good	4,165.58	3,836.02
Trade Receivables which have significant increase in Credit Risk	-	-
Less: Impairment for trade receivables	-	-
Trade Receivables - Credit Impaired	-	-
<u>TOTAL</u>	4,165.58	3,836.02

NOTE - 7 - NON-CURRENT LOANS

[Unsecured, considered good]

[₹ in Lakhs]

Particulars	As at 31st March, 2020	As at 31st March, 2019
Other Receivables	716.17	657.13
<u>TOTAL</u>	716.17	657.13

NOTE - 8 - OTHER NON-CURRENT ASSETS

[Unsecured, considered good]

[₹ in Lakhs]

Particulars	As at 31st March, 2020	As at 31st March, 2019
<u>Advances other than Capital Advances</u>		
Security Deposits	156.63	122.06
Taxes Paid Under Protest	187.35	190.76
Advance to Suppliers	2,642.73	2,424.87
<u>TOTAL</u>	2,986.71	2,737.69

NOTE - 9 - INVENTORIES

[Valued at lower of cost and net realizable value]

[₹ in Lakhs]

Particulars	As at 31st March, 2020	As at 31st March, 2019
Raw Materials	4,565.52	4,198.80
Work-In-Progress	75.21	90.68
Finished Goods	2,114.11	1,683.01
Stock-In-Trade	455.80	260.01
Stores and Spares	90.19	76.69
Packing Materials	43.85	62.35
<u>TOTAL</u>	7,344.68	6,371.54

Notes:

- i) Amount of inventories recognised as an expense have been disclosed in Notes 27, 28 and 29.
- ii) Entire inventories have been hypothecated as security with banks against working capital loans, refer Note-20 for details.

NOTE - 10 - CURRENT TRADE RECEIVABLES

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
Secured, considered good	-	-
Unsecured, considered good	4,421.08	6,155.77
Trade Receivables which have significant increase in Credit Risk	73.54	80.00
Less: Impairment for trade receivables	(73.54)	(80.00)
Trade Receivables - Credit Impaired	-	-
TOTAL	4,421.08	6,155.77

Notes:

- i) No trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Further, trade receivables due from enterprises over which Key managerial Persons are able to exercise significant influence amounts to Rs. 0.10 Lakhs and firms or private companies in which any director is a partner, a director or a member amounts to Rs. 0.01 Lakhs as at 31st March, 2020.
- ii) The provision for the impairment of trade receivable has been made on the basis of expected credit loss as per the judgment of the management.
- iii) Trade Receivables have been hypothecated with Banks against working capital loans, refer Note-22 for details.

NOTE - 11 - CASH AND CASH EQUIVALENTS

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
Balances with Banks in Current Accounts	0.72	3.01
Cheques, Drafts on Hand	-	10.00
Cash on Hand	29.61	15.70
TOTAL	30.33	28.71

NOTE - 12 - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
Fixed Deposits - Maturity more than 3 months and less than 12 months	881.74	810.47
TOTAL	881.74	810.47

Note: Fixed Deposits are held as margin money against the bank guarantee and letter of credit facilities sanctioned by the Banks.

NOTE - 13 - CURRENT LOANS

[Unsecured, considered good]

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
Security Deposits	-	-
Loans to related parties	0.21	-
Others	0.34	16.36
TOTAL	0.55	16.36

Notes:

- 1 No loans are due from directors or other officers of the Group either severally or jointly with any other person. Further, loan receivables due from firms or private companies in which any director is a partner, a director or a member amounts to Rs. 0.21 Lakhs as at 31st March, 2020.
- 2 None of the loan receivables have been considered as having significant increase in credit risk or are credit impaired.

NOTE - 14 - OTHER CURRENT ASSETS

[₹ in Lakhs]

Particulars		As at 31st March, 2020	As at 31st March, 2019
A.	Capital Advances	36.97	50.58
	(A)	36.97	50.58
B.	<u>Advances other than Capital Advances</u>		
	Security Deposits	-	-
	Taxes Paid Under Protest	438.60	429.04
	Advance to related parties	-	-
	Others		
	- Advance to Suppliers	112.73	72.25
	- Advance to Employees	25.51	22.63
	- Advance to Others	44.93	89.07
	(B)	621.77	612.99
C.	<u>Others</u>		
	Assets Held for Sale - Freehold Land	217.15	217.15
	Balances with Statutory Authorities	88.14	9.93
	Prepaid Expenses	50.60	52.53
	Insurance Claims Receivable	715.03	1,206.97
	Incentives Receivable from Government	430.02	430.02
	Incentives Receivable from Suppliers	138.54	-
	(C)	1,639.48	1,916.60
	TOTAL	2,298.22	2,580.17
	(A+B+C)		

Notes:

- No advances are due from directors or other officers of the Group either severally or jointly with any other person. Further, no advance is due from firms or private companies in which any director is a partner, a director or a member.
- Entire Incentives Receivable from Suppliers amounting to Rs. 138.54 Lakhs (Previous Year Rs. Nil) is due from a firm in which relative of director is a partner, as at 31st March, 2020.

NOTE - 15 - EQUITY SHARE CAPITAL
A. Authorised and Paid-up Share Capital

[₹ in Lakhs]

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
<u>AUTHORISED</u>				
Equity Shares of Rs.10/- each	3,00,00,000	3,000.00	3,00,00,000	3,000.00
<u>ISSUED, SUBSCRIBED AND FULLY PAID-UP</u>				
Equity Shares of Rs.10/- each	2,63,20,000	2,632.00	2,63,20,000	2,632.00
TOTAL	2,63,20,000	2,632.00	2,63,20,000	2,632.00

B. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

[₹ in Lakhs]

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	2,63,20,000	2,632.00	2,50,20,000	2,502.00
Shares issued during the year	-	-	13,00,000	130.00
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	2,63,20,000	2,632.00	2,63,20,000	2,632.00

C. Details of shares held by shareholders holding more than 5% of the aggregate shares in the parent company

Name of Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shri Sanjay Kumar Agrawal	38,96,474	14.80	38,96,474	14.80
Smt. Rashmi Devi Agrawal	33,77,592	12.83	33,77,592	12.83
Shree Padmavati Irrigations LLP	26,12,000	9.92	26,12,000	9.92

D. Rights, Preferences and restrictions attached to Equity Shares

The Parent Company has issued only one class of equity shares having face value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. 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 to their shareholding.

E. Allotment of Bonus Shares/Buy Back of shares

There are no shares allotted as fully paid up by way of bonus shares or allotted as fully paid up pursuant to contract without payment being received in cash, or bought back during the period of five years immediately preceding the reporting date. There are no securities which are convertible into equity shares.

NOTE - 16 - OTHER EQUITY

[₹ in Lakhs]

Particulars	As at 31st March, 2020	As at 31st March, 2019
Securities Premium	6,879.64	6,879.64
Retained Earnings	2,680.18	2,243.78
Exchange difference on translation of Financial Statements of foreign operations	2,613.54	1,990.93
Revaluation Surplus	6,427.35	6,427.35
Equity Component of Compound Financial Instruments	85.89	88.07
TOTAL	18,686.60	17,629.77

Notes :

- During the F.Y. 2018-19, the Parent Company had issued 13,00,000 Equity Shares of face value of Rs.10/- each as fully paid-up at a value of Rs.23.20 per share. The excess of aggregate consideration received over the face value of shares amounting to Rs.171.60 Lakhs was credited to securities premium. The amount of securities premium can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.
- Retained Earnings are the profits/losses that the Group has earned till date.
- The Parent Company has created Revaluation Surplus out of revaluation of lands carried out during the financial year 2016-17.
- Equity component of Compound Financial Instruments represents the difference between the proceeds of the borrowings made by the Parent Company from its promoters at low interest rate, and the fair value of the liability component.

NOTE - 17 - NON-CURRENT BORROWINGS

[₹ in Lakhs]

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-Current	Current	Non-Current	Current
Term Loans				
A. <u>Secured</u>				
From Banks	629.41	217.53	867.93	250.04
From Others	-	-	49.20	28.02
	(A)			
	629.41	217.53	917.13	278.06
B. <u>Unsecured</u>				
Loans and advances from related parties	57.24	-	97.71	-
	(B)			
	57.24	-	97.71	-
TOTAL	(A+B)			
	686.65	217.53	1,014.84	278.06

Notes:

(i) The Current portion of the Borrowings represent the principal amount of loan, which is repayable in next twelve months and has been classified under Note No. 22 ' Other Current Financial Liabilities' .

(ii) Refer Note 41 for information about liquidity risk.

Note - 17.1 - Nature of security, terms of repayment and details of guarantee given for Long Term Secured Borrowings

Sno.	Nature of Security	Terms of Repayment
1	<p>Term Loan of Rs.700 Lakhs from Punjab National Bank is secured on first and exclusive charge by way of Equitable Mortgage on Machineries and Hypothecation of all movable Machineries/ Implements/ Fixed Assets and Guarantees of Mr. Sanjay Kumar Agrawal, Mrs. Rashmidevi Agrawal, Shree Padmavati Irrigation LLP, Shree Balaji Industries and Shree Venkatesh Industries along with pari passu charge by way of Equitable Mortgage of Properties owned by Directors Mr. Sanjay Kumar Agrawal, Mrs. Rashmidevi Agrawal and M/s Shree Balaji Industries as collateral security.</p> <p>[Total Outstanding as on 31-03-2020 is Rs.512.56 Lakhs (Previous year Rs.630.98 Lakhs) out of which Rs.99.99 Lakhs (Previous year Rs.99.99 Lakhs) is taken to current maturities of long term debts]</p>	<p>Repayable in 84 equal monthly installments of Rs. 8.33 Lakhs with initial moratorium period of 5 months starting from April, 2018. Last installment due in March, 2025. Rate of interest 10.55% p.a. as at year end. (Previous Year 10.55% p.a.)</p>
2	<p>Term Loan of Rs.400 Lakhs from Central Bank of India, is secured by Pari Pasu charge on Plant & Machineries situated at Factory Premises Present & Future with SBI and Personal Guarantees of Directors Mr. Sanjay Kumar Agrawal, Mrs. Rashmidevi Agrawal, M/s Shree Balaji Industries, M/s. Shree Padmavati Irrigation LLP and M/s. Shree Venkatesh Industries along with First pari passu charge by way of Equitable Mortgage of Properties owned by Directors Mr. Sanjay Kumar Agrawal, Mrs. Rashmidevi Agrawal and M/s Shree Balaji Industries as collateral security.</p> <p>[Total Outstanding as on 31-03-2020 is Rs. 204.04 Lakhs (Previous year Rs.260.95 Lakhs) out of which Rs.56.32 Lakhs (Previous year Rs.51.31 Lakhs) is taken to current maturities of long term debts]</p>	<p>Repayable in 84 equal monthly installments starting from October, 2016. Last installment due in September, 2023. Rate of interest is 12.55% p.a. as at the year end. (Previous Year 12.55% p.a.)</p>

Sno.	Nature of Security	Terms of Repayment
3	<p>Vehicle Loan of Rs.9.68 Lakhs from HDFC Bank is secured by Hypothecation of Vehicle.</p> <p>[Total Outstanding Rs.1.50 Lakhs (Previous year Rs.4.89 Lakhs) out of which Rs.1.50 Lakhs (Previous year Rs.3.39 Lakhs) taken to current maturities of long term debts]</p>	<p>Repayable in 36 equal monthly installments starting from September, 2017. Last installment due in August, 2020. Rate of Interest is 8.76% p.a. as at year end.</p> <p>(Previous Year 8.76%)</p>
4	<p>Four Vehicle Loans aggregating to Rs.65.64 Lakhs from HDFC Bank are secured by Hypothecation of Vehicles.</p> <p>[Total Outstanding Rs.16.39 Lakhs (Previous year Rs. 32.88 Lakhs) out of which Rs.16.39 Lakhs (Previous year Rs.16.50 Lakhs) taken to current maturities of long term debts]</p>	<p>Repayable in 36 equal monthly installments starting from March 2018.Last installment due in February 2021. Rate of Interest is 8.51% p.a. as at year end.</p> <p>(Previous Year 8.51%)</p>
5	<p>Vehicle Loan of Rs. 77.65 Lakhs from HDFC Bank is secured by Hypothecation of Vehicle.</p> <p>[Total Outstanding Rs.55.32 Lakhs (Previous year Rs.69.09 Lakhs) out of which Rs.14.98 Lakhs (Previous year Rs.13.77 Lakhs) taken to current maturities of long term debts]</p>	<p>Repayable in 60 equal monthly installments starting from August 2018.Last installment due in July 2023. Rate of Interest is 8.50% p.a. as at year end.</p> <p>(Previous Year 8.50%)</p>
6	<p>Vehicle Loan of Rs.7.06 Lakhs from HDFC Bank is secured by Hypothecation of Vehicle.</p> <p>[Total Outstanding Rs. 5.70 Lakhs (Previous year Rs. Nil) out of which Rs.3.49 Lakhs (Previous year Rs. Nil) taken to current maturities of long term debts]</p>	<p>Repayable in 24 equal monthly installments starting from November, 2019. Last installment due in October,2021. Rate of Interest is 10.02% p.a. as at year end.</p> <p>(Previous Year Nil)</p>
7	<p>Four Vehicle Loans aggregating to Rs.61.98 Lakhs from HDFC Bank are secured by Hypothecation of Vehicles.</p> <p>[Total Outstanding Rs. 44.87 Lakhs (Previous year Rs. Nil) out of which Rs.20.43 Lakhs (Previous year Rs. Nil) taken to current maturities of long term debts]</p>	<p>Repayable in 36 equal monthly installments starting from May, 2019. Last installment due in April,2022. Rate of Interest is 9.51% p.a. as at year end.</p> <p>(Previous Year Nil).</p>
8	<p>Vehicle Loan of Rs.4.24 Lakhs from HDFC Bank is secured by Hypothecation of Vehicle.</p> <p>[Total Outstanding Rs. 3.82 Lakhs (Previous year Rs. Nil) out of which Rs.1.32 Lakhs (Previous year Rs. Nil) taken to current maturities of long term debts]</p>	<p>Repayable in 36 equal monthly installments starting from December, 2019. Last installment due in November,2022. Rate of Interest is 9.00% p.a. as at year end.</p> <p>(Previous Year Nil)</p>
9	<p>Vehicle Loan of Rs.9.76 Lakhs from HDFC Bank is secured by Hypothecation of Vehicle.</p> <p>[Total Outstanding Rs. 8.80 Lakhs (Previous year Rs. Nil) out of which Rs.3.05 Lakhs (Previous year Rs. Nil) taken to current maturities of long term debts]</p>	<p>Repayable in 36 equal monthly installments starting from December, 2019. Last installment due in November,2022. Rate of Interest is 9.00% p.a. as at year end.</p> <p>(Previous Year Nil)</p>

NOTE - 18 - DEFERRED TAX LIABILITIES [NET]

[₹ in Lakhs]

Particulars	As at 31st March, 2020	As at 31st March, 2019
<u>Deferred Tax Liabilities on account of taxable temporary differences:</u>		
At the beginning of the year	1,653.22	1,658.75
Charged / (Credited) to Statement of Profit and Loss	25.08	(5.53)
<u>TOTAL</u>	1,678.30	1,653.22

Component of Deferred Tax Liabilities/(Assets)

[₹ in Lakhs]

Particulars	As at 1st April, 2019	Charged/(Credit) to Statement of Profit and Loss	As at 31st March, 2020
<u>A. Deferred Tax Liabilities in relation to :</u>			
Property, Plant and Equipment (Other than Land) & Intangible Assets	338.50	11.63	350.13
Revaluation of Land	1,376.72	(3.42)	1,373.29
(A)	1,715.22	8.21	1,723.42
<u>B. Deferred Tax Assets in relation to :</u>			
Provision for Impairment of Trade Receivables	26.71	(6.25)	20.46
Gratuity Payable	35.29	(10.62)	24.67
(B)	62.00	(16.87)	45.13
<u>Deferred Tax Liabilities</u> (A-B)	1,653.22	25.08	1,678.30

NOTE - 19 - OTHER NON-CURRENT LIABILITIES

[₹ in Lakhs]

Particulars	As at 31st March, 2020	As at 31st March, 2019
A. Advances against Sale of Property	5.50	5.50
(A)	5.50	5.50
<u>B. Others</u>		
Long Term Deposits from Dealers	298.87	239.36
Long Term Deposits from Tenants	7.20	-
Gratuity Payable	88.67	105.70
(B)	394.74	345.06
<u>TOTAL</u> (A+B)	400.24	350.56

NOTE - 20 - SHORT-TERM BORROWINGS

[Loans Repayable on Demand, Secured]

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
From Banks		
Cash Credit Facilities	4,089.69	3,853.45
<u>TOTAL</u>	<u>4,089.69</u>	<u>3,853.45</u>

Note:

- (i) The Parent Company has borrowed Cash Credit loans from State Bank of India, Bank of Baroda, Punjab National Bank and Central Bank of India led by State Bank of India wherein, SBI Cash Credit Loan of 3052.88 Lakhs (Previous Year Rs. 3214.78 Lakhs), Bank of Baroda Cash Credit Loan of Rs. 620.13 Lakhs (Previous Year Rs. 295.10 Lakhs), Punjab National Bank Cash Credit Loan of Rs. 217.71 Lakhs (Previous Year 250.41 Lakhs) and Central Bank of India Cash Credit Loan of Rs. 198.97 Lakhs (Previous Year 93.15 Lakhs) are 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 parent company's 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 parent company and promoters, related entities and personal guarantees of Mr. Sanjay Kumar Agrawal, Mrs. Rashmidevi Agrawal, Shree Padmavati Irrigations LLP, Shree Balaji Industries and Shree Venkatesh Industries.

NOTE - 21 - CURRENT TRADE PAYABLES

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
Total Outstanding dues of Micro Enterprises and Small Enterprises	116.02	455.50
Total Outstanding dues of Others, including Acceptances	4,923.43	5,464.62
<u>TOTAL</u>	<u>5,039.45</u>	<u>5,920.12</u>

NOTE - 21.1 - Information to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006

The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Parent Company. The amount of principal and interest outstanding during the year is given below :

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
(a) Principal amount remaining unpaid to any supplier as at the end of accounting year	116.02	455.50
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(d) The amount of interest due and payable for the year	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

NOTE - 22 - OTHER CURRENT FINANCIAL LIABILITIES

Particulars	[₹ in Lakhs]	
	As at 31st March, 2020	As at 31st March, 2019
Current Maturities of Long-Term Debts	217.52	278.06
Interest accrued but not due on borrowings	0.60	1.94
<u>TOTAL</u>	<u>218.12</u>	<u>280.00</u>

NOTE - 23 - OTHER CURRENT LIABILITIES

[₹ in Lakhs]

Particulars		As at 31st March, 2020	As at 31st March, 2019
A. <u>Revenue Received in Advance</u>			
Advance from Customers		407.00	480.87
	(A)	407.00	480.87
B. <u>Others</u>			
Statutory Liabilities		255.09	466.16
Other Liabilities		78.36	118.91
	(B)	333.45	585.08
	<u>TOTAL</u>	740.45	1,065.94
	(A+B)		

NOTE - 24 - SHORT-TERM PROVISIONS

[₹ in Lakhs]

Particulars		As at 31st March, 2019	As at 31st March, 2018
Provision for Employee Benefits		132.19	149.87
	<u>TOTAL</u>	132.19	149.87

NOTE - 25 - REVENUE FROM OPERATIONS

[₹ in Lakhs]

Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
<u>Sale of Products</u>			
Manufactured Goods		30,862.55	29,031.33
Traded Goods		1,932.01	1,943.12
	<u>TOTAL</u>	32,794.56	30,974.45

NOTE - 26 - OTHER INCOME

[₹ in Lakhs]

Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
A. Interest Income		87.59	100.38
B. <u>Other Non-Operating Income</u>			
Miscellaneous Receipts		14.03	30.62
	<u>TOTAL</u>	101.62	131.00

Note : Interest Income includes impact of financial instruments.

NOTE - 27 - COST OF MATERIALS CONSUMED

[₹ in Lakhs]

Particulars		Year ended 31st March, 2020	Year ended 31st March, 2019
Raw Materials Consumed		23,353.28	22,058.13
Packing Materials Consumed		274.15	269.66
	<u>TOTAL</u>	23,627.43	22,327.79

NOTE - 28 - PURCHASES OF STOCK-IN-TRADE

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Pipes & Fittings	1,699.96	1,346.62
Others	344.46	429.07
<u>TOTAL</u>	<u>2,044.42</u>	<u>1,775.69</u>

NOTE - 29 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
A. <u>Inventories at the beginning of the year</u>		
Finished Goods	1,683.01	1,634.71
Work-In-Progress	90.68	93.53
Stock-In-Trade	260.01	181.01
(A)	<u>2,033.70</u>	<u>1,909.25</u>
B. <u>Inventories at the end of the year</u>		
Finished Goods	2,114.11	1,683.01
Work-In-Progress	75.21	90.68
Stock-In-Trade	455.80	260.01
(B)	<u>2,645.12</u>	<u>2,033.70</u>
<u>CHANGES IN INVENTORIES</u> (A-B)	<u>(611.42)</u>	<u>(124.45)</u>

NOTE - 30 - EMPLOYEE BENEFITS EXPENSES

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Directors' Remuneration	113.60	86.23
Salary, Wages, Bonus & Gratuity	1,274.37	1,336.53
Contributions toward Provident Fund	53.99	59.19
Contribution towards ESIC	22.75	36.15
Employee Welfare and Other Benefits	46.48	19.90
<u>TOTAL</u>	<u>1,511.19</u>	<u>1,538.00</u>

NOTE - 31- FINANCE COSTS

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Interest Expenses	561.50	532.05
Letter of Credit Charges	392.03	368.91
Loan Processing and Incidental Expenses	55.76	61.24
Bank Guarantee Commission	42.88	7.62
<u>TOTAL</u>	<u>1,052.17</u>	<u>969.81</u>

NOTE - 32 - OTHER EXPENSES

[₹ in Lakhs]

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
A. <u>Manufacturing and Operating Expenses</u>		
Power & Fuel	1,144.52	1,001.69
Stores & Spares Consumed	124.92	154.19
Repairs to Plant & Machineries	64.93	83.25
Other Manufacturing Expenses	284.59	352.42
(A)	1,618.96	1,591.56
B. <u>Administrative Expenses</u>		
Lease Rent Expenses [Refer Note 1B.5.2]	102.75	95.96
Rent Expenses	52.11	43.61
Stationery & Printing	24.85	26.18
Postage and Courier Expenses	1.89	3.28
Electricity Expenses	1.04	1.44
Vehicle Running and Maintenance	14.86	34.41
Travelling & Conveyance Expenses	119.62	107.82
Telephone, Mobile and Internet Expenses	8.22	9.13
Directors Sitting Fees	3.40	4.30
Auditors' Remuneration		
- Statutory Audit	8.00	8.00
- Tax Audit	2.00	2.00
- GST Audit	1.00	-
- Cost Audit	1.61	-
Insurance	35.52	18.16
Repairs and Maintenance		
- Factory Building	25.98	34.79
- Office Building	4.92	29.67
- Others	1.21	1.98
Legal & Professional Expenses	43.30	71.84
Software Programme & License Fees	12.81	28.06
License Renewal Fees	10.52	12.25
Guest Accommodation Charges	3.55	4.39
Professional Tax	0.08	0.05
Commercial & Property Taxes	18.16	26.10
Charity & Donation	6.39	1.67
Prior Period Expenses	0.75	6.15
Loss on Sale of Assets	2.34	2.66
Foreign Currency Fluctuation Loss	2.07	12.51
Health & Education Cess	5.84	3.55
Office & Miscellaneous Expenses	30.17	31.39
(B)	544.96	621.35
C. <u>Selling, Distribution & Other Expenses</u>		
Advertisement, Publicity & Sales Promotion	157.30	152.68
Commission on Sales	58.75	83.47
Freight, Cartage Outward & Other Selling Expenses (Net)	1,252.08	815.43
Selfit & Installation Charges	31.29	(11.80)
Dealers Conference Expenses	-	77.24
Discount & Other Expenses	243.17	384.01
Bad Debts	81.46	1.96
Provision for Impairment of Debtors(reversed)/charged	(6.46)	40.00
(C)	1,817.59	1,542.99
TOTAL	3,981.51	3,755.90

NOTE - 32.1 - BREAK UP OF AUDIT FEES

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
(a) Auditors' Remuneration		
- Statutory Audit Fees	8.00	8.00
- Tax Audit Fees	2.00	2.00
- GST Audit Fees	1.00	-
(b) Certification and Consultation Fees	-	-
<u>TOTAL</u>	11.00	10.00

NOTE - 33 - EXCEPTIONAL ITEMS

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Net (Loss)/Gain on Insurance Claim (under Re-instatement Policy)	(93.64)	60.58
<u>TOTAL</u>	(93.64)	60.58

NOTE - 34 - OTHER COMPREHENSIVE INCOME

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
A. <u>Items that will not be reclassified into profit or loss :</u>		
(i) Change in Revaluation surplus	-	-
(ii) Remeasurement of defined benefit plans	44.30	(0.30)
(iii) Equity Instrument of the defined benefit plans	-	-
(iv) Fair Value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss	-	-
(v) Share of other comprehensive Income in Associate and Joint Ventures, to the extent not to be classified into profit or loss	-	-
(vi) Others	-	-
(A)	44.30	(0.30)
B. <u>Items that will be reclassified to profit or loss :</u>		
(i) Exchange differences in translating the financial statements of foreign operation	622.61	416.16
(ii) Debt instruments through other comprehensive Income	-	-
(iii) The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
(iv) Share of other comprehensive Income in Associate and Joint Ventures, to the extent not to be classified into profit or loss	-	-
(v) Others	-	-
(B)	622.61	416.16
<u>TOTAL</u> (A+B)	666.91	415.86

NOTE - 35 - EARNINGS PER EQUITY SHARE

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	394.41	297.34
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	263.20	250.38
Weighted Average Potential Equity Shares	-	-
Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	263.20	250.38
Basic Earning Per Share [₹]	1.50	1.19
Diluted Earning Per Share [₹]	1.50	1.19
Face Value Per Equity Share [₹]	10.00	10.00

NOTE - 36 - THE RECONCILIATION OF TAX EXPENSES AND THE ACCOUNTING PROFIT

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Profit before Tax	577.60	363.03
Effect of Ind AS Adjustments	18.43	(16.73)
Adjusted Profit before Tax	596.03	346.30
Applicable Tax Rate	27.820%	33.384%
Computed Tax Expense	165.82	115.61
Tax Effect of:		
Exempted Income	-	(23.85)
Expenses Disallowed	(17.06)	(15.15)
Capital Gains	-	-
Uncertain tax positions	11.25	1.18
Current Tax Provision	160.00	77.79
Effective Tax Rate	27.701%	21.427%

NOTE - 37 - CONTINGENT LIABILITIES & COMMITMENTS

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
A. <u>Contingent Liabilities</u>		
Disputed Income-Tax Demand	1,372.90	1,257.95
Disputed Excise Duty, VAT, CST & Entry Tax Demands	824.47	858.62
Guarantee Given by the Company's Banker in the normal course of business	667.48	298.77
Outstanding Letter of Credit against purchase of goods	560.48	352.30
Factoring Services provided by Private Parties/NBFCs	33.40	998.16
Other Disputes	-	-
	3,458.73	3,765.79
B. <u>Commitments</u>		
Capital Contracts remaining to be executed	426.54	366.77
	426.54	366.77

Notes:

- (i) It is not practicable for the Parent Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- (ii) The Parent Company does not expect any reimbursements in respect of the above contingent liabilities.
- (iii) Future cash outflows in respect of the above matters are determined only on receipt of judgments / decisions pending before
- (iv) The Parent Company's pending litigations comprise of claims against the Company pertaining to proceedings pending with Excise, Income Tax, Sales/ VAT tax and Entry Tax authorities. The Parent Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Parent Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements
- (v) Amount in relation with factoring services is on account of Vendor Finance Facility obtained by the Parent Company from Centrum Financial Services Limited in respect of supplies made by the Parent Company to Larsen and Toubro. If, the payments, in future, are not made by Larsen and Toubro to Centrum Financial Services Limited, the same is liable to be paid by the Parent Company.

NOTE - 38 - DISCLOSURES AS PER IND AS 19 "EMPLOYEE BENEFITS"

 (i) **Defined Contribution Plan**

 (a) Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

Particulars	[₹ in Lakhs]	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Employer's Contribution to Provident Fund	53.99	59.19
Employer's Contribution to ESIC Fund	22.75	36.15

 (ii) **Defined Benefit Plan**

 (a) Reconciliation of opening and closing balances of Defined Benefit Obligation

Particulars	[₹ in Lakhs]	
	Gratuity (Funded)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Defined Benefit Obligation at beginning of the year	185.17	148.46
Current Service Cost	25.15	30.12
Interest Cost	12.59	11.43
Past Servicer Cost (Vested benefits)	-	-
Benefits paid	(3.11)	(3.56)
Actuarial (Gain)/Loss	(45.54)	(1.29)
Defined Benefit Obligation at year end	174.27	185.17

 (b) Reconciliation of Opening and Closing balances of fair value of Plan Assets

Particulars	[₹ in Lakhs]	
	Gratuity (Funded)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Fair value of Plan Assets at beginning of year	79.47	54.65
Expected Return on Plan Assets	5.47	4.96
Actuarial Gain/(Loss)	(1.23)	(1.59)
Employer Contribution	5.00	25.00
Benefits Paid	(3.11)	(3.56)
Fair value of Plan Assets at year end	85.60	79.47

 (c) Reconciliation of Fair Value of Assets and Obligations

Particulars	[₹ in Lakhs]	
	Gratuity (Funded)	
	As at 31st March, 2020	As at 31st March, 2019
Fair value of Plan Assets	85.60	79.47
Present Value of Obligation	174.27	185.17
Amount recognised in Balance Sheet (Surplus/(Deficit))	(88.68)	(105.70)

 (d) Expenses recognised during the year

Particulars	[₹ in Lakhs]	
	Gratuity (Funded)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
A. In Income Statement		
Current Service Cost	25.15	30.12
Interest Cost	12.59	11.43
Past Service Cost	-	-
Return on Plan Assets	(5.47)	(4.96)
Net Cost	32.27	36.59
B. In Other Comprehensive Income		
Actuarial (Gain)/Loss	(44.30)	0.30
Return on Plan Assets	-	-
Net (Income)/Expenses for the period recognised in OCI	(44.30)	0.30

Actuarial Assumptions	Gratuity (Funded)	
	As at 31st March 2020	As at 31st March 2019
Mortality Table (ALM)		
Discount Rate (Per Annum)	6.80%	7.70%
Rate of Escalation in Salary (Per Annum)	7.00%	7.00%

Notes:

1. The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflations, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

2. The expected contribution for Defined Benefit Plan for the next financial year will be in line with F.Y. 2019-20.

3. The Parent company makes provident fund (PF) contributions to defined contribution benefit plans for eligible employees. Under the scheme the Parent Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions specified under the law are paid to the government authorities (PF commissioner).

4. Amount towards Defined Contribution Plan have been recognized under "Contribution to Provident and Other funds" in Note 32.

5. Defined Benefit Plan:

The Parent Company has defined benefit plans for gratuity to eligible employees, contributions for which are made to Life Insurance Corporation of India, who invests the funds as per IRDA guidelines. The details of these defined benefit plans recognized in the financial statements are as under:

General Description of the Plan:

The Parent Company operates a defined benefit plan (the Gratuity Plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees salary and the tenure of employment.

The defined benefit plans typically expose the Parent Company to various risk such as :

(a) Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create plan deficit.

(b) Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the plan assets.

(c) Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(d) Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

NOTE - 39 - DETAILS OF LOAN GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN

The Details of Corporate Guarantees/Loans given by the Group in respect of loans as at 31st March, 2020 is as under :

					[₹ in Lakhs]
Sr. No.	Particulars	Name of the Entity	Relation	Purpose	Amount
1	Loan Given [Unsecured]	M/s. CK Oils Private Limited	Relatives of Directors are Directors	Business Purpose	0.21
2	Loan Given [Unsecured]	M/s. Brij Ventures	-	Business Purpose	0.34

NOTE - 40 - RELATED PARTY DISCLOSURES

(i) List of Related Parties

Sr. No.	Relationship	Name of the Party
1	Key Managerial Personnel [KMP]	1. Mr. Sanjay Kumar Agrawal (Managing Director) 2. Mrs. Rashmidevi Agrawal (Director) 3. Mr. Mohit Agrawal (Chief Executive Officer) 4. Mr. Vijay Prasad Pappu (Whole Time Director cum Chief Financial Officer)
2	Enterprises over which Key Managerial Personnel are able to exercise significant influence.	1. Shree Venkatesh Industries 2. Shree Padmavati Irrigations LLP
3	Relatives of Directors are Directors/ Partners in Concern	1. C.P Industrial Products Private Limited 2. Narendra CotFibre Industries Private Limited 3. Deeya Agrotech Private Limited 4. Rahul Agritech Private Limited 5. CK Cotspin Private Limited 6. CK Oils Private Limited 7. Nimar Diagnostic Services Private Limited 8. Shree Vasudeo Industries 9. Shree Krishna Commercial Co. 10. Narendra International LLP

(ii) Related Party Transactions

(₹ in Lakhs)

Related Party Transaction Summary	Enterprises over which KMP are able to exercise significant influence		Relatives of Directors are Directors/ Partners in Concern		Key Managerial Persons	
	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2019
1 Purchase of Goods						
-Shree Vasudeo Industries	-	-	2,493.33	2,516.61	-	-
Total	-	-	2,493.33	2,516.61	-	-
2 Sale of Finished goods						
-Shree Vasudeo Industries	-	-	-	31.16	-	-
Total	-	-	-	31.16	-	-
3 Logistic Income						
-Shree Vasudeo Industries	-	-	4.08	4.92	-	-
Total	-	-	4.08	4.92	-	-
4 Turnover Discount Received						
-Shree Vasudeo Industries	-	-	261.77	201.33	-	-
Total	-	-	261.77	201.33	-	-
5 Rent Paid						
-Mr. Sanjay Kumar Agrawal	-	-	-	-	68.87	59.67
-Mrs. Rashmidevi Agrawal	-	-	-	-	63.59	58.37
Total	-	-	-	-	132.47	118.04
6 Rent Received						
-Mr. Sanjay Kumar Agrawal	-	-	-	-	-	-
-Shree Padmavati Irrigations LLP	0.24	0.24	-	-	-	-
Total	0.24	0.24	-	-	-	-
7 Remuneration						
- Mr. Sanjay Kumar Agrawal	-	-	-	-	72.00	57.00
- Mrs. Rashmidevi Agrawal	-	-	-	-	30.00	17.50
- Mr. Vijay Prasad Pappu	-	-	-	-	11.60	11.73
- Mr. Mohit Agrawal	-	-	-	-	15.60	11.70
Total	-	-	-	-	129.20	97.93
8 Unsecured Loan Taken						
- Mr. Sanjay Kumar Agrawal	-	-	-	-	0.25	85.37
- Mrs. Rashmidevi Agrawal	-	-	-	-	6.42	112.63
- Shree Padmavati Irrigations LLP	2.48	9.19	-	-	-	-
Total	2.48	9.19	-	-	6.66	197.99
9 Unsecured Loan Repaid						
- Mr. Sanjay Kumar Agrawal	-	-	-	-	13.30	74.49
- Mrs. Rashmidevi Agrawal	-	-	-	-	38.63	60.00
- Shree Padmavati Irrigations LLP	-	5.30	-	-	-	-
Total	-	5.30	-	-	51.93	134.49
10 Loan and Advances Given						
-C K Oils Private Limited	-	-	700.21	-	-	-
-C. K Cotspin Pvt. Ltd, Burhanpur	-	-	52.59	-	-	-
-N.R Fibres	-	-	207.86	-	-	-
-Shree Krishna Commercial Co	-	-	-	-	-	-
-Rahul Agri Tech Pvt. Ltd.,Burhanpur	-	-	-	-	-	-
-Deeya Agrotech Private Limited	-	-	-	-	-	-
Total	-	-	960.66	-	-	-
11 Loan and Advances Received Back						
-C K Oils Private Limited	-	-	700.00	-	-	-
-C. K Cotspin Pvt. Ltd, Burhanpur	-	-	52.59	-	-	-
-N.R Fibres	-	-	207.86	-	-	-
-Shree Krishna Commercial Co	-	-	-	50.00	-	-
-Rahul Agri Tech Pvt. Ltd.,Burhanpur	-	-	-	21.46	-	-
-Deeya Agrotech Private Limited	-	-	-	4.18	-	-
Total	-	-	960.45	75.64	-	-

(iii) Balances as at 31st March, 2020

[₹ in Lakhs]

Outstanding Balances	Enterprises over which KMP are able to exercise significant influence		Relatives of Directors are Directors/ Partners in Concern		Key Managerial Persons	
	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2020	As at 31st March, 2019
1 Receivables						
- Shree Padmavati Irrigations LLP	-	-	-	-	-	-
- Shree Vasudeo Industries	-	-	0.01	-	-	-
Total	-	-	0.01	-	-	-
2 Trade and Other Payables						
- Shree Vasudeo Industries	-	-	-	5.91	-	-
- Shree Padmavati Irrigations LLP	0.10	0.18	-	-	-	-
- Mr. Sanjay Kumar Agrawal	-	-	-	-	-	4.16
- Mrs. Rashmidevi Agrawal	-	-	-	-	14.94	0.89
- Mr. Mohit Agrawal	-	-	-	-	-	0.44
- Mr. Vijay Prasad Pappu	-	-	-	-	0.71	0.98
Total	0.10	0.18	-	5.91	15.65	6.47
3 Unsecured Loans						
- Mr. Sanjay Kumar Agrawal	-	-	-	-	1.31	14.37
- Mrs. Rashmidevi Agrawal	-	-	-	-	31.42	63.63
- Shree Padmavati Irrigation LLP	25.37	22.89	-	-	-	-
Total	25.37	22.89	-	-	32.73	77.99
4 Loans and Advances Given						
-C K Oils Private Limited	-	-	0.21	-	-	-
-Shree Krishna Commercial Co	-	-	-	-	-	-
-Rahul Agri Tech Pvt. Ltd.,Burhanpur	-	-	-	-	-	-
-Deeya Agrotech Private Limited	-	-	-	-	-	-
-Tapti Pipes and Products Limited FZE	-	-	-	-	-	-
Total	-	-	0.21	-	-	-
5 Incentives receivables from Suppliers						
- Shree Vasudeo Industries	-	-	138.54	-	-	-
Total	-	-	138.54	-	-	-

Notes :

- (i) Balance outstanding at the end of the year/ previous years are stated without considering impact of fair valuation carried out as per Indian Accounting Standards.
- (ii) Compensation to Key Management Personnel was Rs. 129.20 Lakhs [Previous Year Rs. Rs. 97.93 Lakhs]

NOTE - 41 - OTHER NOTES

[1] Preferential Allotment

During the financial year 2018-19, the Parent Company has, on a preferential basis, issued 13,00,000 (Thirteen Lakhs) equity shares of face value of Rs. 10 each, fully paid up at a price of Rs. 23.20 per share, aggregating to Rs. 301.60 Lakhs to Shree Padmavati Irrigation LLP, a promoter group entity on March 27, 2019, in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

[2] Disclosure on Financial Instruments

(a) All the financial instruments are initially recognized and subsequently re-measured at fair value as described below:

(i) The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.

(ii) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date. Fair Value measurement hierarchy:

Particulars		As at 31st March, 2020		As at 31st March, 2019	
		Carrying Value	Fair Value	Carrying Value	Fair Value
[₹ in Lakhs]					
A.	<u>Financial Assets</u>				
I	<u>At Amortized Cost</u>				
(i)	Trade Receivables	8,586.66	8,586.66	9,991.79	9,991.79
(ii)	Cash & Cash Equivalents including Other Bank Balances	912.07	912.07	839.18	839.18
(iii)	Loans	716.72	716.72	673.49	673.49
II	<u>At FVTPL</u>	-	-	-	-
III	<u>At FVTOCI</u>	-	-	-	-
Particulars		As at 31st March, 2020		As at 31st March, 2019	
		Carrying Value	Fair Value	Carrying Value	Fair Value
B.	<u>Financial Liabilities</u>				
(i)	Borrowings	4,776.34	4,776.34	4,868.28	4,868.28
(ii)	Trade Payables	5,039.45	5,039.45	5,920.12	5,920.12
(iii)	Other Financial Liabilities	218.12	218.12	280.00	280.00

(b) Interest Rate Risk

Interest rate risk is the risk that the future cash flow with respect to interest payments on borrowing will fluctuate because of change in market interest rates. The Parent Company's exposure to the risk of changes in market interest rates relates primarily to the long-term debt obligation of the Group with floating interest rates.

(c) Interest Rate Sensitivity

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Group's cash flows as well as costs.

The Group is subject to variable interest rates on some of its interest bearing liabilities. The interest rate exposure of the Group is mainly related to debt obligations. The Group also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

As at March 31, 2020, financial liability of Rs. 4089.69 lakhs was subject to variable interest rates. Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in decrease/increase in profit/(loss) before tax of Rs. 4.81 Lakhs for the year ended March 31, 2020.

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(Note: The impact is indicated on the profit/(loss) before tax basis).

(d) Commodity Price Risk

Commodity price risk arises due to fluctuation in prices of raw material. The Group has a risk management frame work aimed at prudently managing the risk arising from the volatility in raw material prices and freight costs. The Group's commodity risk is managed centrally through well-established trading operations and control processes. In accordance with the risk management policy, the Company carefully calibrates the timing and the quantity of purchase

(e) Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the company. Credit risk arises mainly from the outstanding receivables from customers. The Group has a prudent and conservative process for managing its credit risk arising in the course of its business activities. The credit ratings/market standing of the customers are evaluated on a regular basis.

(f) Liquidity Risk

Liquidity risk arises from the Group's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient stock of cash and marketable securities . The Group maintains adequate cash and cash equivalents along with the need based credit limits to meet the liquidity needs.

(g) Hedge Accounting

The Group has established risk management policies to hedge the volatility arising from exchange rate fluctuations in respect of firm commitments and highly probable forecast transactions, through foreign exchange forward and options contracts. The proportion of forecast transactions that are to be hedged is decided based on the size of the forecast transaction and market conditions. As the counterparty for such transactions are highly rated banks, the risk of their non-performance is considered to be insignificant.

The Group uses derivatives to hedge its exposure to changes in movement in foreign currency. Where such derivatives are not designated under hedge accounting, changes in the fair value of such hedges are recognised in the Statement of Profit and Loss.

The Group may also designate certain hedges, usually for large transactions, as a cash flow hedge under hedge accounting, with the objective of shielding the exposure from variability in cash flows. The currency, amount and tenure of such hedges are generally matched to the underlying transaction(s). Changes in the fair value of the effective portion of cash flow hedges are recognised as cash flow hedging reserve in Other Comprehensive Income. While the probability of such hedges becoming ineffective is very low, the ineffective portion, if any, is immediately recognised in the Statement of Profit and Loss.

For Anil Kamal Garg & Company

Chartered Accountants
ICAI Firm Registration No. 004186C

For and on the behalf of the Board

Devendra Bansal

Partner
Membership No. 078057

Sanjay Kumar Agrawal

Managing Director

Vijay Prasad Pappu

Whole Time Director cum CFO

Place : Indore

Date : July 24th, 2020

UDIN: 20078057AAAAAU7666

Mohit Agrawal

Chief Executive Officer

Place : Burhanpur

Date : July 24th, 2020

Ajay Shrivastava

Company Secretary

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)

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Lakhs)

Name of Subsidiary	Tapti Pipes and Products Limited FZE (Note (i) &(ii))
Reporting period	2019-20
Share capital	6621.49
Reserves & surplus	(41.45)
Total assets	7524.94
Total Liabilities	944.90
Investments	-
Turnover	-
Profit before taxation	(9.19)
Provision for taxation	-
Profit after taxation	(9.19)
Proposed Dividend	-
% of shareholding	100%

Note:

- i) Converted into Indian Rupees at the Exchange rate USD 1 = 75.39 INR.
- ii) The financial statements have been audited by a firm of Chartered Accountants other than Anil Kamal Garg & Company.

Part “B”: Associates and Joint Ventures

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

(Amt in Lakh)

Name of Jointly Controlled Entity	NIL
1. Latest audited Balance Sheet Date	31.03.2020
2. Shares of Jointly Controlled Entity held by the company on the year end	Not Applicable
Number	Not Applicable
Amount of Investment in Jointly Control Entity	Not Applicable
Extend of Holding %	Not Applicable
3. Description of how there is significant influence	Not Applicable
4. Reason why the Jointly Controlled Entity is not consolidated	Not Applicable
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	Not Applicable
6. Profit / Loss for the year	Not Applicable
i. Considered in Consolidation	Not Applicable
i. Not Considered in Consolidation	Not Applicable

Note

1.M/S. Mangal Murti Minerals ceased to be associated partner w.e.f. 01.09.2018

**For: Anil Kamal Garg
Firm Reg No 004186C
Chartered Accountants**

For Texmo Pipes and Products Limited

**Devendra Bansal
Partner
Membership No 078057**

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

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

**Mohit Agrawal
Chief Executive Officer**

**Ajay Shrivastava
Company Secretary**

Date: 24 July 2020

Place: Burhanpur



WIDE RANGE OF PIPES & FITTINGS

C.P.V.C. Pipes & Fittings

U.P.V.C. Pipes & Fittings

SWR Pipes & Fittings

Solvent Cement

TEXMO PIPES AND PRODUCTS LIMITED

Regd. Off. : 98, Bahadarpur Road, BURHANPUR - 450 331 (M.P.)

Tel. : 255122, 252353, 251210, 253833 Fax : (91) 7325-253273